

Net profit up 32.7% to €125 million

EBRO PULEVA CLOSSES THE FIRST NINE MONTHS OF THE YEAR WITH RECORD TURNOVER AND PROFITS

- **Turnover totalled €1,710 million in the first nine months of 2005, up 28.5% year on year**
- **EBITDA rose 19.5% to €205 million**
- **EBIT grew by 12.7%, at €149 million**
- **Through the divestment policy and the generation of operating income, Ebro Puleva has reduced its debt by €92 million in the third quarter**
- **The results of these nine months reflect the Group's timely decision to grow in strategic businesses, in view of the deterioration of results in our Sugar Division owing to the expectation of adverse effects of the sugar CMO Reform**
- **For the full year of 2005, Ebro Puleva forecasts an increase of more than 28% in turnover and a net profit growth of over 21% to €154 million**

Madrid, 27 October 2005. Ebro Puleva, leading group in the Spanish food sector, closes the first nine months of the year with record turnover and profits. It posts a net profit of €125 million, a 32.7% year-on-year growth, with which the net profit accumulated up to this third quarter is similar to that obtained in the whole of 2004. The net turnover increased by 28.5% to €1,710 million, largely boosted by the contributions of Riviana and Panzani.

The operating incomes also rose sharply in the first nine months of 2005. The EBITDA, or Gross Operating Profit, grew by 19.5% year on year to €205 million, while the EBIT, or Net Operating Profit, was up 12.7% to €149 million.

Despite the heavy investments made to purchase Riviana and Panzani, the consolidated net debt was reduced by €92 million between June and September 2005, bringing it down to €993 million. This was achieved through the combined action of divestments in non-strategic assets and businesses and the generation of operating income. Considering the sums receivable up to the end of the year, Ebro Puleva is confident that its debt will be further reduced by year-end.

Results of the different divisions

Sugar

The results of the Sugar Division were marked once again this quarter by the instability prevailing throughout the European sugar sector. Both the announcements of the sugar CMO reform and the excess stock arriving from the Eastern European countries have affected both volumes and prices. Sales fell 12.5%, while EBITDA plummeted 20.5%.

Rice

Although this quarter has been especially tough due to the erratic behaviour of the raw material, the Rice Division has kept up an outstanding performance, increasing its turnover by 43.6% and its EBITDA by 58%. The strong position of our brands, prominent leaders in the USA, Portugal, Spain, Morocco, France, UK, Germany, Belgium, Denmark, Austria, Hungary and Finland, has enabled us to maintain a healthy growth and high yield. We have also launched into the rice business in Thailand, the Czech Republic and Poland.

Dairy

The progress of the Dairy Division has been highly satisfactory this quarter. Sales grew by 5.7% and EBITDA rose 17.7%.

Both the resolution to cease dairy production at the Jerez plant and subsequently convert it into a pre-cooked rice plant and the resolution to sell the Arteixo factory and the Leyma brand will bring major savings, with which we predict an excellent 2006.

Pasta

The development of this business has come up to our expectations, despite the adverse consumption scenario in France, where prices have nosedived and consumption has slowed down. Since it was incorporated in the Group five months ago, this Division has accumulated a turnover of €184 million and EBITDA of €24 million.

Positive evolution in line with the strategic policy

The positive evolution of results over the first nine months of 2005 reflect Ebro Puleva's decision to grow in strategic businesses and increase its efforts in products with a greater value added. The investments in Panzani, Riviana and the other acquisitions have eased the deterioration of results in our Sugar Division, caused by the expectation concerning the adverse effects of the CMO Reform and will enable us to maintain a satisfactory evolution throughout 2005. They have, therefore, proved timely, logical and successful.

Projections at 31 December 2005

Ebro Puleva expects to reach a turnover of €2,373 million by 31 December 2005, 28.7% up on 2004. According to its estimates, its EBITDA will be €294 million, 15.6% more than last year and EBIT will be over €206 million, up 9.5% on 2004. Ebro Puleva forecasts a growth of over 28% in operating profit, to €265 million, and a net profit of over €153 million in 2005, up more than 21%.

PRESS RELEASE



Ebro Puleva (www.ebropuleva.com) is the leading food group in Spain in terms of turnover, profits, market capitalisation and international presence. Ebro Puleva is world leader in the rice sector, the leading sugar group in Spain, No. 1 in the sale of dairy products in Spain and No. 2 in the European pasta sector. It has leading brands in all these sectors, including: Puleva®, Ram® and El Castillo® in the dairy sector; Azucarera® and Sucran® in the sugar sector; Brillante®, Nomen®, La Cigala®, La Fallera®, Oryza®, Bosto®, Reis-Fit®, Riceland®, Danrice®, Risella®, Mahatma®, Sucess®, Carolina®, Lustucru® and Taureau Ailé® in the rice sector; Pozuelo®, Kern® and Ducal® in biscuits, cookies, sauces and fruit juices in Central America; and Panzani® in pasta.

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