1Q10

1Q10 Results Presentation

Crisis? What Crisis?

Ebro Puleva Grupo

CONTENTS

1 INTRODUCTION

A Different Company

- The first quarter results confirms the growth trend we have followed over the past 9 quarters.
- Group turnover is slightly down due to the raw materials price adjustment. In volume, we continue to grow.
- Despite the increased investment in advertising to strengthen our brands, our margins and absolute yield have improved thanks to the success of new products, cost-cutting measures and synergies.
- In March, the Boards of Directors of Ebro Puleva and Lactalis reached an agreement to sell the our Dairy Business for 630 MEUR. Market analyst consensus valued the division at 505 MEUR.
- The first quarter closed with a net debt of 546 MEUR. The divestment of the dairy business, once approved by the European antitrust authorities, will almost wipe out the debt, which will be crucial for Ebro Puleva to embark on a new development phase. The main aim now will be to consolidate the group as a major global actor in the Meal Solutions segment by offering a broad range of products based on the concepts of health, pleasure and convenience.

2 BUSINESS UNITS: 1Q10 RESULTS

2.1 Rice

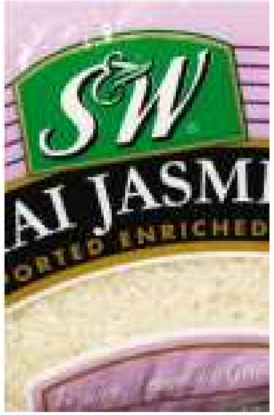
RICE

Improving Productivity

- As we mentioned at our last meeting, now that the world rice markets have absorbed the strong demand from the Philippines (state purchases of over 2,000,000 tonnes in November-December), pressure on raw material prices has eased and price adjustments have been made in almost all varieties.
- We do not rule out the possibility of slightly higher prices towards the end of the year, owing to the drought in south-east Asia.
- During the first quarter of the year, the availability of local raw material enabled our European and American subsidiaries to cut down their international purchases, improving our plant productivity.
- These results include temporary additional costs incurred in starting up the new Memphis plant during the quarter while the old plants at Houston and Memphis are still in operation. The factory is now producing the entire capacity of Minute Rice, which was sub-contracted up to December.
- The North American subsidiary has increased its market share by 80 b.p. to 21.8%, coinciding with a 170 b.p. decline in private brands.

Memphis Plant comes into Operation

- First quarter turnover dropped 12%, mainly due to the lowering of raw material prices. In volume we observed a growth of around 2% and timid signs of private labels losing ground.
- EBITDA remained practically unchanged (-1.4%), raising yield to 14.4%. The currency effect on EBITDA is negligible.
- The Division ROCE is now over 20%.



Thous EUR	1Q08	1Q09	1Q10	10/09	CAGR 10/08
Sales	197,974	224,841	197,790	-12.0%	0.0%
Advertising	*6,757*	*8,195*	*8,028*	-2.0%	9.0%
EBITDA	24,986	28,897	28,506	-1.4%	6.8%
EBITDA margin	*12.6%*	*12.9%*	*14.4%*	12.1%	6.9%
EBIT	19,771	23,544	22,765	-3.3%	7.3%
Operating Profit	19,607	22,023	24,136	9.6%	10.9%
ROCE	*15.9*	*19.4*	*20.1*		

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2.2 Pasta

PASTA

Arising Synergies

- In a general context of general stagnation of private labels, our brands are maintaining their market shares. The Panzani brand has achieved a 4.3 p.p. growth in dry pasta, to 33.1%.
- Growth on the North American market has leveled off at 1.2%, while the European businesses have recorded a 2.3% growth in volume.
- These results are affected by an edging-down of prices due to the temporary weakness in the price of raw materials and by a healthy growth in volume (+2%).
- The effect of the volume/mix and management of the margin more than offset the smaller contribution due to the lower prices.
- During this first quarter, a common distribution centre for Ebro North America was opened on the West Coast, expected to generate annual savings of 0.8 MUSD. This completes the project begun in 2007 to create joint distribution centres for rice and pasta throughout the USA, affording ENA annual savings of 4.9 MUSD.

PASTA

Pasta Defines it All

- This division presents fantastic results which cannot be extrapolated for the rest of the year. Once again the turnover, affected by the lowering of raw material prices, has dropped 4.2% to 231 MEUR.
- We highlight the strong growth in new products with larger profit margins. Our product mix is undergoing a major change, replacing the weakest product with others, which are in some categories achieving a 56% growth. This factor, together with the synergies in North America and Europe, have boosted the division EBITDA by 46% to 42 MEUR with a margin up 6.2 p.p. to 18.1%, in spite of a 27% increase in investment to support our brands.
- The currency effect on EBITDA is negligible.
- ROCE is up 10 p.p. to over 26%.

Thous EUR	1Q08	1Q09	1Q10	10/09	CAGR 10/08
Sales	227,380	241,171	231,003	-4.2%	0.8%
Advertising	*10,448*	*11,789*	*14,962*	26.9%	19.7%
EBITDA	21,365	28,619	41,718	45.8%	39.7%
EBITDA margin	*9.4%*	*11.9%*	*18.1%*	52.2%	38.6%
EBIT	13,820	21,247	34,652	63.1%	58.3%
Operating Profit	12,899	20,594	34,459	67.3%	63.4%
ROCE	*10.9*	*16.4*	*26.3*		

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3

EBRO PULEVA GROUP
1Q10 CONSOLIDATED RESULTS

3.1

Consolidated 1Q10 Results

Growth for the Ninth Quarter in Succession

- Our Dairy Division was sold during the quarter, so we present this division as Discontinued Operations. For an easier analysis, we present the Dairy Activity as we had been reporting it to date in an Annex hereto, together with consolidated results including the full contribution of that division.

- Pulled down by the lower raw material prices, consolidated turnover dropped 8% to 428 MEUR.

- After investing 8% more in advertising (24 MEUR) the division EBITDA has grown 22% to 67 MEUR with a margin up 3.8 p.p. to 15.7%.

- Just like when the Sugar Division was sold, the strong growth of the remaining divisions maintained EBITDA at the same level as that recorded in the previous year when the contribution of that division had been included, the year-on-year contribution of this quarter is on a par with that obtained in 1Q09 when the dairy business was included.

- The company ROCE without the dairy division is almost 20%.

Thous EUR	1Q08	1Q09	1Q10	10/09	CAGR 10/08
Sales	415,722	464,834	427,868	-8.0%	1.5%
Advertising	*17,435*	*21,981*	*23,899*	8.7%	17.1%
EBITDA	43,136	55,182	67,311	22.0%	24.9%
EBITDA margin	*10.4%*	*11.9%*	*15.7%*	32.5%	23.1%
EBIT	29,514	41,503	53,641	29.2%	34.8%
Operating Profit	40,180	46,353	50,240	8.4%	11.8%
Profit before Tax	20,390	39,402	47,109	19.6%	52.0%
Discontinued Operations	15,010	3,151	10,937	247.1%	-14.6%
Net Profit	29,331	32,565	40,286	23.7%	17.2%
ROCE	*11.7e*	*15.2*	*19.7*		

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3.2

Evolution of Debt

No Leverage

- Payment of the dairy division sale is pending clearance by the European antitrust authorities.
- Even before receiving this amount, our debt has been reduced during the quarter to 546 MEUR.
- Equity increased by 8.5% to 1,346 MEUR.
- With a Leverage of 40% and the forthcoming receipt for the sale of the dairy business, we are in an optimum position to resume inorganic growth.

Thous EUR	31 Mar 08	31 Dec 08	31 Mar 09	31 Dec 09	31 Mar 10	Mar10/09	CAGR 10/08
Net Debt	1,244,241	1,055,853	1,165,185	556,800	545,971	-53.1%	-33.8%
Average Debt	1,140,378	1,208,078	1,158,742	716,725	588,993	-49.2%	-28.1%
Equity	1,174,391	1,203,131	1,240,548	1,279,468	1,345,862	8.5%	7.1%
Leverage ND	*105.9%*	*87.8%*	*93.9%*	*43.5%*	*40.6%*	-56.8%	-38.1%
Leverage AD	*97.1%*	*100.4%*	*93.4%*	*56.0%*	*43.8%*	-53.1%	-32.9%
x EBITDA (ND)		3.9		1.8			
x EBITDA (AD)		4.4		2.3			

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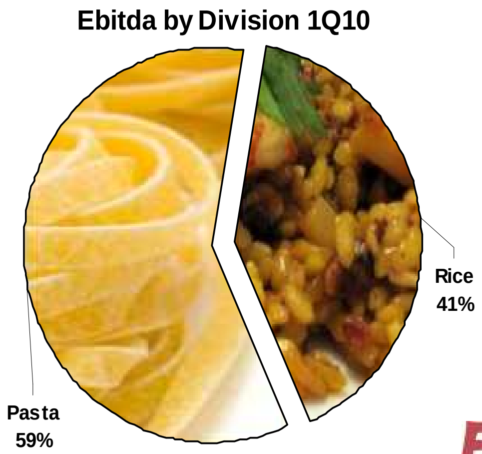
4 CONCLUSION

4.1 Conclusion

We’re Travelling Light

- We have accumulated organic growth over 9 successive quarters at a time of greatest instability on the markets in recent years.
- We have completed a number of divestments and are now concentrated in 4 product categories, dry pasta, fresh pasta, rice and sauces, and principally in two geographic areas, Europe and North America.
- When we receive the price of the dairy division, we will be in an enviable financial position and will not hesitate to releverage our balance sheet to optimize the structure of our capital.
- In turn, we have been preparing our core businesses to generate the maximum synergies.
- We have a portfolio of major new launchings that are already giving our income statement a new yield boost.



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5 ANNEX I Dairy and Consolidated with Dairy

DAIRY AND CONSOLIDATED WITH DAIRY

Dairy Division Results

Thous EUR	1Q08	1Q09	1Q10	10/09	CAGR 10/08
Sales	136,195	114,008	112,459	-1.4%	-9.1%
Advertising	*4,472*	*3,718*	*4,513*	21.4%	0.5%
EBITDA	13,100	14,063	16,767	19.2%	13.1%
EBITDA margin	*9.6%*	*12.3%*	*14.9%*	20.9%	24.5%
EBIT	9,314	10,347	13,175	27.3%	18.9%
Operating Profit	8,209	10,062	13,229	31.5%	26.9%
ROCE	*18.9*	*20.6*	*34.9*		

Consolidated Results with Contribution Dairy Division

Thous EUR	1Q08	1Q09	1Q10	10/09	CAGR 10/08
Sales	551,917	575,184	538,640	-6.4%	-1.2%
Advertising	*21,907*	*25,699*	*28,412*	10.6%	13.9%
EBITDA	56,236	68,017	84,078	23.6%	22.3%
EBITDA margin	*10.2%*	*11.8%*	*15.6%*	32.0%	23.8%
EBIT	38,838	50,622	66,816	32.0%	31.2%
Operating Profit	48,389	55,188	63,469	15.0%	14.5%
Profit before Tax	28,866	48,286	60,843	26.0%	45.2%
Net Profit	29,331	32,565	40,286	23.7%	17.2%
ROCE	*12.5*	*15.9*	*22.3*		

6 CORPORATE CALENDAR

6.1 Corporate Calendar

Ebro Puleva maintains its commitment to transparency and reporting in 2010:

26 February	Presentation 2009 year-end results
5 April	Quarterly dividend payment
28 April	Presentation 1st quarter results
1 July	Quarterly payment ordinary dividend
28 July	Presentation 1st half results
1 October	Quarterly payment ordinary dividend
27 October	Presentation 3rd quarter results and outlook 2010
22 December	Announcement 2011 dividend against 2010 earnings
23 December	Quarterly payment ordinary dividend

7 DISCLAIMER

7.1

Disclaimer

- To the best of our knowledge, the estimates contained in this presentation on the future growth of the different businesses and the overall business, market share, financial results and other aspects of the company's operations and position are accurate as at the date hereof.

- All the figures set out in this report are calculated according to the International Accounting Standards (IAS).

- The contents of this presentation are not binding in respect of future actions and entail certain risks and uncertainties. Business results may be affected by numerous factors, causing them to differ considerably from those estimated herein.

- Analysts and investors should not rely exclusively on these estimates, which are valid only at the date of this presentation. Ebro Puleva is not bound to announce the results of any updates of these estimates made to reflect events and circumstances occurring after the date of this presentation, including, though by no means limited to, changes in the Ebro Puleva businesses or in its acquisitions strategy, or to reflect unforeseen events. Analysts and investors are advised to consult the company's Annual Report and the documents filed with the authorities, especially the National Securities Market Commission (CNMV).

- The main risks and uncertainties affecting the Group activities are described on pages 219 ff. of the Consolidated Annual Accounts as at 31 December 2008 and the corresponding Directors' Report, which are available on our web site www.ebropuleva.com. In our opinion there have been no material changes during the year. The Group is exposed to a certain extent to the situation on raw materials markets and the possibility of passing any price changes on to consumers. It is also exposed to fluctuations in exchange rates, especially of the dollar, and interest rate variations.

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