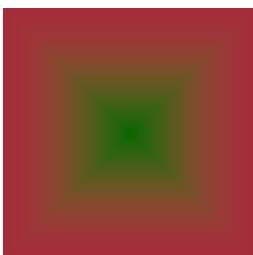
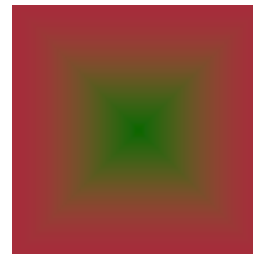
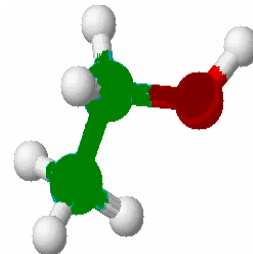
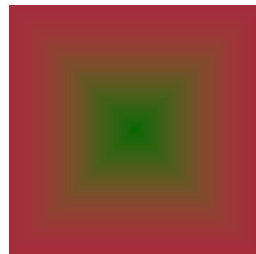
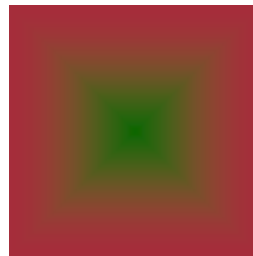


A Biofuel s Strategy



24 February 2006

Ebro PULEVA

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Introduction



Ebro Puleva and Agroindustry

- * Although our strategy over the past five years has been based on growth of our brands, seeking to increase their weight, Ebro Puleva started out as an agroindustrial undertaking.
- * Our business portfolio includes: sugar, rice, dairy products and flours for industrial use, as well as alcohol, molasses, fats, butters, etc.
- * We are directing our future in a single direction: being a food group with a major brand component. But this does not prevent us from analysing and promoting actions in the world we came from originally: Agroindustry.
- * One of the booming developments at present is the application of agroindustry to “non-food” products.
- * In this presentation we outline our new strategic commitment in agroindustry:
 - Biofuels

B

**Ebro Puleva's
Experience in Biofuel s**

***Ebro* PULEVA**
GRUPO



Alcohols for drinks and dehydrated

- * The production of alcohol has been part of our sugar business from the outset. In the past it was considered a by-product, the result of distilling the molasses produced during the sugar production processes.
- * We now have a 40m-litre production plant in San José de la Rinconada (Seville), which, along with a cogeneration plant, has a turnover of EUR 20m and contributes EUR 3m to the EBITDA of the Sugar Division.
- * The alcohol produced at Rinconada is not entirely comparable with bioethanol, but at least we are very familiar with the process and critical variables.



Biocarburantes de Castilla y León

The Babilafuente bioethanol factory is due to be completed in March, the largest bioethanol plant in Europe.

- * This is a project in which we started out alone and subsequently joined forces with Abengoa (Joint Venture at 50%) in 2002.
- * Back in 2002 we were already aware that the CMOs for agricultural products would undergo a radical change and alternative activities had to be found in both farming and industry.
- * This factory will use the following raw materials:
 - Cereals (barley and wheat) mainly from land set aside. 581,000 tonnes/year.
 - Biomass (straw, agricultural and forestry waste, energy crops). 21,000 tonnes/year.
 - Beet syrups and alcohols.
- * To produce:
 - 175 million litres of bioethanol from cereal. 15% of this production could come from beet syrup (sugar equivalent=25-30,000 tonnes).
 - 20 million litres of bioethanol from vinous alcohol.
 - 5 million litres of bioethanol from biomass. First plant in the world able to convert biomass into bioethanol, known as **2nd generation bioethanols (2G)**.
 - 94,000 tonnes/year of DDGS, a protein complement for animal feed.
 - 156,000 tonnes/year of CO₂ for use in soft drinks.



Biocarburantes de Castil I a y León II

- * The bioethanol produced, some 200m litres, will either be blended directly with petrol (at present this is the only plant in Spain able to do this) or used to produce ETBE.
- * We have signed an Agreement of Intentions with Repsol, essentially subject to elimination of a problem concerning the Technical Standard regulating the maximum pressure permitted for vehicle fuel tanks. On 17 February, the Council of Ministers passed Royal Decree 61/2006, which regulates, among other things, the use of biofuels. This Royal Decree includes an amendment of that Technical Standard, so it would seem reasonable to expect Repsol and Biocarburantes de Castilla y León to sign the formal agreement in the near future.
- * Meanwhile, agreements have been signed to export to Scandinavian countries.



Trends



General Trends

- * There has been much talk recently of biofuels and how they could be an outlet for reconversion of the sector.
Biofuels:
 - Reduce emissions of pollutants into the air, helping to comply with the Kyoto Protocol
 - Guarantee the supply of a locally produced alternative energy at a time of growing fears of shortages due to international instabilities.
 - Are a Renewable Energy with a positive environmental balance.
 - Can guarantee the survival of a crop for growers, albeit for producing bioenergy instead of food, which activity can be passed on to developing countries, thus helping their incipient economies.



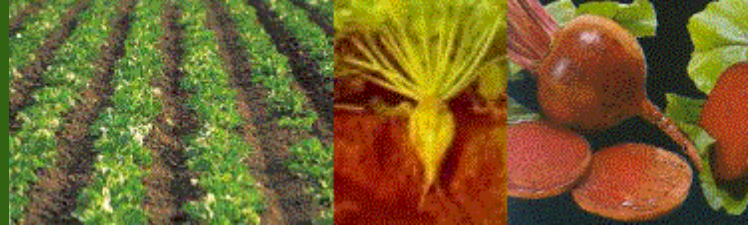
Declarations of Intent. European Strategy

- * This month, the European Commission has adopted a community strategy for biofuels, contemplating a number of legislative and research measures to promote production and consumption of fuels produced from agricultural raw materials. The strategy contemplates the following measures:
 - Stimulate demand for biofuels. In 2006 a report will be published on the possible revision of the Biofuels Directive, giving incentive to Member States to promote them.
 - Benefit the environment, seeking to find out how the new fuels can contribute most efficiently to reaching the emissions objectives and striving to guarantee sustainability of the growing of raw materials for obtaining the fuels, and studying again the limits on biofuel content in petrol and diesel.
 - Develop biofuel production and distribution, analysing opportunities for these new fuels in the rural development programmes.
 - Extend the supply of raw materials. The Commission will include the production of sugar to obtain bioethanol in the CAP aid plans.
 - Boost commercial opportunities, assessing the possibility of submitting a proposal on special customs codes for biofuels, maintaining a balanced focus in the negotiations with ethanol-producing countries and proposing an amendment of biodiesel regulation.



Declarations of Intent. European Strategy II

- Support developing countries, seeing that the ACP countries affected by the reform of the CMO Sugar can be used to support the development of bioethanol production.
 - Research and development. The Commission will support the «Biofuel Technological Platform» led by industry, which will submit recommendations in this sector.
- * Brussels proposes guaranteeing that the beet crop for bioethanol will be eligible for aids for crops not intended for food in the reduction of agricultural areas and the bonus for production of cereals for energy purposes.
- * It acknowledges that for the EU to reach a 5.75% market share in biofuels by 2010 it needs to grow 17 million hectares. In 2004 Spain received energy crop aids for 6,704 hectares and it has requested aids for 27,321 hectares in 2005.
- * This strategy confirms the first faltering steps taken in this direction through Directive 2003/30/EC of the European Parliament and of the Council of 8 May 2003 on the promotion of the use of biofuels or other renewable fuels for transport, although it set modest, purely indicative targets, which are now to be revised.



Declarations of Intent. Spain

- * The document “A Biofuels Strategy for Spain” was presented in Spain in June 2005 to adapt to the above-mentioned EC legislation (Directive 2003/30/EC, revision of which is now being considered).
- * Despite measures such as Exemption from the Special Hydrocarbons Tax (I.E.H.), in 2005 Spain did not meet the European target formally undertaken by the State of Spain, of reaching a biofuels consumption of 2% (in 2005) of the domestic petrol and diesel market for transport. The target set for 2010 is 5.75%.
- * The Minister for Food, Agriculture and Fisheries, Elena Espinosa, supports the Biomass Action Plan presented by the European Commission, stressing the importance of renewable energy sources and highlighting the important contribution of EC biofuels for meeting the target of 5.75% consumption in transport by 2010, indicating that it will foreseeably not be possible to reach that target in current circumstances, so measures will have to be promoted to foster the development of biofuels.
- * We are waiting for a declaration such as that issued by the German Government in December 2005, indicating that it is in favour of bringing in compulsory use of biofuels as an additive for fossil fuels.



Declarations of Intent: U.S.A.

- * President Bush has called for a 75% cut in oil imports from the Middle East by 2025 and the development of alternative energies.
- * In his annual State of the Union speech, President Bush announced the 'Advanced Energy Initiative', a plan contemplating research into new energy generation technologies and the use of biofuels for vehicles. The United States has invested almost USD 10bn since 2001 in alternative energy sources. The President called for increased federal research to obtain alternative energies, such as ethanol produced from seeds, setting the goal of making a new type of ethanol practical and competitive within six years.



The New CMO Sugar

- * We have been getting ready for the announced CMO Sugar Reform since 2000. At that time sugar accounted for almost 80% of our EBITDA.
- * The legal work in Brussels has just concluded. When Brussels publishes the Regulations, joint work will begin: beet growers, union representatives, the Central Government, local governments and the Group will have to weigh up the viability and future of the beet crop in Spain and the opportunities existing in the bioenergy business, yet to be defined in this country.
- * In the document “First Reading of the CMO Sugar Reform” we explained how we believe this reform will affect our sugar division.
- * In all its official statements, the Commission considers the reform of the CMO Sugar an excellent opportunity to promote the conversion of sugar factories into biofuel factories. This would be one way to reduce the impact of the lower beet/sugar production, while at the same time promoting the growth of Renewable Energies.

P

Ebro Puleva Biofuels Development Plan

Two Projects under Study

- * We plan to set up an independent Business Unit to umbrella all existing and future activities in the field of biofuels.
- * The aim of this Unit would be to maximise the potential of this activity, which would be parallel to but independent from Azucarera Ebro and the effects of the new CMO on the latter.
- * Apart from incorporating the activities already in progress:
 - Cogeneration plants producing 105 MW of electricity
 - Babilafuente bioethanol plant which will come on stream as from March, with a production of up to 200 million litres/year.
- * We also have the following projects close to final approval:
 - A Biodiesel plant with a capacity of 200,000 tonnes in Andalusia, operating mainly with unregulated energy crops (rapeseed, sunflower, etc.).
 - A Bioethanol plant with a capacity of 80/100 million litres in Castile-Leon, operating with energy beet outside the CMO quota.



In operation by 2008



Gross Investment financed by the Restructuring Fund

- * Although we are still at a very early stage, we estimate a gross investment of the order of EUR 100m.
- * We will obtain sizeable aids from the Restructuring Funds established in the CMO Sugar to finance these activities.
- * On a time scale, we estimate commissioning of the biodiesel plant towards the end of 2008 and the bioethanol plant in 2009.

Conclusions



- *We will minimise the effect of the New CMO Sugar on our profits by maximising the returns on new opportunities that arise.**
- *We consider biofuels a new business related with agroindustry and we are familiar with the products.**
- *A separate, “focused”-management of this business will increase its chances of success and maximising returns.**





Disclaimer



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

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

The contents of this presentation are no guarantee of our future actions and entail certain risks and uncertainties. Owing to the influence of several factors, the real results obtained may differ considerably from those indicated in our estimates.

Analysts and investors should not rely exclusively on these estimates, which are valid only at the date of this presentation. Ebro Puleva is under no obligation to publish the results of any subsequent review 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 businesses of Ebro Puleva or in its acquisitions strategy, or to reflect unforeseeable events. We recommend analysts and investors to consult the company's Annual Report and the documents we submit to the Authorities, especially the National Securities Market Commission (CNMV).