



Full Flavour Meal Solutions

September 2010





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FOREWORDS



The Business Model of a Platform

- Ebro appeared on the scene at the end of 2000 after the merger of the leading Spanish sugar group with the leader in functional dairy products in Spain. At that time, the Group had a local, industrial profile and operated in highly regulated sectors.
- A period of major corporate activity then began: between 2001 and 2010 we invested EUR 1,700 million and made divestments of around EUR 1,900 million, without increasing the capital and maintaining a healthy return for shareholders:
 - None of the original business are with us nowadays
 - We are virtually debt free as of today.
- We at Ebro are now present in more than 23 countries, we are world leaders in the rice sector and the second pasta manufacturer worldwide with only a 6% Ebitda exposure to Iberia (Portugal and Spain), North America is 51% and Other EU countries are 42%.
- We are very committed to inform on shareholders and potential investors, that is why last year we made a monographic presentation on Ebro North America ("ENA"). We explained how do we built platforms that can generate synergies. First we acquired Riviana the rice leader in NorthAmerica, then in 2006 we acquired New World Pasta ("NWP"). The combined business generated 116 MUSD that year. We integrated the two business to a platform. In 2009 ENA generated 164 MUSD (+41% 09/06). The amount of synergies announced for the period 2009-2012 is 36 MUSD. More growth to come.
- Panzani, the business of Ebro in France, is the test field for the business model that our different platforms globally will follow once all the integration processes are in place. We are very pleased to disclose that part of our group to our shareholders and investors and also focus in a Region, where after the turmoil, some recovery signs appear in the sky.





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BRIEF HISTORICAL ROUTE





Historical Route

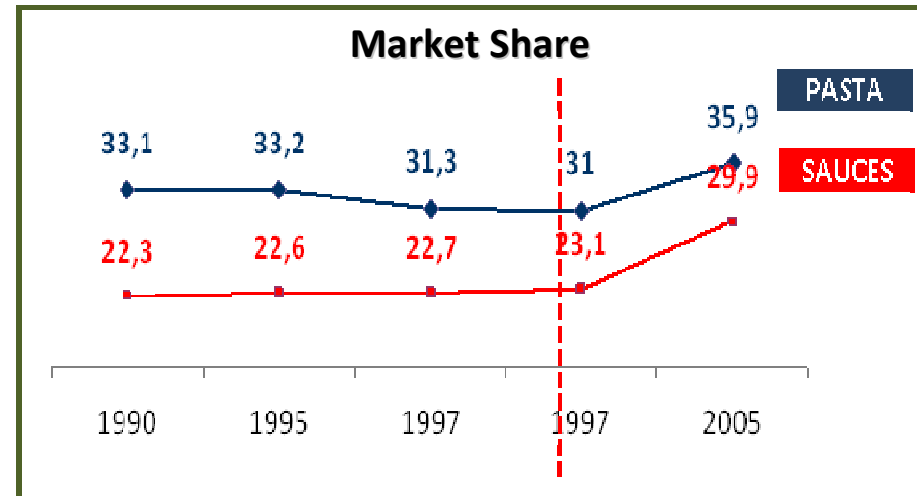
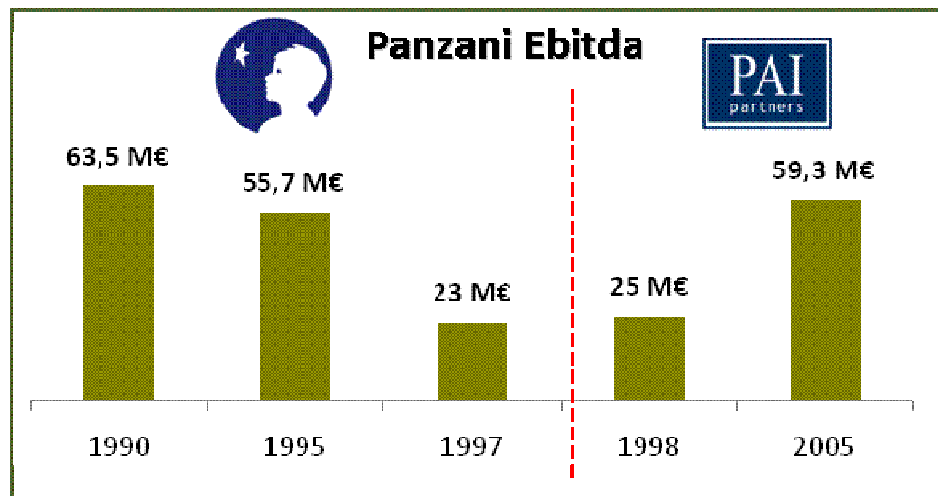
- Panzani was incorporated as a pasta producer in 1950 by Jean Panzani. Since then it has had three important stages:
 - Danone. 1972-1998. For more than 25 years Danone owned Panzani. Danone gave the company and its management team its culture; marketing and R+D to feed growth, differentiate from private label and an extramargin.
 - PAI Partners. 1998-2005. PAI acquired from Danone a diversified group and they redesigned it by selling non core businesses like William Saurin (canned food) and by buying Lustucru leading group in France in rice and fresh pasta.
 - Ebro. 2005-. In 2005 Ebro acquired Panzani from PAI. Since then, investment and long term vision has allowed to invest in its industrial layout, communication and internal organization, etc. From Panzani experience and people we have built our Pasta Division.



PAI Period

• During the PAI period, Panzani:

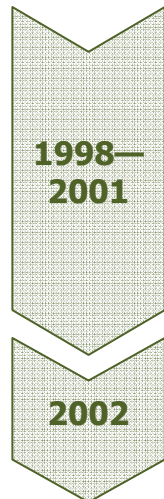
- Relaunched its brands in pasta and sauces reinforcing the innovations path and with strong investment in advertising.
- Acquired Lustucru, fresh pasta and rice, generating strong savings and synergies.
- Outsourced rice, sauces and logistic activities.
- Achieved marked leading positions on side dish products





PAI Period II

- During the PAI period, Panzani changed its corporate structure:



- Non core activities divestments: Macani (pet food), William Saurin (canned food), Agnesi (pasta in Italy) y Flora (rice in Italy).



- Panzani buys Lustucru from the Skalli Family. Lustucru is Rice leader in France (through Lustucru and Taureau Ailé) and fresh pasta.





Ebro Period

- o Panzani is the dry grocery leading group in France.
- o Since Ebro took over key strategic decisions and actions were taken:
- o Strategic decisions:
 - o Accelerate growth on fast growing businesses (sauces/fresh).
 - o Increase profitability of mature business (pasta/rice).
 - o Reduce operating costs to fund ad investment.
- o Actions:
 - o Strong relaunch and innovation plan:
 - o Pasta differentiation with a unique taste (patented wheat germ technology).
 - o Fresh sauces new flavour platform without preservatives or artificial colours.
 - o New ultra thin technology for stuffed pasta.
 - o Rice relaunch on new BIG technology.
 - o Development of Quick cooked pasta.
 - o Development of first stir fry pasta and gnocchi.
 - o Launch of fresh ready meals, Halal range and pasta pouches.
 - o Backed by huge advertisement support:
 - o New ad strategy based on strong visual specific codes. Shorter spots and higher repetition.
 - o The ad investment increased by 23%.





Ebro Period II

• Actions II:

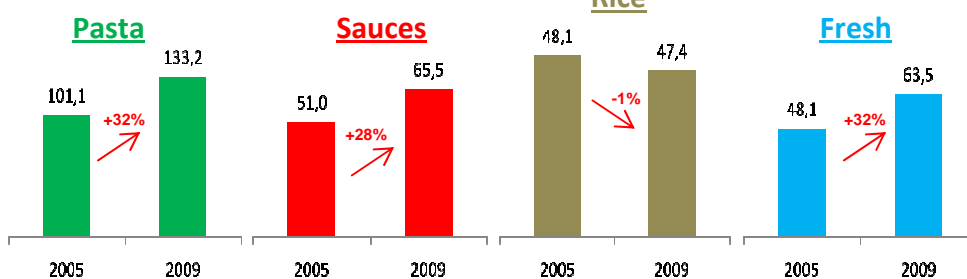
- Sharp cost reduction plan implementation:
 - Cumulative 10 MEUR saving through procurement plan, outsourcing of services, transport and manufacturing and synergies with the Ebro Group (media, raw materials, equipment, etc.).
- Ebro settled a reorganization plan that drove to a 17% reduction of total workforce:
 - Disposal of non strategic activities like Alp'imprin (printing), GMM (flour mill), Sociador (rice/wheat farm).
 - Industrial reorganization, closure of couscous factory and social plan in Marseille Pasta Plant.
 - Structure simplification with the integration of activities (Ferico integration).



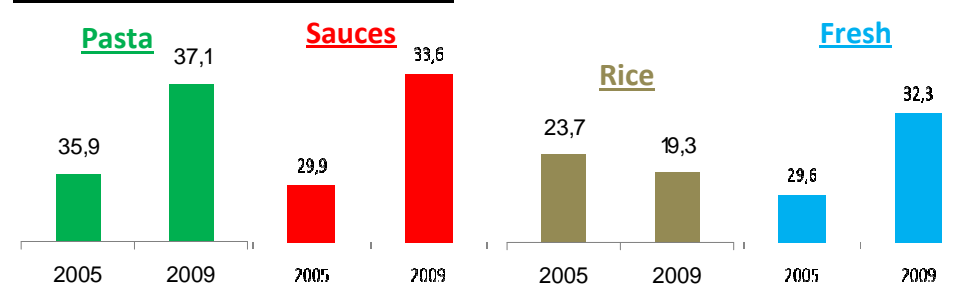


Ebro Period III

Turnover MEUR



Market Share (volume %)



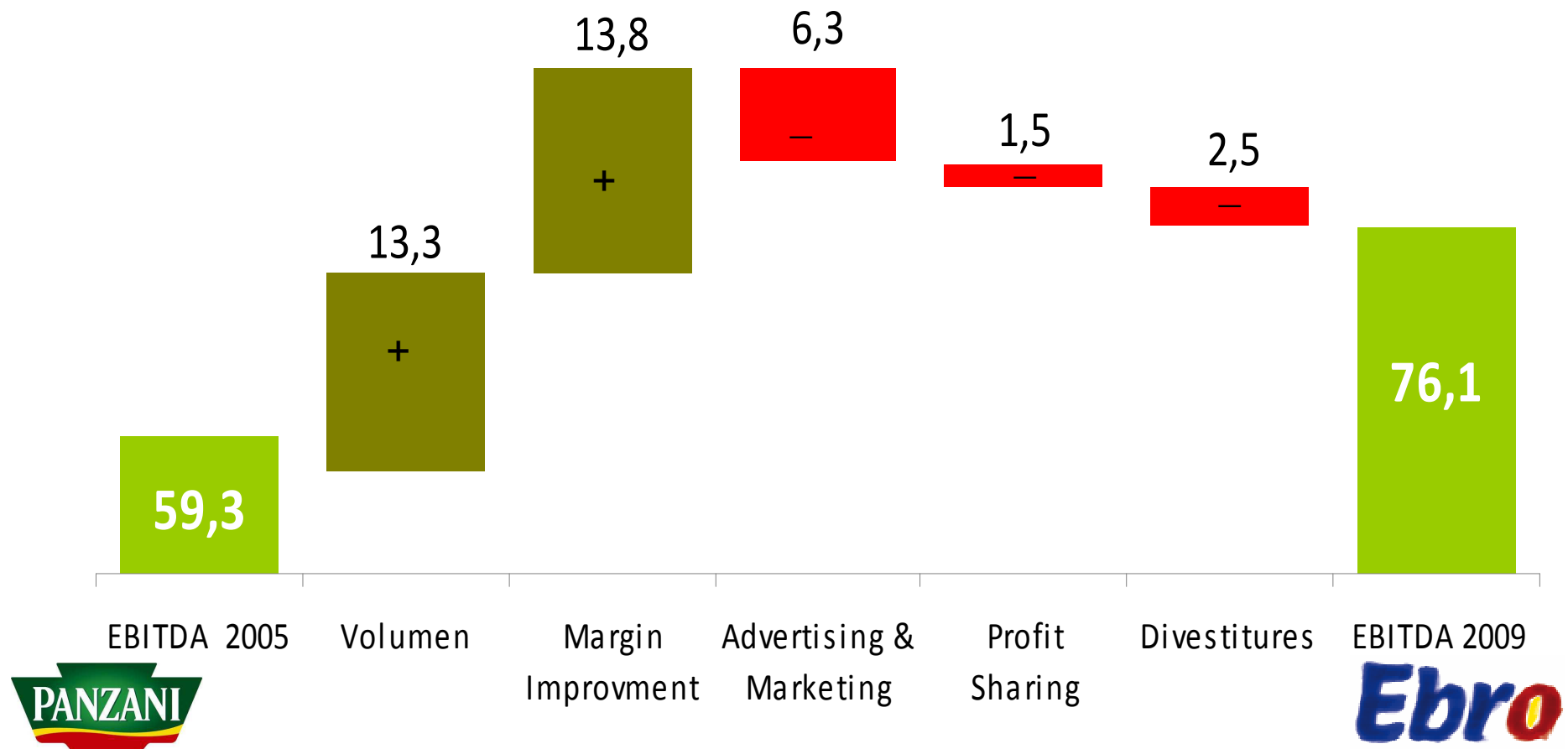
Mill EUR	2005	2009	09/05 CAGR	09/05
Sales	416	511	22,8%	5,3%
Advertising	27,8	34,1	22,7%	5,2%
EBITDA	59,3	76,1	28,3%	6,4%
EBITDA margin	14,3%	14,9%	4,5%	1,1%
EBIT	47,7	64,8	35,8%	8,0%
ROCE	14,8	21,7		

	2005	2009
Headcount	969	773
Factories	334	297
Total	1 303	1 070





Panzani Ebitda Evolution
Bridge 2009 vs 2005 (MEUR)





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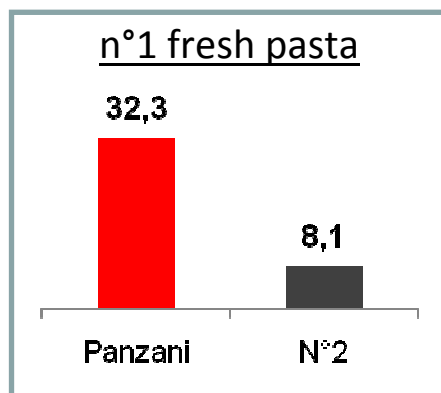
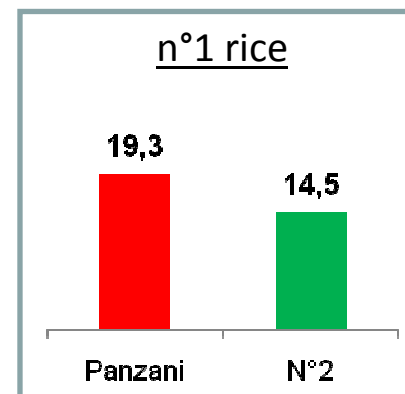
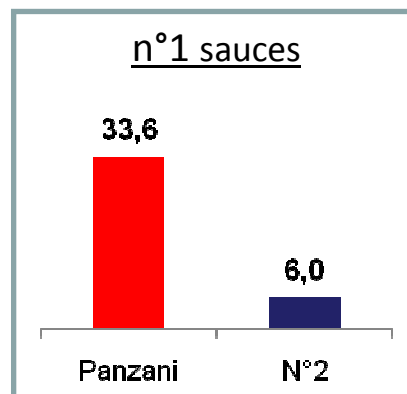
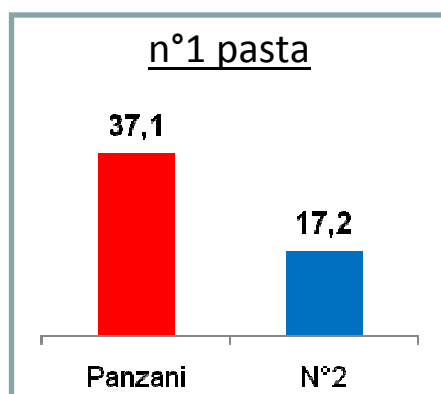
PANZANI AS OF TODAY





Panzani Today

- Panzani, has achieved marked leading positions on side dish products:



n°1 couscous

42 000 t
WW Leader

n°1 semolina

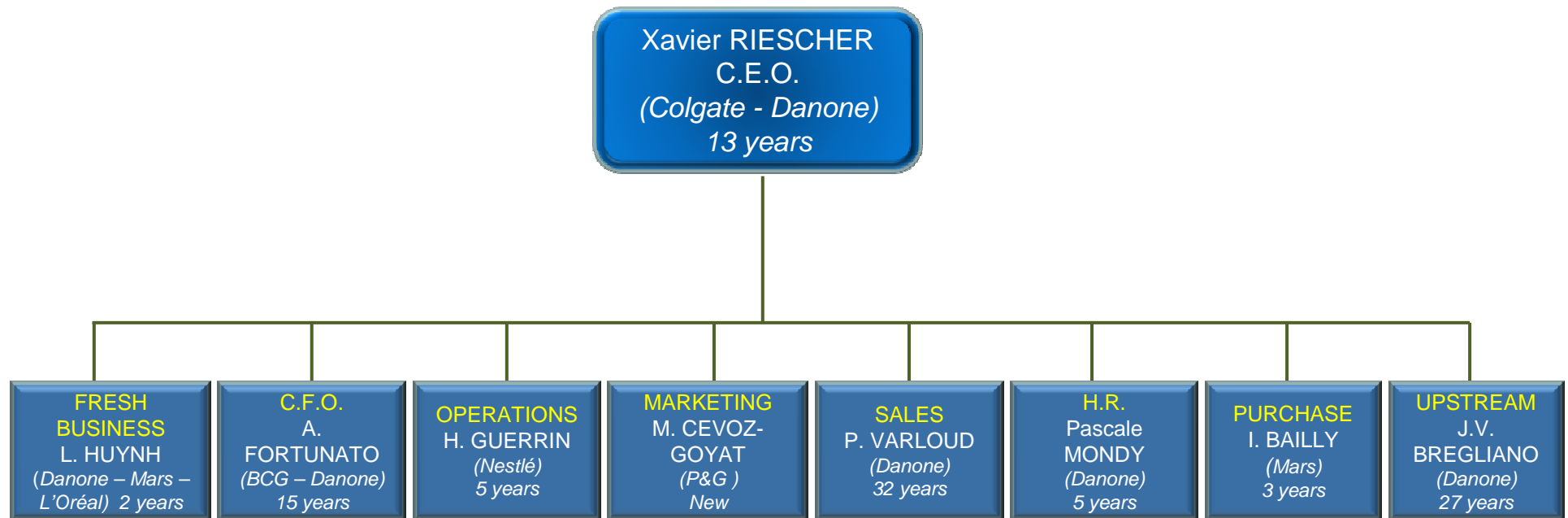
500 000 t
European leader





Strong Management Team

- The management of Panzani it has been sourced from leading FMCG Companies:





Industrial Organization of Panzani

GROCERY DRY PASTA

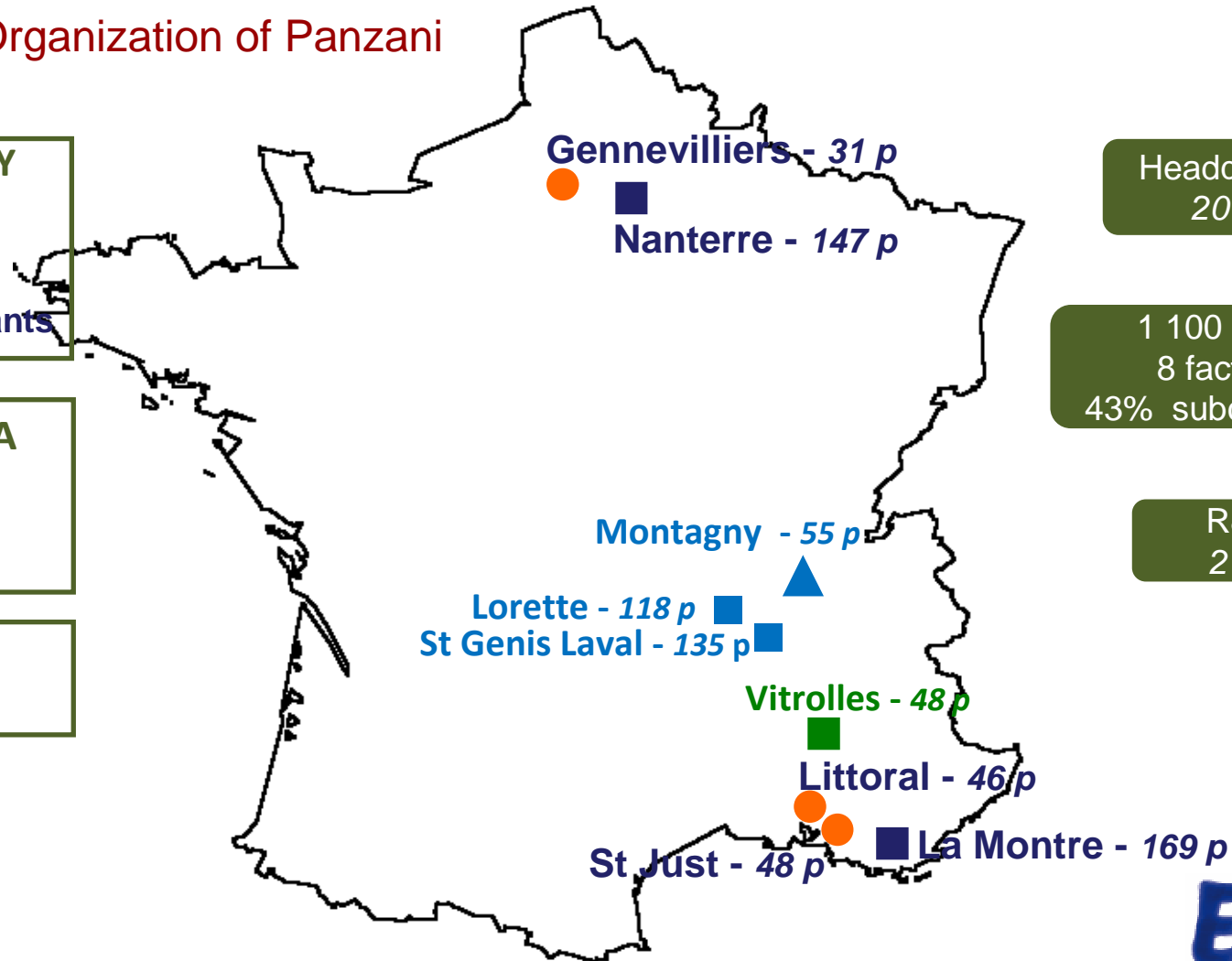
- Factories
- Semolina plants

FRESH PASTA

- Factories
- ▲ Warehouse

COUSCOUS

- Factory



Headquarter
201 p

1 100 people
8 factories
43% subcontracted

R&D
21 p





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PANZANI 2010-2012





New Vision

- Key assumption: meal solutions is a long term trend with sustainable double digit growth.
- Panzani new vision: Meal Solutions can reinvent basic pasta and rice markets with a size up and upgrading effect and create new high potential chilled markets.
- Panzani's ambition is to become N1 company in Meal Solutions in France and become a laboratory for further extensions of Ebro future growth in other countries and markets.

Danone	PAI	Ebro 05-10	Ebro 10-15
Pasta	Pasta → Pasta+Sauces	Pasta+Sauces→ Fresh Pasta	Fresh Pasta → Meal Solutions
N°1 Pasta manufacturer	N°1 Pasta and Sauces manufacturer	N°1 Side dish company Pasta – Sauces – Rice- Fresh	N°1 Meal solution company





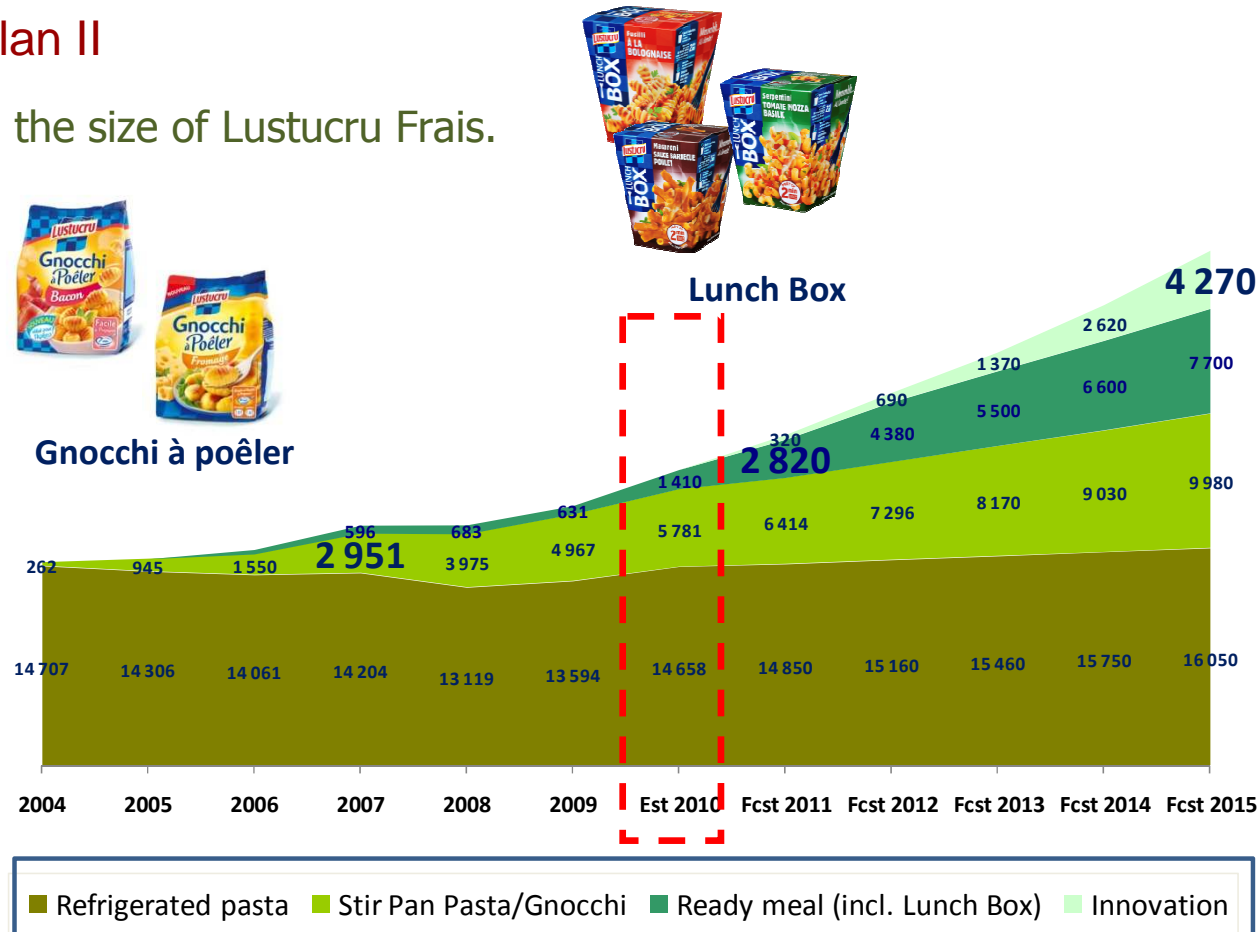
Action Plan I

1. Double the size of Lustucru Frais within 5 years.
2. Open new and promising grocery markets.
3. Consolidate base business through strong differentiation plan.
4. Reduce break even point through new High Efficiency Program



Action Plan II

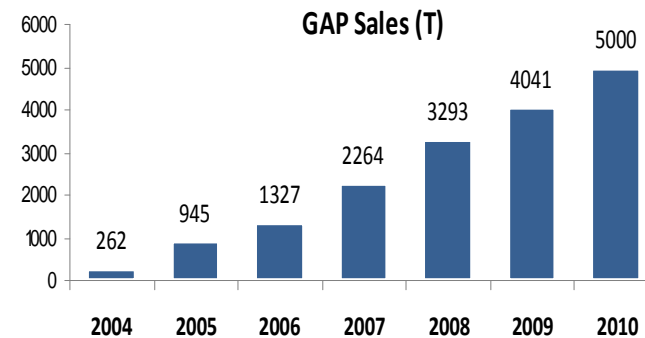
1. Double the size of Lustucru Frais.



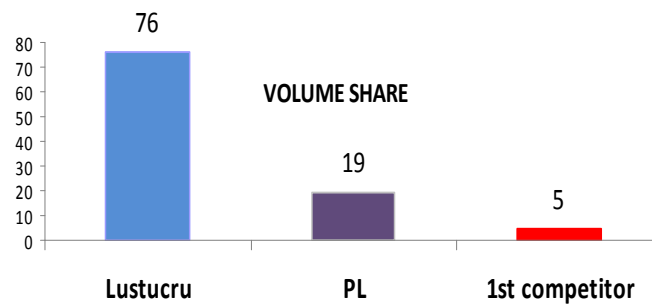


Action Plan III

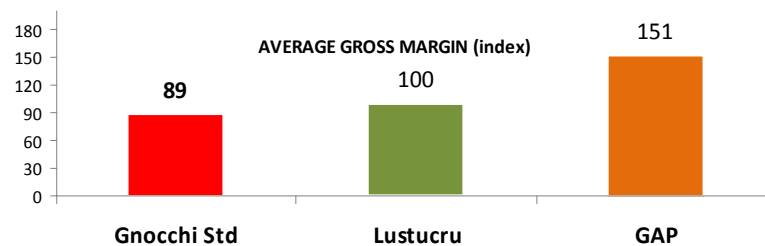
- Gnocchi à Poêler (GAP) is a highly promising market:
 - Only 13% (Nielsen CAP P6-10) Penetration.
 - A 54% (Nielsen CAP P6-10) repurchase rate.
 - Huge SOB: Alternative to Potatoes.



- Lustucru is the clear leader in this category due to a unique process and a strong TV ad support.



- With high margins.





Action Plan IV

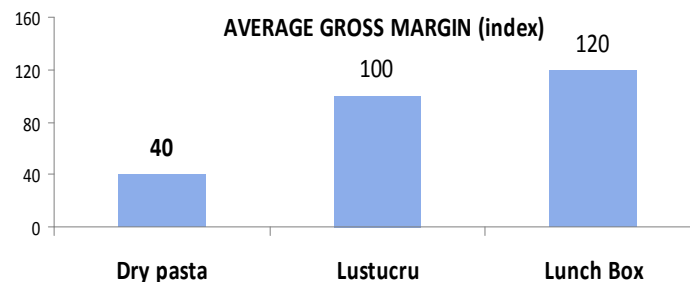
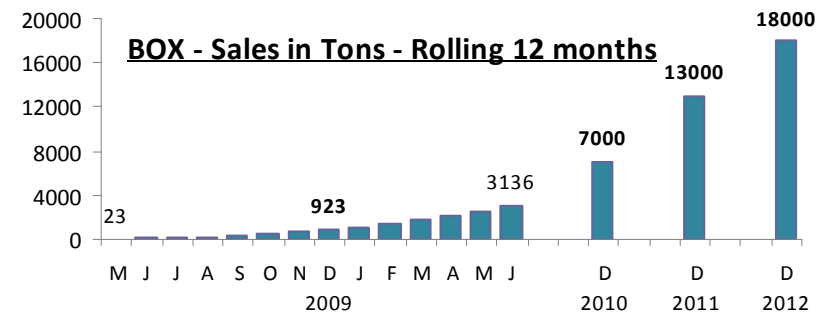
- Lunch Box is a new and fast growing market:

- Only 6% (Nielsen CAP P6-10) Penetration.
- A 49% (Nielsen CAP P6-10) repurchase rate.
- SOB: Alternative to Sandwiches and Take away.

- Lustucru has already strong market share positions with 25% in volume, 4 SKU within the Top 10 (among 90). And we want to increase the range:

- Hot Pasta (6 SKU in Jan'10 and 3 new in Oct'10).
- Pasta Salad (4SKU in May'10).
- Noodles (3 SKU in Jan'11) and Salad (3 SKU in May'11).
- Rice (3 SKU in June'11).

- With high margins.





Action Plan V

2. Open new and promising grocery markets:

- From basic to more sophisticated solution products:

- Rice : first stir fry rice which cooks in 4 min.
- Pasta : open baked market and grocery pasta snack.
- Sauces : open sauce solution for rice business.



- Become N°1 first growing Halal business:

2010	 Ravioli		 Sauces		 Ready meals						
Next to Come	 Snack meals		 Sandwiches		 Fresh pasta		 Dry meals		 Pizza		
Shop Corner											

Ebro



Action Plan VI

3. Consolidate base business through strong differentiation scheme and size up strategy.

- Pasta/Sauce: a new strategy based on “additional pasta meal” (E.g. Wednesday is Bolognese Day).
- Couscous new breakthrough quality revolution.
- Golden quality relaunch.



Core Pasta lines



Innovations



Core Sauces lines



Innovations



Core Rice lines



Innovations



Microvawe lines



Innovations



Core Fresh lines



Innovations



Core Zakia lines



Innovations





Action Plan VII

4. Reduce Break Even Point Through New High Efficiency Plan

- o We have designed a new High Efficiency Plan based on a new IT and Manufacturing infrastructure:
 - o IT. We are currently implementing SAP that will be ready by 1Q11. The budgeted investment is of 5 MEUR with an annual cost reduction of 5 MEUR.
 - o Manufacturing:
 - o In dry pasta we have budgeted an investment of 21,3 MEUR (already considered on our CAPEX guidance). The plan is to make the 2 dry pasta factories (one in the north (Nanterre) and other in the south (Marseille) highly competitive, with key advantage of wheat supply vs. Italian. The Payback is expected to be achieved in 4,6 years.
 - o In fresh pasta we have budgeted an investment of 8 MEUR to achieve a strong progression of Ebitda and to prepare the factory to manufacture the flow of innovations designed for our future.





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EBRO 2010-2012





Panzani Business Model and Know How

- Panzani has implemented a platform in France with strongly correlated products that share common structures and share synergies. A business model, market approach has been created.
- The model has been proven, showing a healthy high single CAGR in Ebitda, with a high level of margins and strong cash delivery.
- Panzani has proved that value can be created and market share can be defended and expanded in basic categories even in so troubled days as those recently passed.
- In the strategic period 2010-2012 Panzani will be working in the extension of its categories and sharing its experience in marketing and innovations across Ebro mainly Germany, USA and Canada.
- But what its also important, during this time Panzani will be testing the possibilities of its brands with the goal of being able to develop new line extensions that could share the same platform and that will be fundamental for the strategic period 2010-2015.
- We at Ebro will manage to fuel organic growth at units such as Panzani and also new assets to be added to our group to complete our geographical reach.





Ebro Consolidated 1H10 Results, 11 quarters growing and...counting

Thous EUR	1H08	1H09	1H10	10/09	CAGR 10/08
Sales	875.362	903.517	848.859	-6,0%	-1,5%
Advertising	36.525	41.563	45.388	9,2%	11,5%
EBITDA	95.400	114.087	131.846	15,6%	17,6%
EBITDA margin	10,9%	12,6%	15,5%	23,0%	19,4%
EBIT	68.319	87.364	104.242	19,3%	23,5%
Operating profit	63.541	75.855	99.264	30,9%	25,0%
Profit before tax	22.685	60.290	91.192	51,3%	100,5%
Net Profit (Continuing Operations)	15.014	42.434	55.364	30,5%	92,0%
Discontinued Operations	63.692	56.003	19.871	-64,5%	-44,1%
Net Profit	78.619	98.232	75.067	-23,6%	-2,3%

Thous EUR	30 Jun 08	31 Dec 08	30 Jun 09	31 Dec 09	30 Jun 10	10/09	CAGR 10/08
Net Debt	1,248,645	1,055,853	581,621	556,800	537,200	-7.6%	-34.4%
Average Debt	1,193,061	1,208,078	865,518	716,725	566,411	-34.6%	-31.1%
Equity	1,158,724	1,203,131	1,198,012	1,280,322	1,355,819	13.2%	8.2%
Leverage ND	107.8%	87.8%	48.5%	43.5%	39.6%	-18.4%	-39.4%
Leverage AD	103.0%	100.4%	72.2%	56.0%	41.8%	-42.2%	-36.3%
x EBITDA (ND)		3.9		1.8			
x EBITDA (AD)		4.4		2.3			





6

CORPORATE CALENDAR

Ebro PULEVA
GRUPPO



6.1

Corporate Calendar



Ebro Foods 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





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 Foods 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 Foods 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.ebrofoods.es. 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.