

EBRO PULEVA, S.A.

Management report for the year ended December 31, 2008 (in thousands of euros)

On November 20, 2007 Royal Decree 1514/2007 was published approving the new accounting principles in Spain, which went into effect on January 1, 2008 and whose application is mandatory for all financial years beginning on or after that date. The information included in this management report has been obtained from the Company's accounting records and complies with this decree.

1. BUSINESS REVIEW

Ebro Puleva, S.A. is the parent company of the Ebro Puleva Group, the leading Spanish food group. Through its subsidiaries, it operates in the milk, rice, pasta, biotechnology and biofuels markets in Europe, North America and, increasingly, in other countries.

In 2008, the Group completed the concentration of its core businesses with the disposal of the sugar business, thereby achieving one of the main objectives of the Strategic Plan.

The economic environment in 2008 was shaped by the crisis. What began as a financial crisis gradually spread to other sectors, pushing a large number of OECD countries into recession in the last quarter of the year. This situation had a knock-on effect on other markets, leading to a merry-go-round of prices and widespread uncertainty. Nonetheless, the Company managed to shore up its core businesses during the year, posting significant growth in both revenue and operating profit.

The management report on the consolidated annual financial statements includes information on business trends and the activity carried out in 2008 by the various business lines and segments of the companies comprising the Ebro Puleva Group.

2. OVERVIEW OF EBRO PULEVA, S.A. IN 2008

Significant events in the year

In early January 2008, Puleva Biotech, S.A. completed the acquisition of 100% of the Spanish group, Exxentia, for 34 million euros. Simultaneously, the sellers of the Exxentia shares acquired an 11.09% shareholding in Puleva Biotech, S.A. from Ebro Puleva, S.A. at a price of 2.5 euros per share, for a total of 16 million euros. This left Ebro Puleva, S.A. with 51.02% of the share capital of Puleva Biotech, S.A.

On December 15, 2008, the Company, owner of 100% of Azucarera Ebro, S.L., signed an agreement to sell Azucarera Ebro, S.L. to Associated British Foods (ABF), which owns 100% of British Sugar.

EBRO PULEVA, S.A.

Management report for the year ended December 31, 2008 (in thousands of euros)

The terms of the transaction are as follows:

- ABF will acquire the sugar business for 385 million euros, debt free. The amount of debt to be discounted will be the level at the closing date of the transaction. The price includes the value of all the sugar brands legally owned by Ebro Puleva, S.A.
- Ebro Puleva will receive approximately 141 million euros in other compensation, mainly the restructuring funds envisaged under the CMO sugar reform.
- Two Ebro Puleva Group companies, which are wholly owned by Ebro Puleva, S.A., will also add to their real estate assets more than 200 hectares of land classified for various uses from Azucarera Ebro, S.L., valued at 42 million euros.

The transaction is subject to approval by the pertinent authorities and will most likely be carried out in the first months of 2009.

Business trends

Revenue at Ebro Puleva, S.A. mainly comes from dividends from subsidiaries and transactions with investment property. The main expenses are borrowing costs on debt held as the parent of the Ebro Puleva Group. In addition, investment provisions are recorded or released in accordance with changes in the equity investments in subsidiaries.

The Company reported an operating loss in 2008 of 16,094 thousand euros, compared with a loss of 10,385 thousand euros in 2007. The increase mainly stems from the change in provisions of non-current assets.

The Company had a net finance cost of 15,005 thousand euros, compared to 1,338 thousand euros the year before. The difference was due to the decline in dividends received, although this was partially offset by the proceeds from the sale of Puleva Biotech (see Point 2 of this report).

The loss after tax was 12,584 thousand euros.

3. OUTLOOK FOR THE COMPANY

Shaping Ebro Puleva's earnings going forward will be dividends from subsidiaries, capital gains on the sale of non-core properties and the borrowing costs on debt taken out to finance assets.

The Company's directors consider that the dividend policies established for subsidiaries will enable Ebro Puleva to obtain sufficient income to appropriately remunerate shareholders.

4. R&D ACTIVITIES

R&D activities depend largely on the projects being developed by our subsidiaries (see the consolidated management report for more information).

5. TRANSACTIONS WITH TREASURY SHARES

In 2008, the Company purchased and sold own shares as authorized at the General Shareholders Meetings held on April 18, 2007 and June 9, 2008, duly notifying the Spanish National Securities Commission (the CNMV) in accordance with current reporting standards. In all, it bought 4,483,601 and sold 126,521 treasury shares in the year. At year end, the Company held 5,078,735 treasury shares, representing 3.301% of its share capital. At the end of 2008, barring the potential delivery of some of these treasury shares for the extraordinary dividend in kind indicated in Notes 3 and 20, these shares were not earmarked for any specific purpose.

6. EMPLOYEES

The principal data are included in Notes 18 and 19 of the accompanying notes to the financial statements.

7. BUSINESS RISK MANAGEMENT OBJECTIVES AND POLICIES

As the parent company of the group, Ebro Puleva is indirectly exposed to risks associated with its subsidiaries resulting from the measurement of its investment portfolio and the dividends received from its subsidiaries. The activities of the subsidiaries comprising the Ebro Puleva Group are subject to external factors which can influence trends in their operations and financial results.

The Company is therefore exposed to environmental, financial, credit, labor and technological risks. The description of these risks, along with the policies in place to detect and manage them, is provided in the consolidated management report.

8. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's principal financial instruments comprise bank loans, overdrafts, and cash and short-term deposits. The main purpose of these financial instruments is to broaden the sources of finance for the Group's activities.

The Company has also arranged derivatives to hedge interest and foreign currency risks. It is not the Company's policy to trade in financial instruments.

The principal risks from financial instruments relate to credit risk, interest rate risk from cash flows, liquidity risk and foreign currency risk.

EBRO PULEVA, S.A.

Management report for the year ended December 31, 2008 (in thousands of euros)

The Board of Directors reviews and adopts policies for managing each of these risks, as summarized below.

Credit risk

Ebro Puleva has adequately spread out its credit risk. In addition, the Company invests cash and arranges financial instruments with entities of high solvency and credit ratings.

Cash flow interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts. The objective is to strike a balance in the structure of debt that enables the Company to minimize interest cost by reducing volatility. To achieve this, interest rate fluctuations are monitored with the help of experts. When necessary, Ebro Puleva arranges interest rate financial instruments.

Foreign currency risk

As a result of investment transactions in the United States, the Company's balance sheet can be affected significantly by movements in the US/EUR exchange rate. The Company seeks to mitigate the effect of its structural currency exposure by borrowing in US dollars. In this way, 100% of the investment in the US is hedged.

Transactions carried out between subsidiaries operating in various functional currencies are likewise exposed to exchange rate risk. In these cases, subsidiaries take out their own exchange rate insurance and arrange other hedging instruments in accordance with Group policy.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of revolving credit policies, bank loans and short-term financial investments.

9. ENVIRONMENTAL ISSUES

Given the specific nature of the Company's business, it has no relation to the environment on its own. (See Note 19.d of the annual financial statements).

10. EVENTS AFTER THE BALANCE SHEET DATE

Except for the matter explained below, no significant events occurred between the balance sheet date and the date of preparation of these annual financial statements.

**Management report for the year ended December 31, 2008
(in thousands of euros)**

At its meeting of March 25, 2009, the Board of Directors proposed the following appropriation of 2008 results for approval by shareholders in their general meeting:

- c) Profit in 2008 of the Ebro Puleva Group allows for the payment, as in previous years, of an ordinary cash dividend charged to unrestricted reserves of 0.36 euros per share, in four quarterly payments of 0.09 euros each, on April 2, July 2, October 2 and December 22, 2009, for a total amount of 55,391 thousand euros.
- d) Separately, subject to the success of the sale of the sugar business (Azucarera Ebro, S.L. and some subsidiaries) and taking into account the expected returns on the sale (see Note 8.a), the Board proposes the payment of an extraordinary dividend comprising:
 - b.1) an extraordinary dividend in cash with a charge to unrestricted reserves of 0.36 euro per share (in addition to the ordinary dividend) in three payments of 0.12 euros each in 2009 coinciding with the last three payments of the ordinary dividend (July 2, October 2, and December 22), for a total amount of 55,391 thousand euros.
 - b.2) an extraordinary dividend in kind entailing the delivery of treasury shares up to the amount of the share premium (34,334 thousand euros) at an estimated exchange ratio, assuming a price of 9 euros per share, of 1 new share for every 40 existing shares. This would mean the delivery of approximately 3.8 million shares (representing around 2.5% of share capital). The ratio will be determined at the Board of Directors meeting immediately prior to the General Shareholders Meeting based on the trading price the day before. Delivery of the extraordinary dividend in kind would be made in the first few days of May 2009.

11. ART. 116 BIS OF THE SECURITIES MARKET LAW

Article 116 bis of the Securities Market Law, under the text of Law 6/2007, of April 12, requires companies whose securities are listed to present shareholders in their annual general meeting a report explaining the items covered in this article that must be disclosed in the management report for 2008.

- a) **The structure of capital, including securities which are not admitted to trading on a regulated market in a Member State, where appropriate with an indication of the different classes of shares and, for each class of shares, the rights and obligations attaching to it and the percentage of total share capital that it represents.**

Share capital amounts to 92,319,235.20 euros and consists of 153,865,392 fully subscribed and paid bearer shares with a nominal value of 0.60 euros each, represented by book entries. All shares are of the same class and series.

The shares comprising share capital are considered transferable securities and subject to the regulations governing the Securities Market.

EBRO PULEVA, S.A.**Management report for the year ended December 31, 2008
(in thousands of euros)****b) Any restrictions on the transfer of securities.**

There are no restrictions on the transfer of securities.

c) Significant direct and indirect shareholdings.

Name or company name of shareholder	No. of direct voting rights	No. of indirect voting rights (*)	% of total voting rights
BESTINVER GESTIÓN, S.A., S.G.I.C.	0	6,242,154	4.057
CASA GRANDE DE CARTAGENA, S.L.	9,475,145	0	6.158
CAJA DE AHORROS DE SALAMANCA Y SORIA	9,247,898	0	6.010
HISPAFOODS INVEST, S.L.	10,346,192	0	6.724
INSTITUTO HISPÁNICO DEL ARROZ, S.A.	13,262,722	10,346,192	15.344
INVERGESTIÓN, SOCIEDAD DE INVERSIONES Y GESTIÓN, S.A.	7,750,000	0	5.037
LOLLAND, S.A.	0	9,475,145	6.158
SOCIEDAD ANÓNIMA DAMM	0	7,710,000	5.011
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	0	12,995,941	8.446

Significant indirect shareholdings are through:

Name or company name of direct owner of the shareholding	No. of direct voting rights	% of total voting rights
BESTINVER BOLSA, F.I. (Bestinver Gestión, S.A., S.G.I.C.)	2,471,863	1.607
SOIXA S.I.C.A.V., S.A. (Bestinver Gestión, S.A., S.G.I.C.)	1,871,184	1.216
BESTINFOND, F.I. (Bestinver Gestión, S.A., S.G.I.C.)	1,060,693	0.690
BESTINVER MIXTO, F.I. (Bestinver Gestión, S.A., S.G.I.C.)	549,196	0.357
BESTINVER BESTVALUE, S.I.C.A.V., S.A. (Bestinver Gestión, S.A., S.G.I.C.)	196,515	0.128
TEXRENTA INVERSIONES S.I.C.A.V., S.A. (Bestinver Gestión, S.A., S.G.I.C.)	53,986	0.035
LOUPRI INVERSIONES S.I.C.A.V., S.A. (Bestinver Gestión, S.A., S.G.I.C.)	14,429	0.009
DIVALSA DE INVERSIONES S.I.C.A.V., S.A. (Bestinver Gestión, S.A., S.G.I.C.)	9,310	0.006
ACCIONES, QUPONES Y OBLIGACIONES SEGOVIANAS, S.A., S.I.M.C.A.V. (Bestinver Gestión, S.A., S.G.I.C.)	7,171	0.005
LINKER INVERSIONES, S.I.C.A.V., S.A. (Bestinver Gestión, S.A., S.G.I.C.)	5,303	0.003
JORICK INVESTMENT, S.I.C.A.V., S.A. (Bestinver Gestión, S.A., S.G.I.C.)	2,504	0.002
HISPAFOODS INVEST, S.L. (Instituto Hispánico del Arroz, S.A.)	10,346,192	6.724
CASA GRANDE DE CARTAGENA, S.L. (Lolland, S.A.)	9,475,145	6.158
CORPORACIÓN ECONÓMICA DAMM, S.A. (Sociedad Anónima Damm)	7,710,000	5.011
ALIMENTOS Y ACEITES, S.A. (Sociedad Estatal de Participaciones Industriales)	12,995,941	8.446

EBRO PULEVA, S.A.

Management report for the year ended December 31, 2008 (in thousands of euros)

As the shareholdings indicated are at December 31, 2008, it is hereby expressly noted that on February 10, 2009, after the close of 2008, Bestinver Gestión, S.A., S.G.I.I.C. publicly notified through the Spanish Securities Exchange Commission that its stake had decreased to below 3% (to 2.995%). Accordingly, it is no longer considered a significant shareholder of Ebro Puleva, S.A.

d) Any restrictions on voting rights.

There are no restrictions on voting rights.

e) Agreements between shareholders.

The Company has not been notified of any agreements between shareholders.

f) The rules governing the appointment and replacement of board members and the amendment of the articles of association.

The appointment and replacement of Board Members are regulated by the Corporate Bylaws (articles 19 and 20) and the Board Regulations (articles 21, 23 and 24).

The Board of Directors shall be composed of at least seven and at most fifteen members. The General Meeting is in charge of determining the composition, as well as the appointment and separation of Directors. The board currently comprises 14 Directors.

Directorships may be waived, canceled or reappointed and are for a term of four years. When their tenure expires, Directors may be reappointed one or more times for terms of equal duration.

The appointment of Board members expires when, after expiry of their tenure, the next General Meeting has been held or the legal period for holding the Meeting to approve the financial statements of the preceding year has elapsed.

If during the term of appointment there are vacancies, the board may provisionally appoint among shareholders the people to hold the post until the first General Meeting thereafter is held.

The candidates proposed by the Board for appointment or reappointment as Directors shall be of recognized standing and have adequate experience and expertise to perform their duties.

These proposals shall be made taking into account the existence of three types of director: (i) Executive; (ii) Non-Executive, who fall into two classes: those who are on the Board at the request of shareholders with significant stakes in the capital and those who may be considered independent according to applicable laws and regulations or the prevailing recommendations on good corporate governance; and (iii) those who do not fit into either of the above categories.

**Management report for the year ended December 31, 2008
(in thousands of euros)**

The distribution of the number of Directors among the types mentioned above shall be adjusted from time to time to the operating requirements and real structure of the company's shareholding body, on the basis of the ratio of capital held by controlling shareholders to capital held by institutional investors and minority shareholders.

In any case, any initiative taken by the Board in respect of its members shall be without prejudice to the sovereign power of the General Meeting of Shareholders to appoint and remove Directors, and any exercise by shareholders of their right to proportional representation.

Directors shall step down and tender their resignation in the following cases:

- When they are affected by one of the cases of incompatibility or disqualification established in Law, the Bylaws or these Regulations.
- When they step down from the executive post to which their appointment as Director was linked, when the shareholder they represent sells its entire shareholding or reduces it to a level that requires a reduction in the number of proprietary directors and, in general, whenever the reasons for their appointment no longer exist.
- When the Board, subject to a report by the Nomination and Remuneration Committee, considers that the Director has seriously defaulted on his or her obligations or that there are reasons of corporate interest for demanding his or her resignation.

The Board of Directors shall propose to the General Meeting of Shareholders that a Director be removed if one of the circumstances described above occurs and the Director fails to tender his resignation.

Directors who give up their post before their tenure expires, through resignation or otherwise, should explain their reasons to all other members of the board. Irrespective of whether such resignation is filed as a significant event, the move for the same must be explained by the Company in the Annual Corporate Governance Report.

When the Board makes decisions about which a director has expressed reservations and he or she resigns, an explanation setting out their reasons should be provided under the terms mentioned in the preceding paragraph.

With regard to amendments of the corporate bylaws, there are no procedures or requirements other than those provided for by law with the exception of the stricter-than-standard quorum requirements for attendance at the generating meeting, which article 12 of the Bylaws stipulates at sixty per cent of the subscribed voting capital on first call and thirty per cent on second call, the same quorum for voting as included in the revised text of Spanish Corporation Law.

**Management report for the year ended December 31, 2008
(in thousands of euros)**

g) The powers of Board members and, in particular, the power to issue or buy back shares

Executive directors Antonio Hernández Callejas and Jaime Carbó Fernández have been granted the following powers:

1) To represent the company and sign on its behalf in all types of transactions, businesses and contracts comprising its corporate purpose. To enter into all types of works, service or supply contracts with the European Union, the Spanish central, regional, provincial, island or local governments and, in general, any public or private individual or company via public tender, auction, direct adjudication or any type of arrangement permitted by Law, presenting and signing the related proposals, accepting any projects awarded, performing any acts and signing any public or private documents required or suitable for their approval, compliance and settlement.

These powers shall be exercised jointly by two legal representatives when the amount of the transaction, business or contract exceeds 50,000 euros.

2) To plan, organize, oversee and control the performance of the company and all its businesses, workplaces and installations, reporting to the Chairman of the Board of Directors and proposing any amendments deemed appropriate regarding the organization of the company.

These powers may be exercised jointly and severally.

3) To sell, purchase, swap, replace, assign and dispose of the ownership or all types of assets, including properties and ownership interests, and to provide guarantees to subsidiaries or third parties. To set up and form part of other companies and acquire shares or ownership interests. To accept and appoint corporate positions in other companies and entities.

These powers shall be exercised jointly by two legal representatives.

4) To stipulate, set up, accept, modify, withdraw and cancel provisional or definitive guarantees, deposits and sureties at any public or private entity, including the Spanish Government Depository (Caja General de Depósitos) and the Bank of Spain.

These powers may be exercised jointly and severally.

5) Banking powers:

a) To open, use, settle and cancel current savings or loan accounts at any bank, including the Bank of Spain, or any other credit and savings banks, signing for these purposes as many documents as required or suitable, and to take out or withdraw from them through checks, money orders, drafts or transfers.

**Management report for the year ended December 31, 2008
(in thousands of euros)**

b) To arrange, execute and underwrite loans, signing as many private and public documents as necessary and reporting to the Board of Directors of the exercise of these powers at its first meeting thereafter.

These powers shall be exercised jointly by two legal representatives.

6) To issue, accept, collect, pay, endorse, contest, discount, guarantee and negotiate commercial or financial bills of exchange, promissory notes, checks, and other drafts and bills. To undertake and fix the terms of endorsements, certificate discounts and all kinds of commercial paper, together with orders to pay drawn on the Treasury, banks, savings institutions and other entities at which the Company holds securities, bills, cash or any other form of assets.

The powers to issue, accept and order payment shall be exercised jointly by two legal representatives.

7) To demand, collect and receive all money due to be credited or paid to the Company in cash, bills or any other type of payment by individuals, Banks or any other Entity, by the European Union, the Spanish state, regional, provincial, island or local governments and, in general, any public or private Entity. To give and receive receipts and vouchers and to fix and settle account balances. To determine the method of payment of amounts owed by the Company, grant extensions and set due dates and amounts.

To accept all kinds of personal guarantees and liens from debtors, including mortgages, movable and immovable collateral, transferred and registered pledges, along with agreements, clauses and terms that it deems appropriate and to cancel them once the amounts or credits under guarantee have been received.

These powers may be exercised jointly and severally by any of the Company's legal representatives.

8) To make any type of payments, taking any step necessary to comply with all the Company's obligations and to demand the necessary payment receipts and vouchers.

These powers shall be exercised jointly by two legal representatives when the amount of the payments exceeds 50,000 euros.

**Management report for the year ended December 31, 2008
(in thousands of euros)**

9) To represent the Company before third parties and any type of Government Authority, Chambers, Commissions or other, Committees, Associations, mutual Insurance Companies, Registries, Delegations, offices and Premises of the European Union, the Spanish state, regional, Provincial, island or local governments and other Spanish or foreign administrative, governmental or other centers or bodies, at any level or jurisdiction, or appoint an individual to represent the Company in this capacity. To exercise the rights and interests that, as appropriate, correspond to the Company. To execute inquiries and suits. To file any pertinent proceedings, requesting the data, copies or documents, and lodging prior or ex facto complaints, and lodging any type of legal appeals. To withdraw from proceedings, claims and appeals at any stage of the process, abide by or enforce any definitive rulings. To protest or file proceedings and certified notices or of other kind. To request reliable certificates, testimonies and copies of interest of the Company.

These powers may be exercised jointly and severally.

10) To appear and represent the Company before Criminal and Civil Courts, Prosecutors, Juries and other appellate, labor or other bodies in any jurisdiction and at all levels, both Spanish and of any other country or international organization, entering into any legal relationships deemed appropriate and complying in particular, solely by signing an administrative appeal, with the requirements provided under article 45.2,d) of Law 29/1998, dated July 13.

To grant and revoke powers in favor of attorneys and lawyers.

To exercise all types of pleas and claims, oppose any type of appeals against any procedures or appeals, either as plaintiff or defendant or in any other capacity. To file any type of ordinary or extraordinary claim or appeal, including appeals to the Supreme Court and appeals for judicial review. To withdraw any claims, proceedings, lawsuits and judicial reviews at any stage of the process. To testify in court as a legal representative of the Company and, as so required, ratify their testimony personally and expressly. To reach settlements and to submit any matters of interest to the Company to arbitration. To abide by or enforce any definitive legal rulings.

To represent the Company and participate on its behalf in all types of payments moratorium, bankruptcy, acquittance procedures, creditor agreements or winding up under the supervision of the court, certifying the Company's credit items, obtaining guarantees and accepting their award as payment, granting or rejecting reductions or extensions. To appoint, accept and excuse bankruptcy receivers, Administrators, Experts and Adjustors, and propose and reject the recommendations made by them in their respective assessments. To compromise, agree on terms, acquittances and settlements covered by the collective labor agreement and sign them, following the matters through all procedures until abidance by or enforcement of the definitive judgments.

To choose the location and abide by express or implied jurisdictions.

**Management report for the year ended December 31, 2008
(in thousands of euros)**

These powers may be exercised jointly and severally.

11) To execute, with respect to management, the resolutions adopted by the Board of Directors or its Executive Committee subject to a report by the Nomination and Remuneration Committee; and, regarding company staff, hire, relocate, fine, suspend and fire employees, set wages, salaries and other emoluments of any Company employee; award termination benefits and, in general, decide on any matters related to personnel of the company. To appoint and remove proxies and agents.

These powers may be exercised jointly and severally.

12) To abide by and enforce the resolutions adopted at the General Shareholders' Meeting, by the Board of Directors, its Executive Committee or the Chief Executive Officer, issuing, as appropriate, any public deeds or other legally required public or private documents for this purpose.

These powers may be exercised jointly and severally.

13) To replace and/or grant to third parties, all or in part, the powers attributed to them, as well as remove powers in full or in part, including those granted previously, issuing the related public or private documents, and reporting the exercise of this power to the Board of Directors at its next meeting thereafter.

These powers must be exercised jointly, with the additional requirement of at least three legal representatives.

14) To attend and represent the Company at the General Meetings of shareholders and/or partners of all Ebro Puleva Group companies, and to pass as many resolutions as necessary without limitation.

These powers may be exercised jointly or separately.

Finally, neither Antonio Hernández Callejas, nor Jaime Carbó Fernández or any other Director or manager has been granted powers to issue or buy back shares.

- h) Any significant agreements to which the company is a party and which take effect, alter or terminate upon a change of control of the company following a takeover bid, and the effects thereof, except where their nature is such that their disclosure would be seriously prejudicial to the company. This exception shall not apply where the company is specifically obliged to disclose such information on the basis of other legal requirements.**

There are no agreements of this type.

- i) Any agreements between the company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid.**

In 2006, the Chairman, Mr. Antonio Hernández Callejas, notified the Board of Directors that he would irrevocably forgo his entitlement to the safeguard clause originally included in his contract, which consisted of a net termination benefit equivalent to two years' total gross annual remuneration.

The General Director, Mr. Jaime Carbó Fernández, and the General Secretary Mr. Miguel Angel Pérez Álvarez have likewise forgone their entitlement to the safeguard clauses originally established in their respective contracts, which consisted of a net termination benefit, equal to two years' gross annual remuneration. The Board of Directors resolved to replace this termination benefit with the indemnity contemplated in cases of dismissal or change in control equal or similar to what they would have normally received under prevailing Employment Legislation in Spain.

As for other managers of Ebro Puleva, S.A. the contracts of three managers include safeguard clauses in the event of dismissal decided by the company or for changes in control which provide for termination benefits ranging from one to three years' annual remuneration.

In other cases of dismissal through no fault on the part of the employee, the indemnity contemplated in prevailing Employment Legislation in Spain shall be applied.

12. ANNUAL CORPORATE GOVERNANCE REPORT

In accordance with prevailing legislation, this section of the management report includes the Annual Corporate Governance Report for 2008 of Ebro Puleva, S.A. as required by the National Securities Commission (the CNMV).