



Campofrio Group increases sales by 6% during the first semester, to 427 million Euros

- Group EBITDA reaches 33,7 million Euros, while Iberia Business Unit grows 7% and reaches 34,2 million Euros
- Net Financial Debt totals 125 million Euros compared to the 200 million Euros of June 30, 2007

Madrid, August 29, 2008.- Group Campofrio has registered a turnover of 427 million Euros during the first half of 2008, representing a growth of 6% during the same period of 2007. During these 6 months, Group EBITDA has totalled 33,7 million Euros versus the 33,5 million Euros during the same period of the previous year. This favorable difference has been achieved within the context of the increase in raw material pricing during the past months, which consolidates and ratifies the Group's focus and investments in innovation and marketing.

Net consolidated results during the first six months were -12,9 million Euros compared to the 6,7 million Euros during the same period of 2007. This is a result of the -20,9 million Euros negative impact that the sale and results of the Russian subsidiary, Campomos, has had on the Groups's cumulative consolidated results during these first six months of 2008. Without this application, net consolidated results would have totalled +7,9 million Euros.

During this period, the Iberia Business Unit has favorably evolved, improving its EBITDA by 7%, to 34,2 million Euros.

On June 27, 2008 the respective Boards of Directors of Campofrio Alimentación, S.A. and Groupe Smithfield Holdings, S.L. have approved a merger project by which Campofrio Alimentación, S.A. absorbs Groupe Smithfield Holdings, S.L., which will be dissolved without liquidation and a block transfer will be made of said company's equity to Campofrio Alimentación, S.A.

The merger project is subject to the approval of the respective General Shareholders Meetings of the participating companies, as well as the fulfilment of certain suspensive conditions.

On the international scene, Campofrio Group has reached an agreement with the Finnish company Atria-Invest OY for the sale of 100% of its shares in Campomos, its Russian subsidiary. The transaction is subject to approval from the competent authorities of Russia. The sale of Campomos will allow Campofrio to fully devote its resources and efforts to the



result of its merger with Groupe Smithfield Holdings, S.L., becoming the leading processed meats company in Europe, producing added value for all its shareholders. The new Campofrio will have a headcount of over 11,800 employees and a position as market leader in Spain, France, Belgium, Portugal and the Netherlands (where the company is number 1) as well as in Romania, Germany, the United Kingdom and Italy (where it holds a prominent position).

In the first six months of 2008, Campofrio Group has continued to consolidate its strong financial position, with net financial debt at June 30, 2008 standing at 125 million Euros compared to the 200 million Euros recorded at June 30, 2007.