MINERVA
Qualidade em Alimentos

SOLID CAPITAL STRUCTURE AND MANAGEMENT STRATEGIES ASSURE COMFORTABLE POSITION FOR MINERVA

Barretos, March 10, 2009 - Minerva S.A. (*BOVESPA: BEEF3; Bloomberg: BEEF3.BZ; Reuters: BEEF3.SA*), one of the leading producers and sellers of beef, leather and live cattle in Brazil, informs that its solid capital structure and management strategies continue to assure it a comfortable position, despite the recent instability that is adversely affecting companies in the industry.

Standard & Poor's reaffirmed its "B" credit rating assigned to Minerva and placed it on CreditWatch with negative implications, reflecting the deterioration in market and credit conditions for Brazil's beef industry following a series of recent defaults in the sector, which could have an adverse affect on the refinancing of short-term debt maturities in late 2009 and 2010.

Regarding Minerva's financial position, current liquidity exceeds short-term debt maturities, minimizing any refinancing risks. Minerva's position is underpinned by solid financial policies, with the company maintaining a high cash balance, which ended February at approximately R$450 million (excluding BNDES loans to be disbursed), and at least 80% of debt concentrated in the long term.

In addition to these financial aspects, Minerva's strategy of capturing new markets has helped safeguard its operations. In its sales strategy, one of Minerva's main advantages is the highly diversified list of countries in which it operates and its market segmentation, with a focus on solid clients with strong track records, especially in terms of payment. As a result, the company has not suffered any payment problems involving its international clients, including those in Russia, where the level of receivables is at normal levels. In fact, receivables performance exceeded Minerva's own expectations, with export receivable terms shortening to 45 days, from 50 days in 3Q08, despite the highly volatile market environment.

Minerva's advantages includes its operational flexibility, agile sales structure and complete control of processes, as well as the geographic diversification of its plants and the broad reach of its extensive distribution system for small and midsized retailers, with approximately 18,000 points of sale. Moreover, Minerva maintains a conservative acquisition and expansion policy, placing a priority on moderate, though solid and secure, growth, while avoiding accelerated expansions that expose the Company to risks and losses.

Reflecting these structural and strategic advantages, Minerva has not experienced any margin compression so far in 2009, and is planning to scale up production in March by approximately 20% in relation to February, to capacity utilization of 75%. Furthermore, export volumes have already begun to recover in February, reflecting Minerva's penetration in robust markets such as the Middle East and Northern Africa. Minerva's share of Brazil's fresh beef export revenue expanded to 16.4% in 4Q08, up from 11.0% in 3Q08.

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About Minerva S.A.

Minerva S.A. is one of the leading producers and sellers of beef, leather and live cattle in Brazil, and is one of the country's three largest exporters in the sector in terms of gross revenue, exporting to some 80 countries. The Company has slaughter capacity of 5,500 head/day, processing capacity of 1,300 tons/day and leather capacity of 5,000 hides/day. With a presence in the Brazilian states of São Paulo, Goiás, Tocantins, Mato Grosso do Sul as well as in Paraguay, Minerva operates seven slaughter and deboning plants, two tanneries and five distribution centers. In the 12 months ended September 30, 2008, the Company recorded net sales revenue of R$2.1 billion, up 53% on the same period a year earlier.