



2Q09 Results Conference Call



Qualidade em alimentos para a mesa da sua família

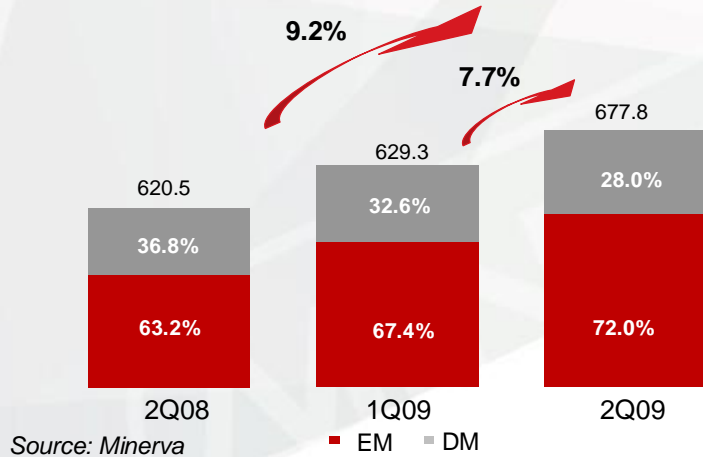
Quarter Highlights

- „ **Minerva's 2Q09 results confirm the company's strong revenue growth and stable operating margins;**
- „ **LTM Net Revenue of R\$2.5 billion, up 22% year/year;**
 - § Export revenues ended up 24% higher than 2008.
 - § In the domestic market, revenues grew by 18% year/year.
- „ **EBITDA of R\$44.8 million, growing 36.5% in relation to 1Q09, with EBITDA margin expansion of 1.3 p.p., reflecting the resumption of exports, a more profitable product mix, the recent rationalization of capacity in the industry and the initial maturation of Minerva's investments in 2008;**
- „ **Capacity utilization remains at record levels, at around 80% in 2Q09, even after the increase of capacity;**
- „ **Net Income of R\$ 57 million, due to the combination of a better operating results in the quarter and the impact of foreign exchange gains on the financial result;**

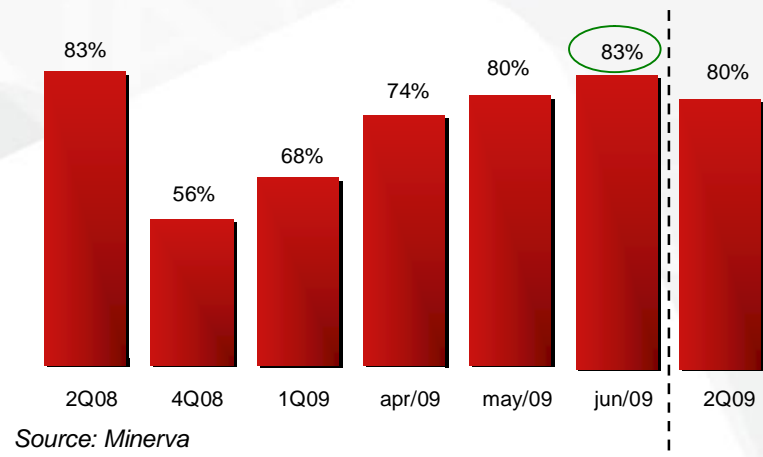


Gross Revenue and Capacity Utilization

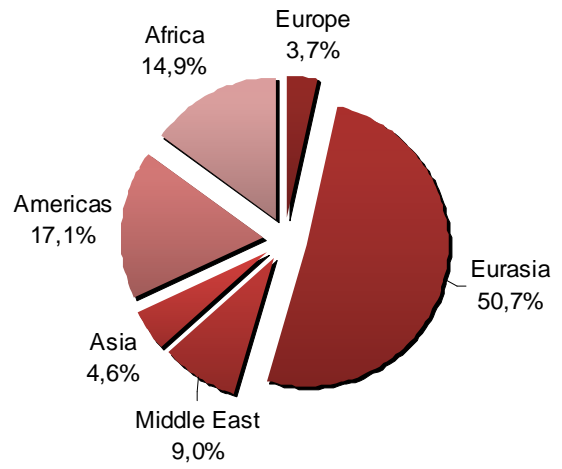
Gross Revenue – DM e EM



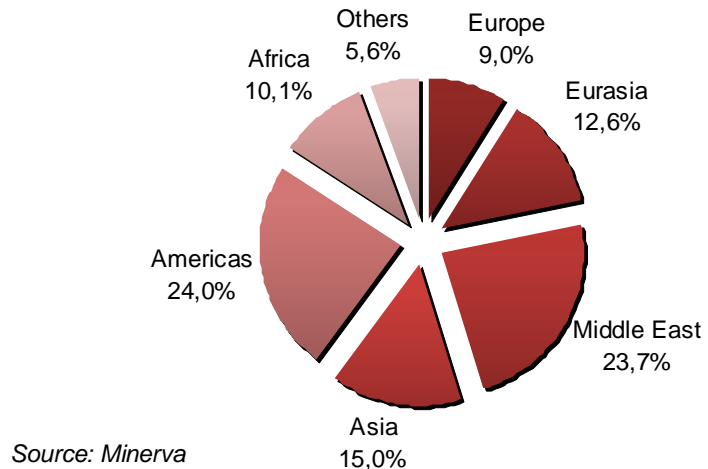
Capacity Utilization - Minerva



Exports by Destination 2Q08 - Minerva



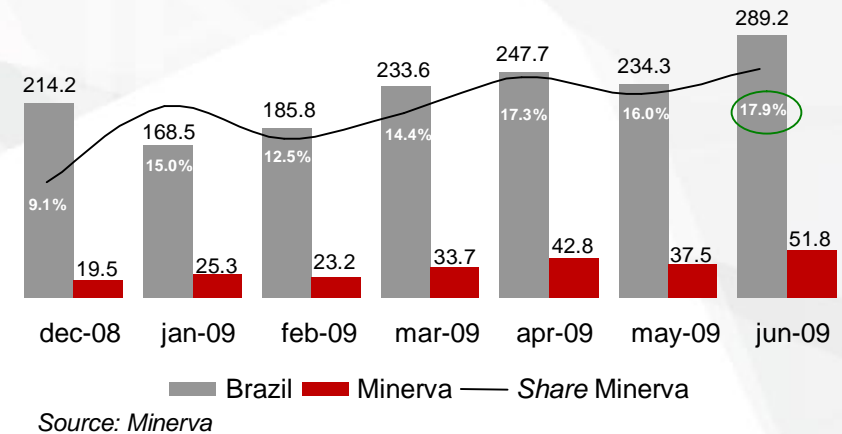
Exports by Destination 2Q09 - Minerva



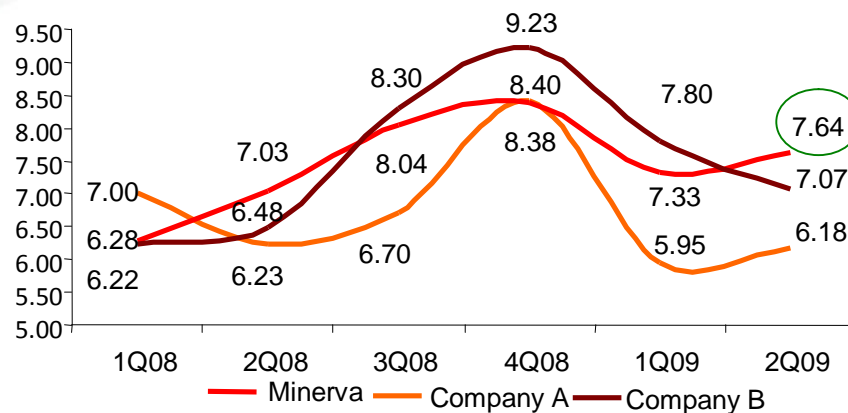
Fresh Beef – Minerva Vs. Brazil

- „ Minerva exports average prices of fresh beef are higher than the average prices of the Brazilian sales.
- „ More profitable product mix is a consequence of the geographical diversification on more profitable markets and the operational flexibility of the Company to attend those demands;
- „ *Market Share* of 17.9% at the end of the quarter in the exports of fresh beef.

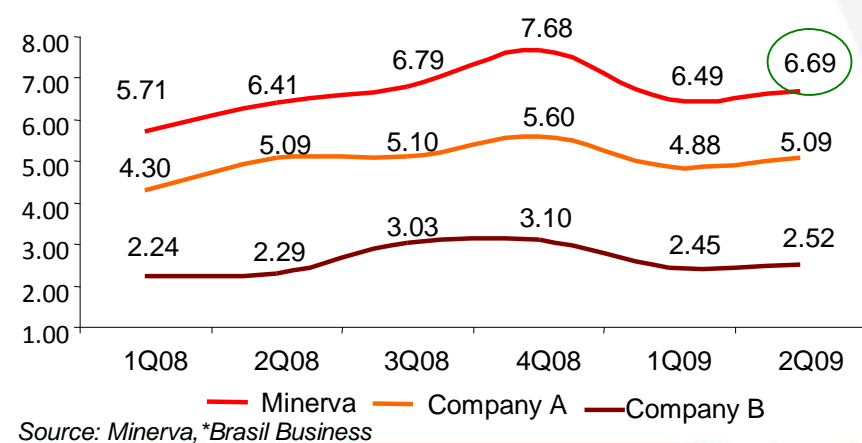
Market Share – EM (US\$ - FOB)



Average Price* – EM (R\$/Kg)

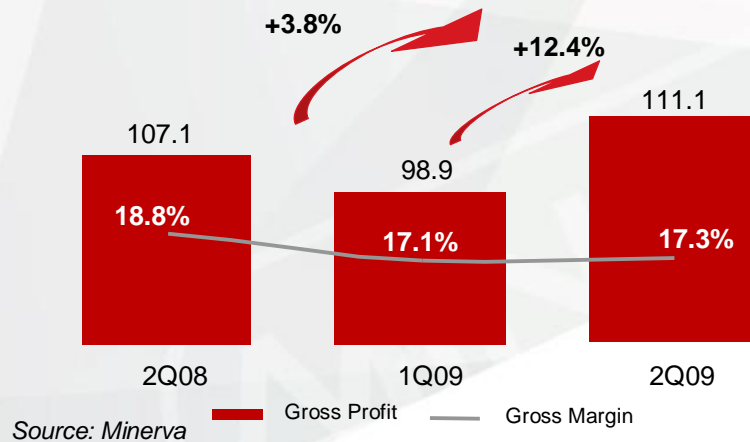


Average Price* – DM (R\$/Kg)

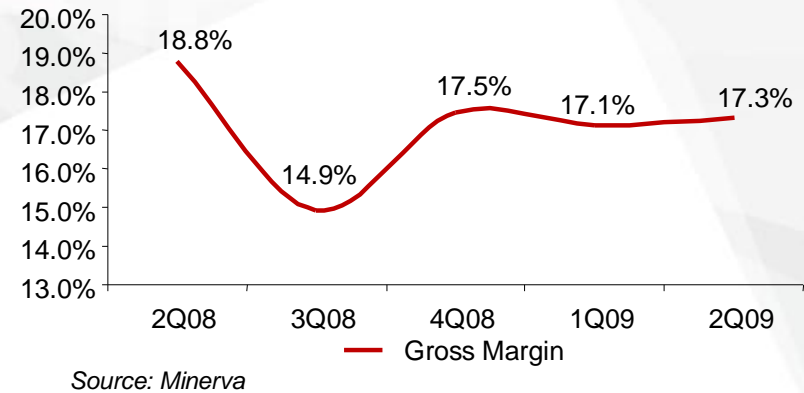


Gross Income, EBITDA and Margins

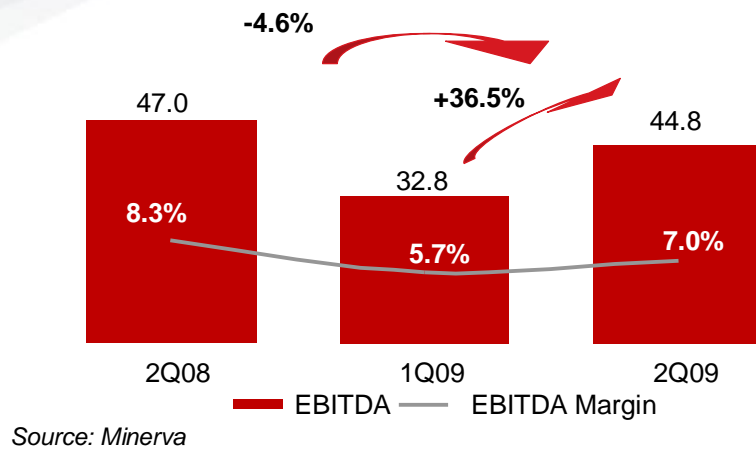
Gross Income



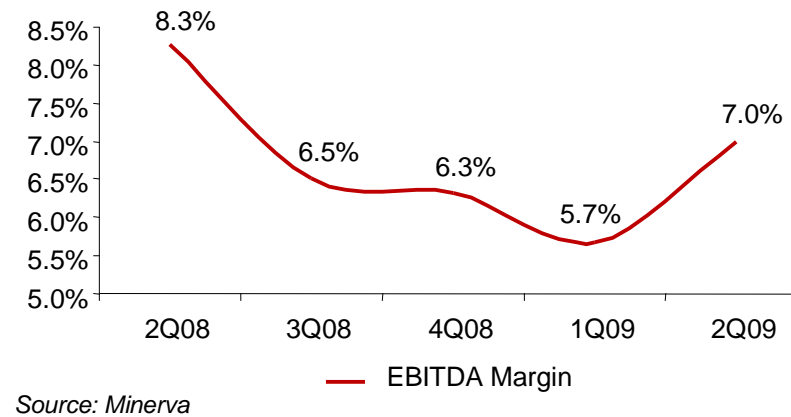
Gross Margin



EBITDA



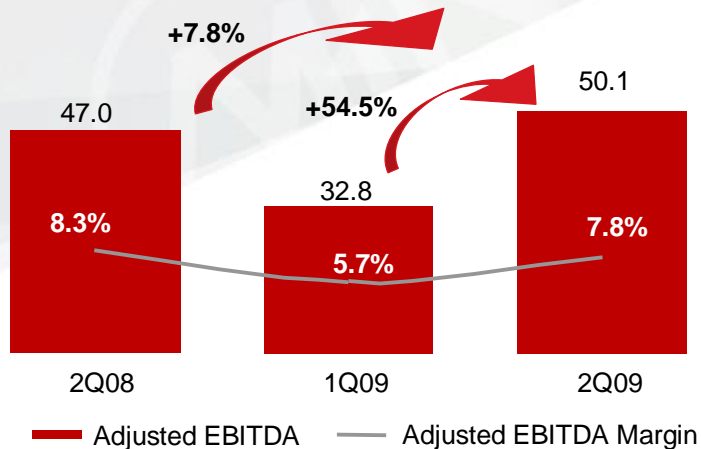
EBITDA Margin



Adjusted EBITDA for nonrecurring items

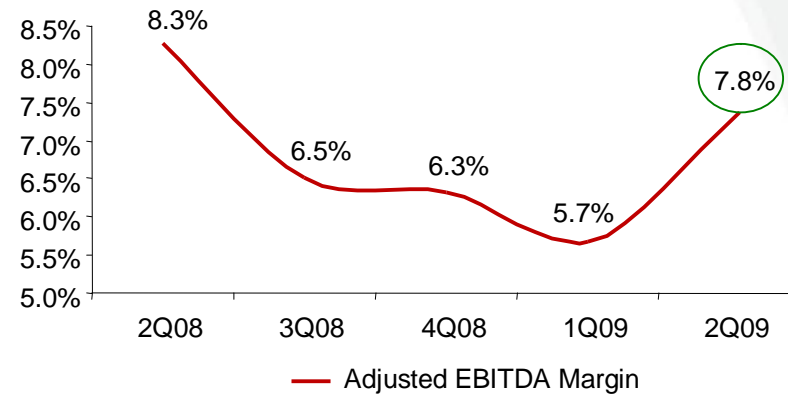
G&A expenses on the quarter were affected by nonrecurring items regarding the start-up of Minerva Dawn Farms. The adjusted EBITDA revised to exclude those effects totaled R\$ 50 million or 7.8% of margin.

Adjusted EBITDA



Source: Minerva

Adjusted EBITDA Margin

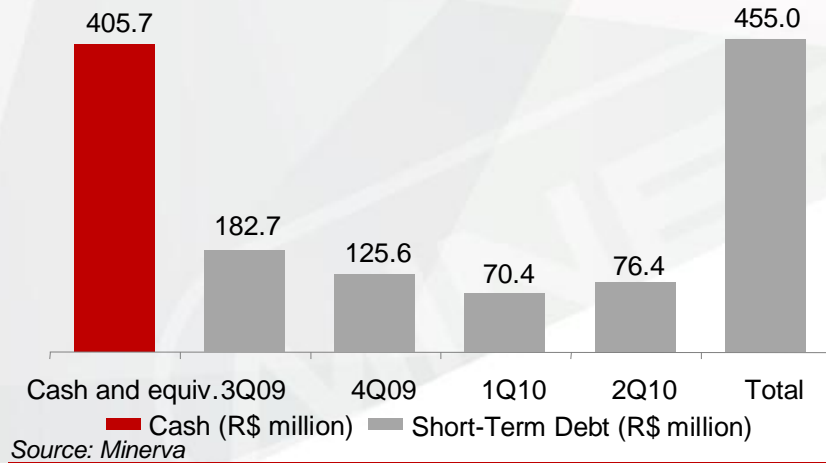


Source: Minerva

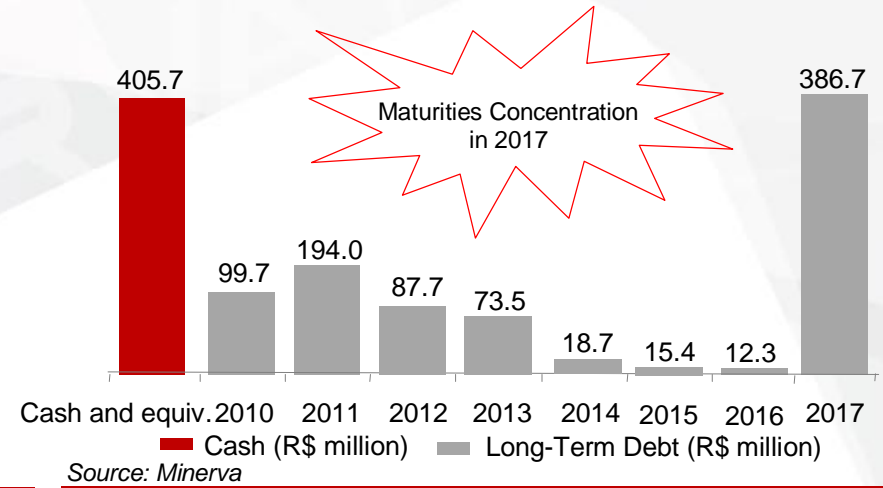


Capital Structure

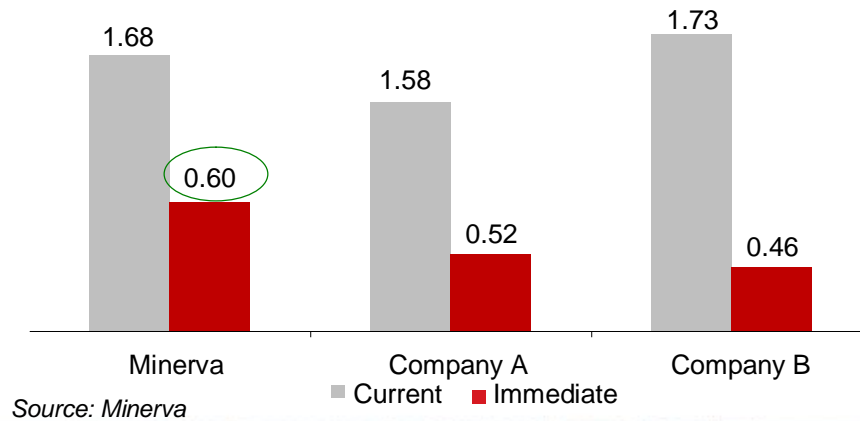
Short-Term Debt Amortization



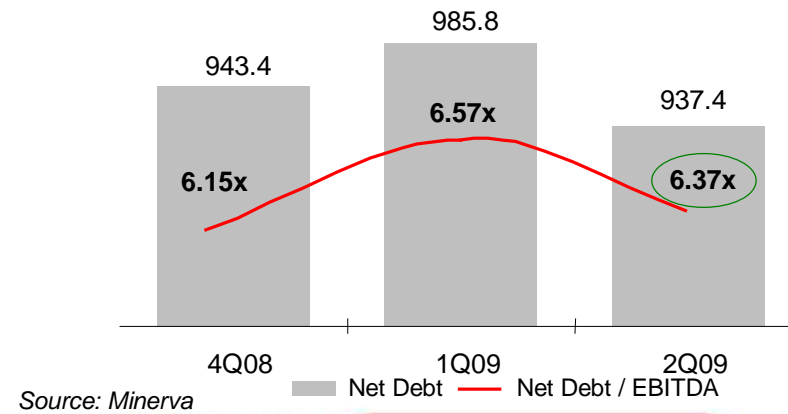
Long - Term Debt Amortization



Current Liquidity and Immediate Liquidity ratios



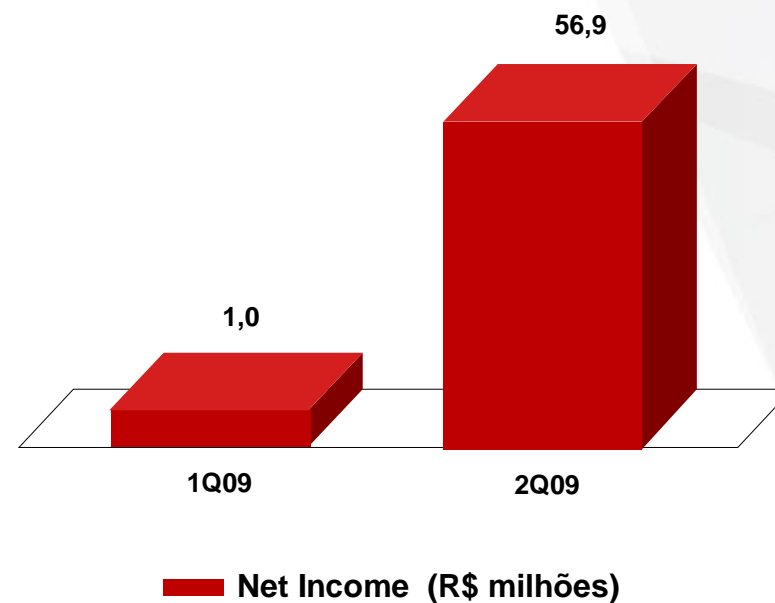
Net Debt/EBITDA



Financial Result and Net Income

Net income in 2Q09 of R\$57 million, improving substantially from the net income in 1Q09.

R\$ million	1Q09	2Q09
Net Financial Result	(34,8)	24,7
Net Interest	(13,9)	(28,3)



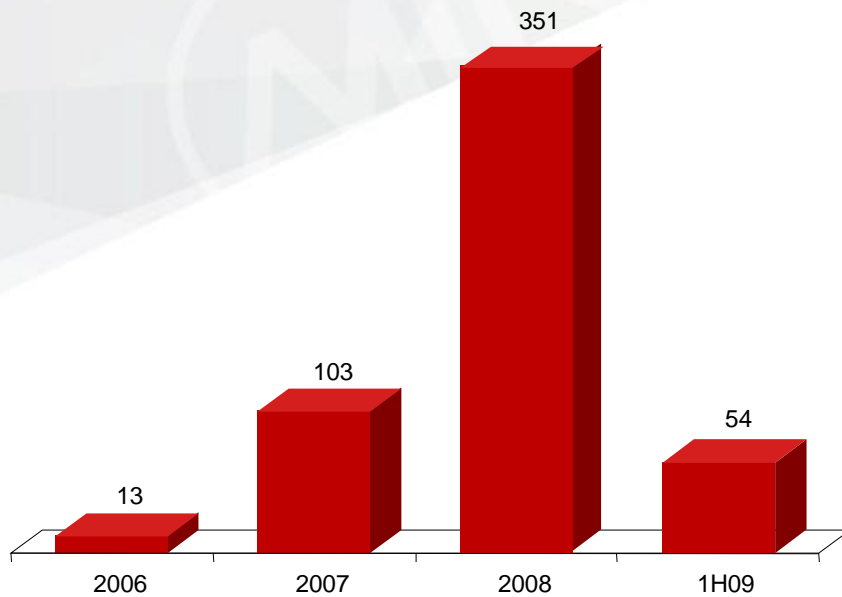
Source: Minerva



Capital Expenditure

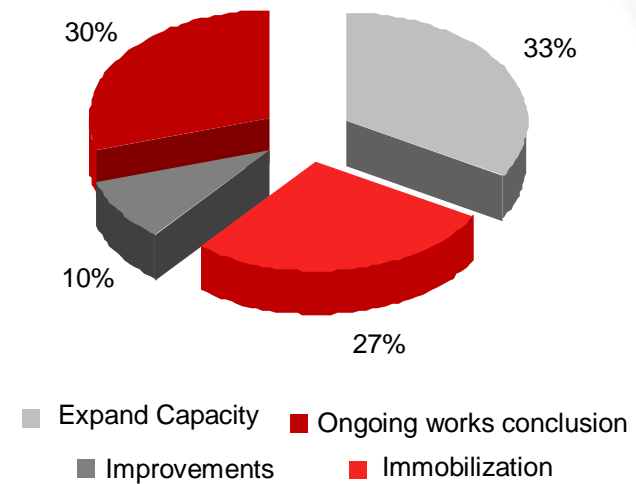
Capex in 2Q09 totaled R\$41 million, but R\$ 11 million was related to the incorporation of Lord Meat. R\$ 30 million was invested in fixed assets on the quarter and in the 1H09 an amount of R\$ 54 million was already expended.

Capex (R\$ Million)



Source: Minerva

Capex Breakdown – 2Q09 (R\$) million

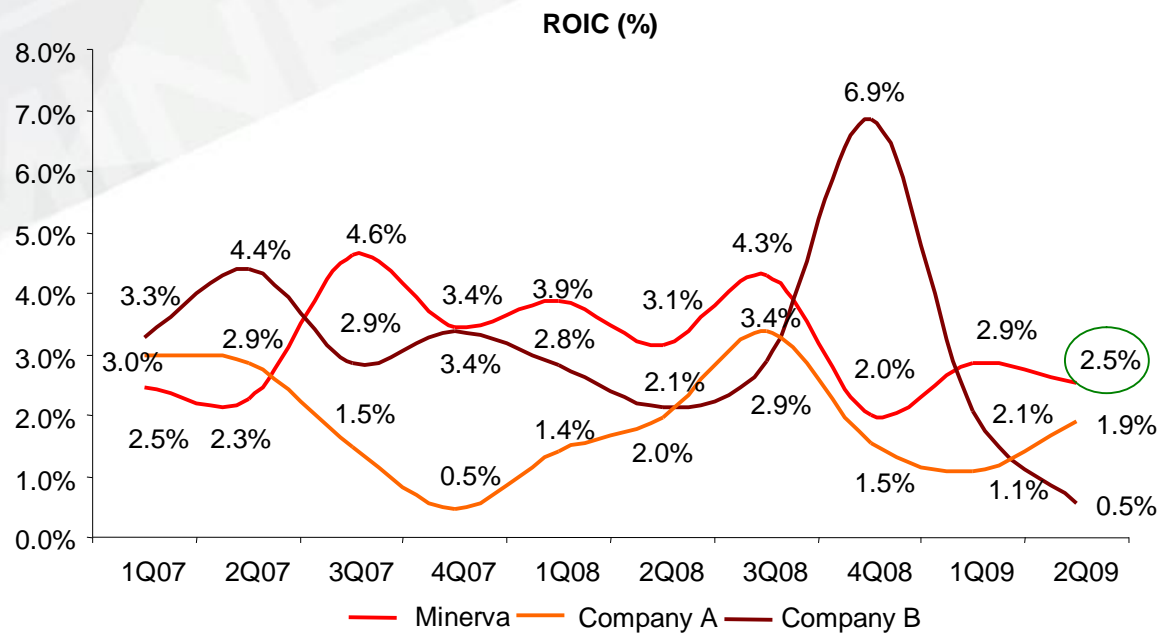


Source: Minerva



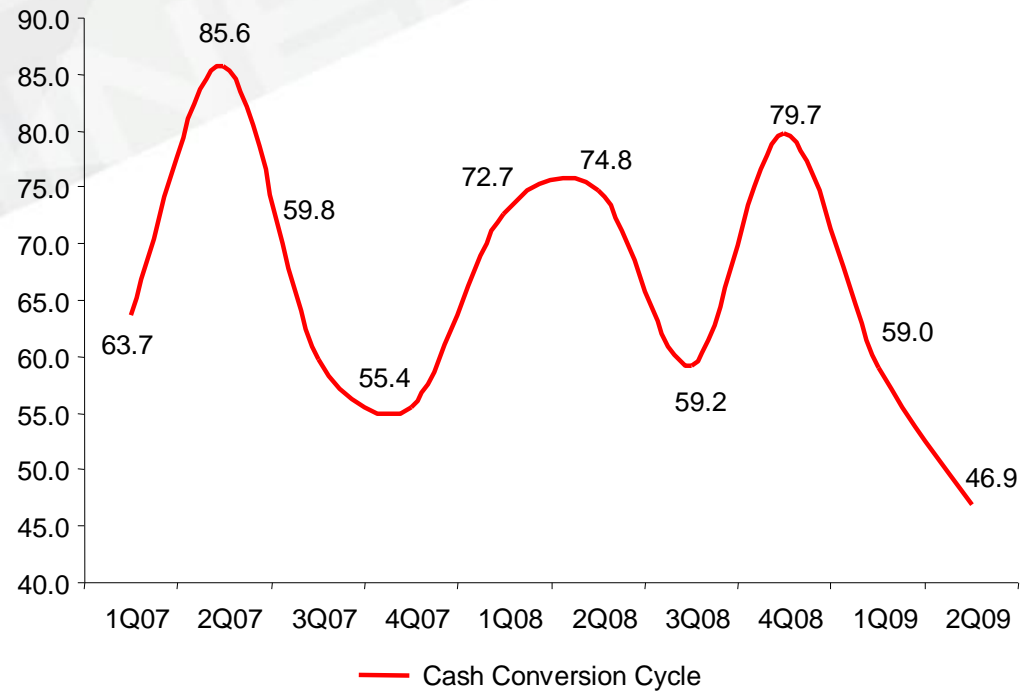
Return on invested Capital (ROIC)

Profitability of Minerva's operations has been more stable and higher than the assets of the sector, as a consequence of the greenfield investments properly projected for the commercial strategy of the firm.



Working Capital Management

Efficient working capital management strongly reduced the cash conversion cycle, reaching the lowest level of the last years.



Capital Increase

- „ **1st step: Extraordinary Shareholders Meeting (08/31) to approve the increase of the limited authorized capital in our bylaw;**
- „ **2nd step: Approval by the Board for the capital increase by the issue for the subscription of common shares;**
 - § **Minimum Amount** ~ R\$ 100 million, once that the controlling shareholder has already manifested its intent to subscribe to all shares corresponding to its pro-rata rights.
 - § **Maximum Amount** ~ R\$ 160 million, considering that the controlling shareholder and the minority shareholders exercise their full pro-rata rights in the subscription of new shares.
- „ **Additional advantages: new subscribed share + 1 stock warrant;**
- „ **Capital increase benefits:**
 - § Reduction of the short-term debt stretching out the current lines and also deducting the long term debt (Repurchase of Bonds);
 - § Strengthen the Company capital structure (Ke/kd ratio);
 - § High up-side potential for the shares;



Tax environment

PIS / COFINS

- „ Government exemption plans for taxes (PIS/COFINS) directly benefits Minerva's operations in the domestic market and also on the export side;
- „ The higher formalization of the sector as a consequence of the taxation changes may have a positive impact for the sector;
- „ Non-cumulative credit of PIS / COFINS of R\$128.5 million in the balance sheet of the Company in the 2Q09.

IPI

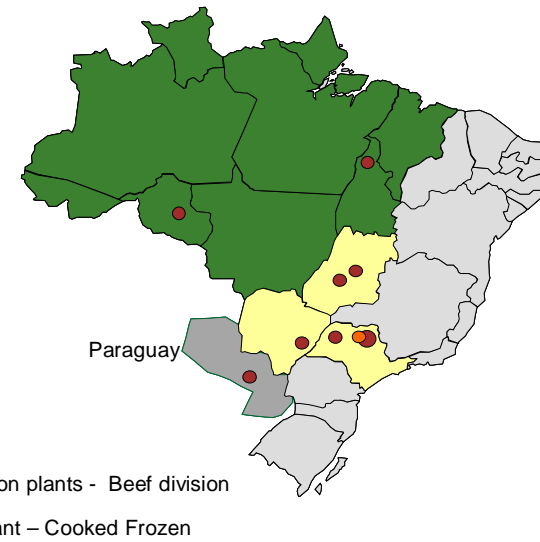
- „ Brazilian Supreme Court decision in August 13th, 2009, concerning the IPI credit-premium was favorable to the Federal Government;
- „ IPI fiscal credits have never been accounted in the Company's balance sheet;
- „ Fees related to the cause should reach the maximum amount of R\$5,000.00 (five thousand reais).



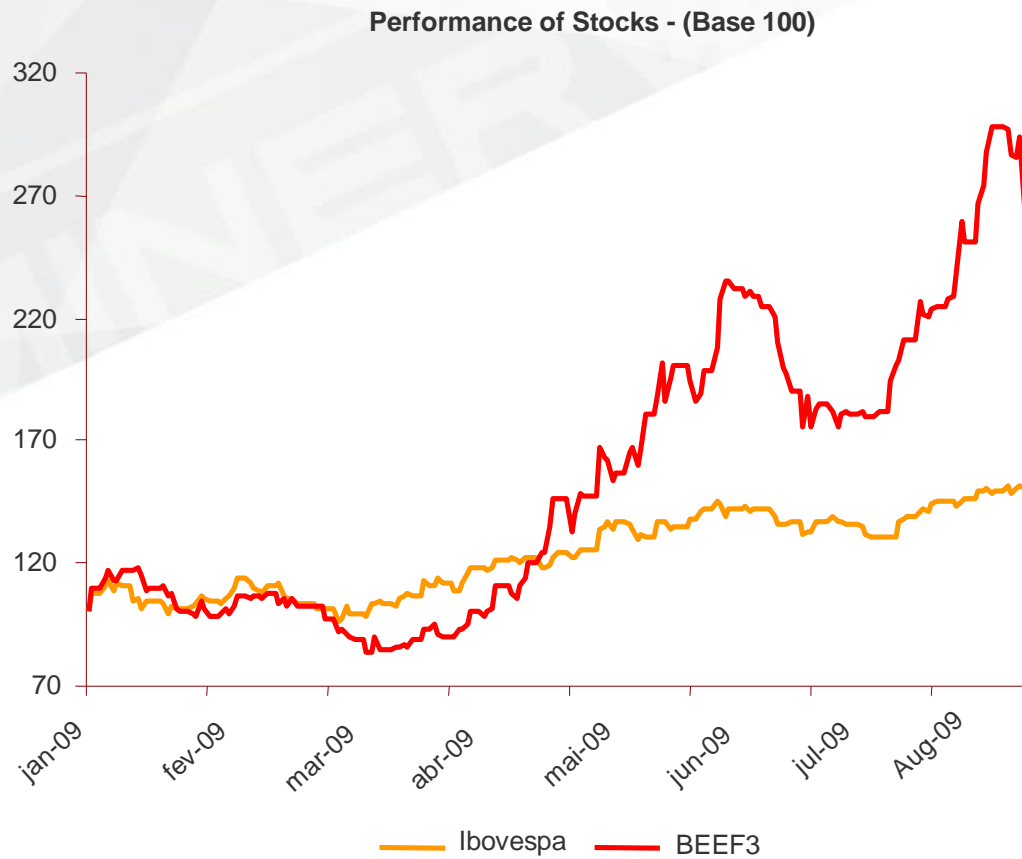
Sustainability

- „ **“Minerva Verde”**: Multidepartamental team for the projects related to the environmental, social and economic sustainability on the long run;
 - § Application of the norms and the current law for complying with the social and environmental terms in the whole production channel (Supply, Suppliers, employees and clients);
 - § Certification of the production units (example: ISO 14.000 and OHSAS 18.000);
 - § Tractability of the fresh beef carne (1st. Step), gradually increasing until reaching the whole supply chain;
 - § Development and management of the elimination of the environmental liability in the supply farms or properties.

- „ Minerva doesn't have production plants located in the state of Pará and have had already anticipated in establishing the procedures for raw-material supply in that region.



Performance – BEEF3 vs Ibovespa



IR Contacts

Fernando Galletti de Queiroz – CEO and IRO

Eduardo Puzziello – IR Superintendent

Henrique Ribas – IR Analyst

Investor Relations

Website: www.minerva.ind.br/ir

e-mail: ri@minerva.ind.br

Phone: (55) 11 3074-2434 / 17 3321-3303



Disclaimer

This presentation contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of Minerva. These are merely projections and, as such, are based exclusively on the expectations of Minerva's management concerning the future of the business and its continued access to capital to fund the Company's business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in Minerva's filed disclosure documents and are, therefore, subject to change without prior notice.

