



MINERVA

Qualidade em Alimentos

Barretos, May 7, 2010 – Minerva (BOVESPA: BEEF3; Bloomberg: BEEF3.BZ; Reuters: BEEF3.SA), one of the leaders in Brazil in the production and sale of fresh beef, live cattle and cattle byproducts exports, with operations also in the beef, pork and poultry processing segments, announces today its results for the first quarter of 2010 (1Q10). Except where stated otherwise, the financial and operating information in this release is presented in BRGAAP and Brazilian real (R\$).

Minerva (BEEF3)

Stock price on 5/6/10: R\$ 6,35

Market Cap: R\$ 669 million

105,305,817 Shares

Free Float – 32.2%

Conference Calls

Portuguese

Monday, May 10, 2010

10:00 a.m. (Brasília)

9:00 a.m. (US EDT)

Dial-in: +55 (11) 2188 0155

Code: Minerva

Replay: +55 (11) 2188 0155

Code: Minerva

English

Monday, May 10, 2010

12:00 p.m. (Brasília)

11:00 a.m. (US EDT)

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1Q10 Highlights

- ✓ **Net Revenue in 1Q10 was a record R\$744.4 million, up 28.7% from 1Q09.** In relation to 4Q09, net revenue grew 8.0%. Fresh beef exports in the quarter increased 46.0% from the same quarter of 2009. Despite the adverse exchange rate for exports (average USD depreciation of 22.1% in relation to 1Q09), Minerva was able to increase its operating and margin with a capacity utilization rate above the industry average (reaching 84%, remaining the industry benchmark).
- ✓ **Domestic revenue grew by 15.8% from 1Q09.** The client base expanded by more than 1,500 small and medium establishments in local market. The highlight of the expansion of the distribution network was Minerva's Distribution Center model.
- ✓ **EBITDA of R\$53.5 million in 1Q10 was 66.2% higher than in 1Q09, for EBITDA margin expansion of 1.6 p.p.** The result validates the effectiveness of our growth strategy and demonstrates that the continuous improvement in our results was due to the maturation of our greenfield investments.
- ✓ **Minerva's market share of fresh beef exports continued growing in 1Q10, to 21.1%, up 8.6 p.p. from 1Q09, while the Company's average price was 9.9% higher than the market's U.S. dollar price.**
- ✓ **The company ended 1Q10 with R\$464.5 million in cash, which is sufficient to prepay all debt amortizations through 2013.** Our current (3.64) and immediate (1.31) liquidity ratios have improved over recent years. Long-term gross debt accounted for 89.8% of total debt.
- ✓ **Reduction in financial leverage.** The Net Debt/EBITDA ratio stood at 4.35x. Minerva ended the quarter with a cash conversion cycle of 37.4 days, the lowest level of recent years. Return on invested capital (ROIC) remained stable at 2.9% in 1Q10. We believe these indicators confirm our growing cash generation combined with an austere financial policy, efficient management of working capital and conservative strategic management.

Main Indicators (R\$ million)	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Head of Cattle Slaughtered (thousands)	345.5	368.7	-6.3%	279.7	23.5%	1,356.6	1,066.6	27.2%
Sales Volume (thousand tons)	89.2	80.8	10.4%	66.8	33.5%	323.8	259.9	24.6%
Gross Revenue	775.7	727.2	6.7%	629.3	23.3%	2,918.7	2,437.9	19.7%
Domestic	240.1	274.0	-12.4%	207.3	15.8%	931.3	872.4	6.7%
Export	535.6	453.2	18.2%	422.1	26.9%	1,987.5	1,565.5	27.0%
Net Revenue	744.4	689.1	8.0%	578.3	28.7%	2,768.2	2,237.4	23.7%
EBITDA	53.5	52.9	1.2%	32.2	66.2%	203.0	150.3	35.1%
EBITDA margin	7.2%	7.7%	-0.5 p.p.	5.6%	1.6 p.p.	7.3%	6.7%	0.6 p.p.
Adjusted Net Income	(23.2)	17.5	n.a	1.0	n.a	57.2	(243.9)	n.a.
Net Margin	-3.1%	2.5%	-5.7 p.p.	0.2%	-3.3 p.p.	2.1%	-10.9%	13.0 p.p.

(*) In last 12 months

Message from Management

Over the last three years we have developed a strategy for consistent growth that is focused on our core business (beef), structured for the medium and long term and geared towards organic growth (based in Latin America). Once again the quarter's strong performance, with record revenue and EBITDA, confirmed the careful selection of our strategy.

The investments made to expand production capacity, with greater operational flexibility and improvements in the productivity of our plants, and our increased diversification towards higher value-added products, have boosted our operational results as these investments mature.

The result of this planning is that today Minerva has industrial complexes that are among the most modern in Brazil and strategically located for the acquisition of raw materials. During this three-year period, we outlined a sales strategy based on a broader network in the domestic market and greater geographic diversification of exports, which resulted in lower concentrations in and dependence on specific markets.

This operational strategy is further complemented by austere financial policies, efficient management of working capital, logistics tailored to our operations, achieving an effective balance between commodities and value-added products and excellence in risk management. In parallel, the continuous focus on improving our capital structure over these years has supported the maturation of our investments, gradually reduced our cost of capital and significantly improved our debt profile (our current cash position covers debt payments through 2013).

Minerva has become a reference in the industry in terms of capacity utilization. In the first quarter, we maintained our capacity utilization rate above 80%, which generated economies of scale and, combined with our prices above the industry average (due to our excellent management of the product mix), led to expansion in consolidated gross margin and better operating results.

The effectiveness of this strategy is substantiated by the improvement in our operating results. After a period of major turbulence in international markets that affected the dynamics of our industry, we see 2009 as a turning point, with revenue growth and operating margin expansion beginning to stage recoveries already in the second half of the year.

The policy adopted for the domestic market focuses on expanding services to small and mid-sized retailers due to the accelerated growth in this segment. This strategy is based on providing services directly through the Distribution Centers (currently in expansion), which, combined with our one-stop-shop strategy, has maximized margins and increased our domestic sales.

In the international market, our efforts to diversify geographically and tap new emerging markets, our own offices located in strategic locations and our efficient distribution channels have helped support sustainable growth in export revenue.

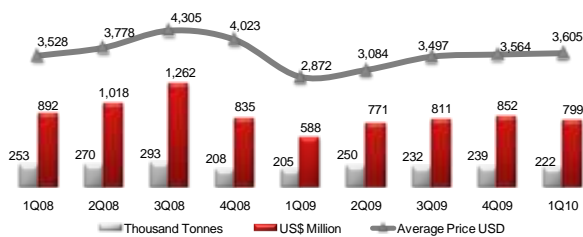
Minerva's leadership is clearly demonstrated by our consolidation of Brazil's fresh beef exports in this first quarter, with market share of 21.1% and EBITDA margin up 160 bps from the same quarter a year ago, demonstrating the consistent and solid growth of our operations.

Fernando Galletti de Queiroz, Chief Executive Officer

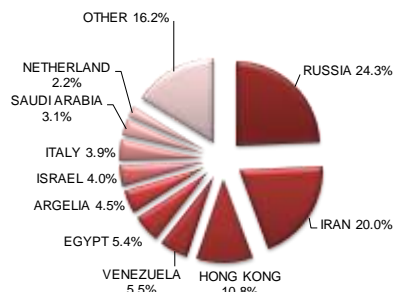
Export Market

According to Brazil's Foreign Trade Secretariat (SECEX) in 1Q10, Brazil's fresh beef exports totaled 222,000 tons or US\$799 million, up 8% and 36% from the volume and revenue registered in 1Q09, respectively, as the following charts show. Russia remained the primary market for Brazilian exports in the period, accounting for 24.3% of exports in the quarter, followed by Iran (20.0%) and Hong-Kong (10.8%).

Fresh Beef Revenue and Exports



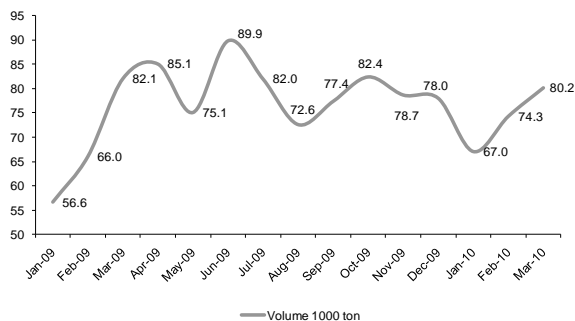
Destination of Brazilian Exports – 1Q10



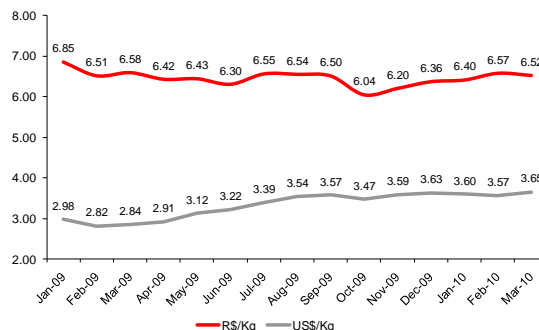
Source: SECEX

In comparison with the same quarter of the previous year, export volume increased significantly, growing by 8.3%, while the average price in U.S. dollar rose 25.2%.

Fresh Beef Sales Volume

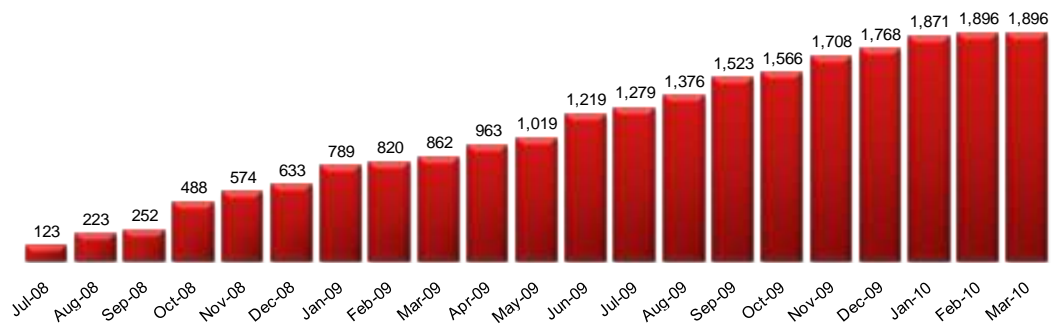


Fresh Beef Average Price



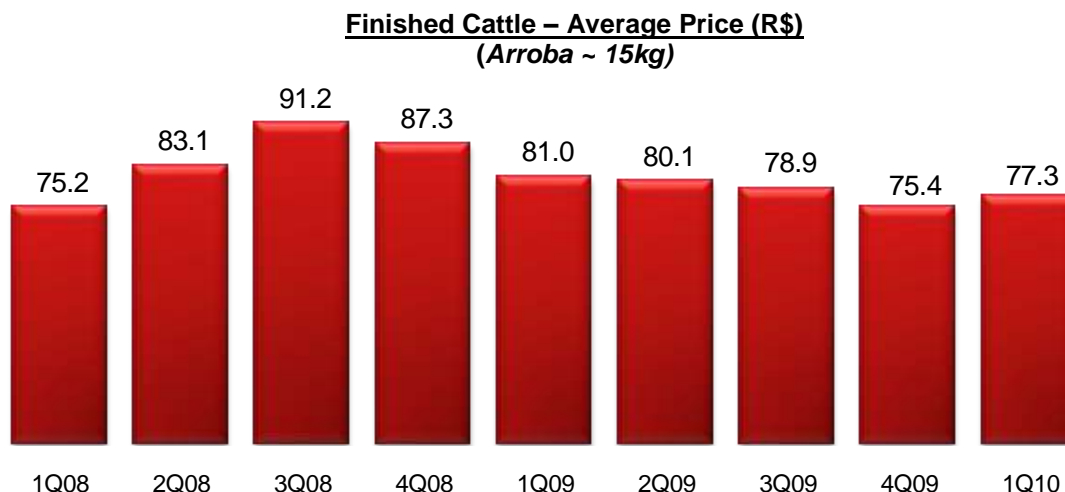
Source: SECEX

Farms with ERAS Certification – Brazil



Source: European Commission

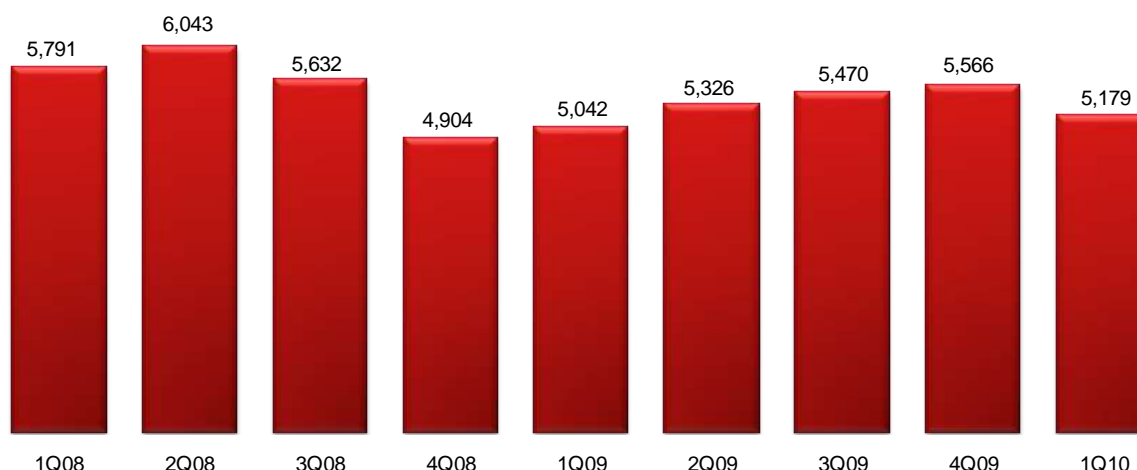
Domestic Market



Source: Esalq

The average price of finished cattle in Brazil in the quarter was R\$77.3/@, increasing by 2.5% from 4Q09, but down 4.5% from 1Q09. The atypical increase in the cattle arroba price during the harvest period reflects the combination of the high cattle replacement costs and the heavy rainfall, which assured good pastures for finishing and retaining animals at a low cost, which caused a temporary imbalance in supply and demand in the industry.

Brazil Slaughter Volume (thousand head of cattle)



Source: MAPA

Data from the Ministry of Agriculture, Livestock and Supply (MAPA) show that total slaughter volume in Brazil inspected by the Federal Inspection Service (SIF) declined by 6.9% from 4Q09, but grew by 2.7% from 1Q09. With the start of the dry season, we believe producers will intensify sales of inventory that was retained in recent months.

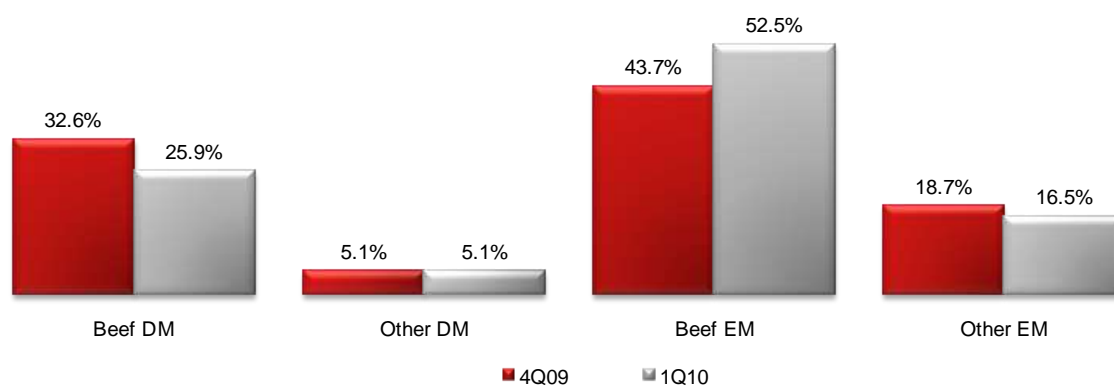
Consolidated Gross Revenue

R\$ million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Gross Revenue	775.7	727.2	6.7%	629.3	23.3%	2,918.7	2,437.9	19.7%
Domestic Market	240.1	274.0	-12.4%	207.3	15.8%	931.3	872.4	6.7%
% Gross Revenue	31.0%	37.7%	-6.7 p.p.	32.9%	-2.0 p.p.	31.9%	35.8%	-3.9 p.p.
Beef Division – DM	200.9	237.0	-15.2%	182.5	10.1%	811.2	772.1	5.1%
Other	39.2	37.0	5.8%	24.8	58.2%	120.1	100.4	19.7%
Export Market	535.6	453.2	18.2%	422.1	26.9%	1,987.5	1,565.5	27.0%
% Gross Revenue	69.0%	62.3%	6.7 p.p.	67.1%	2.0 p.p.	68.1%	64.2%	3.9 p.p.
Beef Division – EM	407.5	317.6	28.3%	290.6	40.2%	1,462.1	1,149.1	27.2%
Other	128.1	135.7	-5.6%	131.5	-2.6%	525.4	416.4	26.2%

In 1Q10, consolidated gross revenue grew by 23.3% from 1Q09 to R\$775.7 million, a record high for the Company, even though the quarter is historically the weakest of the year. The Beef Division accounted for 78.4% of total sales in the quarter and was the key driver of revenue growth (especially exports).

A key factor in this strong growth was the strategy based on the combination of effective management of the sales mix between commodities and value-added products, a highly diversified presence in export markets and well structured distribution channels.

Breakdown of Consolidated Gross Sales Revenue (%)

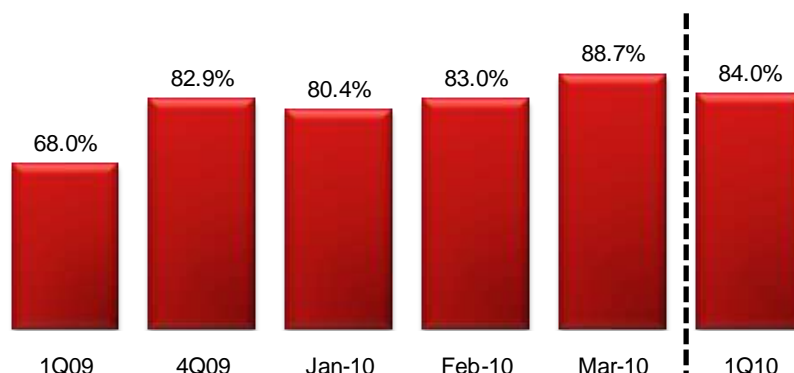


Source: Minerva

Gross revenue posted strong growth in both the domestic and international markets, increasing by 15.8% and 26.9% in relation to 1Q09, respectively. The policy to strengthen the focus on small and medium retailers and improve the service provided to this segment through our Distribution Centers has maximized our margins and increased our sales. Our efforts to diversify geographically, open own offices in strategic locations and maintain efficient distribution channels supported strong growth in gross revenue from exports.

Minerva's capacity utilization rate stood at 84.0% in the quarter, up 16.0 p.p. from 1Q09. In March, we reached record capacity utilization levels, demonstrating the operational flexibility of plants to take advantage of market opportunities. In the second quarter, we will increase our capacity with the launch of slaughter operations at Campina Verde and at Rolim de Moura.

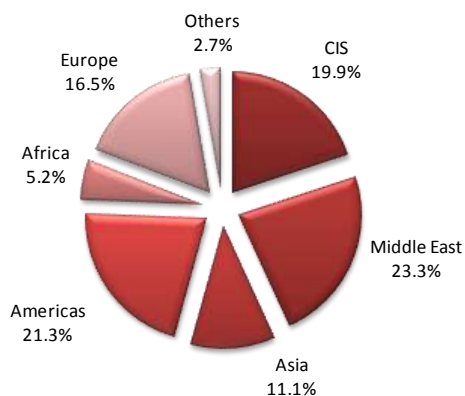
Capacity Utilization – (%)



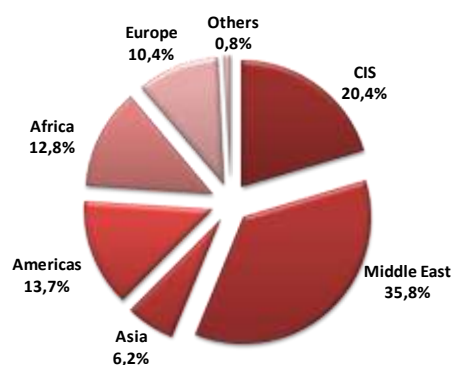
Source: Minerva.

The charts below show the main destinations of Minerva's exports in 1Q10 compared with the same quarter of 2009. Our commercial strategy consists of diversifying our export markets and focusing on new destinations, a trend that can be observed in the full-year comparisons. In 1Q10, especially in March, the export highlights were: (1) the recovery in demand from specific regions (Africa, South America and Europe); (2) the rebuilding of inventories, which were below safe levels (CIS); (3) a continuation of the strong sales of customized products to countries in the Middle East.

Breakdown of Fresh Beef Exports (in R\$) – 1Q09



Breakdown of Fresh Beef Exports (in R\$) – 1Q10



Source: Minerva

Beef Division

The Beef Division's consolidated Gross Revenue grew 28.6% from 1Q09 to R\$608.4 million in the quarter. Gross revenue from fresh beef exports grew 45.0% from 1Q09. The strong performance of the export market is mainly explained by the recovery in demand from key markets, such as Europe, the Middle East and Latin American countries. Domestic fresh beef sales in the quarter grew 6.1% from 1Q09. This growth was due to the strategy of expanding the reach of our channels through the Distribution Centers.

Total Revenue (R\$ Million)	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Fresh Beef - EM	382.9	296.3	29.2%	264.1	45.0%	1,376.1	1,082.6	27.1%
Processed Beef – EM	8.5	7.3	17.3%	12.5	-31.8%	23.9	23.6	1.5%
Others – EM	16.0	14.0	14.8%	13.9	15.1%	62.1	42.9	44.6%
Sub-Total – EM	407.5	317.6	28.3%	290.6	40.2%	1,462.1	1,149.1	27.2%
Fresh Beef - DM	169.9	194.6	-12.7%	160.1	6.1%	673.5	666.2	1.1%
Processed Beef – DM	2.6	3.8	-33.1%	1.2	105.6%	10.4	11.3	-7.6%
Others – DM	28.4	38.5	-26.2%	21.1	34.4%	127.2	94.5	34.6%
Sub-Total – DM	200.9	237.0	-15.2%	182.5	10.1%	811.2	772.1	5.1%
Total	608.4	554.5	9.7%	473.1	28.6%	2,273.2	1,921.2	18.3%

Volume (Thousand Tons)	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Fresh Beef - EM	53.5	42.2	26.8%	36.6	46.0%	187.8	142.1	32.1%
Processed Beef – EM	0.8	0.6	21.1%	1.0	-25.0%	2.3	2.4	-1.5%
Others – EM	3.0	2.7	10.9%	2.6	17.2%	12.2	8.6	40.9%
Sub-Total – EM	57.3	45.5	25.8%	40.2	42.3%	202.3	153.1	32.1%
Fresh Beef - DM	26.1	28.4	-7.9%	24.9	5.2%	102.0	98.4	3.6%
Processed Beef – DM	0.3	0.5	-38.9%	0.2	86.5%	1.3	1.5	-14.6%
Others – DM	5.5	6.4	-14.2%	1.6	250.8%	18.3	6.9	163.9%
Sub-Total – DM	31.9	35.2	-9.4%	26.6	20.0%	121.6	106.9	13.8%
Total	89.2	80.8	10.4%	66.8	33.5%	323.8	259.9	24.6%

Average Price – EM (US\$/Kg)	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Fresh Beef - EM	3.98	4.04	-1.6%	3.12	27.5%	3.44	3.86	-10.8%
Processed Beef – EM	6.09	6.51	-6.5%	5.22	16.6%	4.80	5.02	-4.4%
Others – EM	2.95	2.95	0.0%	2.34	26.1%	2.39	2.52	-4.9%
Total	3.95	4.01	-1.5%	3.12	26.5%	3.39	3.80	-10.7%
USD Average (source: BACEN)	1.80	1.74	3.5%	2.31	-22.1%	2.13	1.98	7.8%

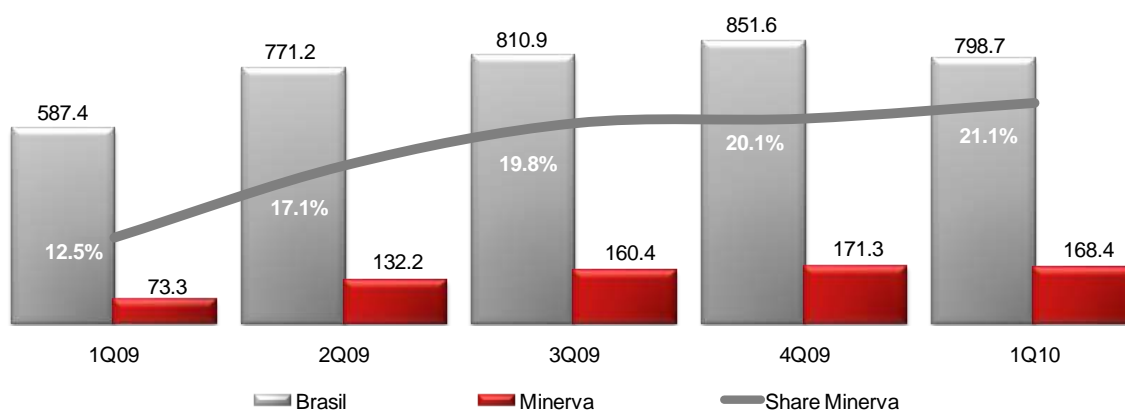
Average Price – EM (R\$/Kg)	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Fresh Beef - EM	7.16	7.03	1.9%	7.21	-0.7%	7.33	7.62	-3.8%
Processed Beef – EM	10.96	11.32	-3.2%	12.06	-9.1%	10.22	9.91	3.0%
Others – EM	5.31	5.13	3.5%	5.41	-1.8%	5.10	4.97	2.6%
Total	7.11	6.97	2.0%	7.22	-1.5%	7.23	7.51	-3.7%

Average Price – DM (R\$/Kg)	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Fresh Beef - DM	6.50	6.86	-5.2%	6.44	0.9%	6.60	6.77	-2.5%
Processed Beef – DM	8.97	8.19	9.5%	8.14	10.2%	8.12	7.50	8.3%
Others – DM	5.21	6.05	-13.9%	13.59	-61.7%	6.96	13.64	-49.0%
Total	6.30	6.73	-6.4%	6.87	-8.3%	6.67	7.23	-7.7%

EM – Export Market, DM – Domestic Market

Our market share of fresh beef exports (US\$ FOB) reached 22.3% in March 2010 and ended the quarter with an average of 21.1%, up 8.6 p.p. from a year earlier. In terms of revenue, fresh beef exports grew by 130%. We believe the sharp increase in market share and revenue was due to the consistency of our strategy adopted since 2007, the operational flexibility of our plants, which allows for greater customization of products to the needs of different markets, the well structured distribution channels and our efforts to diversify exports geographically.

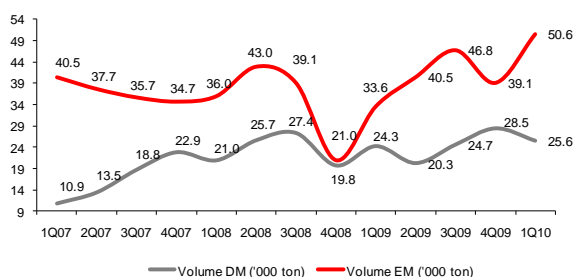
Market Share (in US\$ million)



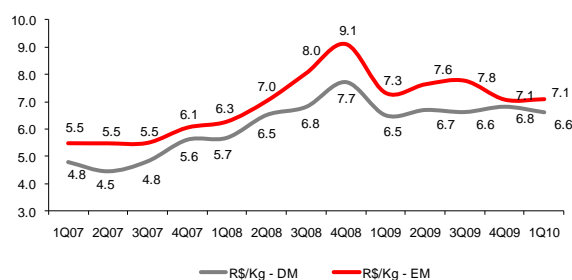
Source: Secex and Minerva

Fresh beef export volume in 1Q10 increased 50.6% from the same quarter a year earlier, while the average dollar price rose 9.9% to R\$7.1/kg, compared with the average Brazilian price of R\$6.5/kg, based on SECEX data. In 1Q10, domestic fresh beef sales volume grew 5.2% from 1Q09, while the average price increased 0.9%. This price difference is due to our higher exposure to more profitable markets, various strategies to manage the product mix and adequate risk management.

Fresh Beef Sales Volume



Fresh Beef Average Price



Source: Minerva

Other

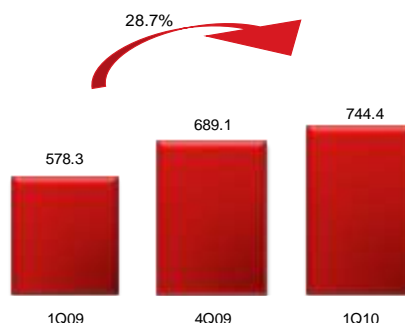
Revenue from the export market in the company's other divisions remained stable in relation to 1Q09, while this revenue in the domestic market increased by 46.7%. In the export market, the result was once again benefitted by the live cattle division. The operations at the Minerva Dawn Farms (MDF) cooked frozen plant are advancing in accordance with the expected ramp-up in capacity utilization and contributed to the performance of exports in the period. The strong performance in the domestic market in relation to 1Q09 was due to the leather division's better commercial positioning and to the performance of MDF.

Consolidated Net Revenue

Net Revenue in 1Q10 increased 28.7% from the same quarter a year earlier to R\$744.4 million. The strong performance of net revenue reflected the lower deductions and discounts (due to the suspension of PIS/COFINS tax in the domestic market due to the change in the tax environment at end 2009) and the strong international demand.

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Gross Revenue	775.7	727.2	6.7%	629.3	23.3%	2,918.7	2,437.9	19.7%
Sale Tax and Returns	(31.3)	(38.2)	-18.1%	(51.0)	-38.7%	(150.5)	(200.6)	-24.9%
Net Revenue	744.4	689.1	8.0%	578.3	28.7%	2,768.2	2,237.4	23.7%

Net Revenue



Source: Minerva

Cost of Goods Sold

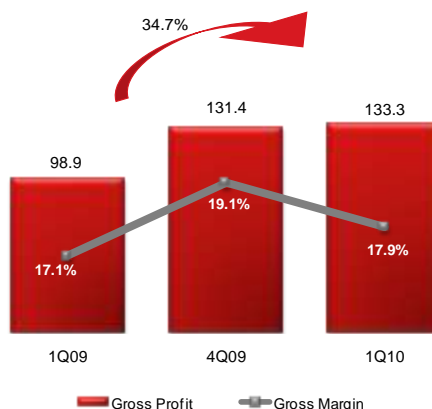
In 1Q10, Cost of Goods Sold was R\$611.2 million, corresponding to 82.1% of Net Revenue, with 82.9% in 1Q09. The atypical increase in the average cost of our main raw material during the harvest period was offset by the maturation of the investments made, the permanent focus on reducing operating costs and the excellence in risk management.

Gross Income

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Net Revenue	744.4	689.1	8.0%	578.3	28.7%	2.768.2	2.237.4	23.7%
Cost of Goods Sold	(611.2)	(557.6)	9.6%	(479.4)	27.5%	(2.263.6)	(1.857.0)	21.9%
% Net Revenue	82.1%	80.9%	1.2 p.p	82.9%	-0.8 p.p	81.8%	83.0%	-1.2 p.p
Gross Profit	133.3	131.4	1.4%	98.9	34.7%	504.6	380.4	32.7%
Gross Margin	17.9%	19.1%	-1.2 p.p	17.1%	0.8 p.p	18.2%	17.0%	1.2 p.p

In 1Q10, Gross Income was R\$133.3 million, up 34.7% from 1Q09. In the 12 months, gross income was R\$504.6 million, up 32.7% from the same period a year earlier. This means that gross margin expanded by 0.8 p.p. from the same quarter in 2009. In the 12 months to March, gross margin increased by 1.2 p.p. on the same period a year earlier.

Gross Income and Gross Margin



Source: Minerva

SG&A Expenses

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Selling Expenses	(74.1)	(74.3)	-0.2%	(61.5)	20.5%	(278.4)	(208.3)	33.6%
% Net Revenue	10.0%	10.8%	-0.8 p.p	10.6%	-0.7 p.p	10.1%	9.3%	0.7 p.p
G&A Expenses	(18.1)	(17.2)	5.3%	(12.1)	49.0%	(68.9)	(51.3)	34.3%
% Net Revenue	2.4%	2.5%	-0.1 p.p	2.1%	0.3 p.p	2.5%	2.3%	0.2 p.p
Other Operating Expenses	0.3	1.2	-71.3%	(0.6)	-152.5%	1.1	(0.6)	-271.2%
% Net Revenue	0.0%	-0.2%	0.1 p.p	0.1%	-0.2 p.p	0.0%	0.0%	-0.1 p.p

Selling Expenses

In 1Q10, selling expenses totaled R\$74.1 million, corresponding to 10.0% of net revenue, down 0.8 p.p. and 0.7 p.p. from 4Q09 and 1Q09, respectively, due to the efficient negotiation of freight services.

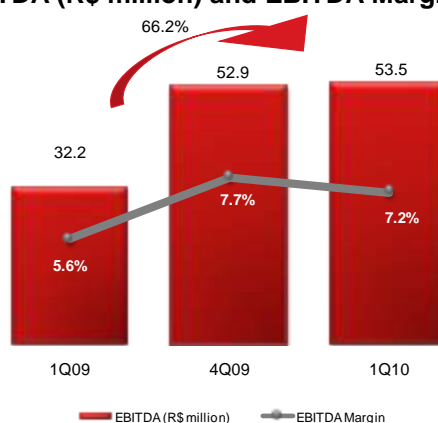
General and Administrative Expenses

In 1Q10, G&A expenses corresponded to 2.4% of net sales revenue, in line with the share of expenses the previous quarters.

EBITDA

EBITDA was R\$53.5 million in 1Q10, growing a strong 66.2% from 1Q09, with EBITDA margin expanding 1.6 p.p. to 7.2%. We attribute this growth in EBITDA to the consistent strategy adopted since 2007 and to the focus on risk management.

EBITDA (R\$ million) and EBITDA Margin (%)



Source: Minerva

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Net (Loss) Income	(23.2)	17.5	-232.0%	1.0	n.a	57.2	(243.9)	n.a
(+) Deferred Income tax	0.0	(1.8)	n.a	(11.1)	n.a	3.7	(19.5)	(1.2)
(+) Financial income, net	64.6	25.5	153.4%	34.8	85.7%	97.6	383.5	-74.6%
(+) Depreciation and Amortiz.	12.1	11.7	3.4%	7.5	60.0%	44.5	30.2	-247.1%
EBITDA	53.5	52.9	1.2%	32.2	66.2%	203.0	150.3	55.3%
EBITDA Margin	7.2%	7.7%	-0.5 p.p	5.6%	1.6 p.p	7.3%	6.7%	0.6 p.p

EBIT (Operating Income)

EBIT, or operating income before financial expenses, was R\$41.4 million in 1Q10, increasing by 68.1% from 1Q09. Operating margin increased by 1.3 p.p. on the same comparison basis.

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
EBITDA	53.5	52.9	1.2%	32.2	66.2%	203.0	150.3	35.1%
Depreciation	(12.1)	(11.7)	3.4%	(7.5)	60.0%	(44.5)	(30.2)	47.1%
EBIT	41.4	41.2	0.6%	24.6	68.1%	158.5	120.1	32.0%
EBIT Margin	5.6%	6.0%	-0.4 p.p	4.3%	1.3 p.p	5.7%	5.4%	0.4 p.p

Financial Result

We recorded net financial expenses of R\$64.6 million in the quarter, compared with net financial expenses of R\$34.8 million in 1Q09. Factors that impacted the financial result included: (1) foreign exchange variation on USD-denominated debt of R\$20.8 million; (2) non-recurring expenses related to the issue of Notes; and (3) additional expenses related to the prepayment of short and medium-term debt amortizations as part of the strategy to lengthen the debt profile.

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Financial Revenues	15.4	9.3	66.2%	31.4	-97.9%	173.2	66.9	159.0%
Financial Expenses	(80.0)	(34.7)	130.1%	(66.1)	-102.0%	(270.8)	(450.4)	-39.9%
Financial Result	(64.6)	(25.5)	153.4%	(34.8)	-85.7%	(97.6)	(383.5)	-74.6%
% Net Revenue	-8.7%	-3.7%	-5.0 p.p	-6.0%	-2.7 p.p	-3.5%	-17.1%	13.6 p.p

Net Income

We registered a Net Loss of R\$23.2 million in 1Q10, mainly due to the non-cash effects from foreign exchange variation (on March 31, 2010, 75.4% of loans were pegged to foreign currencies) and the process of lengthen the debt profile.

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %	Mar10*	Mar09*	Var. %
Net (Loss) Income	(23.2)	17.5	n.a.	1.0	n.a.	57.2	(243.9)	n.a.
Net Margin (%)	-3.1%	2.5%	-5.7 p.p	0.2%	-3.3 p.p	2.1%	-10.9%	13.0 p.p

Capital Structure

In 1Q10, Minerva maintained its high cash balance and debt profile with maturities concentrated in the long term. The Company ended the quarter with cash and cash equivalents of R\$ 464.5 million.

R\$ Million	1Q10	4Q09	Var. %	1Q09	Var. %
Short Term Debt	137.2	291.1	-52.9%	392.2	-65.0%
% Short Term Debt	10.2%	23.8%	-13.6 p.p	27.2%	-17.0 p.p
Local Currency	40.1	79.9	-49.8%	111.1	-63.9%
Foreign Currency	97.1	211.2	-54.0%	281.1	-65.5%
Long Term Debt	1,209.8	932.3	29.8%	1,049.7	15.3%
% Long Term Debt	89.8%	76.2%	13.6 p.p	72.8%	17.0 p.p
Local Currency	291.0	345.0	-15.6%	269.9	7.8%
Foreign Currency	918.8	587.3	56.4%	779.8	17.8%
Total Debt	1,347.0	1,223.4	10.1%	1,441.9	-6.6%
Local Currency	331.2	424.9	-22.1%	381.0	-13.1%
Foreign Currency	1,015.8	798.5	27.2%	1,060.9	-4.2%
Cash and Cash Equivalents	(464.5)	(424.0)	9.6%	(456.1)	1.9%
Net Debt	882.5	799.4	10.4%	985.8	-10.5%
Net Debt/EBITDA	4.35 x	4.40 x	-0.1 x	6.54 x	-2.2 x

On March 31, 2010, approximately 89.8% of debt maturities were concentrated in the long term and 75.4% of loans were booked in foreign currency, due to the strategy of lengthening the debt profile through the issue of notes (US\$250 million in January 2010), for total net debt of R\$882.5 million. The increase in net debt from the previous quarter is chiefly due to the impacts from foreign exchange gains on foreign-denominated debt. However, despite the higher debt balance, the ratio of Net Debt to EBITDA in the last 12 months declined to 4.35x in the first quarter of 2010, from 4.40x in 4Q09, reflecting the higher cash generation in 1Q10.

Liquidity Ratios

After issuing notes and prepaying short and medium-term debt, the Company's current liquidity ratio stood at 3.64 and the immediate liquidity ratio stood at 1.31, representing significant increases from the ratios registered in the last two years.

In x	1Q10	4Q09	1Q09
Current ratio	3.64	2.27	2.05
Immediate ratio	1.31	0.79	0.80

Working Capital Management

Our cash cycle has consistently remained below the industry average. In 1Q10, we once again registered a record level, of 37.4 days, below the average of publicly traded companies in our industry.

in days	1Q10	4Q09	1Q09
Receivables	27.8	26.5	36.5
(+) Inventories	35.4	44.6	52.2
(-) Suppliers	25.8	32.4	29.1
(=) Cash Cycle	37.4	38.7	59.5

Return on Invested Capital

The Company's ROIC remained stable at 2.9% in the quarter. Our ROIC has consistently stayed 1.0 p.p. above the historical average of publicly traded companies in the sector.

in %	1Q10	4Q09	1Q09
ROIC	2.9%	3.2%	2.8%
Sector average	-	1.6 %	1.6 %.

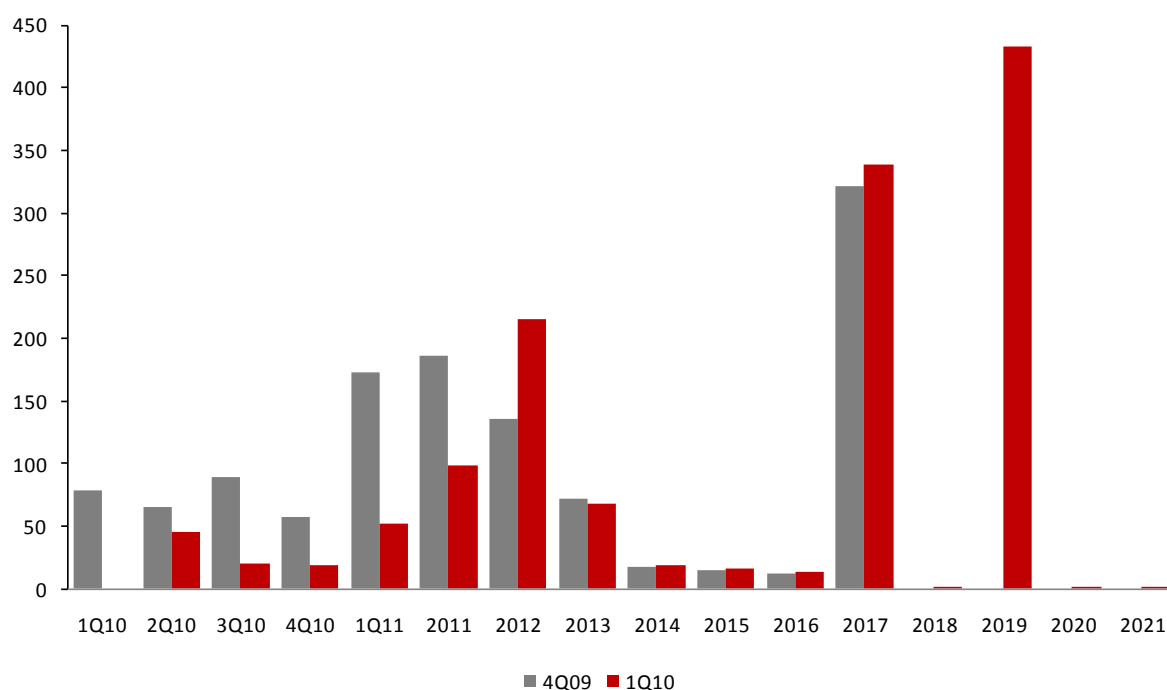
Maturities in the Short and Long Term

The table below shows our debt in both domestic and foreign currency by maturity.

At the start of 2010, Minerva issued US\$ 250 million in notes in the international market, with maturity in November 2019 and a rate of 10.875% per annum. The proceeds will be used to strengthen the company's capital structure by amortizing certain liabilities maturing in the short and medium terms, in line with its strategy of lowering borrowing costs and lengthening the average also maturity of its debt. Note, however, that the maturities that before were concentrated in 2017 are now concentrated in 2019, as shown in following table and chart.

LOCAL CURRENCY			FOREIGN CURRENCY		
	1T10	4T09		1T10	4T09
1Q10	0	13,895	1Q10	0	64,182
2Q10	4,287	28,697	2Q10	41,204	37,070
3Q10	5,193	32,396	3Q10	14,873	57,279
4Q10	11,336	4,901	4Q10	8,185	52,652
1Q11	19,325	29,859	1Q11	32,795	143,260
2011	57,999	123,174	2011	40,535	62,996
2012	94,866	80,947	2012	119,959	55,243
2013	26,710	24,738	2013	40,891	46,751
2014	14,827	12,923	2014	4,678	4,878
2015	14,177	12,275	2015	2,682	2,060
2016	14,177	12,275	2016	0	0
2017	60,821	48,823	2017	278,519	272,101
2018	1,902	0	2018	0	0
2019	1,902	0	2019	431,496	0
2020	1,902	0	2020	0	0
2021	1,744	0	2021	0	0
Total	331,168	424,901	Total	1,015,819	798,472

Comparison – Debt Profile



INVESTMENTS

The investments made in 1Q10 totaled R\$24.4 million and were allocated to: (1) operational improvements at the Campina Verde unit for the launch of slaughter operations; (2) conclusion of the slaughter plant and support facilities at the Rolim de Moura unit; (3) conclusion of the installation of the biodiesel production plant at Palmeiras de Goiás; (4) improvements at the Araguaína plant in Tocantins (investments to improve operational performance in the slaughter and offal sections); (5) conclusion of operational improvements and expansions at the José Bonifácio unit; (6) automation of the sterilizers at the Barretos unit; (7) expansion of operational stations at the Batayporã plant; and (8) general investments in maintenance.

SUBSEQUENTS EVENTS

Renewal of the Stock Buyback Program

April 13, 2010 – The Board of Directors authorized the renewal of the program to buy back shares issued by the Company to be held in treasury, canceled or replaced in the market. The Board approved the acquisition of up to 3,433,773 (three million, four hundred thirty-three thousand, seven hundred seventy-three) registered, book-entry common shares with no par value issued by the Company, representing 10.0% of the 34,337,726 (thirty-four million, three hundred thirty-seven thousand, seven hundred twenty-six) shares outstanding. The maximum period for these operations is 365 (three hundred sixty-five) days, commencing on May 18, 2010 and ending on May 18, 2011.

Election of the new Chief Financial Officer and Change in IR Team

May 5, 2010 – The Board of Directors, at a meeting held on April 30, 2010, elected Mr. Edison Ticle de Andrade Melo e Souza Filho to serve as Chief Financial Officer, a position that had been temporarily filled by Mr. Fernando Galletti de Queiroz, the Company's Chief Executive Officer and Investor Relations Officer. In addition, Mr. Ricardo Bonzo joined the Investor Relations Officer team, assuming the functions previously exercised by Mr. Eduardo Pirani Puzziello.

Inauguration of the Campina Verde Plant

May 5, 2010 – On May 4, Minerva inaugurated its cattle slaughter plant in Campina Verde, located in the Triângulo Mineiro region of western Minas Gerais state. The plant launched operations with a cattle slaughter rate of 350 head/day and in a short period of time should reach its nominal capacity of 700 head/day. The unit is approved to sell products in both the domestic and foreign markets. The acquisition is part of the company's strategy to diversify its units geographically. With this new plant, Minerva increases its installed capacity by 10% and now has nine production units located in the states of São Paulo, Goiás, Tocantins, Rondônia, Minas Gerais and Mato Grosso do Sul, as well as a plant in Paraguay.

ABOUT MINERVA

Minerva S.A. is one of the leading producers and sellers of beef, leather, live cattle (exports) and cattle byproducts in Brazil, and one of the country's three largest exporters in the industry in terms of gross sales revenue, exporting to some 100 countries. Minerva also operates in the food service segment through the joint venture Minerva Dawn Farms (MDF), producing beef, pork and poultry products. Minerva has daily slaughter capacity of 8,940 head of cattle and beef processing capacity of 1,730 tons (equivalent to approximately 10,900 head). With a presence in the Brazilian states of São Paulo, Rondônia, Goiás, Tocantins, Mato Grosso do Sul and Minas Gerais, as well as in Paraguay, Minerva operates nine slaughter and deboning plants, one tannery and seven distribution centers. From March 2009 to March 2010, Minerva recorded net sales revenue of R\$2.8 billion, for growth of 23.7% on the previous year.

This release contains forward-looking statements concerning the business outlook, operating and financial estimates and prospects for Minerva's growth. These statements are merely projections and as such are based exclusively on management's expectations for the Company concerning the future of the business and its continuous access to capital finance its business plan. These forward-looking statements depend materially on changes in market conditions, government regulations, pressures from competitors, and the performance of the industry and the Brazilian economy, among other factors, as well as the risks mentioned in the disclosure documents filed by the Company, and as such are subject to change without prior notice.

ANNEX 1 - CONSOLIDATED INCOME STATEMENT

	1Q10	4Q09	1Q09	1Q10 x 4Q09	1Q10 x 1Q09
Export Sales	240,083	274,000	207,261	-12.4%	15.8%
Domestic Sales	535,594	453,249	422,084	18.2%	26.9%
Gross Sales Revenue	775,677	727,249	629,345	6.7%	23.3%
Sales taxes	(31,266)	(38,186)	(51,033)	-18.1%	-38.7%
Net Sales Revenue	744,411	689,063	578,312	8.0%	28.7%
Cost of Goods Sold	(611,150)	(557,616)	(479,392)	9.6%	27.5%
Gross Profit	133,261	131,447	98,920	1.4%	34.7%
Selling Expenses	(74,108)	(74,277)	(61,486)	-0.2%	20.5%
General and Administrative Expenses	(18,113)	(17,208)	(12,143)	5.3%	49.2%
Financial Income (expenses), net	(64,578)	(25,488)	(34,774)	153.4%	85.7%
Other Operating Revenues (expenses)	341	1,189	(649)	-71.3%	-152.5%
Equity Accounting	-	-	-	-	-
IPO Expenses	-	-	-	-	-
Operating Revenue (Expenses)	(156,458)	(115,784)	(109,052)	35.1%	43.5%
Operating Income	(23,197)	15,663	(10,132)	-248.1%	128.9%
Profit Before Income Tax	(23,197)	15,663	(10,132)	-248.1%	128.9%
Corporate Taxation - current	0	1,840	(258)	n.a.	n.a.
Corporate Taxation - deferred	0	0	11,348	n.a.	n.a.
Minority Interests	42	37	6	13.5%	600.0%
Net Income	(23,155)	17,540	964	n.a	n.a
EBITDA	53,500	52,869	32,195	1.2%	66.2%
EBITDA Margin	7.2%	7.7%	5.6%	-6.3%	1.6 p.p

ANNEX 3 - Consolidated Balance Sheet

ASSETS	03/31/10	12/31/09	03/31/09
Current Assets			
Cash and Cash Equivalents	464,522	424,009	456,060
Trade Accounts Receivable from Customers	229,665	198,682	229,395
Inventories	240,179	270,146	271,766
Taxes Recoverable	332,569	304,492	197,474
Other Receivables	24,337	18,632	12,983
Total Current Assets	1,291,272	1,215,961	1,167,678
Non-current Assets			
Related Parties	21,335	19,319	18,648
Taxes Recoverable	38,628	38,624	97,363
Other Credits	12,292	8,606	953
Prepaid Expenses	0	0	0
Judicial Deposits	11,163	9,470	3,407
Long-term Assets	83,418	76,019	120,371
Investments	0	0	0
Fixed Assets	777,550	765,079	686,374
Deferred	0	0	0
Intangibles	15,895	15,754	15,695
Fixed Assets	793,445	780,833	702,069
Total non-current Assets	876,863	856,852	822,440
Total Assets	2,168,135	2,072,813	1,990,118
LIABILITIES	03/31/10	12/31/09	03/31/09
Current liabilities			
Loans and Financing	137,197	291,071	392,192
Trade Accounts Payable to Suppliers	175,081	196,199	151,853
Payroll and Tax Payable	32,181	39,444	22,153
Other Liabilities	10,635	7,783	2,755
Advances for clients	0	0	295
Related Parties	0	0	0
Provision for Income Taxes	0	0	0
Total do passivo circulante	355,094	534,497	569,248
Non-current Liabilities			
Long Term Liabilities			
Loans and Financing	1,209,789	932,302	1,049,705
Deferred Taxes	28,000	28,380	33,972
Payroll and Tax Payable	47,850	29,334	0
Provision for contingencies	22,641	20,961	23,478
Related Parties	0	0	0
Other Liabilities	1,671	0	0
Total non-current Liabilities	1,309,951	1,010,977	1,107,155
Minority Equity	582	622	316
Capital Stock	247,728	247,728	88,729
Treasury Stock	(3,247)	(1,755)	(445)
Capital Reserves	301,029	304,643	300,253
Revaluation Reserves	92,960	93,697	97,046
Balance sheet conversion adjustments	2,226	(1,447)	(1,615)
Profits Reserve	38,428	38,428	38,428
Retained Earnings	(176,616)	(154,577)	(208,997)
Shareholders' Equity	502,508	526,717	313,399
Total Liabilities and Shareholders' Equity	2,168,135	2,072,813	1,990,118

ANNEX 3 - CONSOLIDATED CASH FLOW STATEMENT

Cash Flow	2010	2009
Cash Flow From Operating Activities		
Net Income (Loss)	(23,155)	964
Adjustments to reconcile net income (loss) and cash from operating activities:		
Depreciation and Amortization	12,077	7,547
Goodwill	0	0.00
Gains on fixed asset disposals	(54)	-
Increase in deferred taxes - temporary differences	0	(10,975)
Decrease in deferred tax liabilities - revaluation of assets	(380)	(373)
Equity accounting	0	0.00
Financial charges	27,033	1,770
Foreign Exchange Variation - Not Realized	3,511	6,370
Contingency allowances	1,680	408
Receivable from customers	(30,983)	(12,361)
Inventories	29,967	25,194
Taxes recoverable	(28,081)	17,795
Accounts Receivables - Related Parties	(2,016)	(349)
Sundry credits	(9,391)	3,018
Trade accounts payable	(21,118)	11,145
Labor and tax obligations	11,253	(25,682)
Customer Advances	3,042	(10)
Deposits in Court	(1,693)	0
Other liabilities	1,481	(33,932)
Net Cash Flow from operating activities	(26,827)	(9,471)
Net Cash Used in Investment Activities		
Investments Write-Offs	0.00	0
Intangible	(239)	0
Additions to investments	(24,396)	(24,231)
Net Cash Used in Investment Activities	(24,635)	(24,231)
Net Cash From Financing Activities		
Loan repayments	(420,860)	(95,934)
Interest accrued	(46,038)	(15,568)
New Loans	559,967	135,336
Net Cash From Financing Activities	93,069	23,834
Related to Shareholders		
Variation in minority interest	(40)	(7)
Balance Sheet conversion adjustment	(1,433)	(1,615)
Minority Interest variation	(737)	0
Minority Interest depreciation	1,116	0
Paid up Capital	0	0
Net Cash Flow from shareholder related activities	(1,094)	(1,622)
Net cash / cash equivalent Decrease	40,513	(11,490)
Cash and Cash equivalents		
Beginning of Period	424,009	466,540
End of Period	464,522	455,050
Net cash / cash equivalent Decrease	40,513	(11,490)