

**Barretos, August 16, 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, with operations also in the beef, pork and poultry processing segments, announces its results for the second quarter of 2010 (2Q10). Except where stated otherwise, the financial and operating information herein is presented in BRGAAP and Brazilian real (R\$).

## 2Q10 Highlights

- ✓ **Net Revenue in 2Q10 was a record R\$888.3 million, up 38.5% from 2Q09** and 19% from 1Q10. Fresh beef exports increased 19.9% from the same quarter of 2009 and remained stable in relation to 1Q10. Minerva's market share of fresh beef exports continued expanding in the quarter to reach 19.7% in June, 2010, 5.9 p.p, higher than in June 2009,
- ✓ **In the domestic market**, the beef division's gross revenue grew 35% in relation to 2Q09, while other products from the one-stop-shop operation registered gross revenue growth of 77.6%. The supply of 3,000 different products from this operation and the distribution logistics that cover 850 cities is based on a Distribution Center (DC) model. The client base expanded by more than 2,500 small and mid-sized retailers in the period.
- ✓ **The focus on managing the company's operational accounts led to a significant reduction in working capital requirements, despite the strong revenue growth**, resulting in improvement in the cash conversion cycle from 46.3 days in 2Q09 to 28.8 days in 2Q10.
- ✓ **Minerva ended 2Q10 as a reference in the sector in terms of capacity utilization**, which reached 80%. We inaugurated in the quarter a unit in Campina Verde, Minas Gerais and launched the pre-operational phase at the Rolim de Moura unit, setting a new slaughter record with 372,000 head of cattle.
- ✓ **EBITDA of R\$61.9 million in 2Q10 was up 38.2% on 2Q09** and 15.8% on 1Q10. These results confirm the positive results of our strategy of growing through greenfield projects and focusing on continuous operational improvements.
- ✓ **Minerva ended 2Q10 with a cash balance of R\$504.9 million. Around 90% of gross debt was long-term and the net debt/EBITDA ratio fell to 4.25x in 2Q10.**

Main Indicators (R\$ million)	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Head of Cattle Slaughtered (thousands)	372.9	345.5	7.9%	314.1	18.7%	1,415.4	1,094.6	29.3%
Sales Volume (thousand tons)	92.8	89.2	4.1%	72.2	28.6%	344.5	258.4	33.3%
<b>Gross Revenue</b>	<b>920.2</b>	<b>775.7</b>	<b>18.6%</b>	<b>677.8</b>	<b>35.8%</b>	<b>3,209.6</b>	<b>2,495.2</b>	<b>28.6%</b>
Domestic	265.2	240.1	10.5%	189.9	39.7%	972.6	834.2	16.6%
Export	655.0	535.6	22.3%	487.9	34.2%	2,236.9	1,661.1	34.7%
<b>Net Revenue</b>	<b>888.3</b>	<b>744.4</b>	<b>19.3%</b>	<b>641.4</b>	<b>38.5%</b>	<b>3,070.5</b>	<b>2,309.6</b>	<b>32.9%</b>
<b>EBITDA</b>	<b>61.9</b>	<b>53.5</b>	<b>15.8%</b>	<b>44.8</b>	<b>38.2%</b>	<b>220.5</b>	<b>146.9</b>	<b>50.1%</b>
EBITDA Margin	7.0%	7.2%	-0.2 p.p.	7.0%	0.0 p.p.	7.2%	6.4%	0.8 p.p.
<b>Adjusted Net Income</b>	<b>(17.5)</b>	<b>(23.2)</b>	<b>-24.4%</b>	<b>56.9</b>	<b>n.a</b>	<b>(57.7)</b>	<b>(177.2)</b>	<b>-67.5%</b>
Net Margin	-2.0%	-3.1%	1.1 p.p.	8.9%	-10.8 p.p.	-1.9%	-7.7%	5.8 p.p.

(\*) Last 12 months

### Message from Management

Minerva has been reaping the benefits of the industrial and commercial expansion model it put into place years ago, which has reaffirmed its strategy and led to the expansion of its beef plants, in the ramp-up of the Food Service operations at Minerva Dawn Farms and in the expansion of its one-stop-shop sales effort in the domestic market, which already accounts for 50% of its sales in Brazil. The organic growth model adopted is corroborated by the positive actions and results, which focus on our core business and are structured with a view to the medium and long terms. Minerva's performance in the quarter set new records for revenue, cash generation and improvements in operational efficiency.

In the domestic market, we focused on midsized and small retailers, given our broad coverage in the segment and the higher disposable income in the local economy. To maximize our sales and results, we focused on serving this market through our in-house sales team and strategically located Distribution Centers.

We remain focused on the international market, implementing efforts to diversify geographically and open new markets and regional offices while drawing on our efficient distribution channels, which support our consistent growth in export revenue.

Minerva remained a benchmark in the sector in terms of capacity utilization. In the second quarter, we maintained our capacity utilization rate at 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 priorities of our management are: operational strategy, financial policies, efficient working capital management, logistics adjusted to our operations, effective management of the balance between commodities and value-added products and excellence in risk management. Despite the higher revenue in the quarter, we reduced our working capital requirements and significantly improved the cash conversion cycle. We remain focused on deleveraging the company, combined with a policy of maintaining a conservative liquidity position and efficiently managing debt, seeking to reduce capital and lengthen our debt maturity profile.

Minerva's leadership is clearly demonstrated by our expansion in Brazil's fresh beef export market in this second quarter, with our market share increasing to 19.7%, demonstrating the consistent and solid growth in our operations.

The inauguration of the Campina Verde unit in Minas Gerais in the second quarter of 2010 expanded our industrial capacity, provided greater flexibility in our operations and logistics, led to higher productivity and increased the diversification of our higher value-added products, which are benefits that will support better operational results as these investments mature.

In the current scenario marked by industry consolidation, Minerva is closely monitoring the market for opportunities that make industrial, logistical and financial sense, with risks that are consistent with the return on investment.

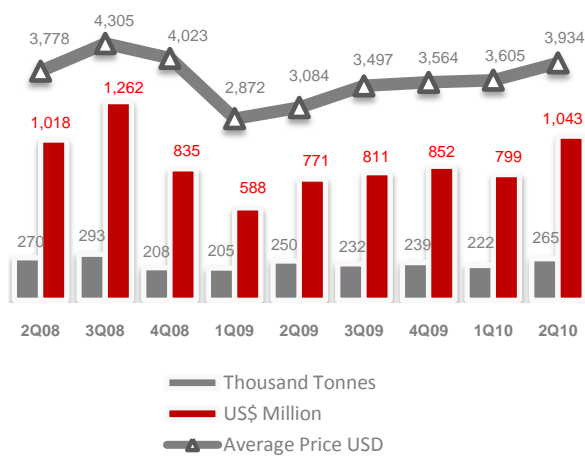
**Fernando Galletti de Queiroz, CEO**

## Brazil – Industry Overview

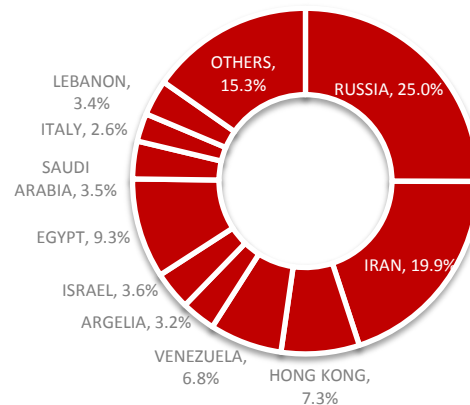
### Export Market

According to Brazil's Foreign Trade Secretariat (SECEX), Brazil's fresh beef exports in 2Q10 totaled 265,000 tons or US\$1.043 million, up 6% and 35.2% from the volume and revenue registered in 2Q09, respectively, as the following charts show. Russia remained the primary market for Brazilian exports in the period, accounting for 25.0% of exports in the quarter, followed by Iran (19.9%) and Hong Kong (7.3%).

Fresh Beef Revenue and Exports

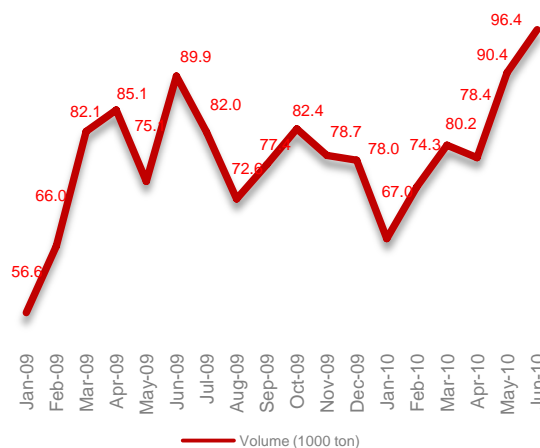


Destination of Brazilian Exports – 2Q10

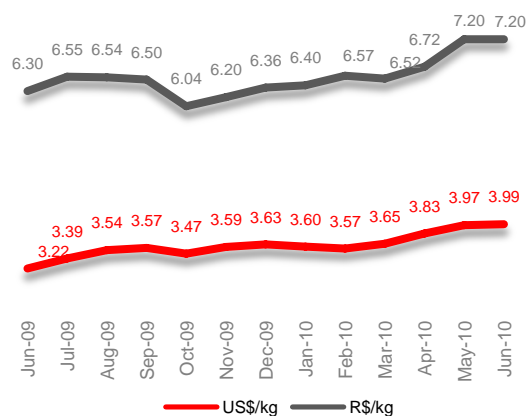


Source: SECEX

Fresh Beef Sales Volume

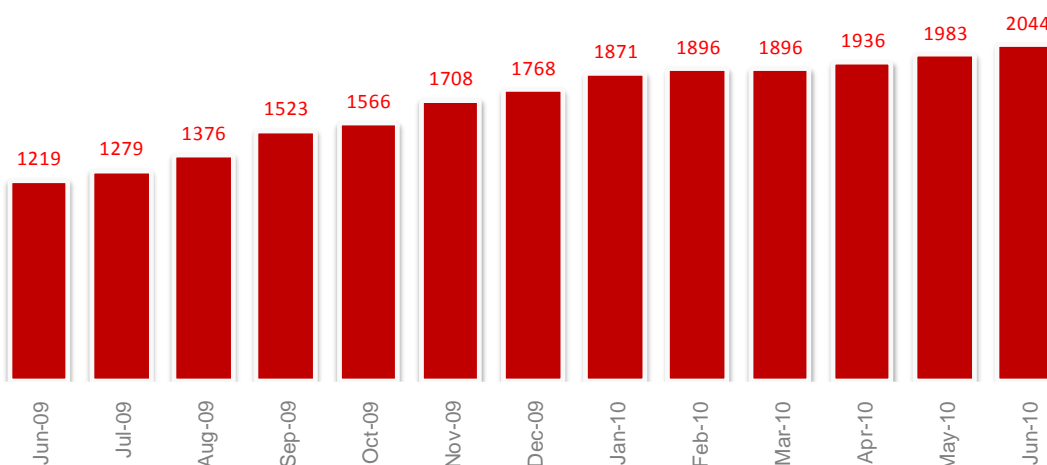


Fresh Beef Average Price



Source: SECEX

### Farms with ERAS Certification - Brazil

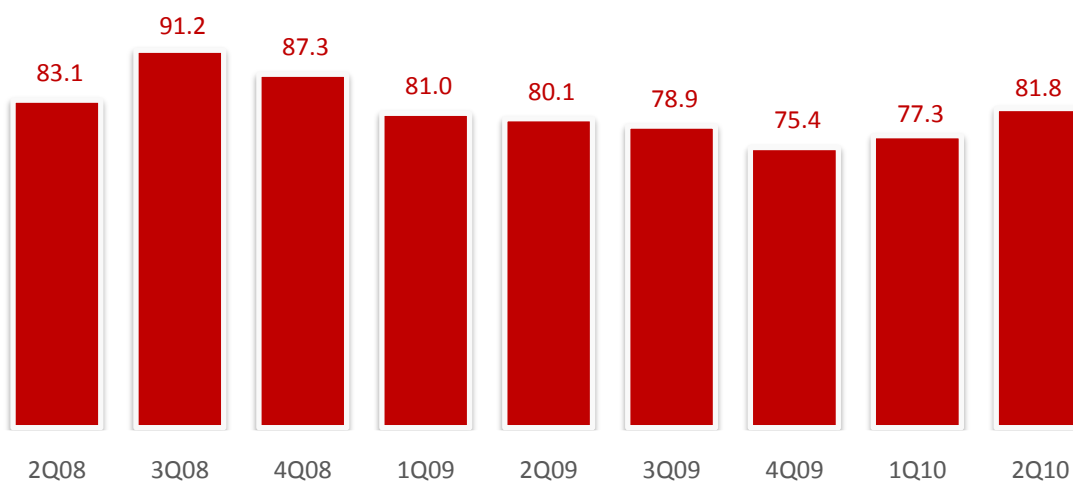


Source: European Commission

### Domestic Market

#### Finished Cattle – Average Price (R\$)

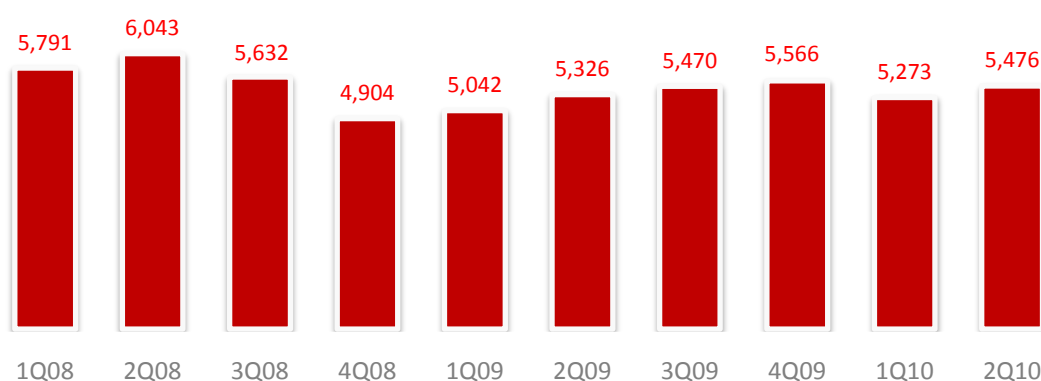
(Arroba ~ 15kg)



Source: ESALQ

**The average price of finished cattle in Brazil increased 5.82% in relation to 1Q10.** 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 the industry's supply-demand balance.

## 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) grew by 3.85% from 1Q10, which also contributed to the higher prices of finished cattle.

### Minerva – Analysis of Results

#### Consolidated Gross Revenue

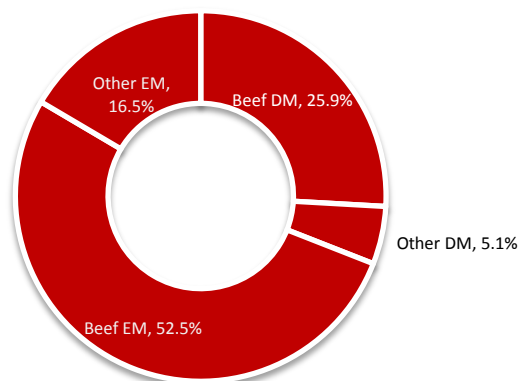
R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
<b>Gross Revenue</b>	<b>920.2</b>	<b>775.7</b>	<b>18.6%</b>	<b>677.8</b>	<b>35.8%</b>	<b>3,209.6</b>	<b>2,495.2</b>	<b>28.6%</b>
<b>Domestic Market</b>	<b>265.2</b>	<b>240.1</b>	<b>10.5%</b>	<b>189.9</b>	<b>39.7%</b>	<b>972.6</b>	<b>834.2</b>	<b>16.6%</b>
% Gross Revenue	28.8%	31.0%	-2.1 p.p.	28.0%	0.8 p.p.	30.3%	33.4%	-3.1 p.p.
Beef Division – DM	228.5	200.9	13.7%	169.2	35.0%	870.4	744.9	16.8%
Other	36.7	39.2	-6.3%	20.7	77.6%	102.2	89.2	14.6%
<b>Export Market</b>	<b>655.0</b>	<b>535.6</b>	<b>22.3%</b>	<b>487.9</b>	<b>34.2%</b>	<b>2,236.9</b>	<b>1,661.1</b>	<b>34.7%</b>
% Gross Revenue	71.2%	69.0%	2.1 p.p.	72.0%	-0.8 p.p.	69.7%	66.6%	3.1 p.p.
Beef Division – EM	434.2	407.5	6.6%	346.2	25.4%	1.550.1	1.181.2	31.2%
Other	220.8	128.1	72.3%	141.7	55.8%	686.8	479.9	43.1%

(\*) Last 12 months

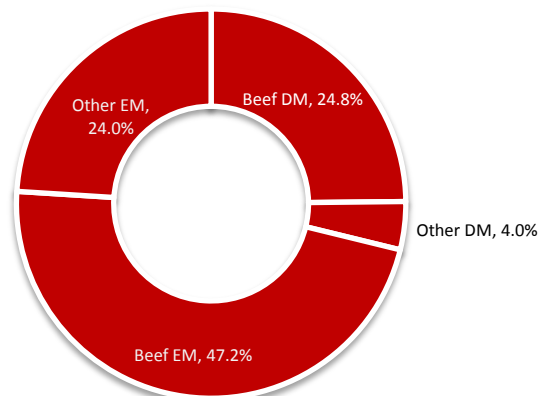
In 2Q10, consolidated gross revenue grew by 35.8% from 2Q09 to R\$920.2 million, an all-time high. The Beef Division accounted for 72.0% of total sales in the quarter and was the key driver of revenue growth (especially exports).

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 (%) 2T09**



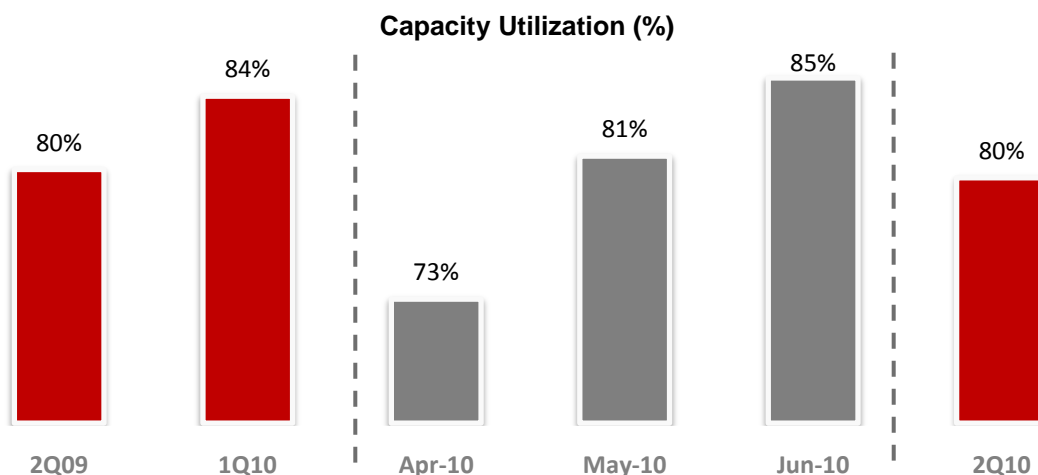
**Breakdown of Consolidated Gross Sales Revenue (%) 2T10**



Source: Minerva

In relation to 2Q10 with 2Q09, we observed growth in live cattle exports and stability in operations in the domestic market. The policy to strengthen the focus on small and medium retailers and improve service in this segment through our Distribution Centers has maximized our margins and increased our sales. Our efforts to diversify geographically, open regional offices in strategic locations and maintain efficient distribution channels supported strong growth in gross revenue from exports.

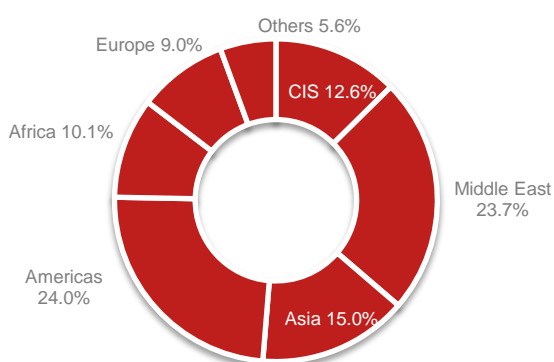
**Our installed capacity utilization rate stood at 80% at the end 2Q10.** In June, we reached record capacity utilization levels, demonstrating the operational flexibility of our plants to take advantage of market opportunities. In the second quarter, we began to ramp up production at the Campina Verde unit, which has slaughter capacity of 700 head/day.



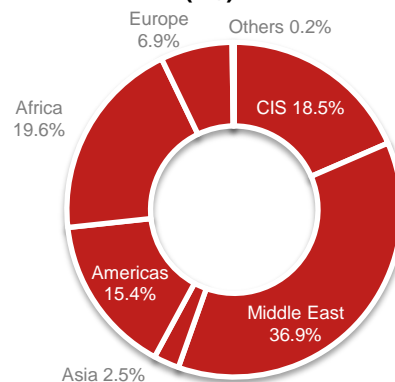
Source: Minerva

The charts below show the main destinations of Minerva's exports in 2Q10 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 annual comparison. In 2Q10, exports were driven by: (1) the recovery in demand in certain regions (the Middle East, CIS, Africa and the Americas); and (2) a continuation of the strong sales of customized products to countries in the Middle East.

**Breakdown of Fresh Beef Exports – 2Q09 (R\$)**



**Breakdown of Fresh Beef Exports – 2Q10 (R\$)**



Source: Minerva

### Beef Division

**The Beef Division's consolidated Gross Revenue grew 29.5% from 2Q09 to R\$603.2 million in this second quarter.** Gross revenue from fresh beef exports grew by 26.3% from 2Q09. The strong performance of the export market is mainly explained by the recovery in demand from key markets, such as the Middle East, CIS, Africa and the Americas. Domestic fresh beef sales in the quarter grew by 37.0% from 2Q09. We attribute this growth to our strategy of expanding the coverage of our channels through the Distribution Centers.



## 2Q10 Results

Total Revenue (R\$ Million)	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Fresh Beef - EM	413.1	382.9	7.9%	327.0	26.3%	1,462.2	1,107.8	32.0%
Processed Beef – EM	4.5	8.5	-47.8%	1.0	327.9%	27.3	20.4	34.2%
Others – EM	16.6	16.0	3.5%	18.2	-8.6%	60.5	53.0	14.2%
<b>Sub-Total – EM</b>	<b>434.2</b>	<b>407.5</b>	<b>6.6%</b>	<b>346.2</b>	<b>25.4%</b>	<b>1,550.1</b>	<b>1,181.2</b>	<b>31.2%</b>
Fresh Beef - DM	190.0	169.9	11.8%	138.7	37.0%	724.8	639.2	13.4%
Processed Beef – DM	2.6	2.6	3.0%	1.8	50.5%	11.3	10.1	12.2%
Others – DM	35.8	28.4	26.1%	28.8	24.4%	134.3	95.6	40.4%
<b>Sub-Total – DM</b>	<b>228.5</b>	<b>200.9</b>	<b>13.7%</b>	<b>169.2</b>	<b>35.0%</b>	<b>870.4</b>	<b>744.9</b>	<b>16.8%</b>
<b>Total</b>	<b>662.7</b>	<b>608.4</b>	<b>8.9%</b>	<b>515.4</b>	<b>28.6%</b>	<b>2,420.5</b>	<b>1,926.1</b>	<b>25.7%</b>

Volume (Thousand Tons)	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Fresh Beef - EM	53.4	53.5	-0.2%	44.5	19.9%	196.6	143.6	36.9%
Processed Beef – EM	0.5	0.8	-33.4%	0.1	306.1%	2.7	1.9	41.4%
Others – EM	3.1	3.0	3.8%	3.4	-8.7%	11.9	10.1	17.3%
<b>Sub-Total – EM</b>	<b>57.0</b>	<b>57.3</b>	<b>-0.5%</b>	<b>48.0</b>	<b>18.6%</b>	<b>211.2</b>	<b>155.7</b>	<b>35.7%</b>
Fresh Beef - DM	29.8	26.1	13.9%	21.5	38.3%	110.2	94.3	16.9%
Processed Beef – DM	0.3	0.3	1.1%	0.3	10.4%	1.3	1.3	-1.2%
Others – DM	5.8	5.5	5.5%	2.4	144.3%	21.7	7.2	201.8%
<b>Sub-Total – DM</b>	<b>35.8</b>	<b>31.9</b>	<b>12.3%</b>	<b>24.2</b>	<b>48.3%</b>	<b>133.2</b>	<b>102.8</b>	<b>29.6%</b>
<b>Total</b>	<b>92.8</b>	<b>89.2</b>	<b>4.1%</b>	<b>72.2</b>	<b>28.6%</b>	<b>344.5</b>	<b>258.4</b>	<b>33.3%</b>

Average Price – EM (US\$/Kg)	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Fresh Beef – EM	4.32	3.98	8.6%	3.55	21.6%	4.14	3.71	11.3%
Processed Beef – EM	4.79	6.09	-21.3%	3.94	21.6%	5.56	5.08	9.6%
Others – EM	2.96	2.95	0.2%	2.56	15.5%	2.83	2.52	12.5%
<b>Total</b>	<b>4.25</b>	<b>3.95</b>	<b>7.5%</b>	<b>3.48</b>	<b>22.0%</b>	<b>4.08</b>	<b>3.65</b>	<b>11.7%</b>
USD Average (source: BACEN)	1.79	1.80	-0.4%	2.07	-13.4%	1.80	2.08	-13.4%

Average Price – EM (R\$/Kg)	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Fresh Beef – EM	7.74	7.16	8.2%	7.35	5.3%	7.44	7.71	-3.6%
Processed Beef – EM	8.59	10.96	-21.6%	8.15	5.4%	10.00	10.54	-5.1%
Others – EM	5.30	5.31	-0.3%	5.30	0.1%	5.09	5.23	-2.6%
<b>Total</b>	<b>7.62</b>	<b>7.11</b>	<b>7.1%</b>	<b>7.21</b>	<b>5.7%</b>	<b>7.34</b>	<b>7.59</b>	<b>-3.3%</b>

Average Price – DM (R\$/Kg)	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Fresh Beef – DM	6.38	6.50	-1.8%	6.44	-0.9%	6.57	6.78	-3.0%
Processed Beef – DM	9.13	8.97	1.8%	6.70	36.4%	8.63	7.61	13.5%
Others – DM	6.23	5.21	19.6%	12.22	-49.1%	6.19	13.31	-53.5%
<b>Total</b>	<b>6.38</b>	<b>6.30</b>	<b>1.3%</b>	<b>7.01</b>	<b>-9.0%</b>	<b>6.53</b>	<b>7.25</b>	<b>-9.9%</b>

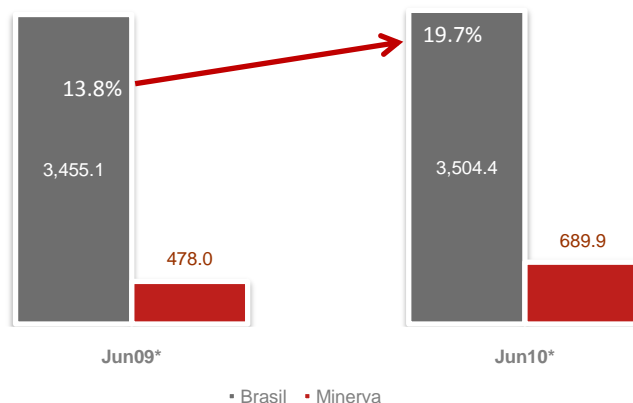
(\*) Last 12 months

EM – Export Market, DM – Domestic Market

Our market share of fresh beef exports (US\$ FOB) reached 19.7% in the last 12 months, up 5.9 p.p. from market share in 2Q09. In terms of revenue, fresh beef exports grew by 44.3%. We believe the 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 regional markets, the well structured distribution channels and our efforts to diversify exports geographically.



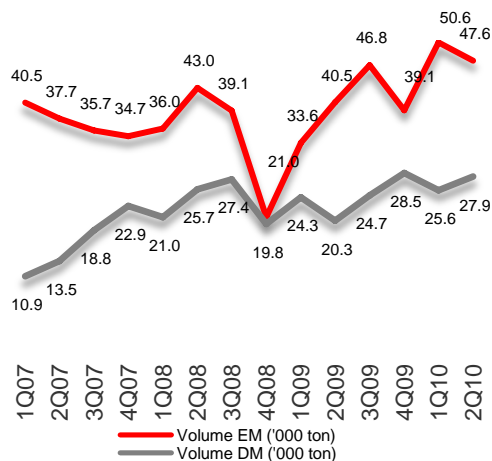
### Evolution of Market Share (US\$ million)



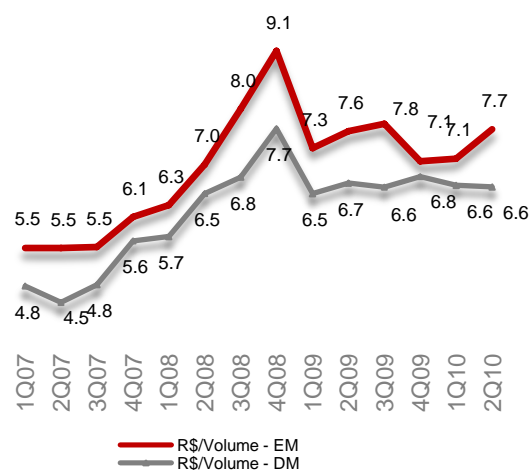
Source: Secex and Minerva

According to SECEX, fresh beef export volume grew by 19.9% from 2Q09, with average prices in U.S. dollar rising 21.6%. Domestic fresh beef sales volume grew by 38.3% from 2Q09. This price difference was 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

### Others

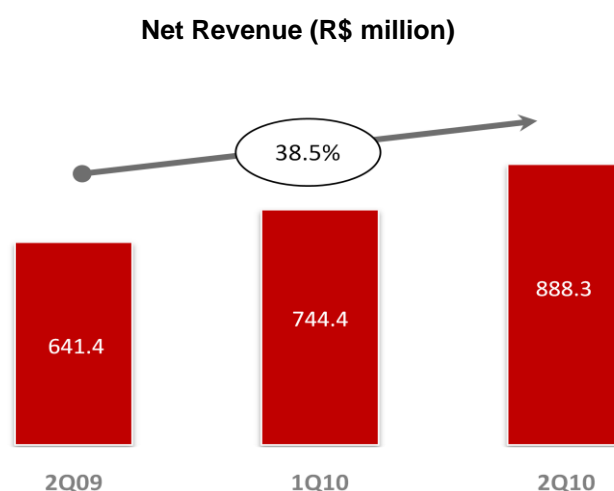
Revenue from the export market at the company's other divisions grew by 55.8% in relation to 2Q09. In the export market, the results were once again strengthened by the live cattle division. The operations at the Minerva Dawn Farms (MDF) cooked frozen plant are advancing in accordance with the expected ramp-up in capacity utilization and contributed to the performance of domestic and export sales in the period. The growth of 77.6% in the domestic market was due to the higher disposable income and the expansion plan for the distribution centers.

### Consolidated Net Revenue

**Net Revenue in 2Q10 increased 38.5% from the same quarter a year earlier to R\$888.3 million.** The strong demand from the export market in the beef and live cattle divisions, combined with the growth in the domestic market, supported strong growth in Net Revenue.

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Gross Revenue	920.2	775.7	18.6%	677.8	35.8%	3,209.6	2,495.2	28.6%
Sale Tax and Returns	(31.9)	(31.3)	2.1%	(36.4)	-12.4%	(139.1)	(185.6)	-25.1%
<b>Net Revenue</b>	<b>888.3</b>	<b>744.4</b>	<b>19.3%</b>	<b>641.4</b>	<b>38.5%</b>	<b>3,070.5</b>	<b>2,309.6</b>	<b>32.9%</b>

(\*) Last 12 months



Source: Minerva

### Cost of Goods Sold

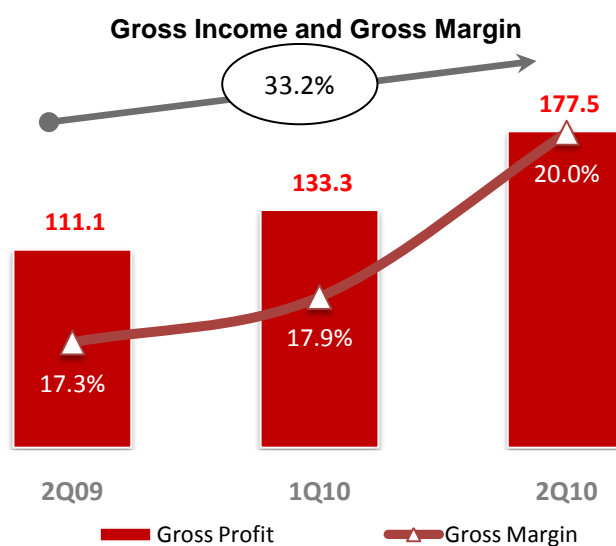
In 2Q10, Cost of Goods Sold was R\$710.8 million, corresponding to 80% of Net Revenue, versus 82.7% in 2Q09. The increase in the average cost of our main raw material during the harvest period was offset by the maturation of the investments made, the permanent focus on reducing operating costs and the excellence in risk management.

### Gross Income

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Net Revenue	888.3	744.4	19.3%	641.4	38.5%	3,070.5	2,309.6	32.9%
Cost of Goods Sold	(710.8)	(611.2)	16.3%	(530.3)	34.1%	(2,497.7)	(1,925.2)	29.7%
<b>% Net Revenue</b>	<b>80.0%</b>	<b>82.1%</b>	<b>-2.1 p.p.</b>	<b>82.7%</b>	<b>-2.6 p.p.</b>	<b>81.3%</b>	<b>83.4%</b>	<b>-2.0 p.p.</b>
<b>Gross Profit</b>	<b>177.5</b>	<b>133.3</b>	<b>33.2%</b>	<b>111.1</b>	<b>59.7%</b>	<b>572.8</b>	<b>384.4</b>	<b>49.0%</b>
<b>Gross Margin</b>	<b>20.0%</b>	<b>17.9%</b>	<b>2.1 p.p.</b>	<b>17.3%</b>	<b>2.6 p.p.</b>	<b>18.7%</b>	<b>16.6%</b>	<b>2.0 p.p.</b>

(\*) Last 12 months

Gross Income was R\$177.5 million in the quarter, up 59.7% from 2Q09. In the last 12 months, gross income totaled R\$572.8 million, up 49.0%. Gross margin improved by 2.6 p.p.



Source: Minerva  
(\* Last 12 months)

### SG&A Expenses

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Selling Expenses	(101.3)	(74.1)	36.6%	(57.6)	75.9%	(322.0)	(212.4)	51.6%
<b>% Net Revenue</b>	<b>11.4%</b>	<b>10.0%</b>	<b>1.4 p.p.</b>	<b>9.0%</b>	<b>2.4 p.p.</b>	<b>10.5%</b>	<b>9.2%</b>	<b>1.3 p.p.</b>
G&A Expenses	(22.8)	(18.1)	26.0%	(18.1)	26%	(74.4)	(57.9)	28.5%
<b>% Net Revenue</b>	<b>2.6%</b>	<b>2.4%</b>	<b>0.1 p.p.</b>	<b>2.8%</b>	<b>-0.2 p.p.</b>	<b>2.4%</b>	<b>2.5%</b>	<b>-0.1 p.p.</b>
Other Operating Expenses	(4.1)	0.3	n.a.	(0.6)	579.8%	(3.2)	(1.3)	158.8%
<b>% Net Revenue</b>	<b>0.5%</b>	<b>0.0%</b>	<b>0.5 p.p.</b>	<b>0.1%</b>	<b>0.4 p.p.</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1 p.p.</b>

(\* Last 12 months)

### Selling Expenses

In 2Q10, selling expenses totaled R\$101.3 million, or 11.4% of net income.

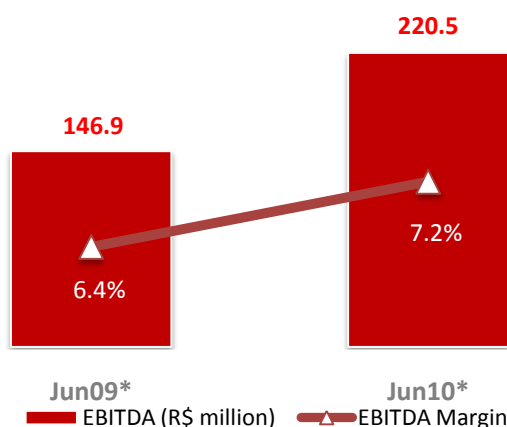
### General and Administrative Expenses

In 2Q10 G&A expenses corresponded to 2.6% of net sales revenue, down 0.2 p.p. from 2Q09.

### EBITDA

EBITDA reached R\$61.9 million in 2Q10, growing a strong 38.2% from 2Q09.

#### EBITDA and EBITDA margin



Source: Minerva

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
<b>Net (Loss) Income</b>	<b>(17.5)</b>	<b>(23.2)</b>	<b>-24.4%</b>	<b>56.9</b>	<b>n.a</b>	<b>(57.7)</b>	<b>(177.2)</b>	<b>n.a</b>
(+) Deferred Income tax	0.0	0.0	n.a	2.8	n.a	2.8	(26.9)	(1.1)
(+) Financial income, net	66.6	64.6	3.1%	(24.7)	-369.1%	228.0	317.1	-28.1%
(+) Depreciation and Amortization	12.9	12.1	6.6%	9.9	30.1%	47.5	34.0	39.6%
<b>EBITDA</b>	<b>61.9</b>	<b>53.5</b>	<b>15.8%</b>	<b>44.8</b>	<b>38.2%</b>	<b>220.5</b>	<b>146.9</b>	<b>50.1%</b>
<b>EBITDA Margin</b>	<b>7.0%</b>	<b>7.2%</b>	<b>-0.2 p.p.</b>	<b>7.0%</b>	<b>0.0 p.p.</b>	<b>7.2%</b>	<b>6.4%</b>	<b>0.8 p.p.</b>

(\*) Last 12 months

### EBIT (Operating Income)

EBIT, or operating income before financial expenses, was R\$49.1 million in 2Q10, increasing by 40.4% from 2Q09.

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
<b>EBITDA</b>	<b>61.9</b>	<b>53.5</b>	<b>15.8%</b>	<b>44.8</b>	<b>38.2%</b>	<b>220.5</b>	<b>146.9</b>	<b>50.1%</b>
Depreciation	(12.9)	(12.1)	6.6%	(9.9)	30.1%	(47.5)	(34.0)	39.6%
<b>EBIT</b>	<b>49.1</b>	<b>41.4</b>	<b>18.4%</b>	<b>34.9</b>	<b>40.4%</b>	<b>173.1</b>	<b>112.9</b>	<b>53.3%</b>
<b>EBIT Margin</b>	<b>5.5%</b>	<b>5.6%</b>	<b>0.0 p.p.</b>	<b>5.4%</b>	<b>0.1 p.p.</b>	<b>5.6%</b>	<b>4.9%</b>	<b>0.7 p.p.</b>

(\*) Last 12 months

### Financial Result

We recorded a financial expense of R\$54.6 million in the quarter. Foreign exchange variation generated a non-cash loss of R\$17.8 million, reflecting the impact of currency devaluation on our dollar-denominated debt.

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Financial Revenues	5.8	15.4	-62.2%	106.8	-100.6%	72.2	87.8	-17.7%
Financial Expenses	(72.4)	(80.0)	-9.5%	(82.0)	-99.9%	(261.1)	(434.2)	-39.9%
<b>Financial Result</b>	<b>(66.6)</b>	<b>(64.6)</b>	<b>3.1%</b>	<b>24.7</b>	<b>-99.9%</b>	<b>(188.9)</b>	<b>(346.4)</b>	<b>-45.5%</b>
<b>% Net Revenue</b>	<b>-7.5%</b>	<b>-8.7%</b>	<b>1.2 p.p.</b>	<b>3.9%</b>	<b>-11.3 p.p.</b>	<b>-6.2%</b>	<b>-15.0%</b>	<b>8.8 p.p.</b>

(\*) Last 12 months

### Net Income

We recorded a Net Loss of R\$17.5 million in 2Q10, due to the non-cash loss generated by the impact of foreign exchange variation on our USD-denominated debt.

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %	Jun10*	Jun09*	Var. %
Net (Loss) Income	(17.5)	(23.2)	-24.4%	56.9	-100.4%	(57.7)	(177.2)	-67.5%
<b>Net Margin (%)</b>	<b>-2.0%</b>	<b>-3.1%</b>	<b>1.1 p.p.</b>	<b>8.9%</b>	<b>-10.8 p.p.</b>	<b>-1.9%</b>	<b>-7.7%</b>	<b>5.8 p.p.</b>

(\*) Last 12 months

## Capital Structure

In 2Q10, 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\$504.9 million.

R\$ Million	2Q10	1Q10	Var. %	2Q09	Var. %
<b>Short Term Debt</b>	<b>182.1</b>	<b>137.2</b>	<b>32.7%</b>	<b>455.0</b>	<b>-60.0%</b>
<b>% Short Term Debt</b>	12.6%	10.2%	2.4 p.p.	33.9%	-21.3 p.p.
Local Currency	69.9	40.1	44.6%	189.2	-69.3%
Foreign Currency	112.2	97.1	27.8%	265.8	-53.3%
<b>Long Term Debt</b>	<b>1,260.8</b>	<b>1,209.8</b>	<b>4.2%</b>	<b>888.1</b>	<b>42.0%</b>
<b>% Long Term Debt</b>	87.4%	89.8%	-2.4 p.p.	66.1%	21.3 p.p.
Local Currency	331.5	291.0	6.8%	242.4	28.2%
Foreign Currency	929.3	918.8	3.4%	645.7	47.1%
<b>Total Debt</b>	<b>1,442.9</b>	<b>1,347.0</b>	<b>7.1%</b>	<b>1,343.1</b>	<b>7.4%</b>
Local Currency	401.4	331.2	11.3%	431.6	-99.4%
Foreign Currency	1,041.5	1,015.8	5.7%	911.5	-98.4%
Cash and Cash Equivalents	(505.0)	(464.5)	8.7%	(405.7)	24.5%
<b>Net Debt</b>	<b>937.9</b>	<b>882.5</b>	<b>6.3%</b>	<b>937.4</b>	<b>0.1%</b>
<b>Net Debt/EBITDA</b>	<b>4.25 x</b>	<b>4.35 x</b>	<b>-0.1 x</b>	<b>6.37 x</b>	<b>-2.0 x</b>

On June 30, 2010, 87.47% of the Company's debt was long-term and 74.4% of loans were pegged to foreign currencies. The net debt/EBITDA ratio in the last 12 months declined to 4.25x in 2Q10, from 4.39x in 1Q10, as a result of the higher cash generation in the quarter, and confirming our deleveraging process.

### Liquidity Ratios

The following table presents the Company's current, quick and immediate liquidity ratios.

In x	2Q10	1Q10	2Q09
Current ratio	3.17x	3.64x	1.68x
Acid test ratio	2.52x	2.96x	1.30x
Immediate ratio	1.18x	1.31x	0.60x

### Working Capital Management

Despite the 19% revenue growth in the quarter, there was a decline in working capital requirements and significant improvement in the cash conversion cycle from 37.4 days in 1Q10 to 28.8 days in 2Q10.

In days	2Q10	1Q10	2Q09
Receivables	18.7	27.8	33.2
(+) Inventories	34.8	35.4	43.7
(-) Suppliers	24.6	25.8	30.7
<b>(=) Cash Cycle</b>	<b>28.8</b>	<b>37.4</b>	<b>46.3</b>

### Return on Invested Capital

ROIC stood at 3.4% in the quarter.

I %	2Q10	1Q10	2Q09
ROIC	<b>3.4%</b>	<b>2.9%</b>	<b>2.4%</b>

### Maturities in the Short and Long Term

LOCAL CURRENCY			FOREIGN CURRENCY		
	2Q10	1Q10		2Q10	1Q10
2Q10	0	4,287	2T10	0	41,204
3Q10	8,401	5,193	3T10	58,307	14,873
4Q10	12,193	11,336	4T10	14,631	8,185
1Q11	30,652	19,325	1T11	37,316	32,795
2T11	18,568	14,973	2T11	2,002	11,385
2011	45,409	43,026	2011	33,998	29,150
2012	119,228	94,866	2012	131,748	119,959
2013	39,657	26,710	2013	37,435	40,891
2014	19,566	14,827	2014	4,908	4,678
2015	18,000	14,177	2015	2,494	2,682
2016	17,793	14,177	2016	0	0
2017	5,746	60,821	2017	281,927	278,519
2018	2,835	1,902	2018	0	0
2019	1,902	1,902	2019	436,822	431,496
2020	59,613	1,902	2020	0	0
2021	1,744	1,744	2021	0	0
<b>Total</b>	<b>401,307</b>	<b>331,168</b>	<b>Total</b>	<b>1,041,589</b>	<b>1,015,819</b>

### INVESTMENTS

Investments in 2Q10 totaled R\$ 60.3 million and were allocated to (1) Adjustments at the Goianésia Unit; (2) Pre-operational phase at the Rolim de Moura Unit; (3) Conclusion of improvements/expansions at the José Bonifácio Unit; (4) Modernization of operations at the Barretos Unit and Palmeiras de Goiás Unit; (5) Conclusion of the installation of a biodiesel production plant at the Palmeiras de Goiás Unit; (6) Conclusion of improvements at the Araguaína Unit; (7) Adjustment and start of expansion works at the Campina Verde Unit; and (8) General investments in maintenance.

### SUBSEQUENT EVENTS

#### Debentures Issue

On July 7, 2010, Minerva's Board of Directors approved the 1<sup>st</sup> public issue by the Company of non-convertible debentures in a single series secured against a personal guarantee, with restricted placement efforts, in an amount of up to two hundred million reais (R\$200,000,000.00), with maturity on July 10, 2015 ("Issue").

#### Inauguration of Rolim de Moura Plant

**May 30, 2010** – On July 26, Minerva inaugurated the cattle slaughter unit located in Rolim de Moura, Rondônia. The plant began deboning and slaughter operations and plans to reach slaughter volume rates of 840 head/day in 2010 and 1,680 head/day in 2011. This new industrial unit is part of the company's strategy to diversify its units geographically. Minerva 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 S.A.

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, which is 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.*

#### IR Contact

**Fernando Galletti de Queiroz**  
Chief Executive and Investor Relations Officer

**Ricardo Bonzo**  
Investor Relations

E-mail: [ri@minerva.ind.br](mailto:ri@minerva.ind.br)  
Tel: (55 17) 3321-3355  
Tel: (55 11) 3074-2444

IR Website  
[www.minerva.ind.br/ri](http://www.minerva.ind.br/ri)

**2Q10 Conference Call**  
Tuesday, August 17, 2010

>Portuguese  
2:30 p.m. (Brasilia time)  
1:30 p.m. (New York time)  
Calls: +55 (11) 2188-0155  
Code: Minerva

>English  
4:30 p.m. (Brasilia time)  
3:30 p.m. (New York time)  
Calls: +1 (412) 858-4600  
Code: 443334#



### ANNEX 1 - CONSOLIDATED INCOME STATEMENT

	2Q10	1Q10	2Q09	2T10 x 1T10	1T10 x 1T09
Export Sales	265,192	240,083	189,897	10.5%	39.7%
Domestic Sales	655,017	535,594	487,923	22.3%	34.2%
<b>Gross Sales Revenue</b>	<b>920,209</b>	<b>775,677</b>	<b>677,820</b>	<b>18.6%</b>	<b>35.8%</b>
Sales taxes	(31,907)	(31,266)	(36,429)	2.1%	-12.4%
<b>Net Sales Revenue</b>	<b>888,302</b>	<b>744,411</b>	<b>641,391</b>	<b>19.3%</b>	<b>38.5%</b>
Cost of Goods Sold	(710,843)	(611,150)	(530,251)	16.3%	34.1%
<b>Gross Profit</b>	<b>177,459</b>	<b>133,261</b>	<b>111,140</b>	<b>33.2%</b>	<b>59.7%</b>
Selling Expenses	(101,255)	(74,108)	(57,559)	36.6%	75.9%
General and Administrative Expenses	(22,831)	(18,113)	(18,060)	26.0%	26.4%
Financial Income (expenses), net	(66,555)	(64,578)	24,732	3.1%	-369.1%
Other Operating Revenues (expenses)	(4,113)	341	(605)	-1306.2%	579.8%
<b>Operating Revenue (Expenses)</b>	<b>(194,754)</b>	<b>(156,458)</b>	<b>(51,492)</b>	<b>24.5%</b>	<b>278.2%</b>
<b>Operating Income</b>	<b>(17,295)</b>	<b>(23,197)</b>	<b>59,648</b>	<b>-25.4%</b>	<b>-129.0%</b>
<b>Profit Before Income Tax</b>	<b>(17,295)</b>	<b>(23,197)</b>	<b>59,648</b>	<b>-25.4%</b>	<b>-129.0%</b>
Corporate Taxation - current	0	0	(8,358)	n.a.	-100.0%
Corporate Taxation - deferred	0	0	5,593	n.a.	-100.0%
Minority Interests	(204)	42	16	-585.7%	-1375.0%
<b>Net Income</b>	<b>(17,499)</b>	<b>(23,155)</b>	<b>56,899</b>	<b>-24.4%</b>	<b>-130.8%</b>
EBITDA	61,928	53,500	44,826	15.8%	38.2%
EBITDA Margin	7.0%	7.2%	7.0%	-3.0%	0.0 p.p

**ANNEX 2 - CONSOLIDATED BALANCE SHEET**

ASSETS	6/31/2010	3/31/2010	6/31/2009
<b>Current Assets</b>			
Cash and Cash Equivalents	504,966	464,522	405,678
Trade Accounts Receivable from Customers	184,106	229,665	236,925
Inventories	274,690	240,179	257,564
Taxes Recoverable	356,936	332,569	217,982
Other Receivables	33,958	24,337	21,041
<b>Total Current Assets</b>	<b>1,354,656</b>	<b>1,291,272</b>	<b>1,139,190</b>
<b>Non-current Assets</b>			
Related Parties	14,979	21,335	21,146
Taxes Recoverable	38,628	38,628	94,635
Other Credits	14,832	12,292	2,479
Judicial Deposits	12,571	11,163	3,452
<b>Long-term Assets</b>	<b>81,010</b>	<b>83,418</b>	<b>121,712</b>
Fixed Assets	825,123	777,550	709,422
Intangibles	15,751	15,895	15,780
<b>Fixed Assets</b>	<b>840,874</b>	<b>793,445</b>	<b>725,202</b>
<b>Total non-current Assets</b>	<b>921,884</b>	<b>876,863</b>	<b>846,914</b>
<b>Total Assets</b>	<b>2,276,540</b>	<b>2,168,135</b>	<b>1,986,104</b>
LIABILITIES	6/31/2010	3/31/2010	6/31/2009
<b>Current liabilities</b>			
Loans and Financing	182,070	137,197	455,030
Trade Accounts Payable to Suppliers	194,318	175,081	180,789
Payroll and Tax Payable	38,942	32,181	31,919
Other Liabilities	12,607	10,635	8,518
Advances for clients	0	0	0
<b>Total do passivo circulante</b>	<b>427,937</b>	<b>355,094</b>	<b>676,256</b>
<b>Non-current Liabilities</b>			
<b>Long Term Liabilities</b>			
Loans and Financing	1,260,825	1,209,789	888,081
Deferred Taxes	27,621	28,000	28,380
Payroll and Tax Payable	47,029	47,850	22,386
Provision for contingencies	24,138	22,641	631
Other Liabilities	2,290	1,671	0
<b>Total non-current Liabilities</b>	<b>1,361,903</b>	<b>1,309,951</b>	<b>939,478</b>
<b>Minority Equity</b>	<b>2,563</b>	<b>582</b>	<b>280</b>
Capital Stock	251,635	247,728	88,729
Treasury Stock	(1,589)	(3,247)	(445)
Capital Reserves	184,439	301,029	300,253
Revaluation Reserves	92,222	92,960	95,929
Balance sheet conversion adjustments	(4,149)	2,226	(1,823)
Profits Reserve	0	38,428	38,428
Retained Earnings	(38,421)	(176,616)	(150,981)
<b>Shareholders' Equity</b>	<b>484,137</b>	<b>502,508</b>	<b>370,090</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,276,540</b>	<b>2,168,135</b>	<b>1,986,104</b>

**ANNEX 3 – CONSOLIDATED CASH FLOW STATEMENT**

Fluxo de caixa	2010	2009
Cash Flow From Operating Activities		
Net Income (Loss)	(40,654)	(23,155)
<b>Adjustments to reconcile net income (loss) and cash from operating activities:</b>		
Depreciation and Amortization	24,950	12,077
Goodwill	-	-
Gains on fixed asset disposals	(55)	(54)
Increase in deferred taxes - temporary differences	-	-
Decrease in deferred tax liabilities - revaluation of assets	(759)	(380)
Equity accounting	-	-
Financial charges	58,562	27,033
Foreign Exchange Variation - Not Realized	11,231	3,511
Contingency allowances	3,177	1,680
Receivable from customers	14,576	(30,983)
Inventories	(4,544)	29,967
Taxes recoverable	(52,448)	(28,081)
Accounts Receivables - Related Parties	4,340	(2,016)
Sundry credits	(21,552)	(9,391)
Trade accounts payable	(1,881)	(21,118)
Labor and tax obligations	17,193	11,253
Deposits in Court	(3,101)	(1,693)
Other liabilities	4,824	4,523
<b>Net Cash Flow from operating activities</b>	<b>13,859</b>	<b>(26,827)</b>
<b>Net Cash Used in Investment Activities</b>		
Intangible	(159)	(239)
Additions to investments	(84,778)	(24,396)
<b>Net Cash Used in Investment Activities</b>	<b>(84,937)</b>	<b>(24,635)</b>
<b>Net Cash From Financing Activities</b>		
Loan repayments	(436,660)	(420,860)
Interest accrued	(65,485)	(46,038)
New Loans	651,874	559,967
<b>Net Cash From Financing Activities</b>	<b>149,729</b>	<b>93,069</b>
<b>Related to Shareholders</b>		
Variation in minority interest	1,941	(40)
Balance Sheet conversion adjustment	531	(1,433)
Minority Interest variation	-	(737)
Minority Interest depreciation	(166)	1,116
Paid up Capital	0	-
<b>Net Cash Flow from shareholder related activities</b>	<b>2,306</b>	<b>(1,094)</b>
<b>Net cash / cash equivalent Decrease</b>	<b>80,957</b>	<b>40,513</b>
<b>Cash and Cash equivalents</b>		
Beginning of Period	424,009	424,009
End of Period	504,966	464,522
<b>Net cash / cash equivalent Decrease</b>	<b>80,957</b>	<b>40,513</b>