



### Minerva Announces Measures Aimed at EU Restrictions

**Barretos, January 31, 2008** – Minerva S.A. (BOVESPA: BEEF3), one of the market leaders in Brazil in the production and sale of fresh beef, processed beef and beef byproducts, announces to the market its position concerning the restrictions to Brazilian fresh beef imports imposed by the European Union (EU).

The Brazilian Ministry of Agriculture presented to the European commissioners a list of 2,681 cattle producing properties which underwent inspection and were deemed as qualified to export to the community. One-third of the properties are located in the State of Goiás, location to the Company's Palmeiras de Goiás plant, which is certified to export to the EU.

However, the list presented by the Brazilian government was not immediately accepted by the European authorities, who will visit the country as of February 25 in order to audit the properties. The practical impact of such a decision is the embargo of Brazilian beef exports to the European community over at least the following 45 days.

Anticipating these restrictions, Minerva mitigated some of the impacts by exporting significantly higher volumes to the EU in January, thus ensuring the Minerva brand presence during the restriction period. With a more conservative acquisition policy, the Company did generate idle capacity at its plants, thus ensuring higher flexibility of production within the markets in which it operates. Management believes in the gradual return of exports to the EU in the short term, and highlights its business experience and commercial flexibility to redirect exports to some of the other countries to which it exports, considering such trade restrictions as a relative norm in the business of beef exports.

In addition, the Company is accelerating the construction of the plant for cooked frozen processed products, which will start operating in the second quarter of 2008. This unit is a joint venture formed with Irish Dawn Farms to produce higher value-added products, which are not susceptible to the barriers imposed by the EU.

In 2007, the EU accounted for nearly 14% of the beef volume exported by the Company, which represented 22% of the export revenues, or 15% of the Company's total gross revenue, which were considerably below the Brazilian average (see the chart below). During the last quarter of 2007, the EU's percentage had decreased to 8% of the volume exported and 15% of the export revenue, and just 9% of total gross revenues – due to the higher representation of the domestic market and consolidation of other Emerging Markets with higher growth rates and low sanitary requirements.

Brazilian Beef Exports	Total		EU	
	Revenue <sup>1</sup>	Volume <sup>2</sup>	Revenue <sup>1</sup>	Volume <sup>2</sup>
Fresh Beef	3,485,726	1,285,807	29.5%	14.4%
Total	4,179,718	1,495,293	31.7%	19.0%

<sup>1</sup> US\$

<sup>2</sup> Tons

Source: ABIEC

Also as forecast, the effect of these restrictions has already been noticed in the fattened cattle prices, our main raw material, which decreased by 8% in two days, presenting a positive impact to the profitability of the Company's full operation.



# MINERVA



## Press Release

It is also worth noting that that Minerva was one of the pioneers in exporting beef directly to many European retail chains, meeting the highest quality standards (Eurepgap), in addition to further requirements related to animal welfare and environmental sustainability. The Company has also been working jointly with suppliers by means of pre-auditing farms and believes they are fully qualified to be approved and certified by the European committee.

### Investor Relations

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### About Minerva S.A.

Minerva S.A. (BOVESPA: BEEF3) is one of the market leaders in Brazil in the production and sale of fresh beef, processed beef and beef byproducts, with a daily slaughtering capacity of 5,000 head of cattle and a daily processing capacity of 1,200 tons, or approximately 7,500 head of cattle. In 2006, the Company was among the three largest Brazilian exporters of beef, processed beef and beef byproducts based on gross export sales revenue of R\$ 1 billion to approximately 600 customers in 80 countries. In addition to beef products, Minerva also exports wet-blue hides and live cattle.

*This release 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.*