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EBITDA Increases 68.5% YoY, with Margin Expansion QoQ

Barretos, August 14, 2008 – Minerva (BOVESPA: BEEF3; Bloomberg: BEEF3.BZ; Reuters: BEEF3.SA), one of the market leaders in Brazil in the production and sale of fresh beef, leather and live cattle exports, announces today its results for the second quarter of 2008 (2Q08). Except where stated otherwise, the financial and operating information in this release is presented in BRGAAP and Brazilian real (R\$), and comparisons are in relation to the same periods of 2007.

Conference Call

Portuguese

August 15, 2008
12:00 p.m. (Brasília)
11:00 a.m. (U.S. EST)
Tel: +55 (11) 2188-0188
Replay: +55 (11) 2188-0188
Code: Minerva

English

August 15, 2008
2:00 p.m. (Brasília)
1:00 p.m. (U.S. EST)
Tel: +1 (412) 858 4600
Replay: +1 (412) 317 0088
Code: 6072#

Minerva (BEEF3)

Price at August 14, 2008
R\$ 8.74

Market Capitalization
R\$ 656 million

75,000,000 Shares
Free Float – 32.0%

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2Q08 HIGHLIGHTS

- **Organic growth in net revenue of 86.9%** year on year, boosted by sales in the domestic market, which grew by 132.6% and accounted for 37% of sales in the quarter, up from 28% in 2Q07. In relation to 1Q08, net sales grew by 23.3%.
- **Minerva gained market share in both the domestic and export markets.** Minerva's share of Brazil's fresh beef exports expanded to 16% in 2Q08, up from 12% a year ago. Slaughter capacity grew to 83% in the period, while idle capacity in the industry increased in Brazil.
- **The average fresh beef price rose 28% (53% in dollar terms) in the export market and 44% in the domestic market.** The successful pass-through of prices ahead of competitors reflects the efficient sales policy focused on the small and mid-sized retailers in the domestic market and the solid positioning in growing and profitable markets such as the Middle East and Russia.
- **EBITDA posted strong growth of 68.5%, for EBITDA margin in the quarter of 8.3%.** In relation to 1Q08, EBITDA grew by 29.8%, with EBITDA margin expansion of 50 bases points, reflecting the greater operational flexibility and efficiency.
- **On August 6, Minerva launched its strategy of international expansion in the Mercosul region,** with the acquisition of 70% of the Paraguayan company Friasa S.A., which holds a 10-year lease on a meatpacking plant in Asuncion with slaughter capacity of 700 head/day.

Main Indicators

	2Q08	2Q07	Chg. %	1Q08	Chg. %	1H08	1H07	Chg. %
Heads of Cattle Slaughters (thousands)	286.0	215.5	32.7%	257.0	11.3%	542.6	435.8	24.5%
Sales Volume (thousand tons)	73.7	54.9	34.2%	61.8	19.3%	135.5	110.5	22.6%
Gross Revenue	620.5	347.9	78.4%	500.3	24.0%	1.120.8	695.4	61.2%
Domestic Market	228.2	98.1	132.6%	175.1	30.3%	403.3	173.7	132.2%
Export Market	392.3	249.8	57.0%	325.2	20.6%	717.5	521.7	37.5%
Net Revenue	569.1	304.5	86.9%	461.7	23.3%	1.030.8	610.2	68.9%
EBITDA	47.0	27.9	68.5%	36.2	29.8%	83.2	55.2	50.7%
EBITDA Margin (%)	8.3%	9.2%	-0.9 p.p	7.8%	0.5 p.p	8.1%	9.0%	-0.9 p.p
Adjusted Net Income*	19.4	21.8	-11.0%	(0.0)	NA	19.4	36.4	-46.7%
Net Margin (%)	3.4%	7.2%	-3.8 p.p	0.0%	3.4 p.p	1.9%	6.0%	-4.1 p.p

* Excluding bond issue non-operating expenses

MESSAGE FROM MANAGEMENT

Minerva's results in the second quarter of 2008 are a product of its long-held principle: timing is crucial to any move made in the market. And it was by following this "healthy conservatism" that we ended the second quarter with net revenue growth 86.9% higher than a year earlier and margin expansion in relation to the previous quarter. Another extremely important indicator was the increase in the slaughter capacity utilization rate to 83%. Note that this situation stands in stark contrast to other meatpackers in Brazil, which in general increased its idle capacity.

"These results demonstrate that our strategy was on target, with market-share gains on two vectors, achieving solid, rapid and profitable growth in the domestic and export markets," said Fernando Galleti de Queiroz, Minerva's CEO.

The local market once again posted exceptional growth. "We accompanied the higher purchasing power in Brazil and posted strong growth in the domestic market," said Queiroz. In the local market, Minerva continued to reap the rewards of its sales strategy focused on small and medium establishments. Following the recent restructuring in our logistics, supported by specialized advisory services, our retail distribution has been registering continuous improvements in performance. In the export market, our share of Brazil's fresh beef exports expanded to 16% in the quarter, compared with 12% in the same quarter a year earlier.

In the period, we also announced the first step in our international expansion, acquiring a 70% controlling interest in Paraguayan meatpacker Friasa. This new structure will be used primarily for exports, since Paraguay has a very favorable sanitary status, exporting to markets such as Chile, where it holds 55% market share, and with the possibility of soon becoming authorized to export to the European Union. Moreover, Paraguay is also qualified to serve all of the countries to which we export from Brazil.

Returning to the reasons for our solid results, our management strategy, which was responsible for the company's favorable position in the market, is underpinned by four solid pillars. The first is cutting costs that lead to maximum efficiency, enabling us to effectively manage the company's cash and assure its growth.

The second pillar is the policy of investing in acquisitions that prioritize the strategic positioning of slaughter units, thereby confirming competitive advantages for the company. Our plants are always located near more than one producing region, eliminating dependence on a single region. Another but equally important pillar is that we always take into account the dynamics of the market. Today's market is proving that flexibility is increasingly crucial. One example of this is that we have accompanied the growth in consumption in Brazil, and were able to increase immediately our share of the domestic market. We quickly met the demand that emerged, producing positive results.

Our fourth and last pillar is the speed and simplicity of our decision-making process. We have reduced our hierarchy pyramid to make the most of favorable market situations.

Minerva believes it is well positioned to meet the continued growth in demand for animal protein in 2008. We continue to gain market share and maintain profitability in a scenario that remains highly volatile. The company also remains alert to opportunities for expansion.

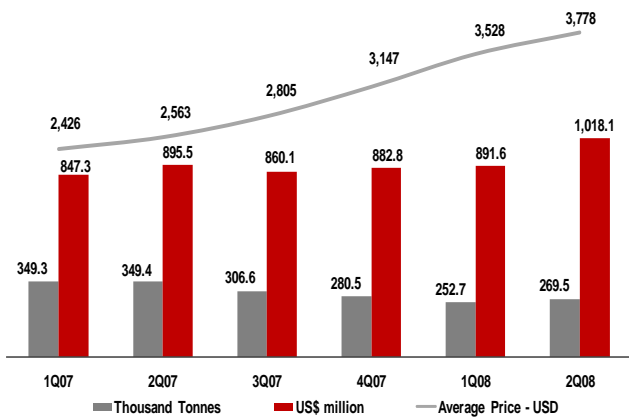
In this last half of the year, we are also anticipating the production of higher added-value products, with the operational startup of the joint venture Minerva Dawn Farms. The plant is receiving equipment from 15 countries and will be the largest and most modern facility in Brazil for the preparation of processed-meat products. When this new plant comes online, we expect a significant increase in our market share in the Food Service industry in both Brazil and international markets.

MARKET OVERVIEW

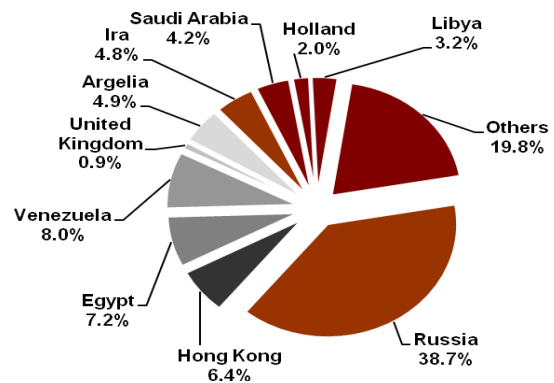
Export Market

Brazil's fresh beef exports totaled 270 thousand tones or R\$1,018 million in the second quarter of this year. Export volume was down from the same quarter a year ago (-22.9%), reflecting the European Union restrictions. However, the significant increase in the US\$/t price (+47.4%) due to the continued strong demand for animal protein from Brazil led to higher revenues (+13.7%). Minerva's share of Brazil's fresh beef exports expanded to 16% in 2Q07, up from 12% a year ago, and 14% on 1Q08. In July, Brazilian fresh beef exports posted month-on-month increases of 13.5% in volume and 16.7% in revenue. The average price set a new record high of US\$4.19/kg, up 58.1% in relation to July 2007.

Brazilian Fresh Beef Exports



Destination of Brazilian Fresh Beef Exports – 1H08

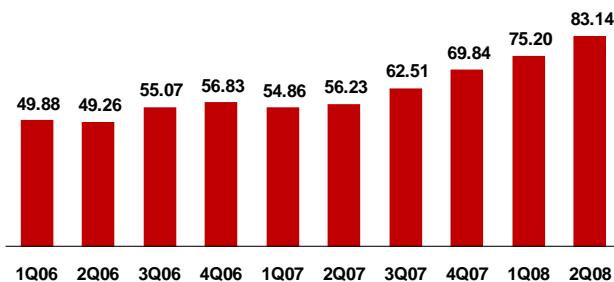


Source: Secex

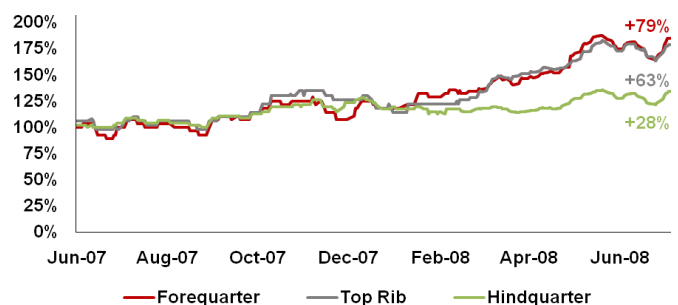
Year to date, Russia, Venezuela, Egypt and Hong Kong, were the most important importers of Brazilian fresh beef.

Domestic Market

Average Cattle Prices (R\$)



Beef Prices (R\$)



In the second quarter, the average price of finished cattle increased by 47.8% year on year and by 10.6% against the previous quarter, brought about by several factors, such as higher beef demand driven by the increase in purchasing power, high cow slaughter rates in the past 5 years, and the higher production capacity in the industry. Year to date, the average price of cattle is up 42.5% on the same six-month period in 2007. Meanwhile, domestic beef prices in the wholesale market also increased.

ANALYSIS OF RESULTS

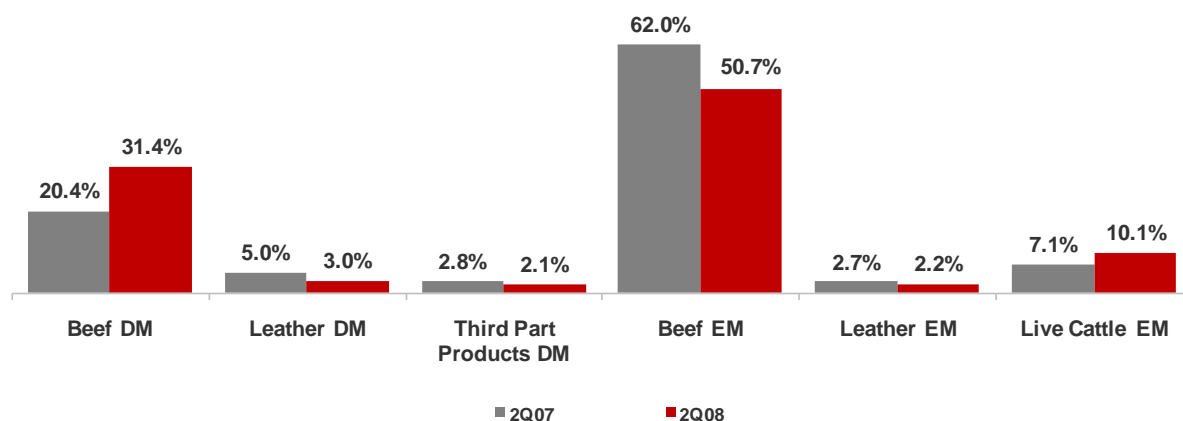
Gross Revenue

R\$ Million	2Q08	2Q07	Chg. %	1Q08	Chg.%	1H08	1H07	Chg.%
Gross Revenue	620.5	347.9	78.4%	500.3	24.0%	1.120.8	695.4	61.2%
Domestic Sales	228.2	98.1	132.6%	175.1	30.3%	403.3	173.7	132.2%
% Gross Revenue	36.8%	28.2%	8.6 p.p	35.0%	1.8 p.p	36.0%	25.0%	11.0 p.p
Beef Division	195.1	70.9	175.2%	141.0	38.4%	336.1	134.4	150.1%
Leather Division	18.9	17.4	8.6%	21.0	-10.0%	39.8	22.7	75.3%
Third Part Revenue	13.1	9.7	35.1%	12.9	1.6%	26.0	16.0	62.4%
Others	1.1	0.1	NM	0.2	450.0%	1.4	0.6	133.3%
Export Sales	392.3	249.8	57.0%	325.2	20.6%	717.5	521.7	37.5%
% Gross Revenue	63.2%	71.8%	-8.6 p.p	65.0%	-1.8 p.p	64.0%	75.0%	-11.0 p.p
Beef Division	314.3	215.7	45.7%	237.2	32.5%	551.6	445.6	23.8%
Leather Division	13.7	9.5	44.2%	7.9	73.6%	21.7	33.5	-35.2%
Live Cattle	62.5	24.6	154.1%	78.8	-20.7%	141.3	42.6	232.7%
Others	1.8	-	NM	1.2	50.0%	3.0	-	NM

Gross sales revenue in 2Q08 rose by 78.4% year on year, driven by the growth of 132.6% in domestic sales. The strong organic growth in domestic sales reflects the higher sales in the beef division (+175.2%), driven by the volume growth of 87% and the increase in the average price of 47%.

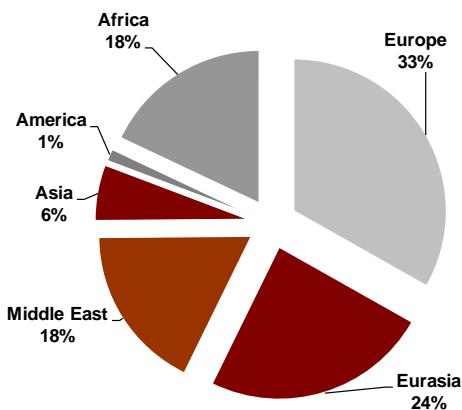
Domestic revenue already represents 37% of total sales, up 8.6 p.p., as a result of the flexible commercial strategies and the strong distribution channels focused on the profitable market of small and mid-sized retailers, as well as the Food Service segment. The Company has been strategically positioning itself to capture the continued strong growth expected in this market, which is currently being driven by the greater distribution of wealth and higher income levels in Brazil. The Company is also gaining market share from its mid-sized competitors, which have little operational flexibility, reduced retail distribution and weak financial positions.

Gross Revenue Breakdown – (%)

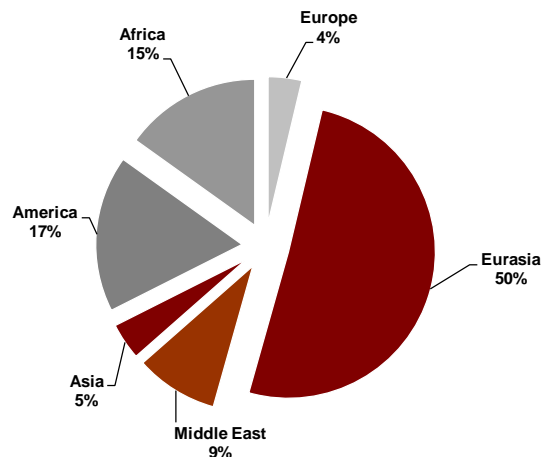


Export sales revenue in 2Q08 grew by 57.0% year on year, led by the expansion of the live cattle division, where exports grew by 154.1% to R\$62.5 million, from R\$24.6 million in 2Q07. In relation to 1Q08, export sales revenue grew by 20.6%, driven by the growth of 32.5% in the beef division, where volumes expanded by 17.1% and the average price increased by 13.1% (18.7% in dollar). This strong performance by the beef division in the export market, despite the minimal sales to the European Union, was due to the important commercial strategy of always maintaining a presence in all markets, as well as the company's solid position and pioneering efforts in fast-growing and profitable markets such as the Middle East and Russia. One example of this was the Company's entry in China, a promising market, where it is one out of only three meatpackers qualified to export to that country.

Export Breakdown – 2Q07



Export Breakdown – 2Q08



The above charts show the main countries to which Minerva exported products in 2Q08 compared to 1Q07, in Brazilian real. Note the significant reduction in exports to Europe, due to the restrictions imposed on Brazilian fresh beef exports as of February. On the other hand, Minerva has been expanding its presence in new emerging markets such as Venezuela and Hong Kong, as well as in Middle Eastern and North African countries.

In 2Q08, fresh beef exports to the European Union totaled R\$5.3 million, compared with R\$77.7 million in the second quarter of last year. The Company expects sales to the EU to recover, in line with the gradual trend in rural establishments included in the SISBOV certification system authorized to export to the European bloc. Today, 142 establishments are authorized exporters, a number still too small to support high volumes. However, with the recent inclusion of the states of São Paulo and Paraná among those able to export to the EU, we expect the growth in this list to accelerate.

Beef Division

Revenue (R\$ million)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Fresh Beef - EM	302.0	207.2	45.8%	226.4	33.4%	528.3	426.6	23.8%
Processed Beef – EM	4.2	2.0	110.0%	1.4	200.0%	5.6	2.0	180.0%
Others – EM	8.1	6.5	24.6%	9.5	-14.7%	17.6	17.0	3.5%
Sub-Total – EM	314.3	215.7	45.7%	237.2	32.5%	551.6	445.6	23.8%
Fresh Beef - DM	164.7	60.1	174.0%	119.1	38.3%	283.8	112.4	152.5%
Processed Beef – DM	2.9	2.3	26.1%	2.5	16.0%	5.5	5.0	10.0%
Others – DM	27.4	8.4	226.2%	19.3	42.0%	46.8	17.0	175.3%
Sub-Total – DM	195.1	70.9	175.2%	141.0	38.4%	336.1	134.4	150.1%
Total	509.4	286.6	77.7%	378.2	34.7%	887.6	580.0	53.0%

Volume (thousands of tons)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Fresh Beef - EM	43.0	37.7	14.1%	36.0	19.4%	79.0	78.2	1.0%
Processed Beef – EM	0.6	0.3	100.0%	0.2	200.0%	0.8	0.3	166.7%
Others – EM	1.9	1.9	0.0%	2.6	-24.9%	4.5	4.7	-4.3%
Sub-Total - EM	45.5	39.8	14.3%	38.8	17.3%	84.3	83.2	1.3%
Fresh Beef - DM	25.7	13.5	90.4%	21.0	22.4%	46.6	24.4	91.0%
Processed Beef – DM	0.4	0.4	0.0%	0.4	0.0%	0.9	0.8	12.5%
Others – DM	2.1	1.1	90.9%	1.6	31.3%	4.3	2.1	104.8%
Sub-Total - DM	28.2	15.1	86.8%	23.0	22.6%	51.8	27.4	89.1%
Total	73.7	54.9	34.2%	61.8	19.3%	136.1	110.5	23.2%

Average Price – EM (US\$/Kg)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Fresh Beef - EM	4.25	2.77	53.4%	3.62	17.4%	3.94	2.67	47.6%
Processed Beef – EM	4.47	3.73	19.8%	3.69	21.1%	4.20	3.62	16.0%
Others – EM	2.53	1.76	43.8%	2.12	19.3%	2.30	1.75	31.4%
Total	4.17	2.73	52.7%	3.52	18.7%	3.86	2.62	47.3%
USD Average (source:BACEN)	1.66	1.98	-16.2%	1.74	-4.6%	1.70	2.05	-17.1%

Average Price – EM (R\$/Kg)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Fresh Beef - EM	7.03	5.50	27.8%	6.28	11.9%	6.69	5.46	22.5%
Processed Beef – EM	7.40	7.40	0.0%	6.42	15.3%	7.14	7.40	-3.5%
Others – EM	4.18	3.48	20.1%	3.68	13.6%	3.90	3.58	8.9%
Total	6.91	5.41	27.7%	6.11	13.1%	6.54	5.36	22.0%

Average Price– DM (R\$/Kg)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Fresh Beef - EM	6.41	4.45	44.0%	5.68	12.9%	6.08	4.60	32.3%
Processed Beef – EM	6.70	5.51	21.6%	6.11	9.7%	6.42	6.04	6.2%
Others – EM	13.07	7.40	76.6%	12.06	8.4%	10.76	8.06	33.4%
Total	6.91	4.70	47.0%	6.13	12.7%	6.48	4.91	32.0%

* Does not include byproduct volumes

Gross sales revenue in the beef division rose to R\$509.4 million in the quarter, up 77.7% year on year and 34.7% quarter on quarter, totaling R\$509.4 million, boosted by domestic sales, which grew by 175.2% and 38.4% in the same periods. Export sales revenue grew by 45.8% year on year and 33.4% quarter on quarter, despite the EU restrictions, U.S. dollar depreciation and higher share of sales to the domestic market.

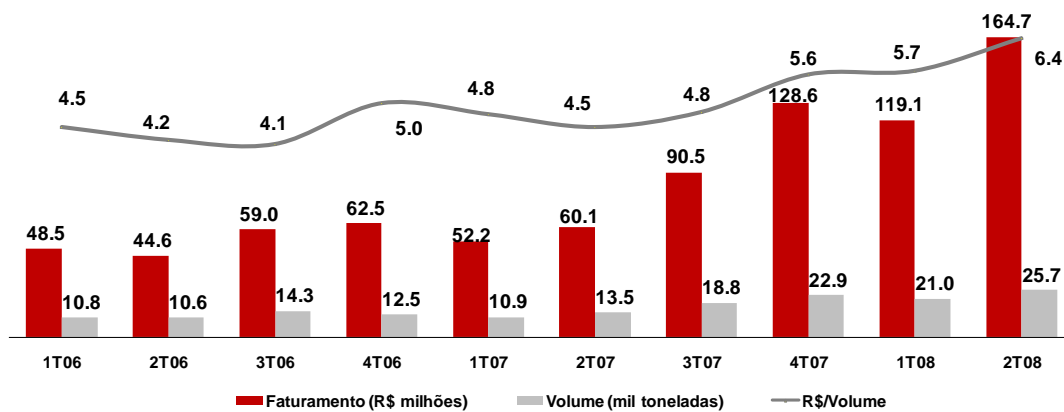
The strong performance of the beef division, the main driver of sales growth in the periods, is the result of both gains in market share and concerted efforts to pass through higher costs to final prices. The average fresh beef price registered year-on-year increases of 27.8% (53% in dollar terms) in the export market and 44,0% in the domestic market. In relation to 1Q08, the average price also registered sharp increases of 11.9% (17.4% in dollar) in the export market and 12.9% in the domestic market. The successful pass-through of prices ahead of competitors reflects the efficient sales policy of widespread distribution to small and midsized retailers in the domestic market and the solid positioning in growing and profitable markets such as the Middle East and Russia.

Meanwhile, Minerva's share of Brazil's fresh beef export revenue expanded to 16% in 2Q08, up from 12% a year ago and 14% in 1Q08, as a result of the Company's strategy of consolidating new markets and structuring secure export channels. The significant increase in market share in revenue terms was due to the Company outperforming the industry average in terms of both volume and average price.

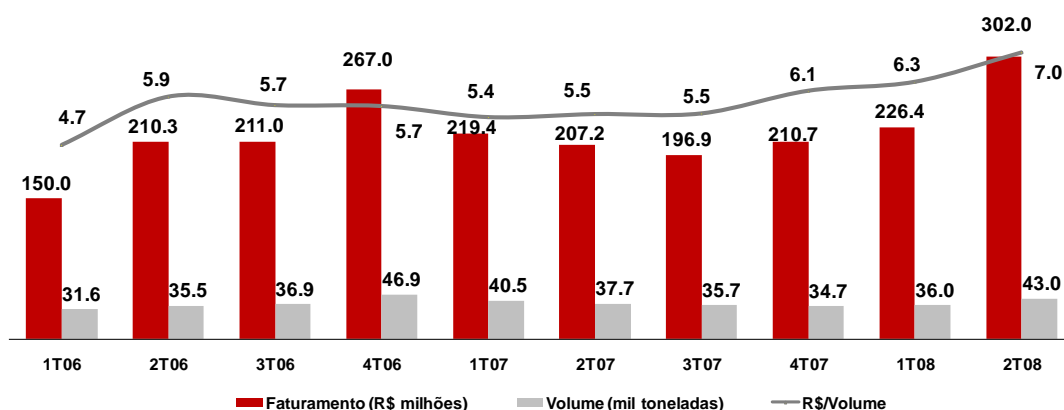
Minerva's fresh beef export volumes grew by 14.1% year on year and 19.4% versus 1Q08, while Brazilian fresh beef export volume fell by 22.9% year on year and rose by 6.6% on the previous quarter.

The variation in Minerva's average price posted a similar performance. Minerva's average fresh beef export price set a record high of US\$4,25/kg, up 53.4% and 17.4% compared with 2Q07 and 1Q08, respectively, compared with average price in Brazil of US\$3,78/kg, up 47.4% and 7.1% in the same periods.

Fresh Beef – Domestic Market



Fresh Beef – Export Market



Live Cattle Division

Live Cattle (R\$ milion)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Revenue	62.5	24.6	154.1%	78.8	-20.7%	141.3	42.6	232.7%
% Gross Revenue	10.1%	7.1%	3.0 p.p	15.8%	-5.7 p.p	12.6%	6.1%	6.5 p.p
Volume (Thousands of Tons)	14.5	11.8	22.9%	21.7	-33.2%	36.2	21.1	71.6%
US\$/Kg	2.60	1.06	145.3%	2.09	24.4%	2.30	0.98	134.7%
R\$/Kg	4.30	2.09	105.7%	3.63	18.5%	3.90	2.01	94.0%
US\$ Average (BACEN)	1.66	1.98	-16.2%	1.74	-4.6%	1.70	2.05	-17.1%

Live cattle export revenue grew 154.1% year on year to R\$62.5 million, supported by increases of 22.9% in volume and 105.7% in the average price. In relation to 1Q08, live cattle exports were down, due to the seasonally weaker sales to Lebanon in the quarter. In July, exports totaled R\$50 million, offsetting the lower sales in June. Year to date, revenue from the live cattle division totaled R\$141.3 million, growing by 232.7% year on year and accounting for 12.6% of gross revenue in the period. Minerva's share of Brazilian live cattle export volume was 40.6% in the first half of the year, compared with 37.1% in 1H07, reflecting the company's pioneering effort to attract and consolidate live cattle export markets.

Leather Division

The leather division recorded gross revenue of R\$32.6 million in the quarter, growing by 21.3% year on year, driven by the increase of 44.2% in processed leather exports from R\$9.5 million to R\$13.7 million, with volumes increasing 73.0% and the average price falling 17.8%. Year to date, sales revenue at the leather division grew by 9.4% to R\$61.5 million, accounting for 5.5% of the Company's overall gross revenue, compared with 8.1% in the same six-month period of 2007.

Leather - Revenue	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Processed Hides - EM	13.7	9.5	44.2%	7.9	73.4%	21.7	33.5	-35.2%
Sub-Total - EM	13.7	9.5	44.2%	7.9	73.4%	21.7	33.5	-35.2%
Processed Hides – DM	2.8	0.5	460.0%	2.2	27.3%	5.0	1.4	257.1%
Raw Hides – DM	15.1	16.8	-10.1%	17.9	-15.6%	33.1	21.2	56.1%
By products -DM	0.9	0.1	800.0%	0.8	12.5%	1.8	0.1	NM
Sub-Total - DM	18.9	17.4	8.6%	21.0	-10.0%	39.8	22.7	75.3%
Total	32.6	26.9	21.3%	28.9	12.8%	61.5	56.2	9.4%
Volume (mn of square feet)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Wet Blue Hides - EM	6.4	3.7	73.0	3.7	73.0%	10.1	13.2	-23.5%
Processed Hides – DM	1.0	0.2	400.0%	0.9	11.1%	1.9	0.5	280.0%
Raw Hides ** – DM	7.7	7.0	10.0%	8.8	-12.5%	16.5	9.0	83.3%
By products **-DM	1.1	0.1	NM	0.8	37.5%	1.8	0.1	NM
Average Price -EM	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Processed Hides (US\$)	1.29	1.30	-0.8%	1.23	4.9%	1.26	1.24	1.6%
Processed Hides (R\$)	2.13	2.59	-17.8%	2.14	-0.5%	2.13	2.54	-16.1%
USD Average (Source:BACEN)	1.66	1.98	-16.2%	1.74	-4.6%	1.70	2.05	-17.1%
Average Price – EM (US\$/Kg)	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Processed Hides – DM	2.81	2.66	5.6%	2.58	8.9%	2.70	2.82	-4.3%
Raw Hides ** – DM	1.96	2.40	-18.3%	2.03	-3.4%	2.00	2.36	-15.3%
By products **-DM	0.84	-	-	-	-	0.95	1.48	-35.8%

** in kg DM – Domestic Market EM – Export Market
Wet Blue Hides: Wet Blue Hides, Hides, Byproducts

As part of its strategy to add value to the Leather Division, in February the Company leased its second tannery, bringing production capacity to 5,000 hides/day of primarily semi-finished and finished products for automotive and residential upholstery, as well as for the manufacture of footwear and handbags. Following a transition period in 2Q08, during which specialized people were recruited and

trained, machinery was normalized and a client portfolio was formed, the division is now operating at full steam.

Resale of Third-Party Products

In 2Q08, sales revenue from the resale of third-party products grew by 35.1% to R\$13.1 million, and accounted for 2.1% of the Company's total revenue. In the same period, volumes grew 12% while the average price rose by 21.1% to R\$4.64/kg.

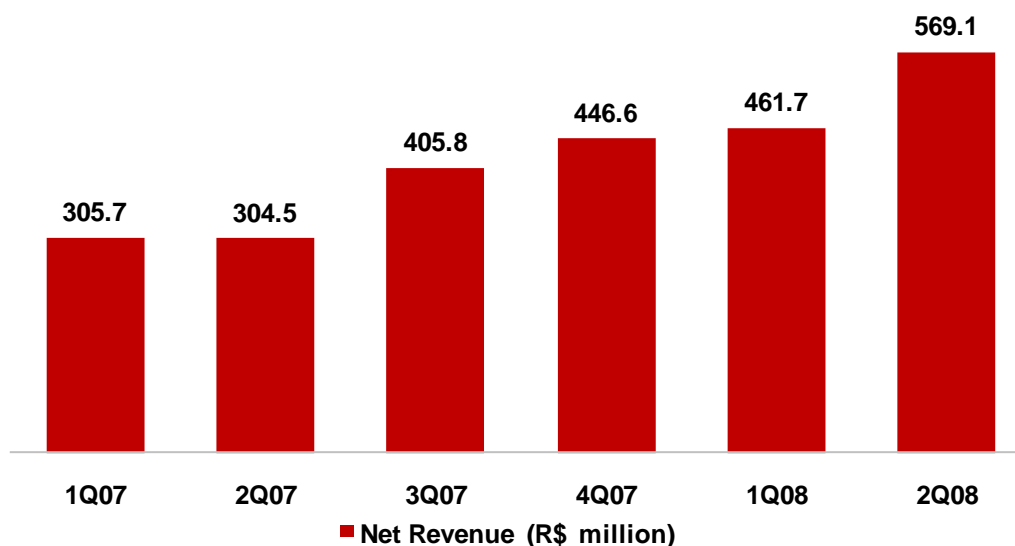
Based on a "one-stop-shop" concept, Minerva's distribution networks, which have a broader range of products and more frequent deliveries than major suppliers, also sell, in addition to Minerva products, more than 380 different third-party food products, such as ready-to-eat meals, frozen vegetables, pizzas, as well as lamb imports from Uruguay and frozen fish from Chile and Argentina. The Company's strategy of consolidating its partnerships with suppliers should increase the importance of third-party products with higher added value. Minerva's distribution network includes 850 cities, with about 15,000 active clients supplying products to small and midsized retailers, convenience stores and other establishments. In 2008, the Company should expand its small and midsized retail activities to the South and North regions of Brazil and is planning investments in new distribution centers.

Revenue (R\$ million)	2Q08	2Q07	Var. %	1Q07	Var. %	1H08	1H07	Var. %
Revenue	13.1	9.7	35.1%	12.9	1.6%	26.0	16.0	62.5%
% Gross Revenue	2.1%	2.8%	-0.7 p.p	2.6%	-0.5 p.p	2.3%	2.3%	0.0 p.p
Volume (thousands of tons.)	2.8	2.5	12.0%	2.7	3.7%	5.5	4.1	34.1%
R\$/Kg	4.64	3.83	21.1%	4.82	-3.7%	4.72	3.89	21.3%

Net Revenue

Net operating revenue set a new all-time high at R\$569.1 million in the quarter, for organic growth of 86.9% year on year and 23.3% quarter on quarter. Year to date, net sales rose by 68.9% to R\$1,030.8 million.

Net Sales Revenue (R\$ million)



R\$ Millions	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Gross Revenue	620.5	347.4	78.6%	500.3	24.0%	1120.8	695.4	61.2%
Sales Tax and Returns	(51.4)	(43.4)	18.4%	(38.6)	33.2%	(90.0)	(85.2)	5.6%
Net Revenue	569.1	304.5	86.9%	461.7	23.3%	1.030.8	610.2	68.9%

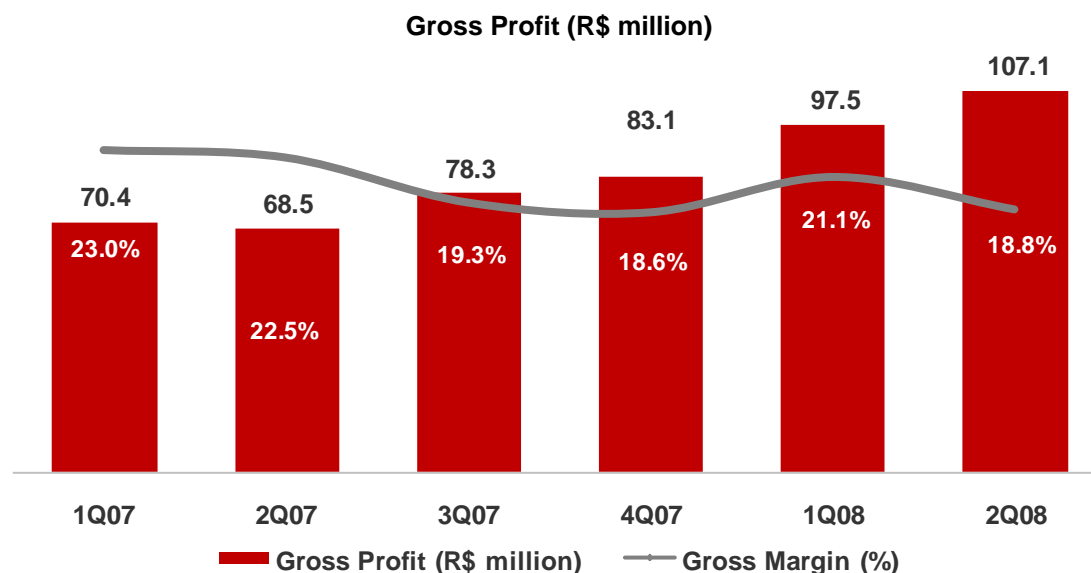
Costs of Goods Sold

Cost of goods sold (COGS) increased by 95.8% year on year and 23.3% versus 1Q08, driven by the increases of 47.5% and 10.5% in the average cattle price and the expansion of 32.7% and 11.3% in slaughter volumes in the same periods. The Company has strived to buy finished cattle at prices below the market average and minimize production costs, as reflected by its hedge operations, relationship with suppliers and efficient use of installed capacity.

R\$ Million	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Net Revenue	569.1	304.0	87.2%	461.7	23.3%	1.030.8	610.2	68.9%
Cost of Goods Sold	(462.1)	(236.0)	95.8%	(364.2)	26.9%	(826.3)	(471.3)	75.3%
Gross Profit	107.1	68.5	56.4%	97.5	9.8%	204.5	138.9	47.3%
Gross Margin	18.8%	22.5%	-3.7 p.p	21.1%	-2.3 p.p	19.8%	22.8%	-3.0 p.p

Gross Profit

Gross profit grew by 56.4% year on year to set a new quarterly record of R\$107.1 million. Year to date, gross income was R\$204.5 million, up 47.3% against 1H07, with gross margin reaching 19.8%, higher than the average for the last semester of 2007.



Operating Expenses

R\$ Million	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Selling Expenses	(53.5)	(39.3)	36.1%	(56.4)	-5.1%	(109.9)	(78.6)	39.8%
% Net Revenue	9.4%	12.9%	-3.5 p.p	12.2%	-2.8 p.p	10.7%	12.9%	-2.2 p.p
G&A Expenses	(11.6)	(5.2)	123.1%	(9.6)	20.8%	(21.3)	(12.8)	66.4%
% Net Revenue	2.0%	1.7%	0.3 p.p	2.1%	-0.1 p.p	2.1%	2.1%	0.0 p.p
Operating Expenses	(65.2)	(44.5)	46.5%	(66.0)	-1.2%	(131.2)	(91.5)	43.4%
% Net Revenue	11.4%	14.6%	-3.2 p.p	14.3%	-2.9 p.p	12.7%	15.0%	-2.3 p.p

Selling Expenses

Selling expenses were R\$53.5 million in the quarter, equal to 9.4% of net sales, improving significantly from the 12.9% and 12.2% registered in 2Q07 and 1Q08, respectively, which reflects the renegotiation of contracts and the control of expenses with maritime freight and storage. Year to date, selling expenses totaled R\$109.9 million, equal to 10.7% of net revenues, falling by 2.2 p.p. against 1H07.

General and Administrative Expenses

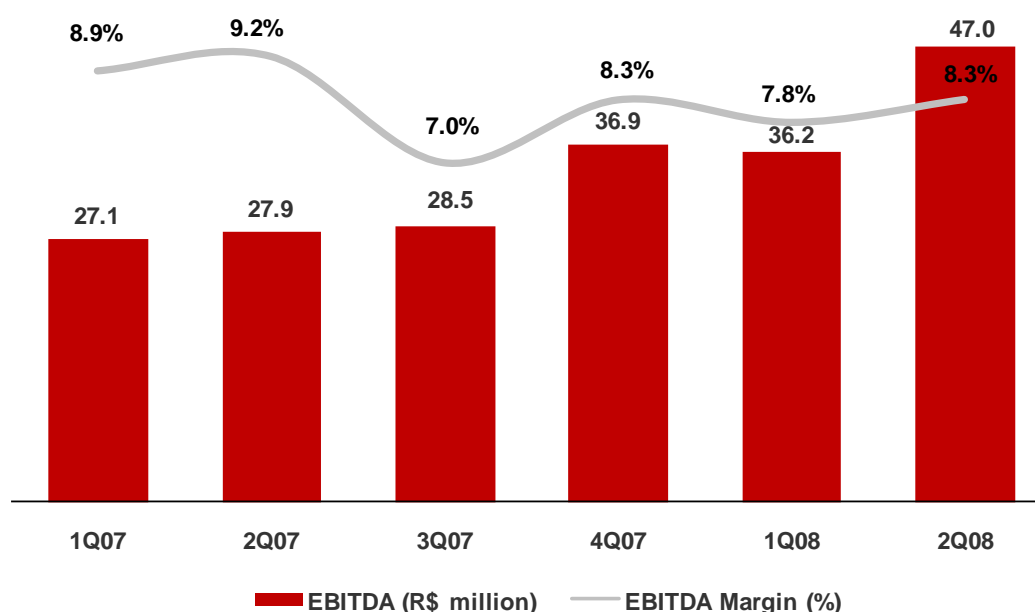
General and Administrative expenses in 2Q08 totaled R\$11.6 million, or 2.0% of net revenues, compared with 1.7% and 2.1% in 2Q07 and 1Q08, respectively. Year to date, G&A expenses accounted for 2.1% of net sales, unchanged from the same period a year ago.

EBITDA

EBITDA posted strong growth in the quarter of 68.5% to R\$47.0 million, for EBITDA margin of 8.3%, compressing by 0.9 p.p. from a year earlier, due to the depreciation in the dollar, the import restrictions implemented by the EU, and the significant pressure on production costs (raw materials). In relation to 1Q08, EBITDA grew by 29.8%, with EBITDA margin expansion of 0.5 p.p., reflecting the greater operational flexibility and efficiency.

R\$ Million	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Net Income	19.4	20.5	-5.4%	(0.0)	NA	19.4	31.5	-38.4%
(+) Tax and Social Contribution	10.2	10.0	2.0%	0.2	NA	10.3	18.9	-45.5%
(+) IPO Expenses	-	-	-	-	-	-	-	-
(+) Non operating income	-	1.7	-	(0.1)	-	(0.1)	7.9	NA
(+) Financial income (expense).net	12.4	(8.1)	NA	31.4	-60.5%	43.8	(10.8)	NA
(+) Depreciation and Amortization	5.4	3.9	38.5%	4.7	14.9%	9.8	7.7	27.3%
EBITDA	47.0	27.9	68.5%	36.2	29.8%	83.2	55.2	50.7%
EBITDA Margin	8.3%	9.2%	-0.9 p.p	7.8%	0.5 p.p	8.1%	9.0%	-0.9 p.p

Adjusted EBITDA (R\$ millions) and EBITDA Margin (%)



EBIT

R\$ Million	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
EBITDA	47.0	27.9	68.5%	36.2	29.8%	83.2	55.2	50.7%
Depreciation	(5.1)	(3.9)	31.8%	(4.7)	8.5%	(9.8)	(7.7)	27.3%
EBIT	41.9	24.1	73.9%	31.5	33.0%	73.4	47.5	54.5%
EBIT Margin	7.4%	7.9%	-0.5 p.p	6.8%	0.5 p.p	7.1%	7.8%	-0.7 p.p

EBIT, or operating income before financial expenses, was R\$41.9 million in the quarter, 73.9% higher than in 2Q07, for operating margin of 7.4%. Year to date, EBIT was 54.5% higher than in the same six-months of 2007, with EBIT margin of 7.1%.

Financial Result

Minerva's net financial result is the product of the consolidated financial management of its assets and liabilities. Net financial expenses in the quarter were R\$12.4 million, compared with a net financial income of R\$8.1 million in the previous quarter, mainly due to higher expenses related to the decline of 76.7% in gains from foreign-exchange variation.

R\$ Million	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Financial Expenses	(25.1)	(25.6)	-2.0%	(43.7)	-42.6%	(68.8)	(44.9)	53.2%
Financial Revenues	7.1	9.8	-27.6%	8.3	-14.5%	15.4	12.2	26.2%
Monetary Variation	5.6	24.0	-76.7%	4.0	30.0%	9.6	43.6	-78.0%
Net Financial Result	(12.4)	8.1	NA	(31.4)	-60.5%	(43.8)	10.8	NA

Adjusted Net Income*

Adjusted net income was R\$19.4 million, slightly higher than in the same period of last year, due to lower gains from foreign exchange variation. Net margin was 3.4% in the quarter.

R\$ Million	2Q08	2Q07	Chg.%	1Q08	Chg.%	1H08	1H07	Chg.%
Net Income	19.4	20.5	-5.4%	(0.0)	NA	19.4	31.5	-38.4%
(+) IPO Expenses	-	-	-	-	-	-	-	-
(+) BOND Expenses	-	1.9	-	-	-	-	7.6	-
IPO/BOND Corp Tax Benefits	-	(0.6)	-	-	-	-	(2.6)	-
Adjusted Net Income	19.4	21.8	-11.0%	(0.0)	NA	19.4	36.4	-46.7%
% Net Margin	3.4%	7.2%	-3.8 p.p	0.0%	3.4 p.p	1.9%	6.0%	-4.1 p.p

*excludes expenses with the IPO and bond issues

INDEBTEDNESS

On June 30, 2008, Minerva's total net debt stood at R\$442.0 million, up 3.5% from a year earlier. The net debt/EBITDA ratio fell to 2.97x, versus 3.87x on June 30, 2007. In terms of maturity, 76% of gross indebtedness is long-term debt, and in terms of currency, 74% is denominated in U.S. dollar. Cash and cash equivalents stood at R\$251.3 million, up 32.4% the same period in 2007.

R\$ million	2Q08	2Q07	Chg.%	1Q08	Chg.%
Short Term Debt	165.3	82.8	99.6%	65.1	153.9%
Local Currency	17.9	9.9	968.7%	8.6	1130.2%
Foreign Currency	147.5	72.9	-18.4%	56.5	5.3%
Long Term Debt	535.1	541.1	-1.1%	572.2	-6.5%
Local Currency	21.4	28.5	168.3%	25.0	205.6%
Foreign Currency	513.7	512.6	-10.5%	547.2	-16.2%
Total Debt	700.4	623.9	12.3%	637.3	9.9%
Local Currency	39.3	38.4	374.5	33.6	442.3%
Foreign Currency	661.1	585.5	-11.5%	603.7	-14.2%
Cash and Cash Equivalents	(251.3)	(189.8)	32.4%	(360.0)	-30.2%
(Bond buy-back)*	-	-	-	(8.1)	-187.7%
Net Debt	449.1	434.1	3.5%	269.2	67.0%
Net Debt /EBITDA	2.97x	3.87x	-23.3%	2.10x	41.4%

* Non current Assets- Other Credits

The increase in net debt in quarter on quarter reflects the higher working capital needs (clients, inventories and recoverable taxes) resulting from the company's strong sales growth as well as the CAPEX program in the period. Note that net debt was also pressured by three factors seeking to maximize the company's profitability: first, the policy of cash raw material purchases with discounts implemented this year; second is the investment in purchasing and fattening cattle for subsequent slaughter by the company, and third is the financing advancement producers thus guaranteeing future supply.

INVESTMENTS

In 2Q08, investments amounted to R\$47.4 million, versus R\$30.0 million in 2Q07. The funds were used for construction of the Rolim de Moura and Redenção units, which will be inaugurated by year-end, and for accelerating construction of the processed-products plant Minerva Dawn Farms to be inaugurated in September this year.

SUBSEQUENT EVENTS

On August 6, Minerva acquired a controlling interest in Friasa S.A., a Paraguayan company. Friasa leases a meatpacking plant located in the city of Asunción Paraguay, with slaughter capacity of 700 head/day. The acquisition marks the start of Minerva's international expansion in the Mercosur trade bloc, and is part of the Company's strategy of geographical diversification and insertion in new markets.

Paraguay, currently the world's 8th largest beef exporter, has livestock of 11 million head of cattle and offers excellent potential for improvements in productivity (output rate currently at 14%) and sanitary status, with the country recently recognized by the World Organization for Animal Health (OIE) as free of foot-and-mouth disease with vaccination. In addition to exporting to destinations such as Russia, South Africa, Vietnam, Israel, Hong Kong, amongst others, the country is also qualified to export to the

important Chilean market, where it holds 55% market share. Advanced negotiations are also underway for the opening up of markets in the European Union to Paraguayan fresh beef exports.

ABOUT MINERVA S.A.

Minerva S.A. is one of the leading producers and sellers of beef, leather and live cattle in Brazil, and is one of the country's three largest exporters in the sector in terms of gross revenue, exporting to some 80 countries. The Company has slaughter capacity of 5,500 head/day, processing capacity of 1,300 tons/day and leather capacity of 5,000 hides/day. Minerva is present in the states of São Paulo, Goiás, Tocantins and Mato Grosso do Sul, where it operates six slaughterhouses, seven deboning plants and two tanneries, as well as distribution centers located in Olímpia and São Bernardo do Campo. In 2007, Minerva posted net sales of R\$1.5 billion, ranking fourth in the industry.

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 substantially on changes in market conditions, government regulations, pressures from competitors, and the performance of both 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.

FINANCIAL STATEMENT – Consolidated (R\$ thousand)

	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08
Export Sales	271,811	249,847	310,002	311,914	325,172	392,349
Domestic Sales	75,613	98,089	126,920	175,831	175,113	228,172
Gross Sales Revenue	347,424	347,936	436,922	487,745	500,285	620,521
Sales taxes	-41,740	-43,410	-31,083	-41,158	-38,565	-51,397
Net Sales Revenue	305,684	304,526	405,839	446,587	461,720	569,124
Cost of Goods Sold	-235,326	-235,977	-327,511	-363,535	364,227	462,073
Gross Profit	70,358	68,549	78,328	83,052	97,493	107,051
Selling Expenses	-39,368	-39,271	-42,533	-40,966	-56,366	-53,504
General and Administrative Expenses	-7,596	-5,216	-11,314	-9,239	-9,634	-11,646
Financial Income (expenses), net	2,678	8,141	-2,374	-7,671	-31,378	-12,388
Equity Accounting	-	-	-	-	-	-
IPO Expenses	-	-	-39,349	-852	-	-
Operating Revenue (Expenses)	-44,286	-36,346	-95,570	-58,728	-97,683	-77,538
Operating Income	26,072	32,203	-17,242	24,324	-190	29,513
Non-operating Income	-6,134	-1,742	221	-876	66	-
Profit Before Income Tax	19,938	30,461	-17,021	23,448	-124	29,513
Corporate Taxation - current	-7,888	-10,378	3,531	-4,137	-444	-10,811
Corporate Taxation - deferred	-1,109	427	2,016	-4,547	261	650
Net Income	10,941	20,510	-11,474	14,764	-2	19,352
EBITDA	27.1	28.0	28.5	36.9	36.0	47.3
EBITDA Margin	8.9%	9.2%	7.0%	8.3%	7.8%	8.3%
Adjusted Net Income	14.7	21.8	14.5	15.3	0.0	19.4
Adjusted Net Income Margin	4.8%	7.1%	3.6%	3.4%	0.0%	3.4%

BALANCE SHEET – Consolidated (R\$ thousand)

ASSETS	6/30/2008	3/31/2008	6/30/2007
Current Assets			
Cash and Cash Equivalents	251,320	359,959	189,781
Trade Accounts Receivable from Customers	342,450	225,815	188,203
Inventories	266,738	239,857	148,418
Other Receivables	15,209	10,029	3,523
Taxes Recoverable	173,729	174,573	171,556
Total Current Assets	1,049,446	1,010,233	701,481
Non-current Assets			
Taxes Recoverable	88,950	48,118	-
Judicial Deposits	4,393	4,376	4,836
Related Parties	6,152	3,089	4,305
Prepaid Expenses	9,501	12,021	7,132
Other Credits	7,955	8,741	0
Long-term Assets	116,951	76,345	16,273
Investments	-	-	-
Fixed Assets	389,626	348,371	287,594
Deferred Assets	5,440	4,450	852
Fixed Assets	395,066	352,821	288,446
Total non-current Assets	512,017	429,166	304,719
Total Assets	1,561,463	1,439,399	1,006,200
LIABILITIES	6/30/2008	3/31/2008	6/30/2007
Current liabilities			
Trade Accounts Payable to Suppliers	166,170	127,712	72,848
Loans and Financing	165,337	65,109	82,815
Payroll and Tax Payable	32,161	23,754	18,325
Other Liabilities	5,345	18,132	15,264
Provision for Income Taxes	11,258	368	10,383
Total current Liabilities	380,271	235,075	199,635
Non-current Liabilities			
Long Term Liabilities			
Loans and Financing	535,099	572,199	541,091
Payroll and Tax Payable	19,873	25,145	26,007
Deferred Taxes	54,048	54,697	52,428
Provision for contingencies	21,991	21,683	21,104
Related Parties	-	-	-
Other Liabilities	490	493	-
Total non-current Liabilities	631,501	674,217	640,630
Minority Equity	303	71	-
Capital Stock	88,728	88,729	18,729
Capital Reserves	300,253	300,253	253
Revaluation Reserves	100,393	101,512	104,873
Profits Reserve	38,429	38,428	9133
Retained Earnings	21,585	1114	32,946
Shareholders' Equity	549,691	530,036	165,934
Total Liabilities and Shareholders' Equity	1,561,463	1,439,399	1,006,200

CASH FLOW – Consolidated (R\$ thousand)

	2Q08	1Q08	2Q07
Cash Flow from Operating Activities			
Net Income (loss)	19,352	(2)	20,510
Adjustments:	(11,496)	(2,341)	(7,707)
Update of Taxes recoverable	-	-	-
Sales Fixed Assets	-	87	-
Equity accounting	-	-	-
Update/complement of provision for contingences	-	4,375	1
Increase in deferred taxes - temporary differences	(275)	112	(51)
Decrease in deferred tax liabilities - revaluation of assets	(375)	(373)	(376)
Depreciation and amortization	5,110	4,687	3,878
Interest accrued on financing and loans	(35,308)	(11,227)	(31,215)
Other	-	-	(454)
Changes in Assets and Liabilities	(149,242)	(107,037)	(49,394)
Increase (decrease) in trade accounts receivable from customers	(116,635)	(32,949)	(20,893)
Increase in Inventories	(26,881)	(37,591)	(13,185)
Increase in Taxes recoverable	(39,988)	(4,778)	4,192
Increase in other current and non-current assets	(5,740)	(146)	(828)
Increase (decrease) in trade accounts payable	38,458	(10,881)	(26,771)
Increase in other current and non-current liabilities	1,544	(20,692)	8,091
Net Cash used in Operating Activities	(160,738)	(109,378)	(57,101)
Cash Flow from Investment Activities			
Acquisition of Investments – controlled company units	-	-	-
Acquisition of fixed assets and deferred assets	(47,355)	(19,176)	(33,303)
Net Cash Used in Investment Activities	(47,355)	(19,176)	(33,303)
Net Cash From Financing Activities			
Increase in loans and financing	120,286	119,326	5,022
Payments of loans and financing	(20,832)	(7,259)	(39,785)
Net Cash Generated in Financing Activities	99,454	112,067	(34,763)
Net Increase for the Period	(108,639)	(16,487)	(125,167)
Cash and Cash Equivalents at the beginning of the period	359,959	376,446	314,948
Cash and Cash Equivalents at the end of the period	251,320	359,959	189,781