

## BRASIL FOODS REPORTS QUARTERLY EARNINGS OF R\$ 210 MILLION

*Results consolidate the performance of BRF and Sadia*

BRF Brasil Foods' third quarter balance sheet consolidates the results for Sadia (a wholly owned subsidiary) and its controlled companies. In the period, the company reported net income of over R\$ 210 million and net sales of R\$ 5.3 billion. The company commercialized a total of 1.4 million tons of meats, dairy products and other processed items during the quarter.

The domestic market reported the best performance, accounting for 58% of net sales, equivalent to revenues of R\$ 3.8 billion.

Exports reached R\$ 2.3 billion. Foreign exchange rate pressures associated with a slow recovery in the principal international markets squeezed margins although this impact was offset by a positive performance in the domestic market.

Gross sales reached R\$ 6.2 billion and gross profit, R\$ 1.1 billion. Operational results as measured by EBITDA (operating income before financial expenses, taxes and depreciation) posted R\$ 291 million, equivalent to an EBITDA margin of 5.5%.

Investments in capital expenditures for the first nine months of the fiscal year on a pro-forma basis (that is the joint investments of BRF and Sadia from January 1 2009), were R\$ 665.5 million.

The corporate stages under the Association Agreement – signed between Perdigão and Sadia on May 19 2009 - were successfully concluded:

- Merger of the shares of HFF's shareholders (July 08)
- Incorporation of the shares of Sadia's shareholders (August 18)
- Funding of approximately R\$ 5.3 billion raised through a primary offering of shares for restructuring the consolidated capital stock, particularly for paying down of Sadia's short term debt.

## PROFORMA RESULTS

For comparative purposes only, we show pro forma results consolidating the full data of Sadia S.A. as if the merger of shares had taken place on January 1 2008.

The 2008 results of Sadia were adequated to Law 11.638

### NUMBERS FOR THE QUARTER (PRO FORMA)

R\$ million	3Q09	3Q08	Change %
Gross Sales	6,167	6,415	(4%)
Domestic Market	3,850	3,787	2%
Exports	2,316	2,628	(12%)
Net Sales	5,294	5,606	(6%)
Gross Profit	1,102	1,192	(8%)
Gross Margin	20.8%	21.3%	(50 bps)
EBIT	58	150	(61%)
Net Income	211	(1,633)	-
Net Margin	4.0%	(29.1%)	-
EBITDA	291	336	(13%)
EBITDA Margin	5.5%	6.0%	(50 bps)

### NUMBERS FOR FIRST NINE MONTHS 2009 (PRO FORMA)

R\$ million	9M09	9M08	Change %
Gross Sales	18,163	18,042	1%
Domestic Market	11,097	10,416	7%
Exports	7,066	7,625	(7%)
Net Sales	15,630	15,783	(1%)
Gross Profit	3,325	3,642	(9%)
Gross Margin	21.3%	23.1%	(180 bps)
EBIT	140	717	(80%)
Net Income	222	(1,104)	-
Net Margin	1.4%	(7.0%)	-
Net Adjusted Result (1)	354	(1,104)	-
Net Adjusted Margin	2.3%	(7.0%)	-
EBITDA	852	1,300	(34%)
EBITDA Margin	5.5%	8.2%	(270 bps)

(1) Net Adjusted Result – Ignoring the absorption of the tax loss with respect to the incorporation of Perdigão Agroindustrial S.A. booked to first quarter results 2009.

 <p><b>BRF – Brasil Foods S.A.</b> (formerly named Perdigão S.A.) Leopoldo Viriato Saboya CFO and Investor Relations Officer</p> <p><b>Stock Exchange Ticker Symbols</b></p> <table border="0"> <tr> <td>Bovespa PRGA3 - ON Novo Mercado (New Market)</td> <td>NYSE PDA ADR Level II</td> </tr> </table>	Bovespa PRGA3 - ON Novo Mercado (New Market)	NYSE PDA ADR Level II	<p><b>Investor Relations</b></p> <p>Av. Escola Politécnica, 760 05350-901   São Paulo   SP</p> <p>Phone: (55) 11-3718.5301 / 5306 / 5485 / 5791 Fax: (55) 11-3718.5297 acoes@brasilfoods.com www.brazilfoods.com/ir</p>	         
Bovespa PRGA3 - ON Novo Mercado (New Market)	NYSE PDA ADR Level II			
<p>BRF is one of the largest Latin America food companies and one of the biggest processing meat in the world. The company exports its products for more than 110 countries.</p>				