THE EUROPEAN PIGMEAT MARKET SITUATION AND OUTLOOK

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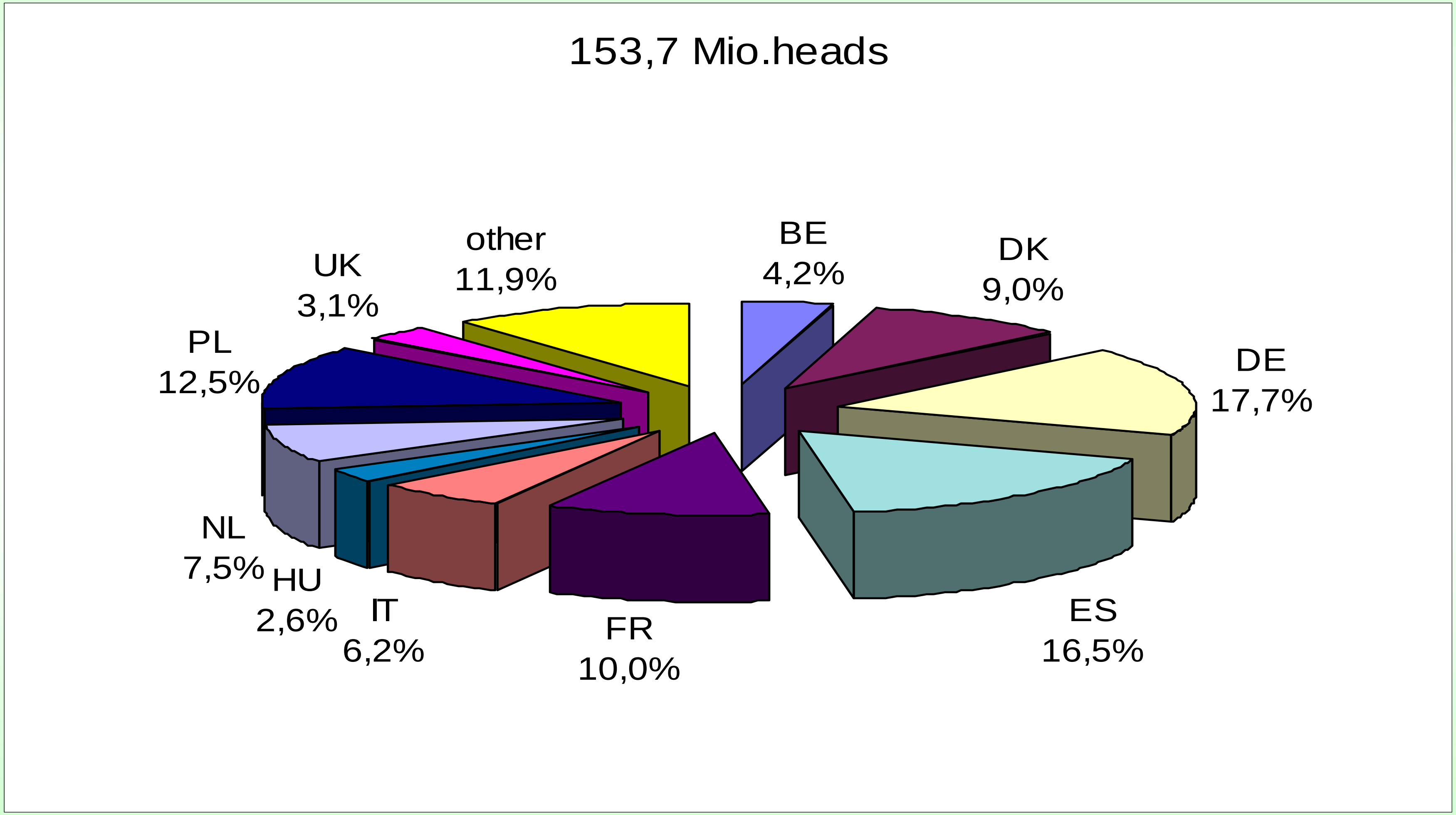
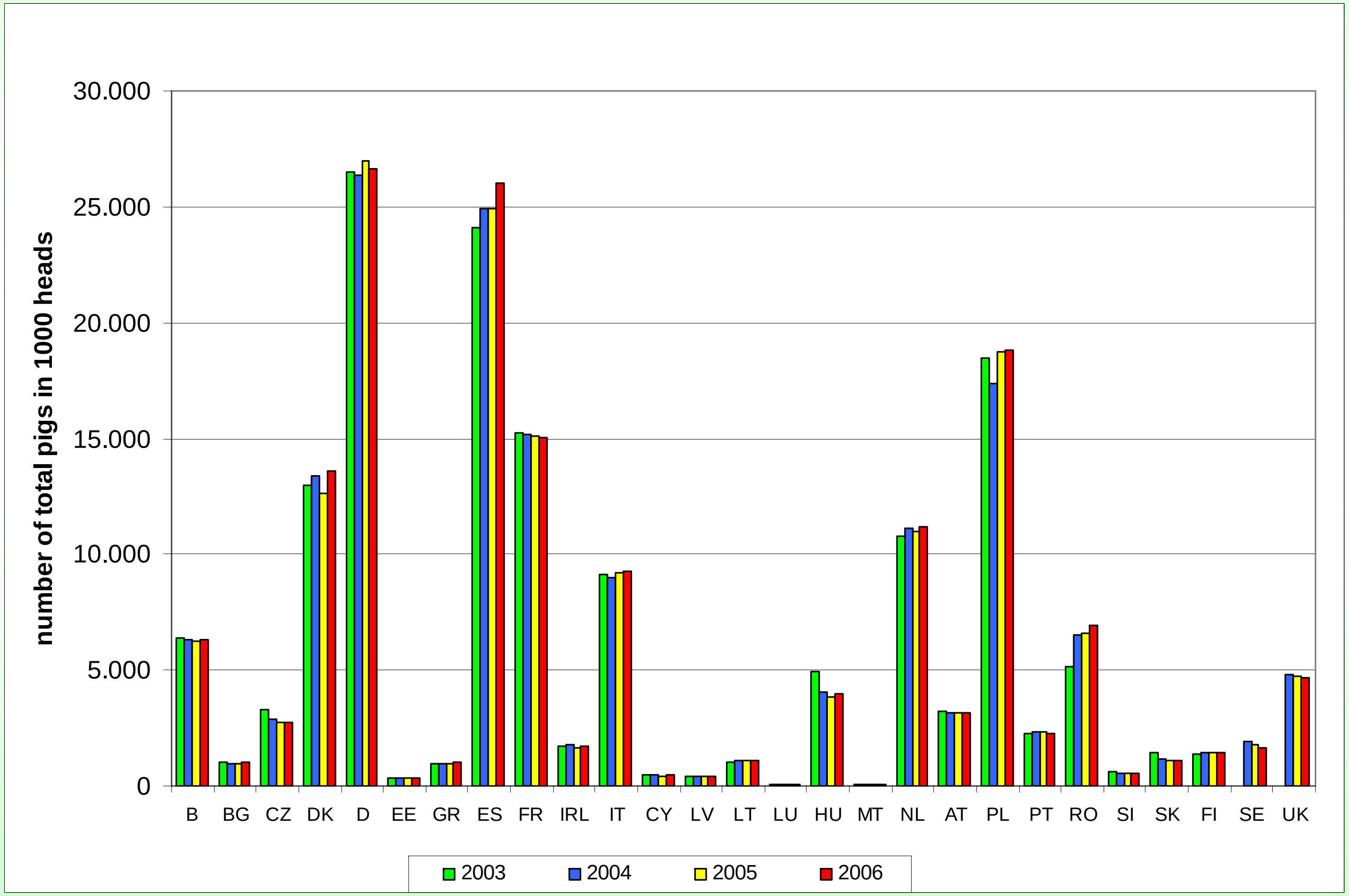
TOTAL PIG POPULATION IN THE EU

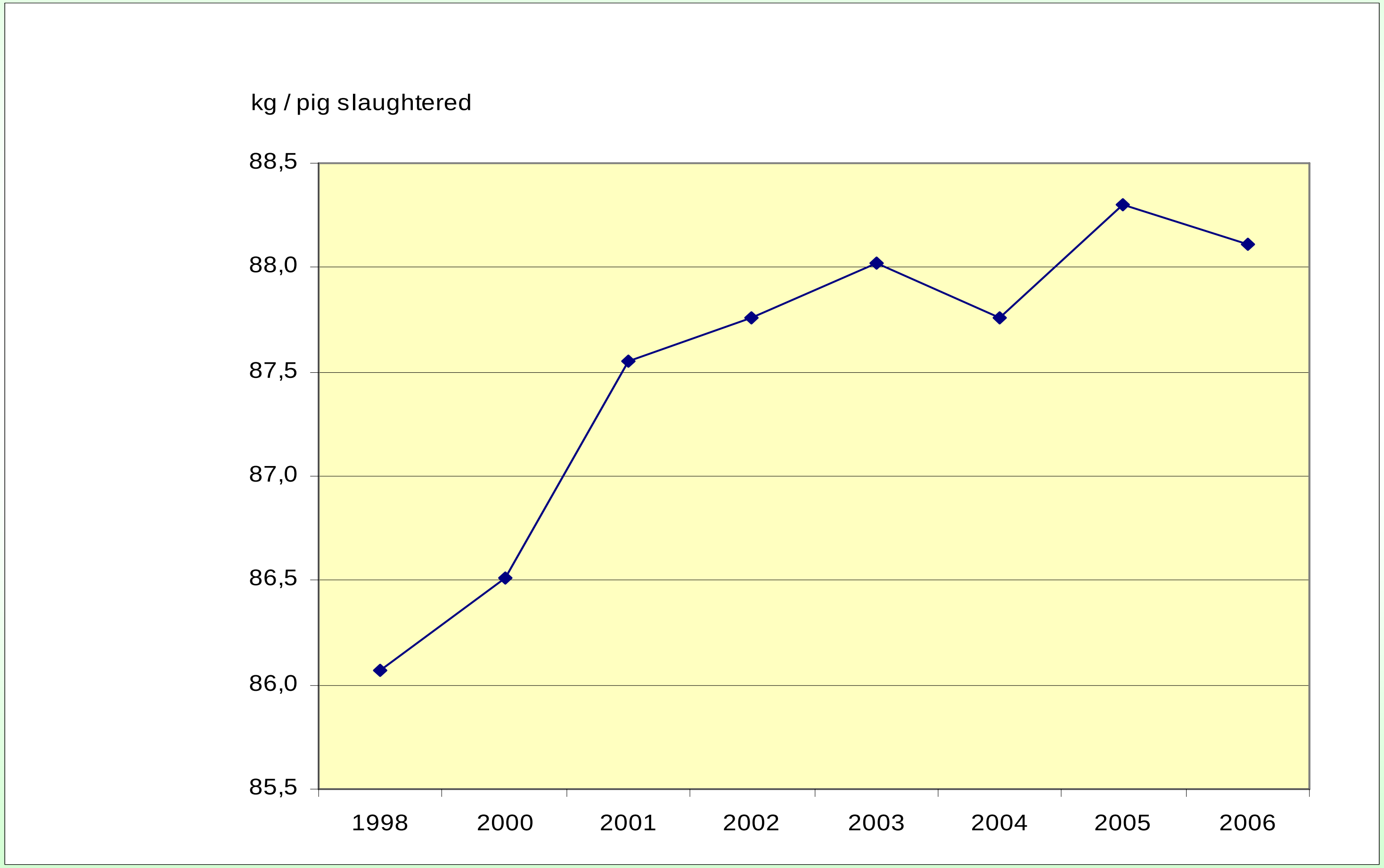
in December 2006 (estimate)



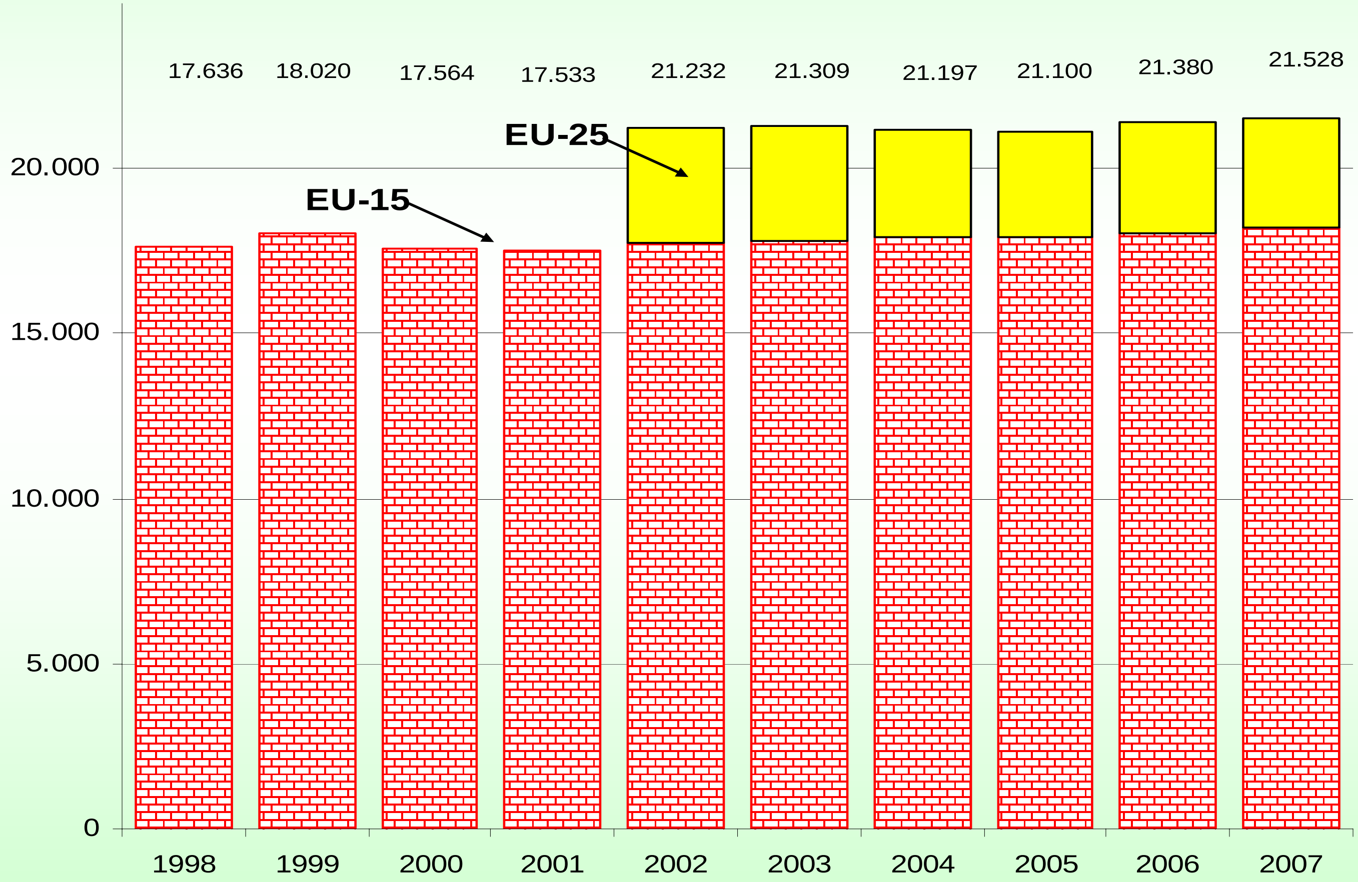
December surveys on Pigs by Member State 2003-2006



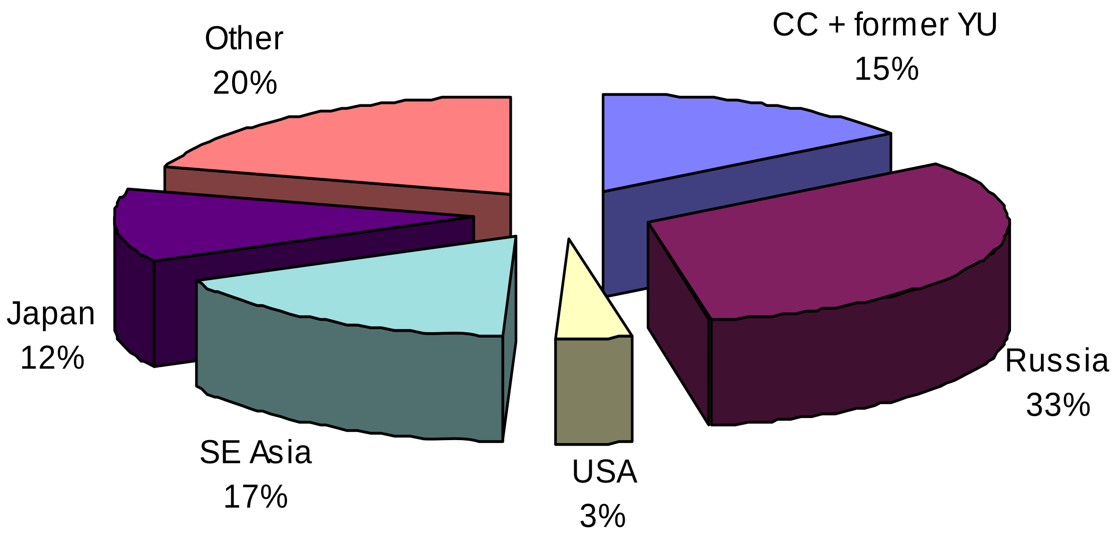
Carcase weight of pigs (EU-average)



Pig slaughtering in EU-15/25 (in 1,000 tonnes)

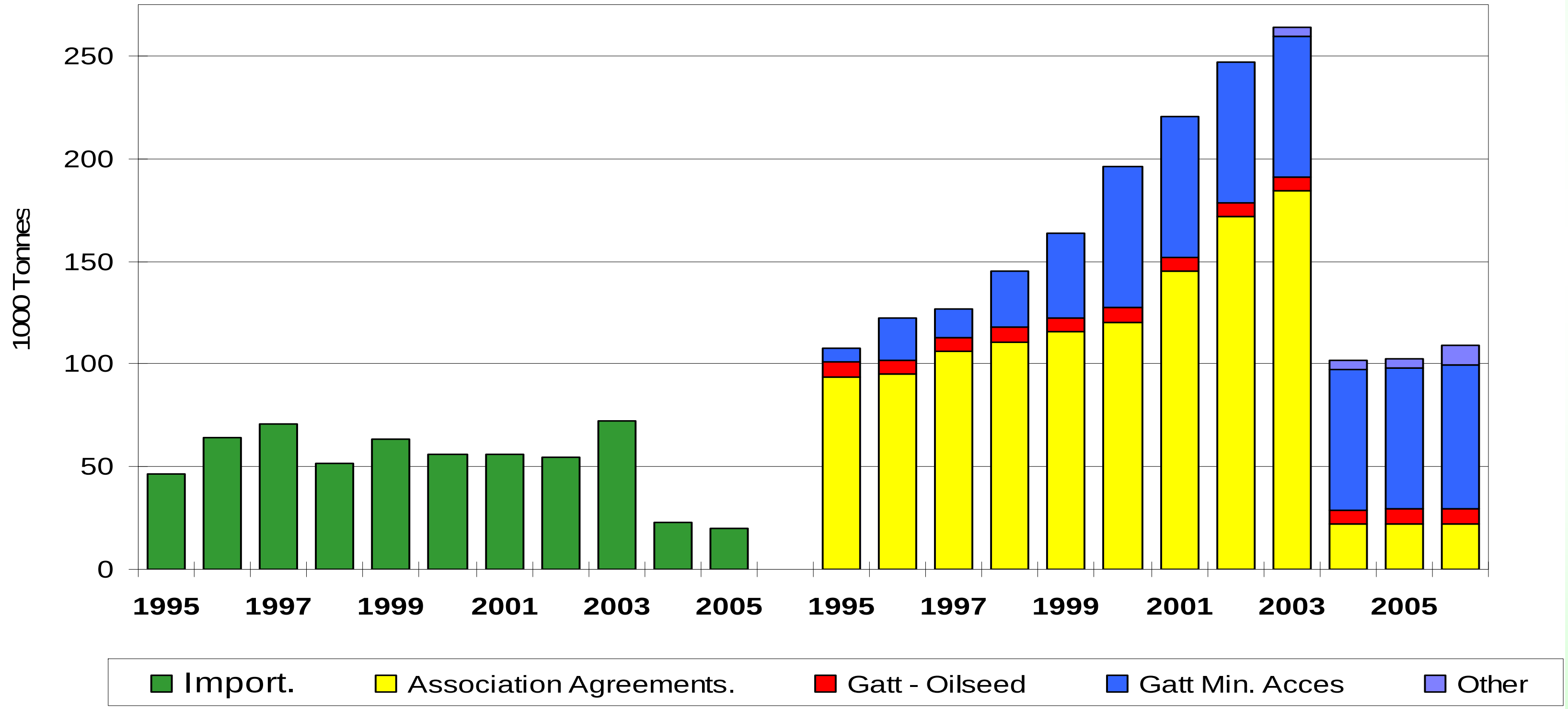


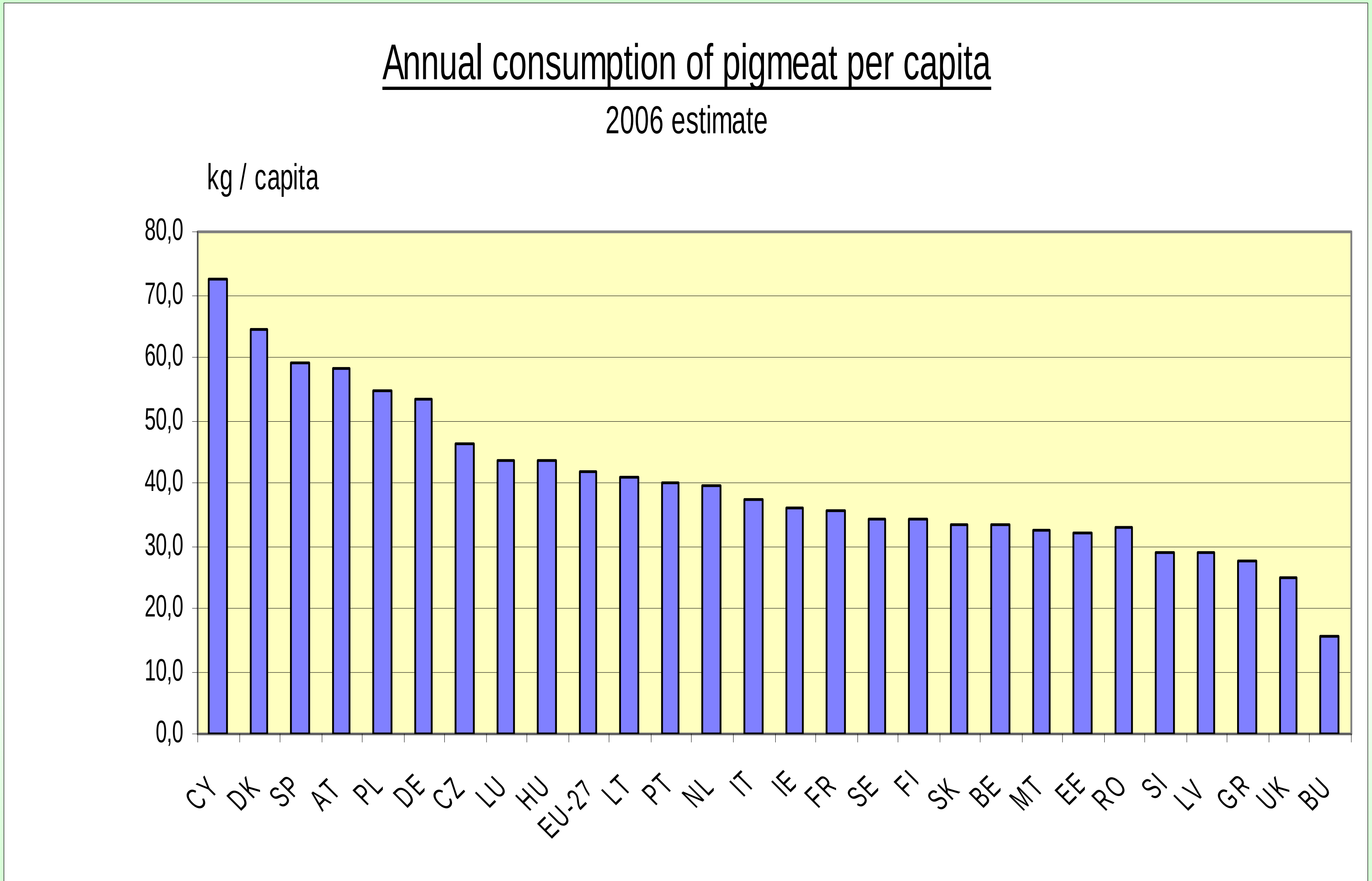
EU exports of pigmeat in 2006 (in weight)
Total = 2,1 Mio.t

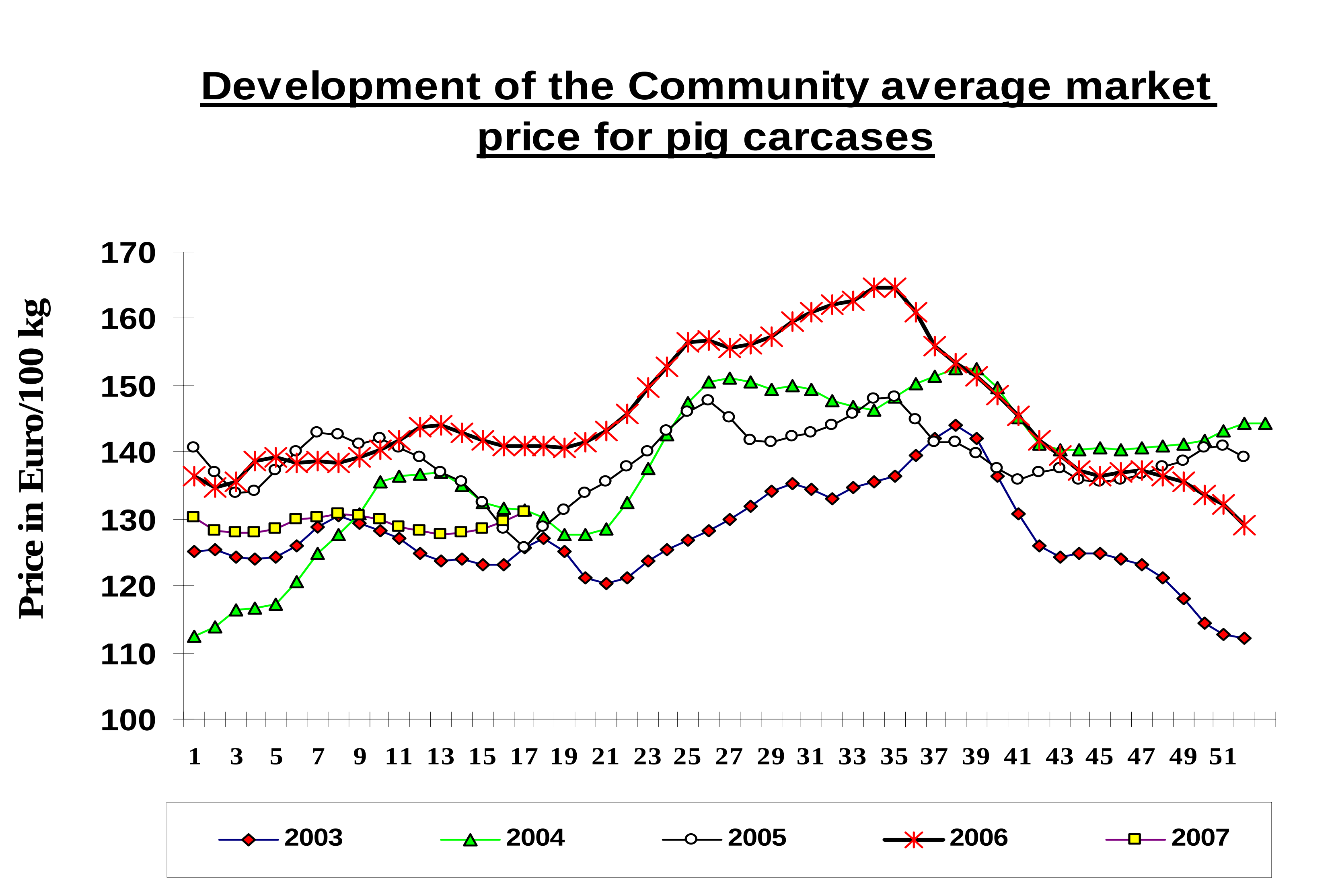


GATT/WTO commitments on EU pig meat exports with refund

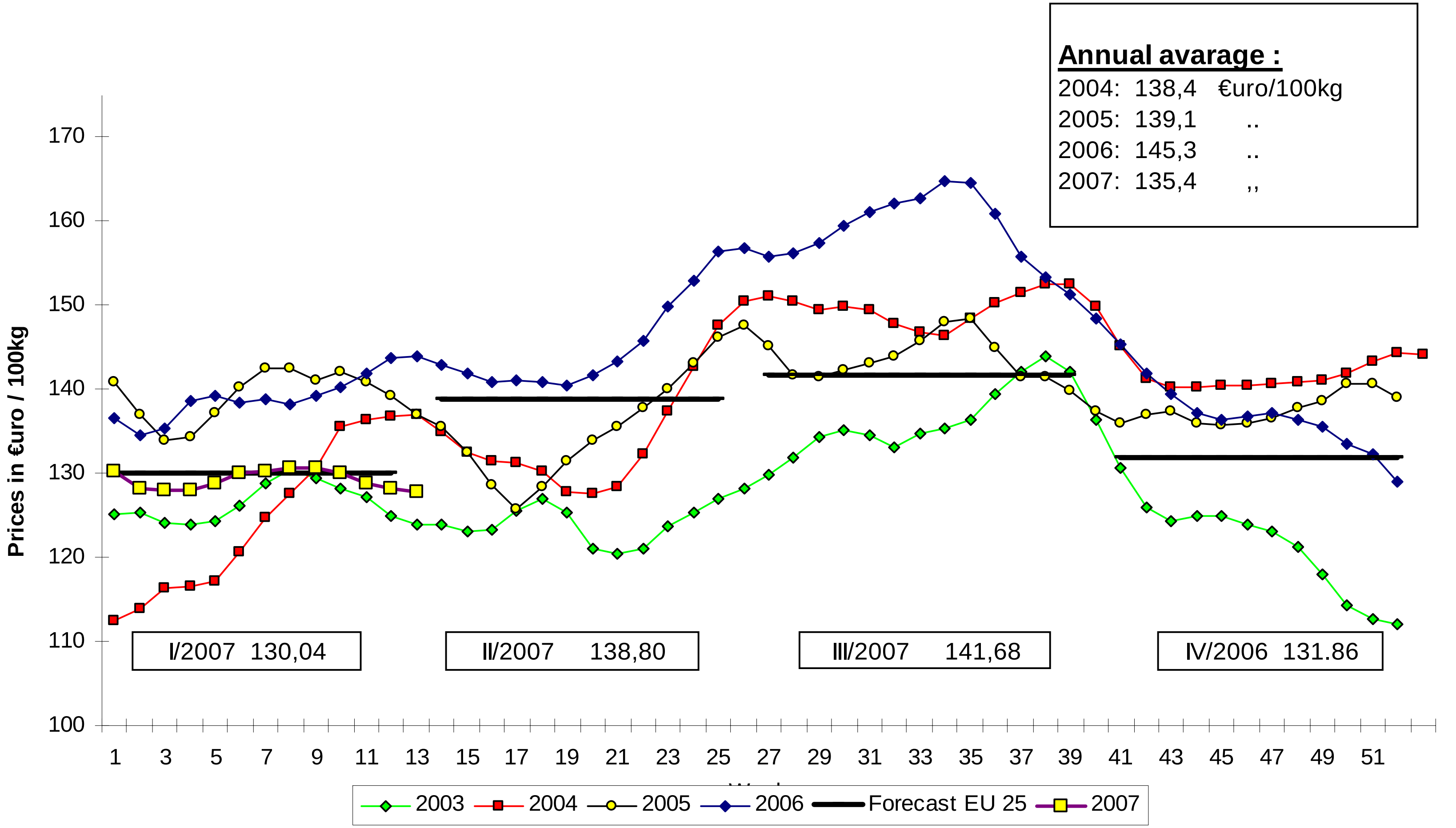
Pigmeat: Import Quotas 1995 - 2006



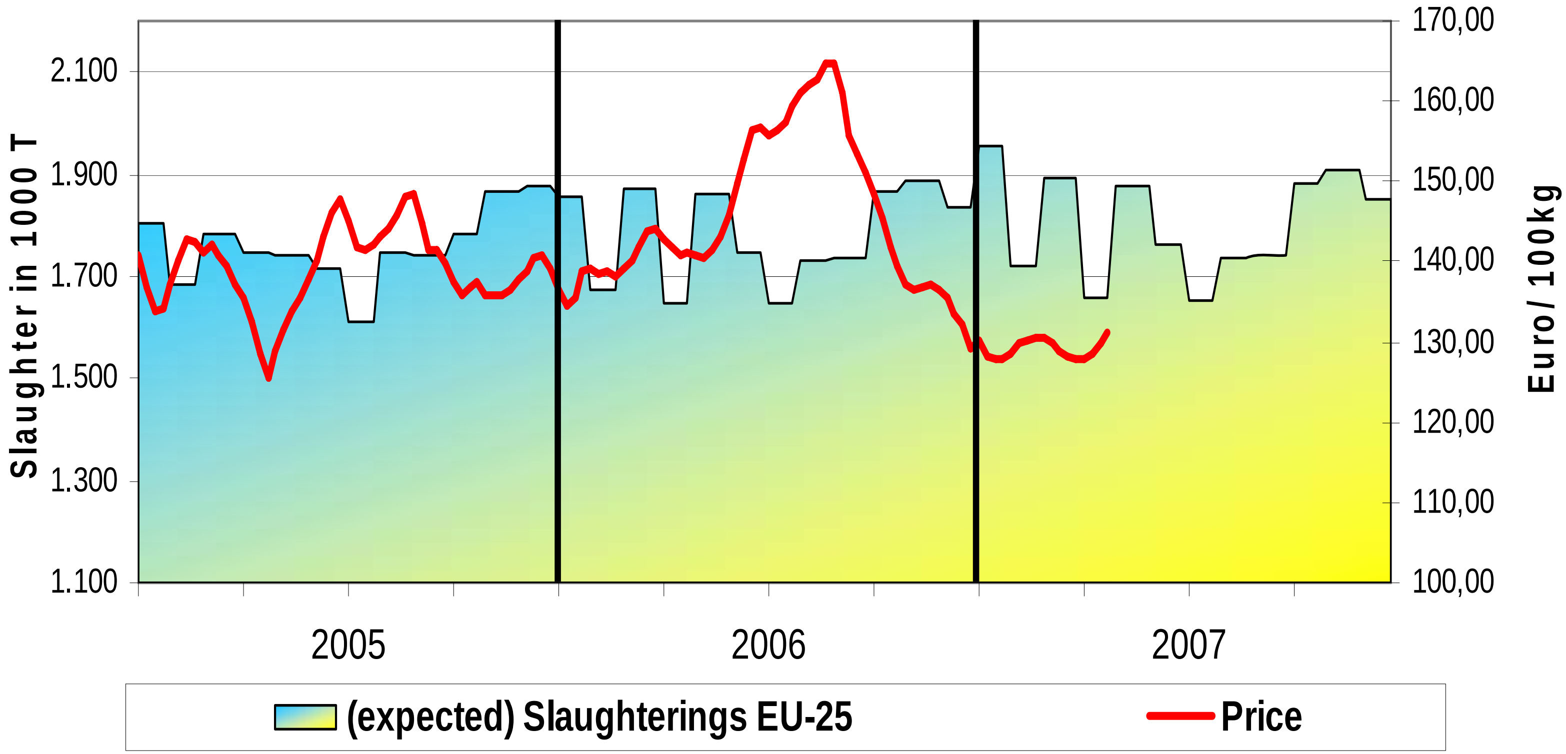

Annual consumption of pigmeat per capita
2006 estimate
kg / capita
80,0
70,0
60,0
50,0
40,0
30,0
20,0
10,0
0,0
CY DK SP AT PL DE CZ LU HU EU-27 LT PT NL IT IE FR SE FI SK BE MT EE RO SI LV GR UK BU


Development of the Community average market price for pig carcases
Price in Euro/100 kg
170
160
150
140
130
120
110
100
1 3 5 7 9 11 13 15 17 19 21 23 25 27 29 31 33 35 37 39 41 43 45 47 49 51
2003
2004
2005
2006
2007

Development of the average Community price for pig carcases



Relation between monthly pig slaughterings and weekly pig carcass prices 2005 - 2007

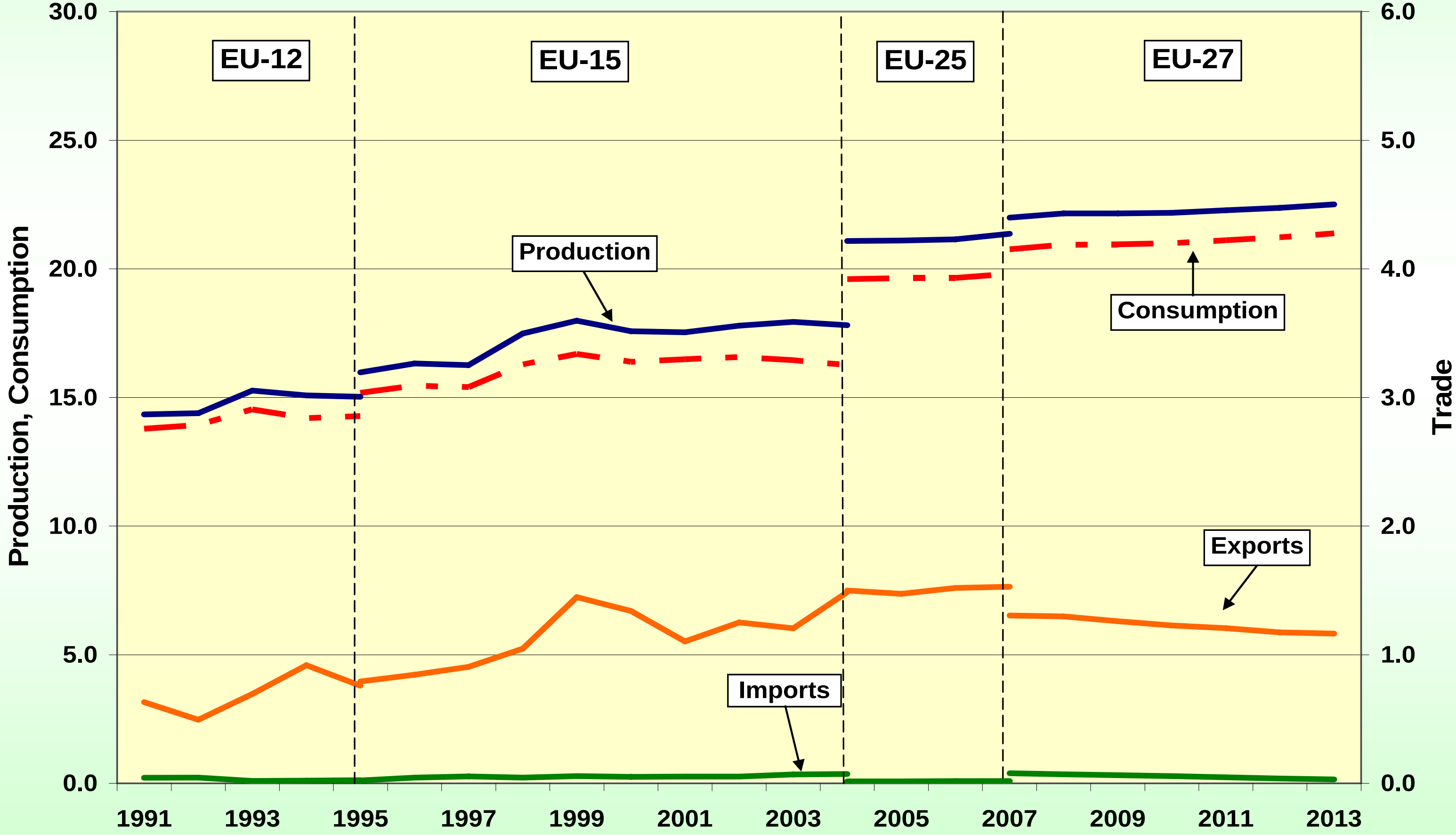


Pig meat market projections for the EU-27 2004-2013 (Mio.t cwe)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross Indigenous Production	21,81	21,81	21,86	22,03	22,20	22,19	22,22	22,32	22,41	22,55
Live Imports	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Live Exports	0,01	0,03	0,03	0,04	0,04	0,04	0,04	0,04	0,04	0,04
Net Production,	**21,80**	**21,78**	**21,83**	**21,99**	**22,16**	**22,15**	**22,17**	**22,27**	**22,37**	**22,51**
Import	0,05	0,08	0,09	0,08	0,07	0,06	0,05	0,05	0,04	0,03
Exports	1,33	1,27	1,30	1,30	1,30	1,26	1,23	1,21	1,17	1,16
Stocks changes	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Consumption	**20,52**	**20,59**	**20,61**	**20,76**	**20,93**	**20,95**	**21,00**	**21,11**	**21,23**	**21,38**
Per Capita Consumption	42,2	42,1	42,1	42,3	42,5	42,5	42,5	42,7	42,9	43,1

Outlook for the EU pig meat market, 1991-2013

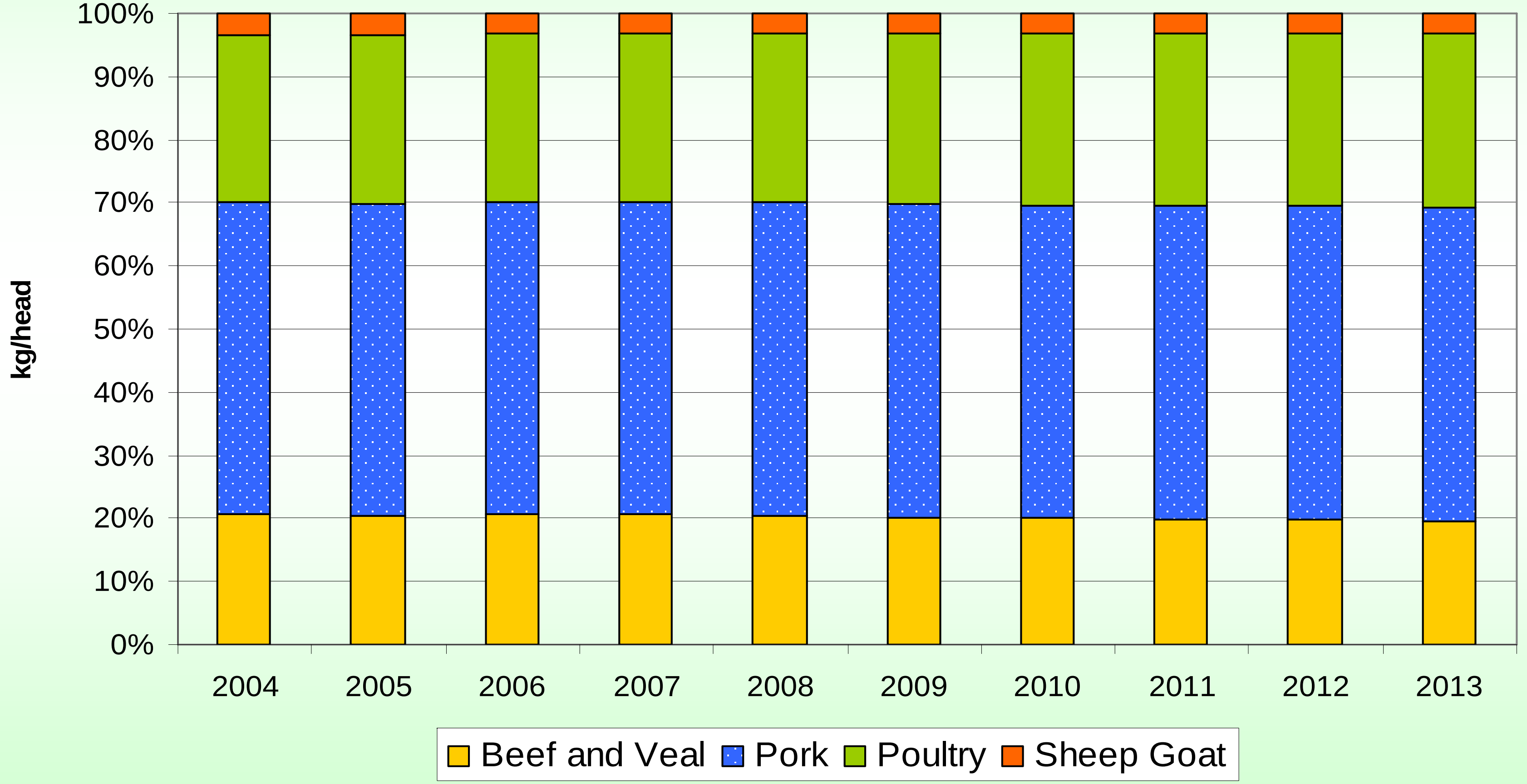
(in million tonnes cwe)



Meat per capita consumption projections - EU-27, 2004-2013 (kg/head)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Beef and Veal	17,5	17,3	17,6	17,5	17,4	17,3	17,2	17,1	17,1	17,1
Pork	**42,2**	**42,1**	**42,1**	**42,3**	**42,5**	**42,5**	**42,5**	**42,7**	**42,9**	**43,1**
Poultry	22,7	23,0	22,5	22,6	22,9	23,1	23,4	23,6	23,7	23,9
Sheep Goat	2,8	2,9	2,8	2,8	2,7	2,7	2,7	2,7	2,7	2,7
Total EU-27	85,2	85,3	85,0	85,2	85,5	85,6	85,8	86,1	86,4	86,8
Pork as %	**49,5%**	**49,4%**	**49,5%**	**49,6%**	**49,7%**	**49,7%**	**49,6%**	**49,6%**	**49,6%**	**49,7%**

Outlook for relative share of meat consumption in EU-27 for 2004-2013



CHALLENGES

- CAP reform, to become more market-oriented
- Quality products
- Multilateral and/or Bilateral agreements
- Welfare
- Environment
- New market equilibrium