hypermarcas

Results Presentation – 1Q08

May 14th 2008



Disclaimer

- Please note that since Hypermarcas' IPO was held on April 18th, the Company is currently in a quiet period and therefore will not make any comments on future prospects, projections, estimates or analyses of events subsequent to the first quarter of 2008 (1Q08).

- 1Q08 is not fully comparable to 1Q07 or full year 2007 given that the acquisition of DM, in particular, closed in June 2007

About Hypermarcas

Hypermarcas is one of today's largest and most diversified Brazilian-based consumer goods companies in its participating sectors



Shared Functions

- **Sales and merchandising**
- **Media**
- **Information technology**
- **Purchasing**
- **Logistics**
- **Finance, admin and HR**

The Company started operations in 2002, and has grown since then both trough significant marketing investments, and innumerous acquisitions, which have led it to build a company with more than 65 nationally-recognized brands, including Assolan, Monange, Paixão, Benegrip, Apracur, Doril, Engov, Gelol, Zero-Cal and Cenoura & Bronze.

Financial Highlights

(R$ thousand)	2007	1Q07	1Q08
Adjusted EBITDA	206,075	15,337	*71,103*
Adjusted EBITDA Margin	*24.6%*	*16.1%*	*32.0%*
Adjusted Net Income	222,051	7,291	*65,453*
Adjusted Net Income Margin	*26.5%*	*7.7%*	*29.5%*
Financial Net Debt	197,051	232,129	*126,089*
Adjusted Earnings per Share		0.13	0.53

Operational Highlights

EBITDA MARGIN RECONCILIATION (%)	1Q08	2007	Delta
Gross Profit	60.7%	57.3%	3.4%
Sales Expenses	-11.1%	-11.7%	0.6%
Marketing Expenses	-16.6%	-20.6%	4.0%
General,Fiscal and Administrative Expenses	-4.6%	-5.8%	1.2%
Other Operational Net Expenses	-0.9%	-0.2%	-0.7%
EBIT	**27.4%**	**18.9%**	**8.5%**
(+) Depreciations and other amortizations	3.0%	3.0%	0.0%
(+) Non-recurring expenses	0.9%	1.6%	-0.7%
(+) Fomentar estimate	0.7%	1.1%	-0.4%
Adjusted EBITDA	**32.0%**	**24.6%**	**7.4%**

Operational Environment

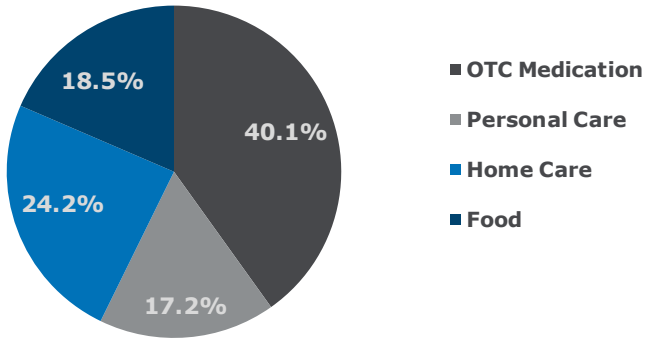
Main operational improvement initiatives:

- Reduction in raw materials and packaging costs;
- Reduction in SG&A expenses;
- Increase in plant productivity;
- Increase in point of sale promotional activities;
- Reduction on granted discounts;
- Continuation of our policy of media investments to support our brands
- Implementation of SAP concluded on February 1st;

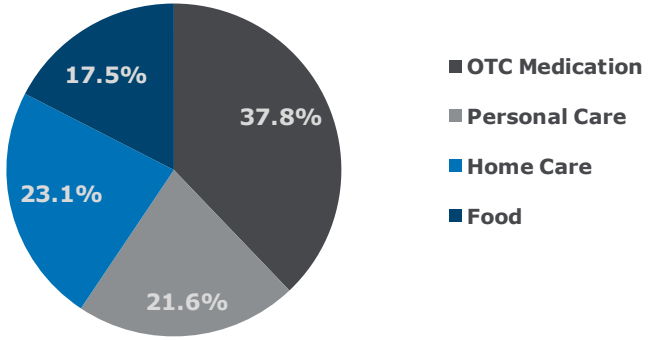
Gross Sales

R$ Thousand	1Q08	Back Log	Total
OTC Medication	117,254	751	118,005
Personal Care	50,215	17,014	67,229
Home Care	70,760	1,356	72,116
Food	54,200	259	54,459
Total	**292,430**	**19,380**	**311,810**

1Q08 Gross Revenue Distribution



1Q08 Total Gross Revenue Distribution



Recent Events

Éh Cosméticos

- Acquisition of 50% of its shares for R$ 13.5 million
- Hypermarcas stake reached 100%

Initial Public Offering (IPO)

- Raised R$ 608.6 million
- Issuance of 35.8 million shares at R$17.00
- Use of proceeds: acquire new companies, assets and brands, and to develop and market new products and brand extensions