SADIA S.A.
Form 6-K
March 30, 2009

FORM 6-K

U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2009

Commission File Number 1-15184

SADIA S.A.

(Exact Name as Specified in its Charter)

N/A

(Translation of Registrant's Name)

Rua Fortunato Ferraz, 659
Vila Anastacio, Sao Paulo, SP
05093-901 Brazil
(Address of principal executive offices) (Zip code)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F [**X**] Form 40-F [ ]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): [ ]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): [ ]

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes [ ] No [**X**]

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not applicable.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused the Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 30, 2009

SADIA S.A.

By:/s/Welson Teixeira Junior

Name: Welson Teixeira Junior
Title: Investor Relations Director

4Q08

São Paulo, March 27, 2009 - SADIA S.A. (BOVESPA: SDIA3 and SDIA4; NYSE: SDA; LATIBEX: XSDI), a national leader in the segment of processed food, releases today its results for the fourth quarter of 2008 (4Q08). The Company's operating and financial information are presented in thousands of reais – except where indicated otherwise – based on consolidated figures, in accordance with the corporate legislation. In this release, all comparisons are made in relation to the same period in 2007 (4Q07), except where specified otherwise.

Dada on 03/26/2009

Sadia ON (SDIA3)= R$5.10/share
Sadia PN (SDIA4)= R$3.08/share
Sadia ADR (SDA) = US$ 4.17 (1 ADR = 3 shares)
Sadia Latibex (XSDI) = € 1.01

Market Value - Bovespa

R$ 2.1 billion
US$ 940.2 million

Investor Relations

Welson Teixeira Junior
Investor Relations Director
Phone: 55 11 2113-3555

2008 Highlights

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Record revenues of $ 12.2 billion amongst the 20 largest Brazilian companies

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Focus on processed products:

Increased volumes by

13.1% in the Domestic Market and 18.6% in the Export Market

Increased revenues by

25.5% in the Domestic Market and 41.2% in the Export Market

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Market share increase in the categories of frozen and refrigerated products and margarine

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6th largest Brazilian exporter, with revenues of US$3.1 billion

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Poultry in the Export Market grew by 8.2% in volume per year and, due to the international crisis, dropped by 12.0% from the 3Q08 to the 4Q08, while SECEX data pointed a drop of 18.0% for the same period

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Christiane Assis
Phone: 55 11 2113-3552
Christiane.Assis@sadia.com.br

Silvia Helena Madi Pinheiro
Phone: 55 11 2113-3197
Silvia.Pinheiro@sadia.com.br

Melissa Schleich
Phone: 55 11 2113-1565
Melissa.Schleich@sadia.com.br

Sonia Biajoli
Phone: 55 11 2113-3686
sonia.biajoli@sadia.com.br

ri@sadia.com.br

www.sadia.com

Ligia Montagnani

IR Consultant

Phone: 55 11 3897-6405

ligia.montagnani@firb.com

The largest Capex amount in the Company s history: R$1.8 billion, expanding total capacity by 30.0%

Highlights – R$ thousand

	2007	2008	2008/ 2007	4Q07	4Q08	4Q08/ 4Q07
Gross Operating Revenue	**9,909,973**	**12,191,896**	**23.0%**	**2,983,977**	**3,519,911**	**18.0%**
Domestic Market	5,319,918	6,606,836	24.2%	1,625,110	2,016,311	24.1%
Export Market	4,590,055	5,585,060	21.7%	1,358,867	1,503,600	10.7%
Net Operating Revenue	**8,708,141**	**10,728,642**	**23.2%**	**2,645,136**	**3,064,896**	**15.9%**
Gross Profit	2,396,011	2,619,265	9.3%	791,189	784,570	-0.8%
Gross Margin	27.5%	24.4%		29.9%	25.6%	
EBIT	**730,296**	**697,413**	**-4.5%**	**273,770**	**202,449**	**-26.1%**
EBIT Margin	8.4%	6.5%		10.3%	6.6%	
Net Income	**768,348**	**(2,484,834)**		**374,452**	**(2,042,219)**	
Net Margin	8.8%	-23.3%		14.1%	-67.0%	
EBITDA	**1,172,439**	**1,164,222**	**-0.7%**	**438,524**	**343,507**	**-21.7%**
EBITDA Margin	13.5%	10.9%		16.6%	11.2%	
Exports / Gross Revenue	**46.3%**	**45.8%**		**45.5%**	**42.7%**	

SADIA recorded, in 2008, the first annual loss in the 64 years of its history, as a consequence of the financial losses on derivatives and the impacts caused by the devaluation of the Real.

Since September, the Brazilian currency has suffered a strong devaluation amidst the effects of the international systemic crisis. Through an announcement of a relevant fact, published on September 26, 2008, the Company informed the market about its losses on derivatives transactions and demonstrated its transparency in the Quarterly Information Report of September 30, 2008.

The negative net income for the year amounted to R$ 2.48 billion. This amount included the total losses on the aforementioned transactions, in light of the new legislation (Law 11638/07).

These results, however, do not reflect the Company s operating performance. Last year, we made record investments, consolidated the growth strategy for higher value-added segments and products and proceeded with our globalization strategy. We also recorded the highest ever revenues, reaching R$12.2 billion.

Sadia ended 2008 with the largest volume of investments ever made during its history. An amount of R$1.8 billion was destined to projects which enabled us to expand our productive capacity, use new technologies and improve our distribution and logistical infrastructure. This capital injection places us in a privileged position, with an installed capacity to support a strong growth without requiring other major funding in the oncoming years.

Amongst the main projects completed in the period were the construction of the first unit in the Northeast Region (in Vitória do Santo Antão, PE) and of the largest plant in Brazil, in Lucas do Rio Verde (MT). We prioritized a growth strategy based on the construction of new plants. The advantage of this strategy is that it will give us more freedom to select the design of the project, the site and the technology to be used. This formula has helped us build the most competitive manufacturing complex, in line with SADIA´s strategy in achieving sustainable growth.

In line with our strategy of growing in higher value-added products, most of the investments have been made in the segment of processed products. An amount of R$ 650.0 million was used to expand the productive capacity by more than 400 thousand tons per year, equivalent to an increase of 34% over the December 2007 capacity. To reinforce our presence in the south we acquired a processing plant, Excelsior, in Santa Cruz do Sul (RS).

In 2008, we had the highest annual sales of our history: R$ 12.2 billion, a growth of 23.0% when compared to 2007. The total volume sold increased by 8.3%, the domestic market grew 12.2% and the export market grew 5.0%.

We also continued to pursue our strategy towards globalization. According to a research conducted by MAGRAM Market Research, a Russian institute specializing in the retail market, Sadia is today the most known foreign brand in the segment of processed products in the Russian market. In the Middle East, Sadia is today the leading company in processed meat products, whole chicken and poultry cuts, catering to Saudi Arabia, United Arab Emirates, Kuwait, Qatar, Oman and Bahrain markets, where it holds a market share of more than 25%. With such performance, Sadia was the 6th largest Brazilian exporter in 2008, with sales over US$ 3.0 billion, according to the Foreign Trade Department (SECEX).

These results were achieved in a scenario of higher prices of commodities - mainly in the first half of the year and marked by the international financial crisis which since September has adversely affected credit availability to exports, but served to demonstrate our capacity to adapt to changing economic environments.

With the devaluation of the Real and the resulting financial losses, we improved our risk management and corporate governance practices and promoted a review of the procedures and structure of the financial area.

In January 2009, pressed by the need to ensure a faster decision-making, reduce annual costs, and be prepared to face the uncertainties posed by the market, the Company announced a reduction in its hierarchical levels.

In the field of sustainable development, we had many achievements. The 3S Program Sadia Sustainable Swineculture was the first project worldwide to use the carbon credit reading methodology. Another sustainable investment initiative was the construction of a plant in the northeast region. This unit will be the first industrial plant to neutralize 100.0% of its carbon emissions in the Brazilian meat industry. Furthermore, we reached the end of the year with more than 60 thousand employees 10 thousand new openings in 2008 alone and we are the food company that generates the largest number of jobs in Brazil.

We are optimistic about 2009. We believe in this country and in its capacity to grow sustainably. In spite of the international economic and financial crisis, we view the food industry as a safe harbour, the last to be affected by the crisis and the first to recover. The recent opening of China to Brazilian poultry is also a sign that the perspectives are promising.

We thank our customers, outgrowers, shareholders and suppliers for their trust and support and, especially, our associates, for their efforts and commitment to meet the Company s goals in 2008. We also use this opportunity to reiterate our commitment to jointly pursue the goals that we will certainly accomplish in 2009.

Luiz Fernando Furlan *Chairman of the Board of Directors*

Gilberto Tomazoni *CEO*

GROSS OPERATING REVENUE R$ million

The Company s gross operating income reached R$ 12.2 billion in 2008, an increase of 23.0% over 2007. This performance is in alignment with Management expectations. In spite of the deterioration of the global economy since September, Sadia had the largest annual sales of its history.

This revenue growth is the result of Sadia´s management capacity, the satisfactory performance in the volume of processed products sold both in the domestic market and in the export market, of poultry sales in the export market and increase in prices in its segments and markets.

The total volume sold in the year increased by 8.3% over that in 2007. The domestic market increased by 12.2%, within the guidance of 12% to 14% defined for 2008, and the export market increased by 5.0%, lower than the guidance, as a result of the slowdown in exports as of the 4Q08, due to the credit crisis worldwide. Gross revenues in the domestic market rose 24.2% in 2008, totaling R$ 6.6 billion, as a result of the innovations and actions that kept Sadia close to the consumer market, thus ensuring its leadership in refrigerated and frozen products. Gross revenues in the domestic market represented 54.2% of total revenues and those from exports totaled R$ 5.6 billion, an increase of 21.7%, due mostly to the higher consumption of poultry worldwide, expansion and a better marketing of processed products, accounting for 45.8% of the total revenues.

SALES

	2007	**2008**	**2008/2007**	**4Q07**	**4QT08**	**4Q08/4Q07**

Tons	**2,146,728**	**2,325,769**	**8.3%**	**596,173**	**600,764**	**0.8%**
Processed Products	924,032	1,051,332	13.8%	251,907	279,401	10.9%
Poultry	1,012,794	1,084,586	7.1%	288,883	279,455	-3.3%
Pork	152,695	133,796	-12.4%	41,806	27,518	-34.2%
Beef	57,207	56,055	-2.0%	13,577	14,390	6.0%

R$thousand	**9,909,973**	**12,191,896**	**23.0%**	**2,983,977**	**3,519,911**	**18.0%**
Processed Products	4,622,792	5,876,670	27.1%	1,333,121	1,694,500	27.1%
Poultry	3,809,687	4,759,871	24.9%	1,230,197	1,402,334	14.0%
Pork	669,870	761,773	13.7%	202,368	181,603	-10.3%
Beef	325,885	346,322	6.3%	83,168	100,047	20.3%
Other	481,739	447,260	-7.2%	135,123	141,427	4.7%

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The segment of processed products was the highlight of 2008, accounting for 45.2% of the volume and 48.2% of the revenues generated by the Company. In 2007, those percentages were 43.0% and 46.6%, respectively. This performance reflects the increases of 13.8% in volume and 11.8% in average price, totaling revenues of R$ 5.9 billion in 2008, which reflect the Company s selling efforts and focus on higher value-added products.

The poultry segment accounted for 46.6% of the total volume and 39.0% of the revenues, which totaled R$ 4.8 billion. The volume sold rose 7.1% and gross revenues rose 24.9%, in the yearly comparison. The average price of this protein increased by 16.8%, as a result of higher sales of poultry cuts, which represent an improvement in mix.

The pork volume marketed fell 12.4% in comparison with the same period in 2007, while gross revenue rose 13.7%, to R$ 762.0 million. Due to a lower supply of this protein in the market, the increase in its average price was near 30.0%, both in the domestic market and in the export market.

In the beef segment, the Strategy of focusing on the most profitable markets, restricting the sales volume due to the reduction in the offer of animals for slaughtering, resulted in a fall of 2.0% in physical sales in relation to 2007, which was offset by the growth of 6.3% in gross revenues (R$ 346.3 million), due to an increase of 8.4% in the average price in 2008.

GROSS OPERATING INCOME R$ MILLION

In 4Q08, gross revenues totaled R$ 3.5 billion and showed a growth of 18.0% in relation to 4Q07, while the total volume sold in the period increased 0.8% and average prices charged rose by 17.6%. The volume sold in the domestic market compensated for the decrease in sales that occurred in the export market, caused by the worsening of the international financial crisis. The domestic market accounted for 52.4% of the total volume sold in the quarter and 57.3% R$ 2.0 billion of the Company s revenues, while in the same period of 2007 it represented 48.3% and 54.5%, respectively.

Physical sales in the segment of processed products had an increase of 10.9% and revenues were increased by 27.1% in relation to the same period in the prior year. Due mostly to the expansion of demand in the domestic market, due to the replacement in beef and pork proteins, gross revenues reached R$ 1.7 billion in the period. The average price of the 4Q08 grew by 14.6% that of the same period in the prior year.

The poultry segment recorded a smaller volume sold of 3.3% in relation to 4Q07, as a result of the volume exported being lower by 4.3%. The devaluation of the Real provided an increase of 17.8% in the average price. With such performance, revenues exceeded by 14.0% that of the same period in 2007, totaling R$ 1.4 billion.

Physical sales and revenues of R$181.6 million of the pork segment dropped 34.2% and 10.3%, respectively, in relation to 4Q07, while the average price rose by 36.4%. This performance resulted from the lower volume exported of this protein due to the redirection of this protein towards the production of processed products in the domestic market.

The beef segment recorded a favorable performance, physical sales rose by 6.0% and revenues generated by 20.3%, reaching R$ 100.0 million. The average price was 13.4% higher than that of the 4Q07.

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SALES

Tons	2007	2008	2008/ 2007	4Q07	4QT08	4Q08/ 4Q07
Domestic Market	**998,426**	**1,120,429**	**12.2%**	**287,914**	**315,070**	**9.4%**
Processed Products	813,057	919,755	13.1%	222,913	246,359	10.5%
Poultry	132,004	131,651	-0.3%	49,057	49,928	1.8%
Pork	43,767	48,048	9.8%	12,794	13,082	2.3%
Beef	9,598	20,975	118.5%	3,150	5,701	81.0%
Export Market	**1,148,302**	**1,205,340**	**5.0%**	**308,259**	**285,694**	**-7.3%**
Processed Products	110,975	131,577	18.6%	28,994	33,042	14.0%
Poultry	880,790	952,935	8.2%	239,826	229,527	-4.3%
Pork	108,928	85,748	-21.3%	29,012	14,436	-50.2%
Beef	47,609	35,080	-26.3%	10,427	8,689	-16.7%
Total	**2,146,728**	**2,325,769**	**8.3%**	**596,173**	**600,764**	**0.8%**

R$ thousand	2007	2008	2008/ 2007	4Q07	4QT08	4Q08/ 4Q07
Domestic Market	**5,319,918**	**6,606,836**	**24.2%**	**1,625,110**	**2,016,311**	**24.1%**
Processed Products	4,149,810	5,208,821	25.5%	1,195,361	1,505,367	25.9%
Poultry	559,427	624,330	11.6%	244,241	276,162	13.1%
Pork	190,405	272,103	42.9%	66,345	81,700	23.1%
Beef	55,963	112,092	100.3%	21,809	34,505	58.2%
Other	364,313	389,490	6.9%	97,354	118,577	21.8%
Export Market	**4,590,055**	**5,585,060**	**21.7%**	**1,358,867**	**1,503,600**	**10.7%**
Processed Products	472,982	667,849	41.2%	137,760	189,133	37.3%
Poultry	3,250,260	4,135,541	27.2%	985,956	1,126,172	14.2%
Pork	479,465	489,670	2.1%	136,023	99,903	-26.6%
Beef	269,922	234,230	-13.2%	61,359	65,542	6.8%
Other	117,426	57,770	-50.8%	37,769	22,850	-39.5%
Total	**9,909,973**	**12,191,896**	**23.0%**	**2,983,977**	**3,519,911**	**18.0%**

Domestic Market

The domestic market recorded a growth of 12.2% in total volume sold over 2008, within the guidance of 2% to 14% defined for 2008. Revenues grew by 24.2%, reaching R$ 6.6 billion, and the average price increased by 11.9%. Such performance was the result of many factors, among them a strong recognition of the Sadia brand in all segments in which the Company operates, effective management tools, as well as the offer of products desired by customers and the improvement in the levels of domestic income. All these factors led to an increase in the market shares of the margarine, frozen and refrigerated products, as shown below.

Market Share Amount (%)

BREAKDOWN OF GROSS OPERATING INCOME DOMESTIC MARKET

The segment of processed products evolved significantly in 2008, reflecting the satisfactory results achieved by commercial actions and Sadia efforts to increase its share in this business. This segment recorded an increase of 13.1% in physical sales and of 25.5% in gross revenues, which totaled R$ 5.2 billion and represented 78.8% of the Company s revenues in the domestic market in 2008. The average price of this segment increased 11.0% due to the effort of passing on price increases during the year, due to cost pressures, particularly, of the price of grains. The highlights of this segment were the refrigerated products, mainly sausages, light cold cuts and bologna, as well as frozen products, particularly hamburgers and ready-to-eat dishes.

The poultry segment had a decrease of 0.3% in volume as compared with 2007. Revenues however, reached R$ 624.0 million, a growth of 11.6%, and the average price increased by 11.8%.

Physical sales of pork evolved 9.8% in 2008 and were one of the segments which recorded the highest percentage increase in revenues in 2008: 42.9%, totaling R$ 272.1 million, resulting mostly from the increase of 30.1% in the average price.

The beef segment grew 118.5% in physical sales in 2008, as a result of the strategy to expand the customer base in the domestic market and seek partnerships for product development to cater to the Food Service market, due to the limited exports to the European Union, after the restriction imposed on the certification of farms qualified to supply animals to the EU. Revenues from this protein reached R$ 112.1 million and evolved 100.3%,