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Date: 13th October 2011

SIGNIFICANT EVENT:

Ref: Increasing capital in 14.5 million Euros in China to build a new extrusion plant for collagen.

Dear Sirs:

Viscofan S.A. has fully subscribed the 14.5 million Euros increase of capital in Viscofan Technology Suzhou Ltd., company based in Suzhou (China) and owned 100% by Viscofan S.A.. This new capital provides to Viscofan's subsidiary with enough resources to start a new extrusion plant for collagen in China. This investment is part of Viscofan Group's expansion strategy as a consequence of the growth observed in the largest collagen market worldwide.

The new manufacturing plant, which will complement the converting plant inaugurated last September 2010, will be located also in the Suzhou Industrial Park after the agreement reached with local administration to build the facility in a land of 45,000 sq meters. Start of extrusion operations are expected for year 2013.

Viscofan Group reinforces its commitment with the development of the Chinese market, establishing in this country the fourth collagen extrusion plant of the Group (complementing those of Germany, Spain and Serbia), and the first one that will be located outside the European continent.

In this way, Viscofan Groups wants to achieve more efficiently its targets of mid and long term growth in this country.

José Antonio Canales.
CEO
Viscofan Group