Viscofan

Results January-March 2011



Disclaimer

This document may contain additional non-compulsory forward-looking statements on intentions or expectations of the Company as of the date of its publication whose only purpose is to provide further information on perspectives on future performance.

Such forward-looking statements do not constitute any guarantee of future performance and involve risks and uncertainties as well as other important factors that could cause actual developments or results to differ essentially from those expressed in our forward-looking statements.

Analysts and investors in particular as well as any other persons or entities who must take decisions or give advise on investments in the Company should not place undue reliance on those forward-looking statements.

The financial information contained in this document has been prepared under International Financial Reporting Standards (IFRS). This financial information is unaudited and, therefore, subject to potential future modifications.

1Q11 Highlights

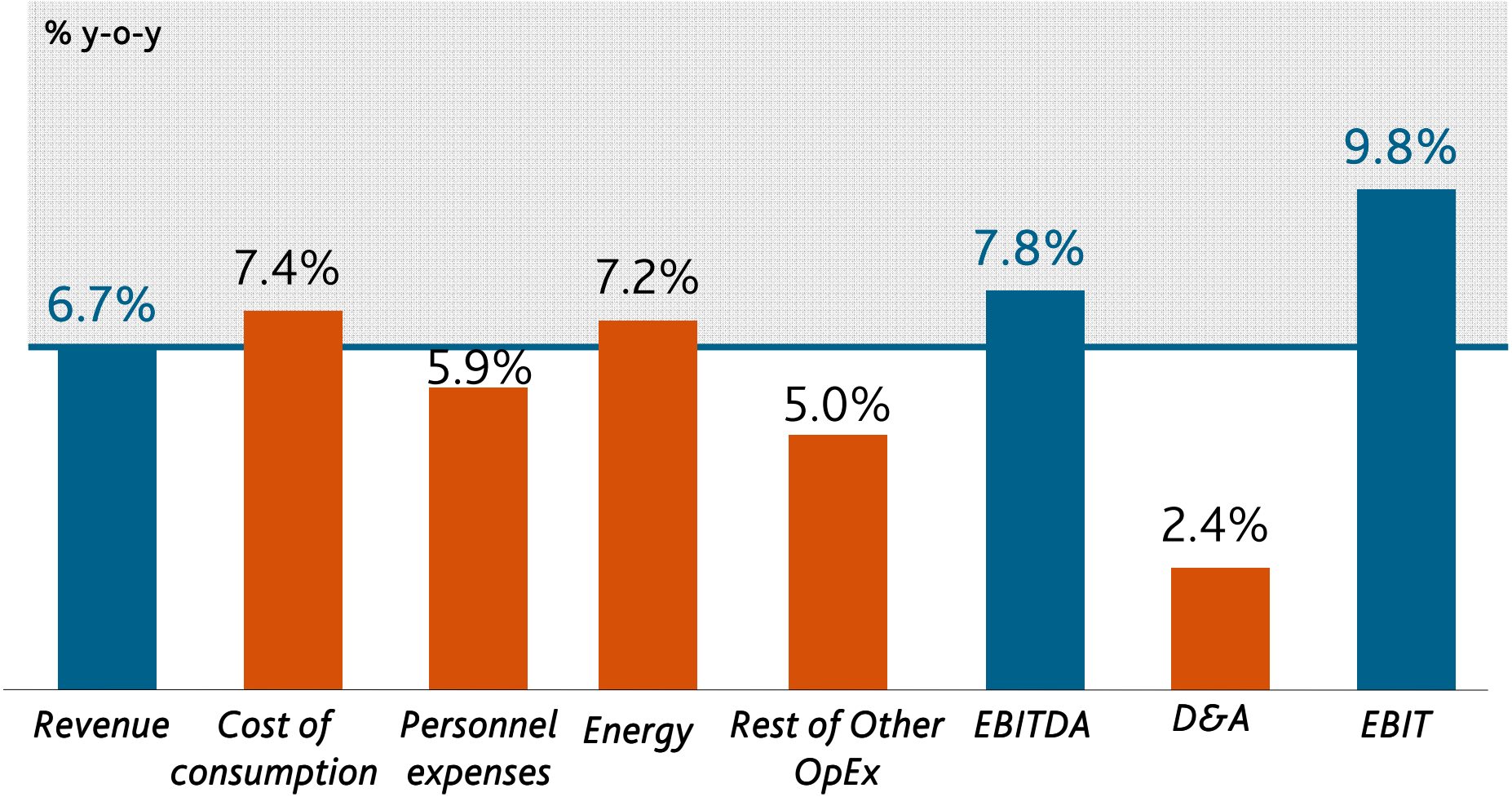
- *+15%* Net profit 1Q11 vs. 1Q10 up to €21.9MM.
- *+8%* consolidated EBITDA 1Q11 vs. 1Q10 up to €39.1MM.
- +0,3 p.p. consolidated EBITDA margin to *24.9%* led by casing division (*+28.2% margin*).
- *+7%* y-o-y revenue growth to €157.2MM.
- -4% decline in net bank debt to €57.7MM.

Growth from the top line

MM €	1Q11	1Q10	% y-o-y	% y-o-y ex-forex[1]
Revenue	157.2	147.3	+6.7%	+4.0%
EBITDA	39.1	36.3	+7.8%	+6.9%
EBITDA margin	*24.9%*	*24.6%*	*0.3 p.p.*	
EBIT	29.2	26.6	9.8%	
PBT	29.0	25.3	14.4%	
Net profit	21.9	19.0	+15.3%	

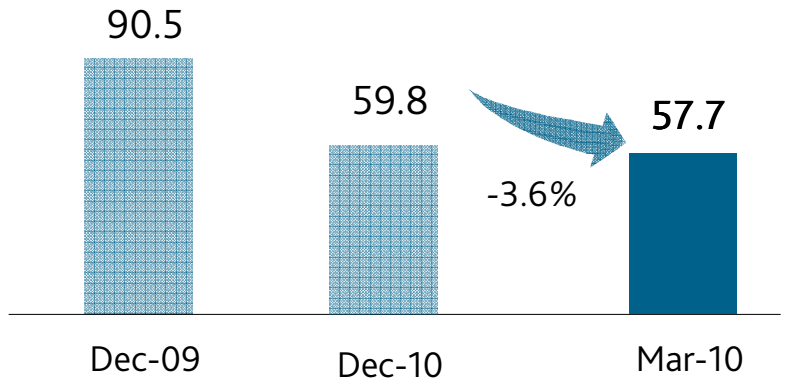
1 For comparison purposes, ex-forex growth excludes the impact of the various exchange rates applied in the consolidation of financial statements, as well as the impact of USD fluctuations on trade transactions

Margin growth as a consequence of operating gearing and cost control



Less debt…

Net bank debt (MM €)



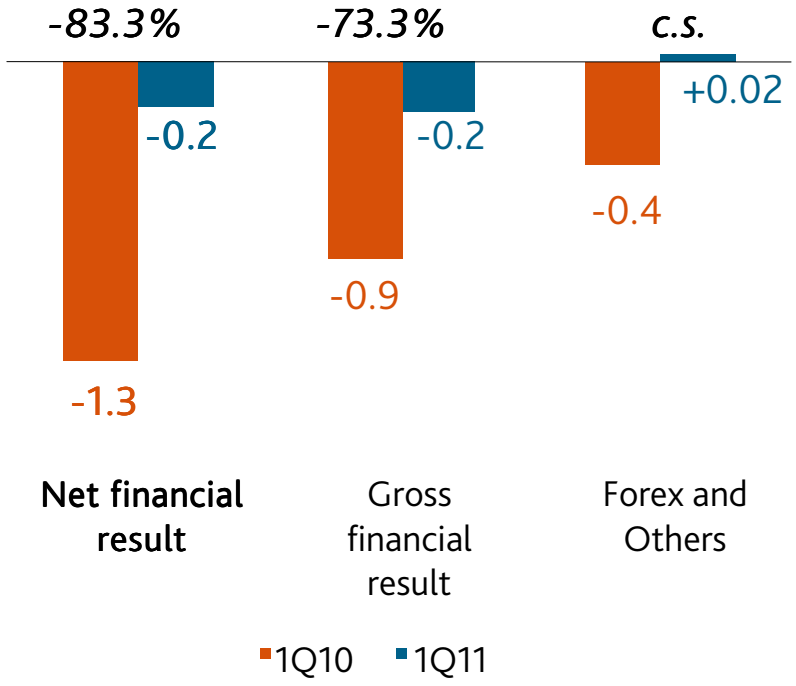
Financial leverage[1]:

Dec-09	Dec-10	Mar-10
26.2%	*14.7%*	***13.6%***

[1] Financial leverage = Net bank debt / Equity

…and better financial results

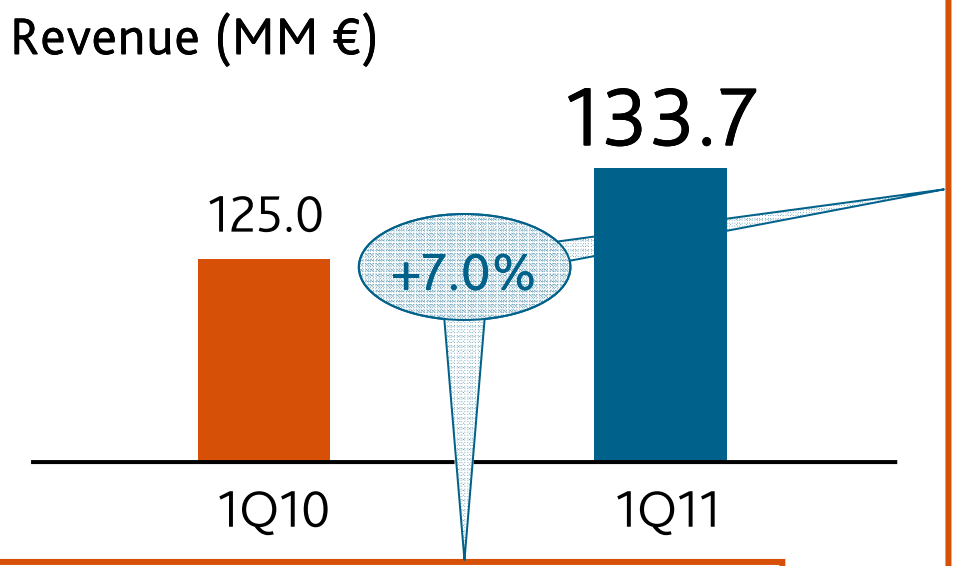
Net financial result breakdown (MM €)

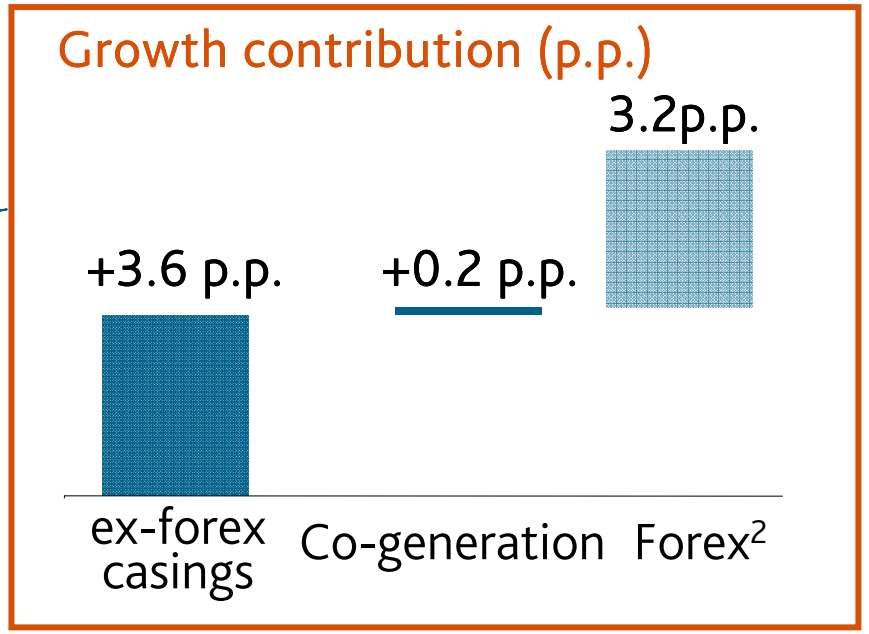


Casings



Growth led by volumes, mainly in Asia and LatAm





Geographic growth[1]

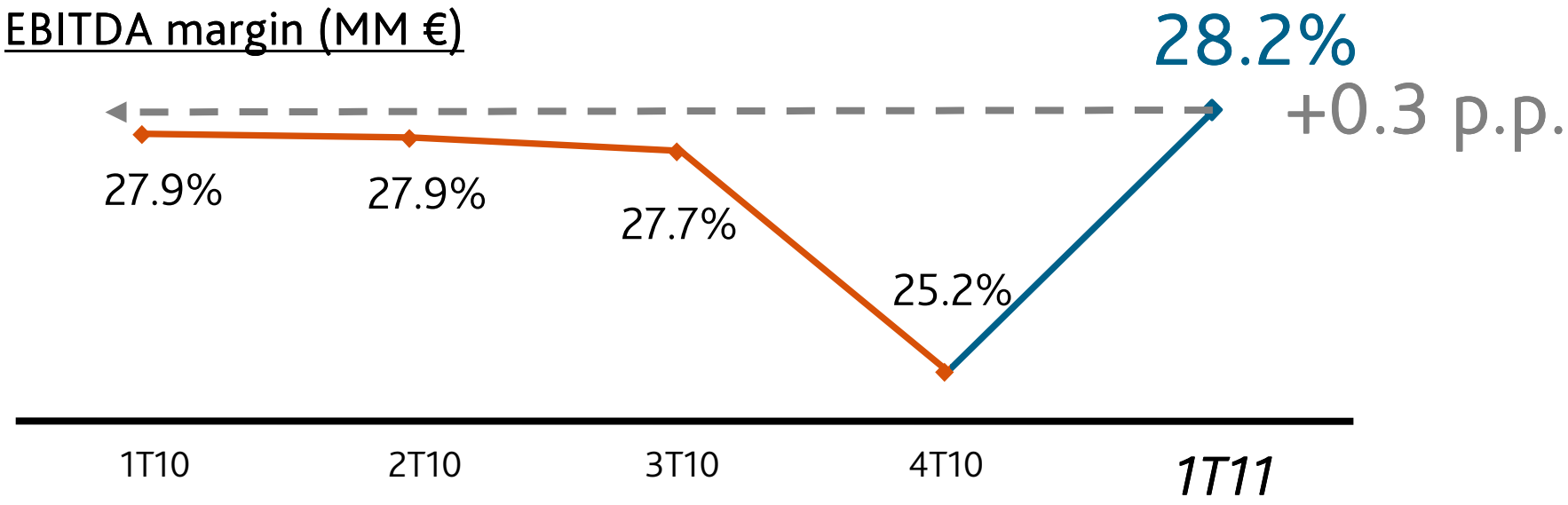
Europe & Asia (€67MM)	+11.4%
North America (€44MM)	-1.8%
LatAm (€22MM)	+13.7%

[1] Revenue per origin of sales
[2] For comparison purposes, ex-forex growth excludes the impact of the various exchange rates applied in the consolidation of financial statements, as well as the impact of USD fluctuations on trade transactions

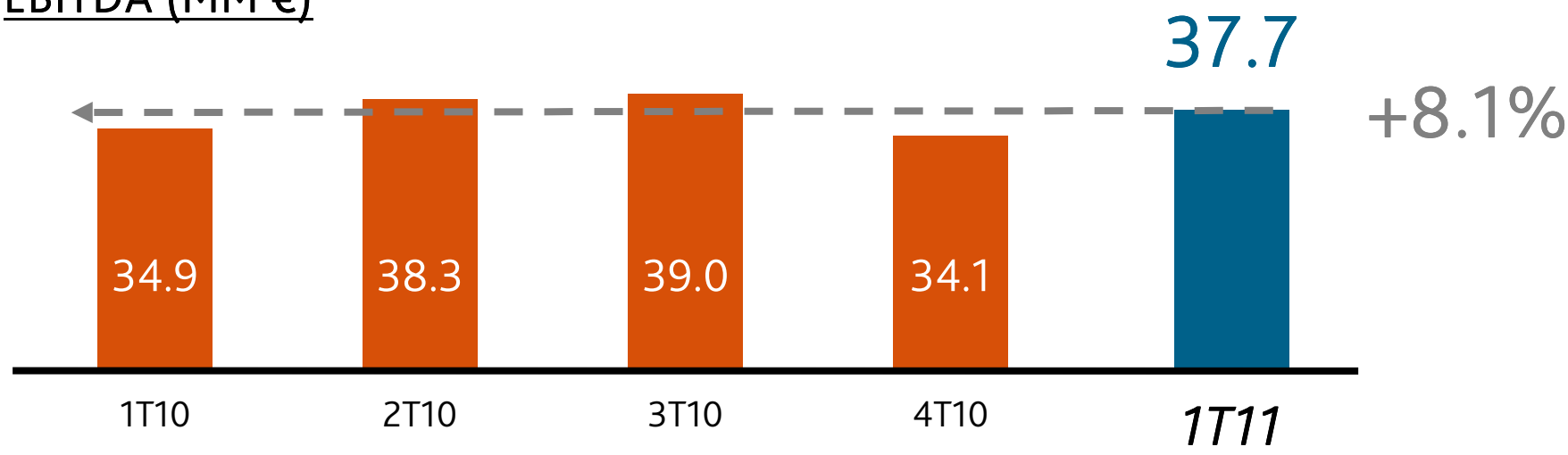
Casings

Top line growth and cost control in an inflationary environment leads to higher margins.

EBITDA margin (MM €)



EBITDA (MM €)



Vegetable food

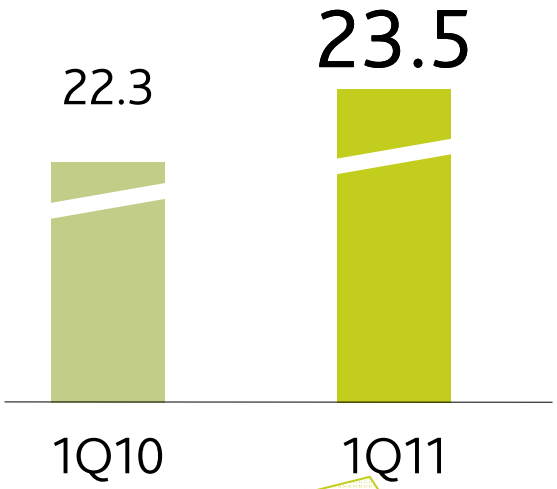




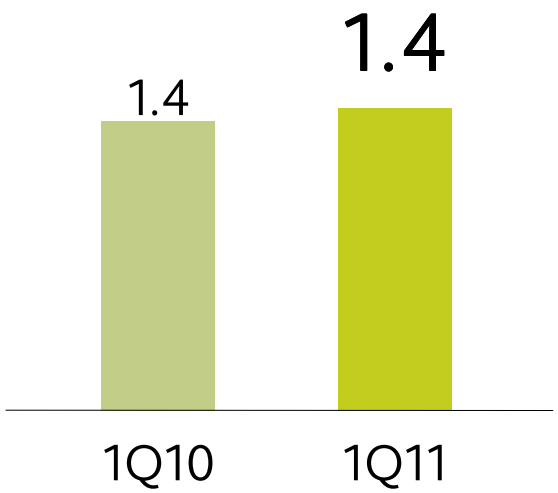


Soudness and leadership of Grupo IAN: improvement on revenue and EBITDA against an environment of weak consumption in Spain and higher cost of raw materials.

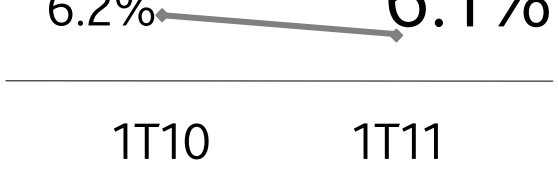
Revenue (MM €):
+5.2%



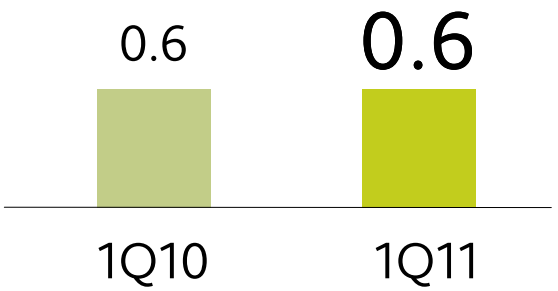
EBITDA (MM €):
+2.3%



EBITDA margin



Net profit (MM €):
-1.6%



… Ready meals +70%…
… good performance in olives and tomato products.



To sum up

- **Strong results**, as a direct consequence of higher volumes in all casing families.
- **A market that keeps growing** especially in the emerging areas of Asia and LatAm.
- **We keep investing to capture that growth** reinforcing our leadership commitment, which will enable us to increase capacity volumes in the second half of the current year.
- Establishing a proper **commercial and financial discipline**, together with austerity policies to offset an adverse environment in terms of raw material prices, energy, and the weakness of the US$.
- A Group with an **excellent financial position** to continue growing on **profits, capex and shareholder remuneration**.