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(Free translation from the original in Spanish, in the event of discrepancy, Spanish version must prevails)

RELEVANT EVENT:

Ref: Resolution of the litigation between Vojvodjanska Banka and Koteks

Dear gentlemen,

The society Koteks Viscofan DOO, based in Novi Sad (Serbia) a wholly owned subsidiary of Viscofan S.A., has reached an out of the court agreement in relation to the litigation that maintained with Vojvodjanska Banka a.d. as a result of a financial loan obtained in 1984, and therefore, previous one to the acquisition of the company on the part of Viscofan S.A. in 2005.

In this agreement a total amount of **3.2 million Euros** has been determined as the total liability to be paid by Koteks to Vojvodjanska Banka a.d. for debt and interest, **cancelling definitively the financial liabilities with this organization**.

As a result of this operation the net profit of the consolidated accounts of Viscofan Group in the first half of 2011 will register an estimated **non recurrent positive impact of +2.7 million Euros**.

This agreement also means a reduction in the net financial debt of the Group, strengthening the financial situation of Viscofan Group and the definitive resolution of the litigation between both organizations.

José Antonio Canales.
Chief Executive Officer
Viscofan Group