January – March 2013 Results



24 April 2013

Aviso legal

El presente documento puede contener manifestaciones de futuro sobre intenciones, expectativas o previsiones de la Compañía a la fecha de realización del mismo adicionales a la información financiera obligatoria cuyo único propósito es proporcionar información más detallada sobre perspectivas de comportamiento futuro.

Dichas intenciones, expectativas o previsiones no constituyen garantías de cumplimiento e implican riesgos, incertidumbres así como otros factores de relevancia que podrían determinar que los desarrollos y resultados concretos difieran sustancialmente de los expuestos en estas intenciones, expectativas o previsiones.

Esta circunstancia debe ser tenida en cuenta principalmente por todas aquellas personas o entidades que puedan tener que adoptar decisiones o elaborar o difundir opiniones relativas a valores emitidos por la Compañía y, en particular, por los analistas e inversores que manejen el presente documento.

La información financiera contenida en este documento ha sido elaborada bajo las Normas Internacionales de Información Financiera (NIIF). Esta información financiera no ha sido auditada y, en consecuencia, es susceptible de potenciales futuras modificaciones.

Top line growth in a quarter marked by start up costs and inflation on raw material and energy

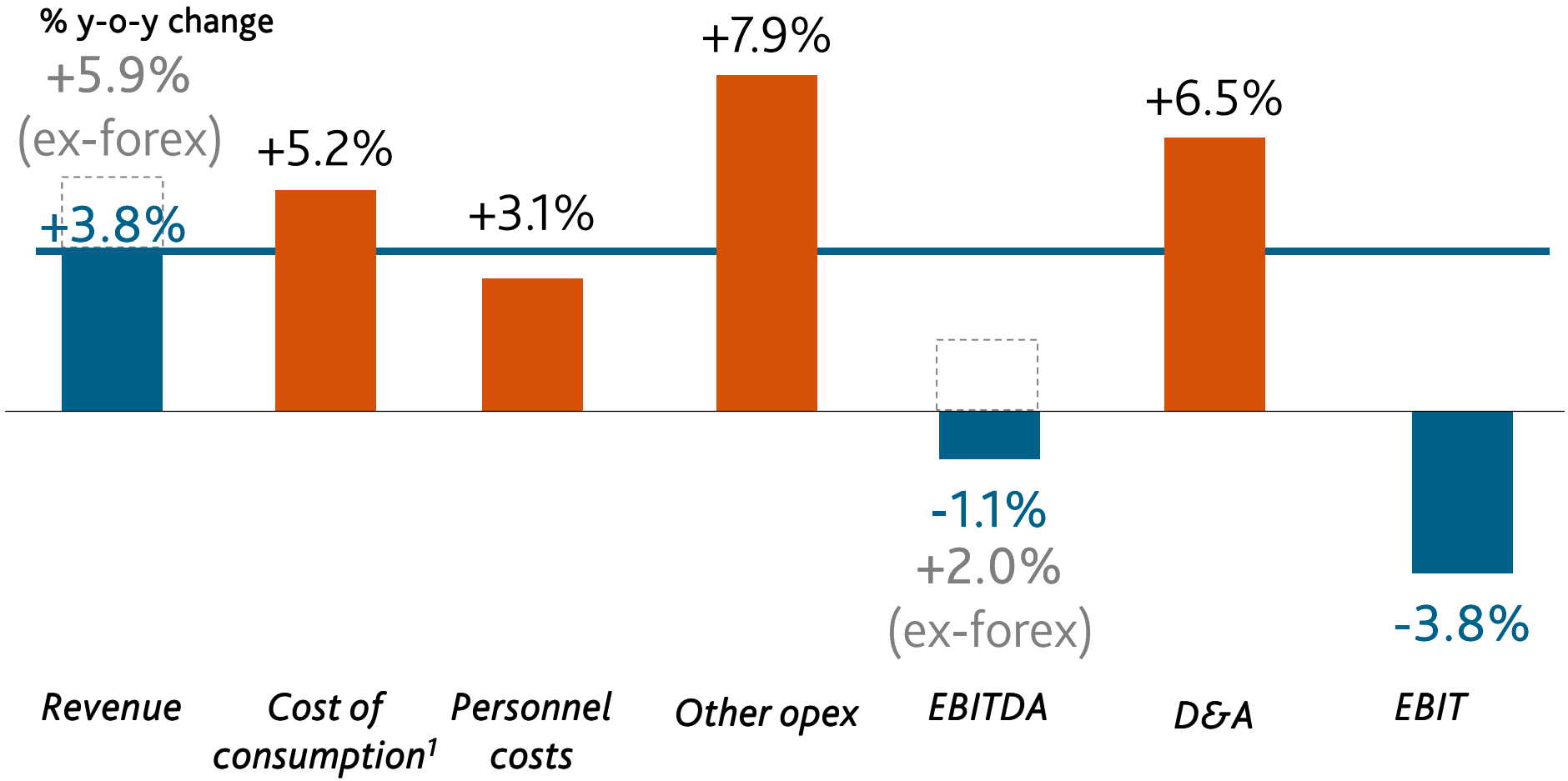
MM €	1Q13	1Q12	% Change	% Change ex-forex[1]
Revenue	184.6	177.9	+3.8%	+5.9%
EBITDA	42.4	42.8	-1.1%	+2.0%
EBITDA margin	*22.9%*	*24.1%*	*-1.2 p.p.*	
EBIT	30.4	31.6	-3.8%	
PBT	30.8	29.4	+4.5%	
Net profit	23.4	23.3	+0.5%	
	Mar' 13	*Dec' 12*		
Net debt	64.8	64.7	+0.3%	

Capex 1Q13

€20.4MM
(China & Uruguay)

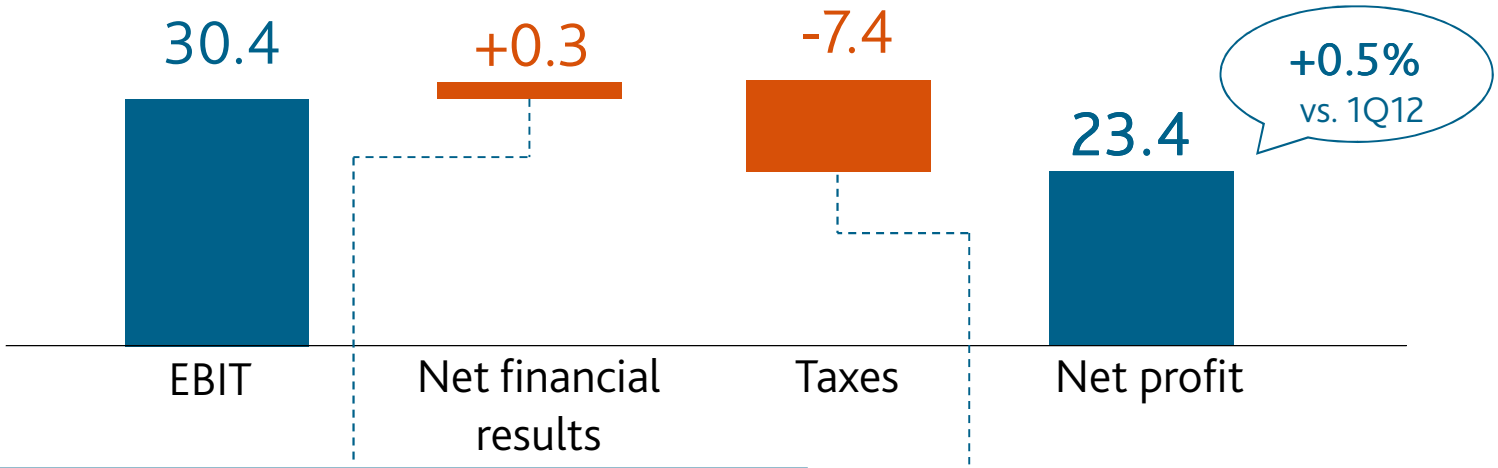
1 For comparative purposes, growth excluding foreign exchange differences excludes the impact of the various exchange rates applied in the consolidation of financial statements, as well as the impact of US$ fluctuations on trade transactions.

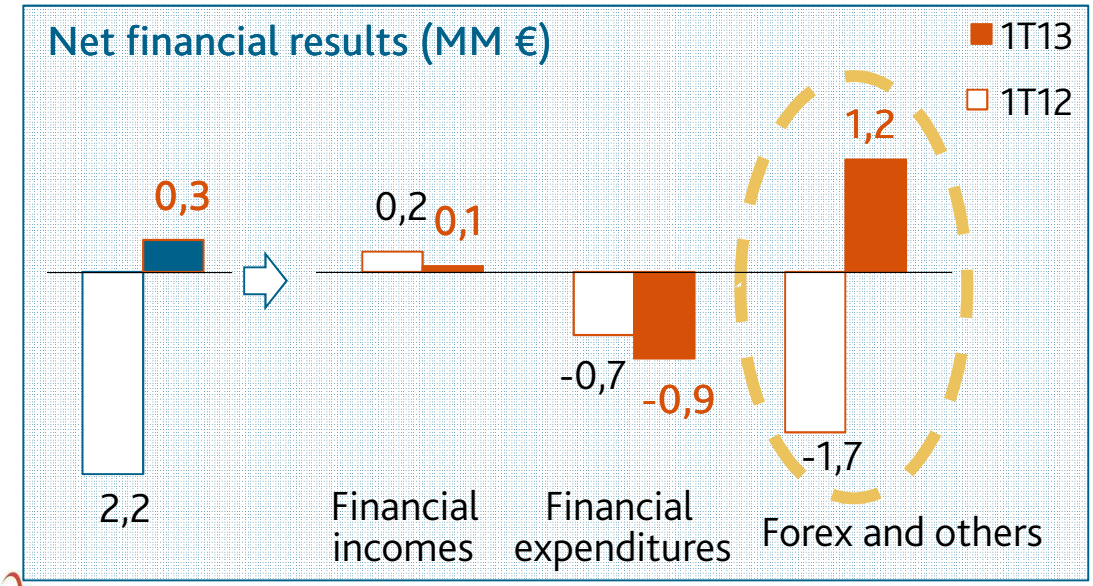
Revenue growth and better productivity in an environment of margin pressure due to input costs inflation, co-generation taxes and exchange rates.

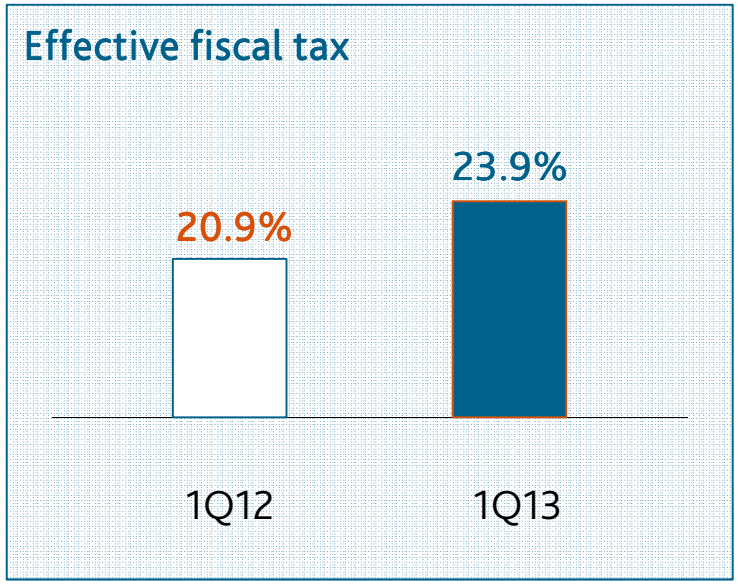


1 Compras +/- Variación de existencias

Net profit growth despite higher tax pressure.







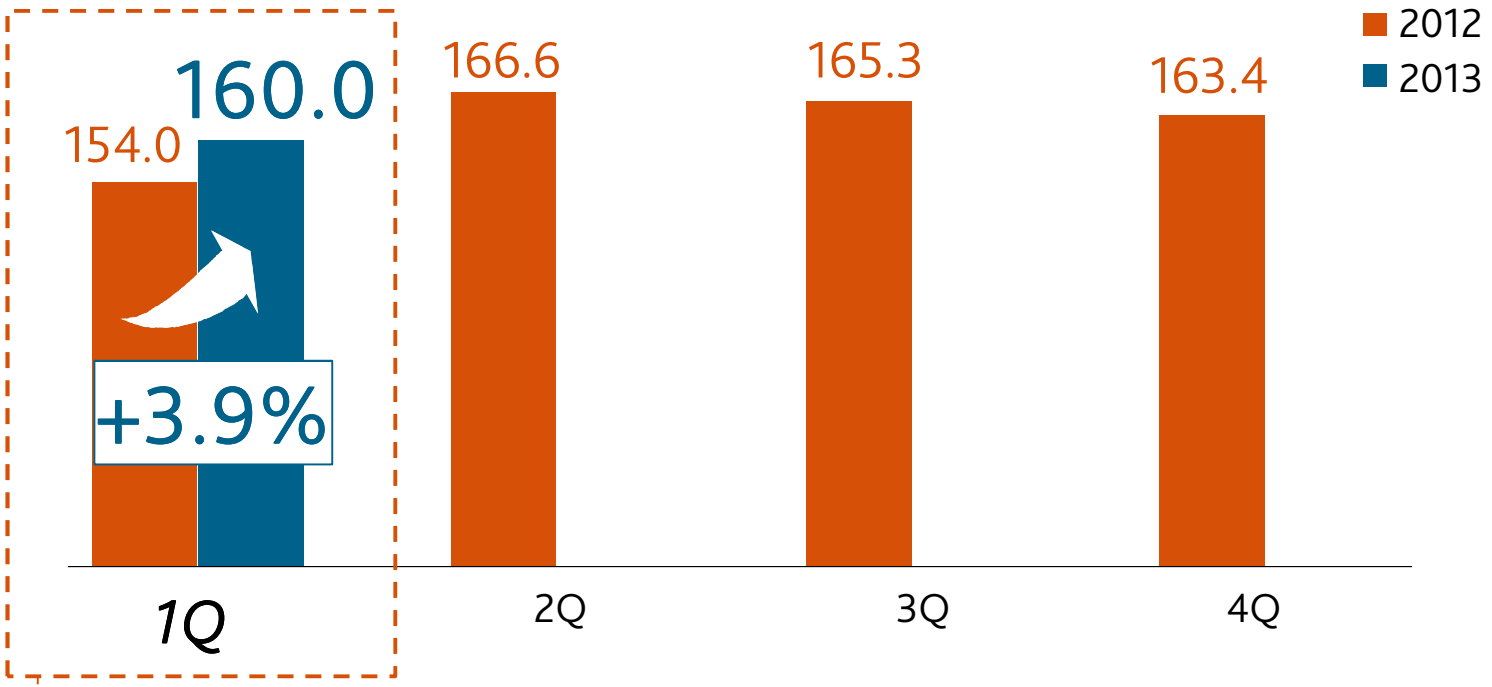
Casings division



CASINGS

Top line growth boosted by volume casing sales and recurrent co-generation sales…

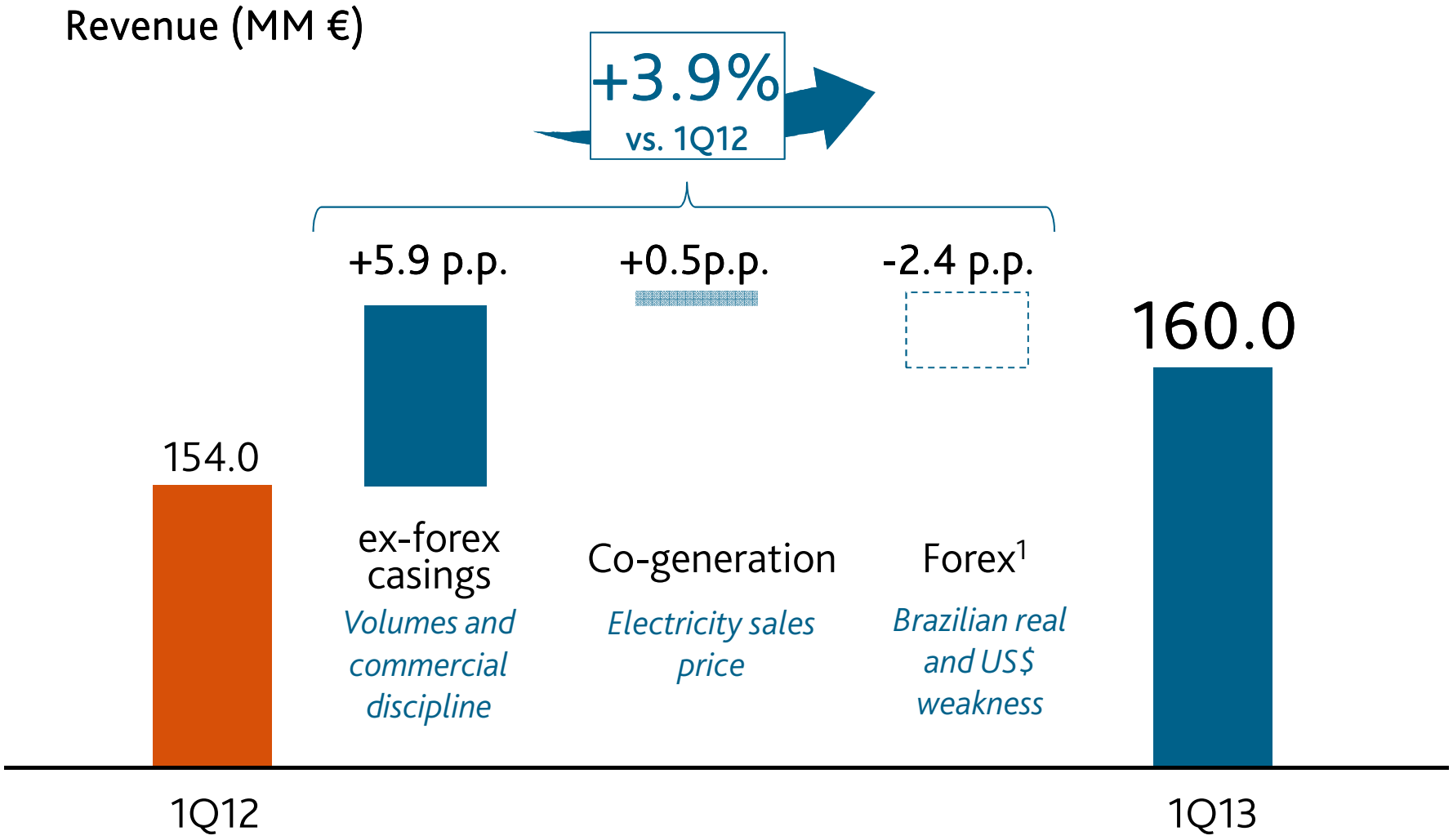
Revenue evolution (MM €)



- *Casings sales +3.7% vs. 1Q12*
- *Co-generation +5.8% vs. 1Q12*

CASINGS

… eroded partially by Brazilian real and US$ weakness…

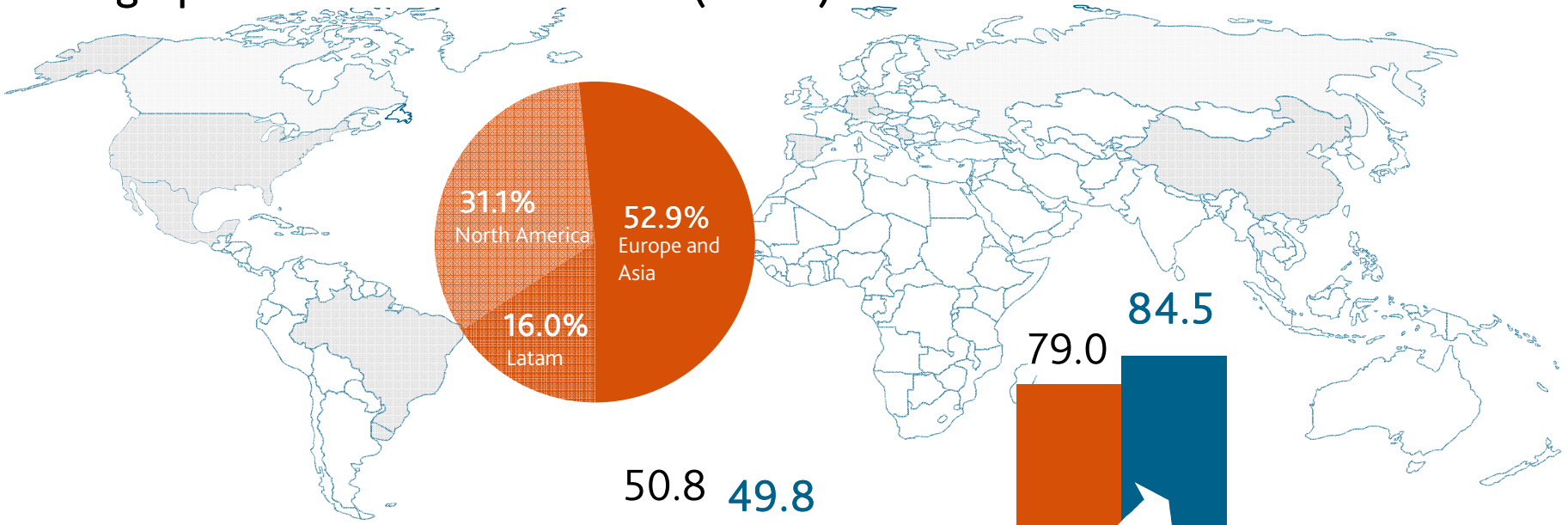


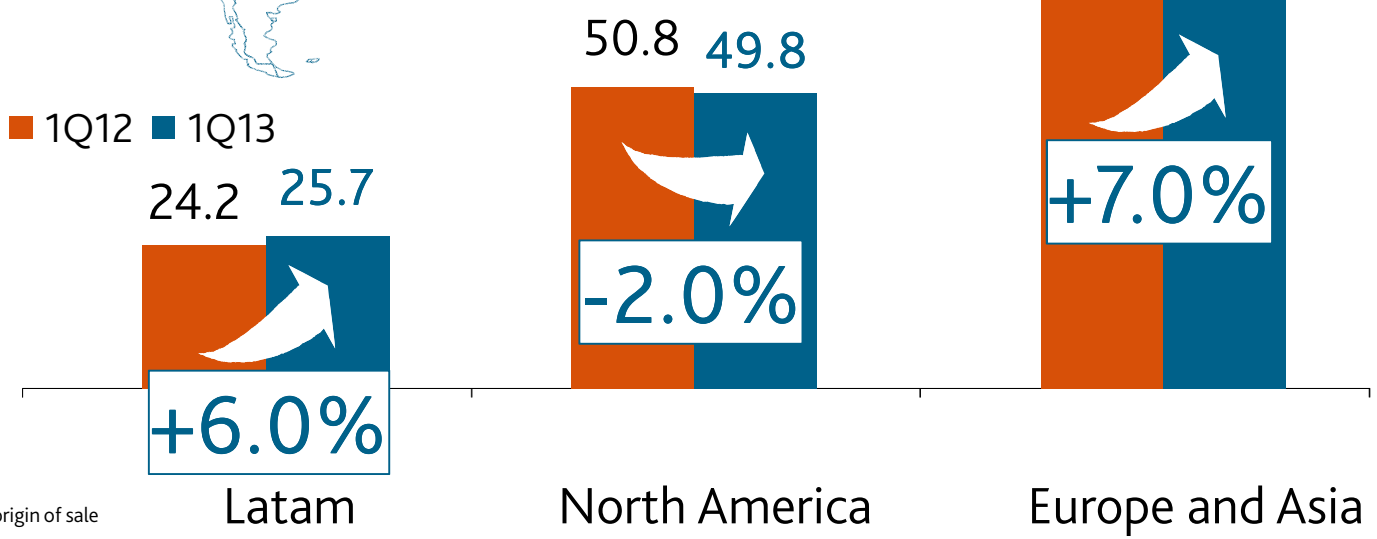
1 For comparative purposes, growth excluding foreign exchange differences excludes the impact of the various exchange rates applied in the consolidation of financial statements, as well as the impact of US$ fluctuations on trade transactions.

CASINGS

… and the weakness in North America, offset by the volume strength in emerging areas[1].

Geographical revenue breakdown (MM €)



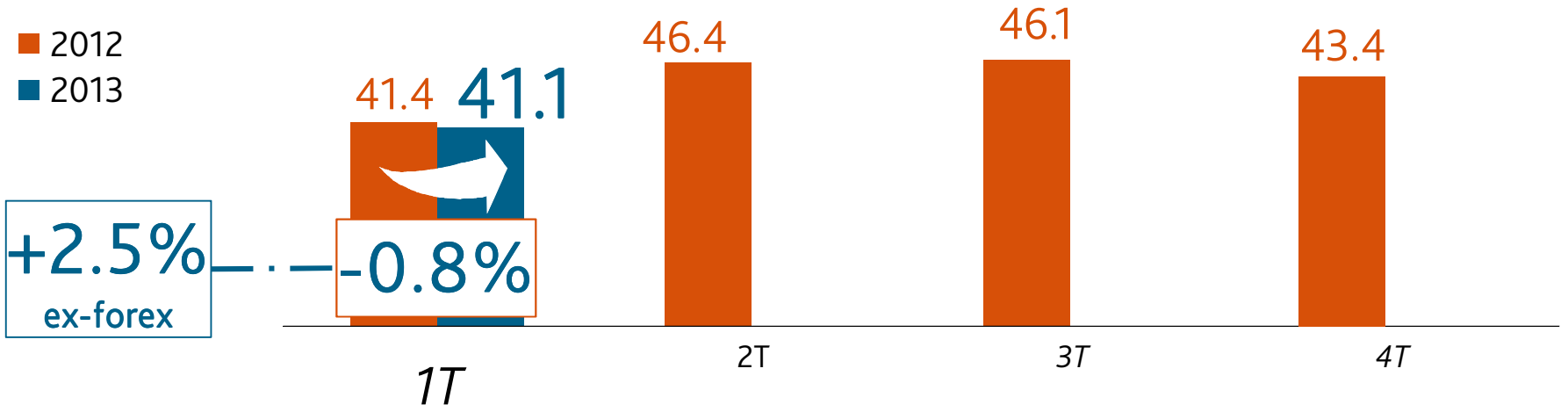


[1] Revenue per origin of sale

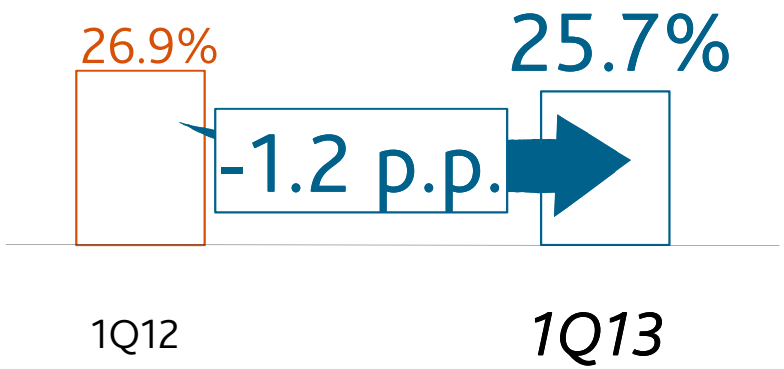
CASINGS

Q1 marked by the start of operations in China, lower activity in US, and new co-generation taxes.

EBITDA (MM €)



EBITDA margin



Gross margin[1] -0.3 p.p.

Productivity margin[2] +0.2 p.p.

Energy costs: +10.8%

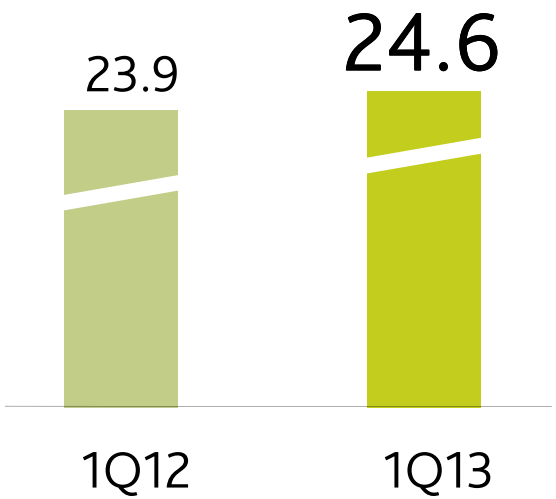
[1] Gross margin = (Revenue – Cost of consumption)/Revenue

[2] Productivity margin = (Revenue – Personnel costs)/Revenue

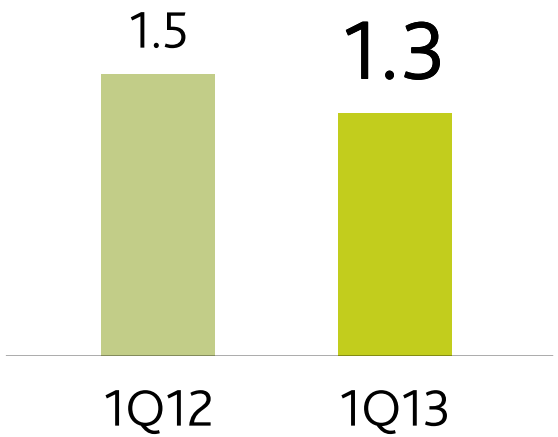


IAN Group keeps growing on top line despite economic crisis in the Spanish market, lower household consumption and higher costs of raw materials.

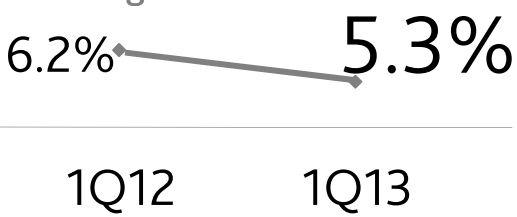
Revenue (MM €):
+3.0%



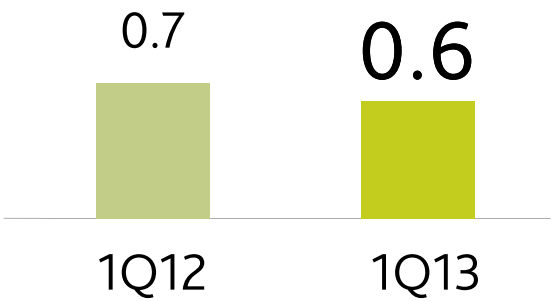
EBITDA (MM €):
-11.6%



EBITDA margin



Net profit (MM €):
-13.3%



To sum up

- Market **keeps its growth trend**, especially on emerging areas.
- Satisfactory start of operations in the **new Chinesse plant.**
- **€20.4MM Capex**, including the **new investments in Uruguay.** The target is to start collagen casings production in 12 months.
- Inflation on **raw materials prices**, especially on collagen, and **energy costs** that have been affected by the new regulatory on cogeneration in Spain.
- Projects to **improve productivity during the year** (China, USA, …).
- **Financial strength** enables Viscofan to keep growing and to improve shareholder remuneration. Also maintaining the flexibility required to deal with a volatile environment, the inflation of production input prices and the growth opportunities offered by the sector.