

Viscofan
The casing company

Results January -June twenty 17

28th July 2017

Growth in main financial figures…

Selected financial data (€ million)

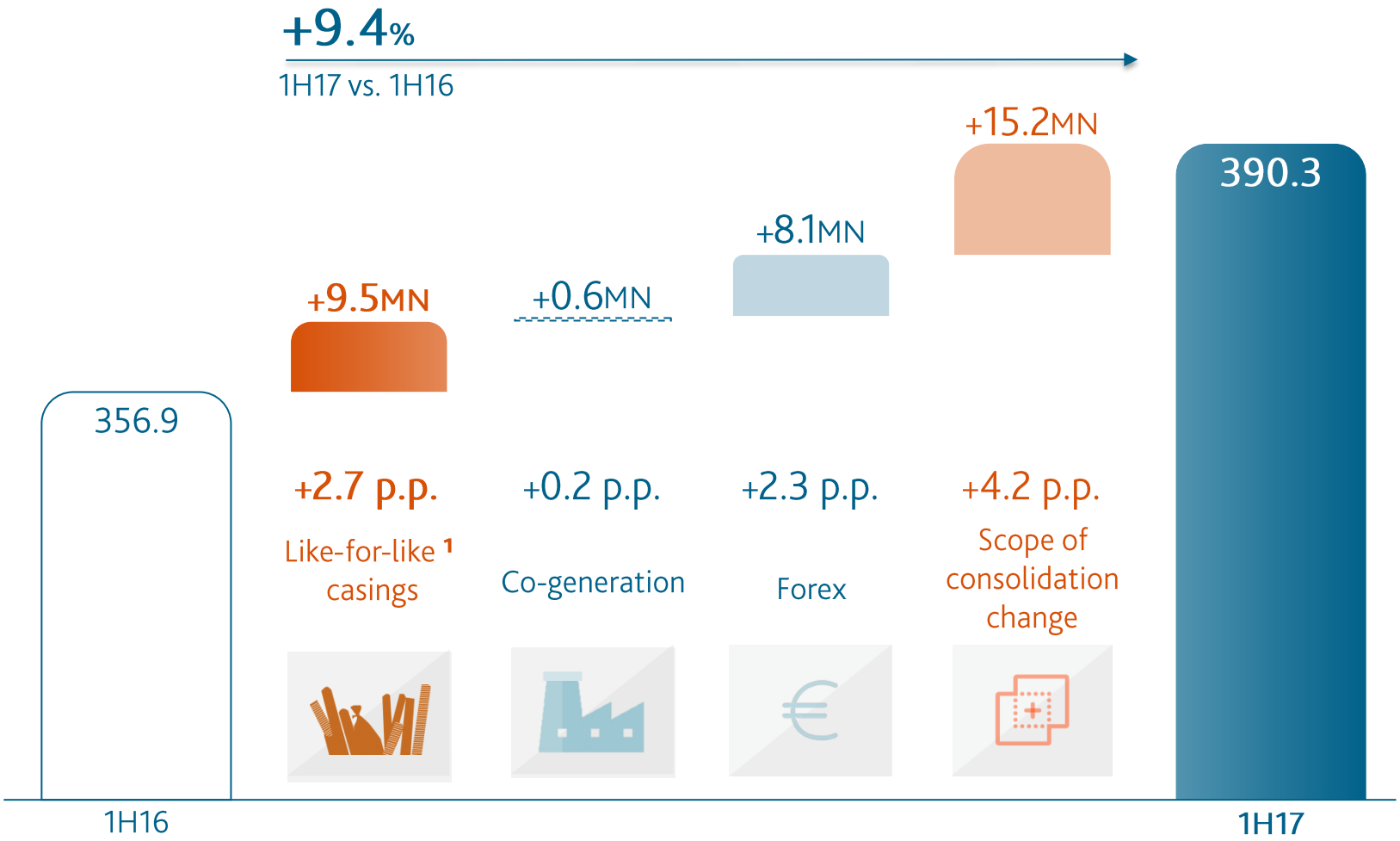
	1H17	% y-o-y	% y-o-.y Like-for-like [1]	2Q17	% y-o-y	% y-o-.y Like-for-like [1]
Revenue	390.3	+9.4%	+2.9%	195.7	+7.3%	+1.5%
Recurring EBITDA[2]	110.6	+9.9%	+4.7%	56.0	+8.7%	+3.7%
Rec. EBITDA Margin[2]	*28.3%*	*+0.1p.p.*	*+0.5 p.p.*	*28.6%*	*+0.4p.p.*	*+0.6 p.p.*
EBITDA	116.6	+15.8%		62.0	+20.3%	
EBITDA Margin	*29.9%*	*+1.7p.p.*		*31.7%*	*+3.5p.p.*	
EBIT	88.5	+15.8%		47.9	+21.7%	
Net Profit	66.2	+10.5%		34.6	+6.0%	

[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts

[2] Recurring: On a comparative basis, the figure excludes the positive impact of €6.0 million in EBITDA and €4.2 million in Jnet profit corresponding to the net impact of the compensation for the fire in Germany, once non-recurring costs are deducted for inventory, clearing and cleaning, inet alia.

… driven by sales volume growth, Vector and forex…

1H17. Revenue. Growth contribution (€ million)



[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts.

1H17 Outperformance driven by Latam, Europe and Asia offsetting North America´s weakness in Q2…

1H17 GROUP

+9.4% vs. 1H16

+2.9% Like-for-like[2]

Revenue breakdown by geographical area [1] (€ million)

EUROPE AND ASIA

53.6%



+4.2% vs. 1H16

+1.9% Like-for-like[2]

NORTH AMERICA

31.1%



+11.3% vs. 1H16

+0.1% Like-for-like[2]

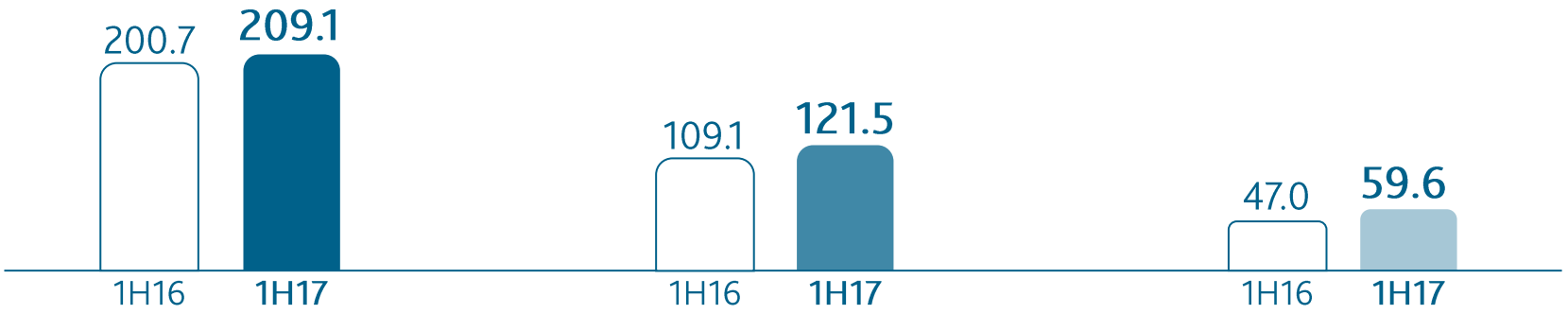
LATAM

15.3%



+26.8% vs. 1H16

+13.2% Like-for-like[2]

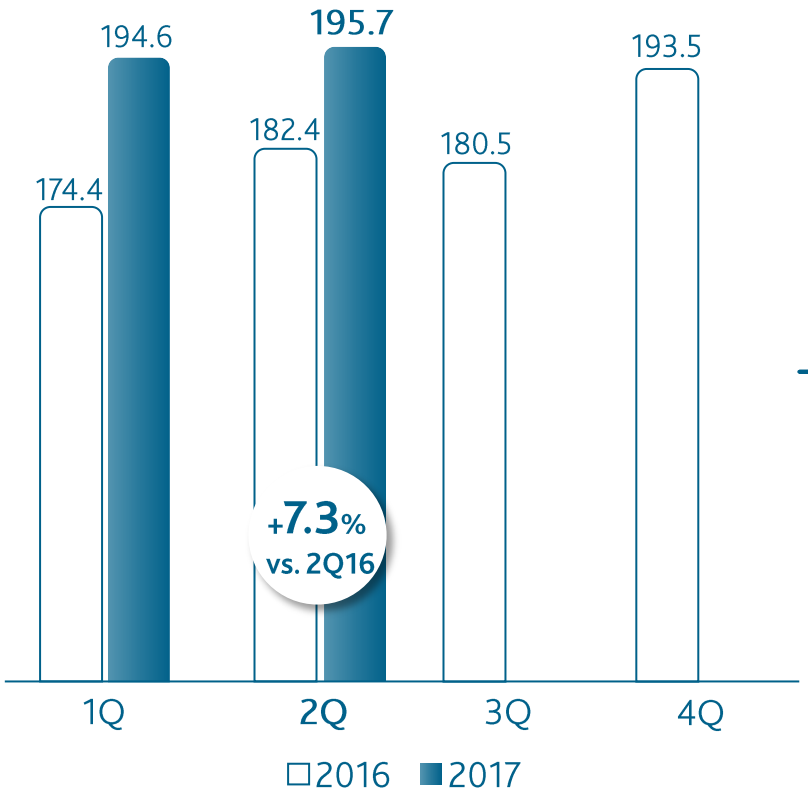


[1] Revenue per origin of sales.

[2] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates and the change in the scope of consolidation (Vector).

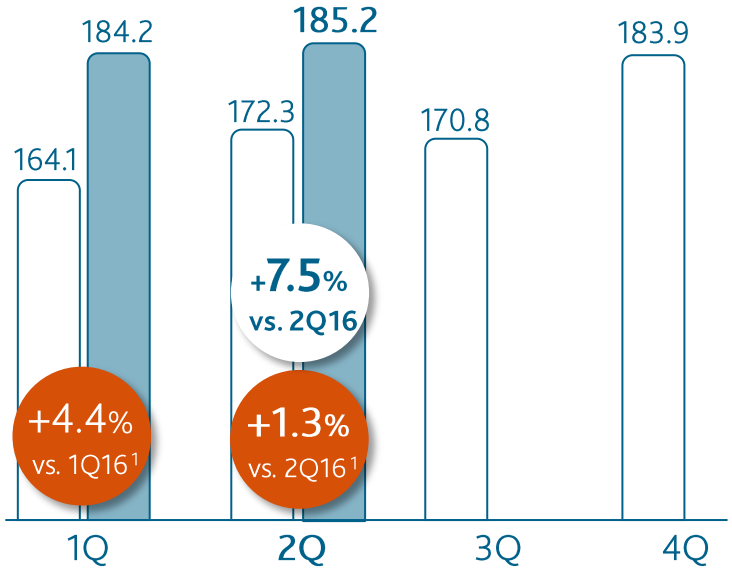
1H17 …driving upwards to a new record high in quarterly revenue.

Viscofan Group revenue (€ million)



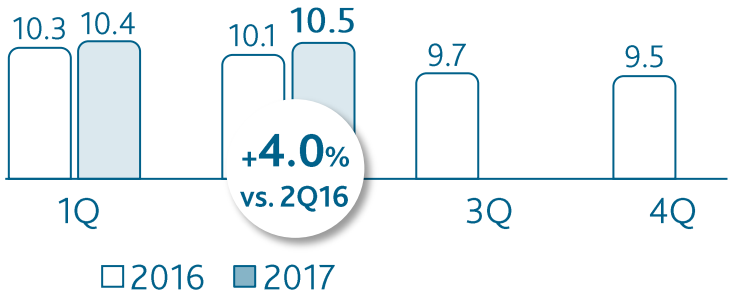
Like-for-like[1]

Casings sales (€ million)



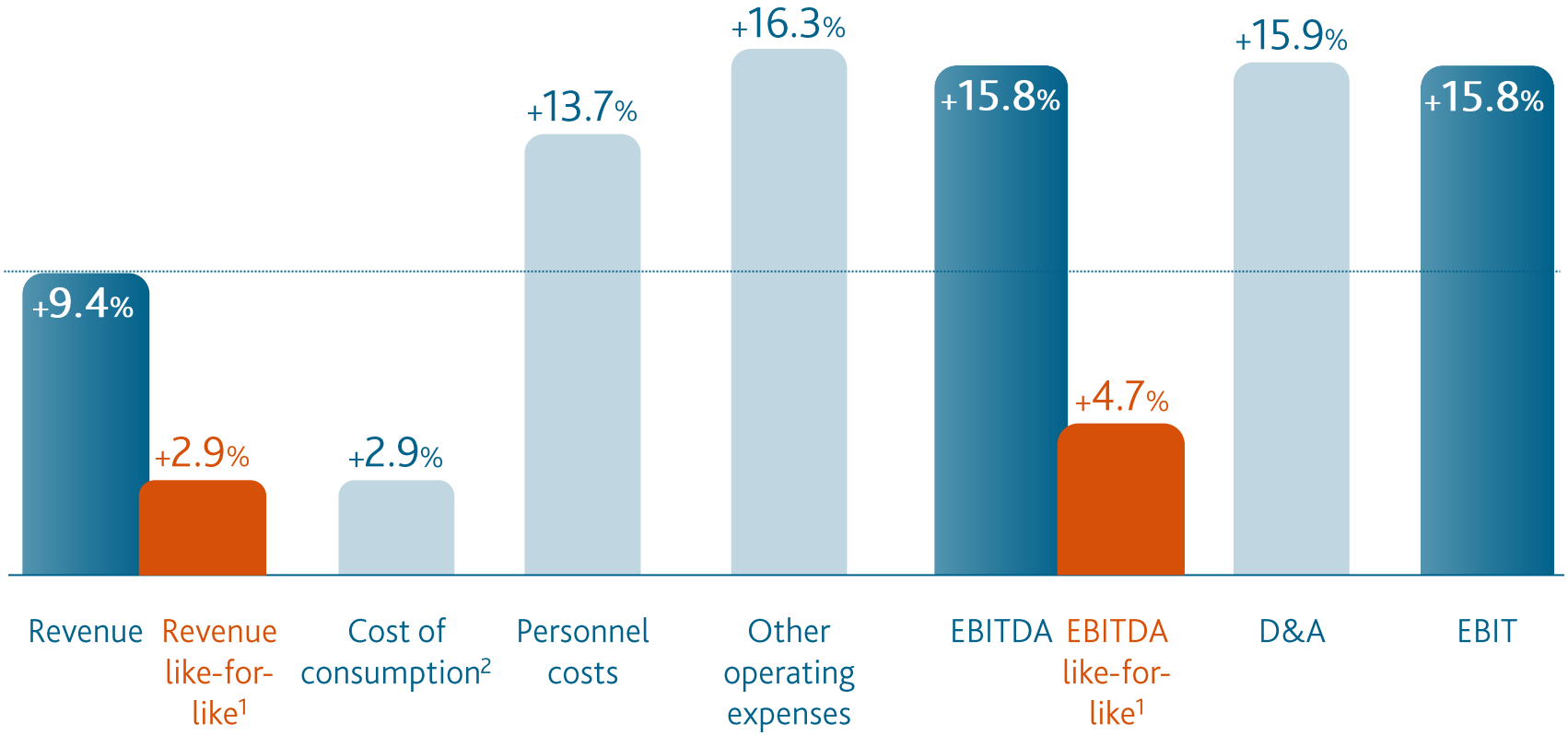
[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates and the change in the scope of consolidation (Vector).

Co-generation revenue (€ million)



1H17 In a year marked by an intense operational activity, Viscofan Group achieved higher EBITDA thanks to revenues growth, cost control and operational improvements.

1H17. % Year-on-year change

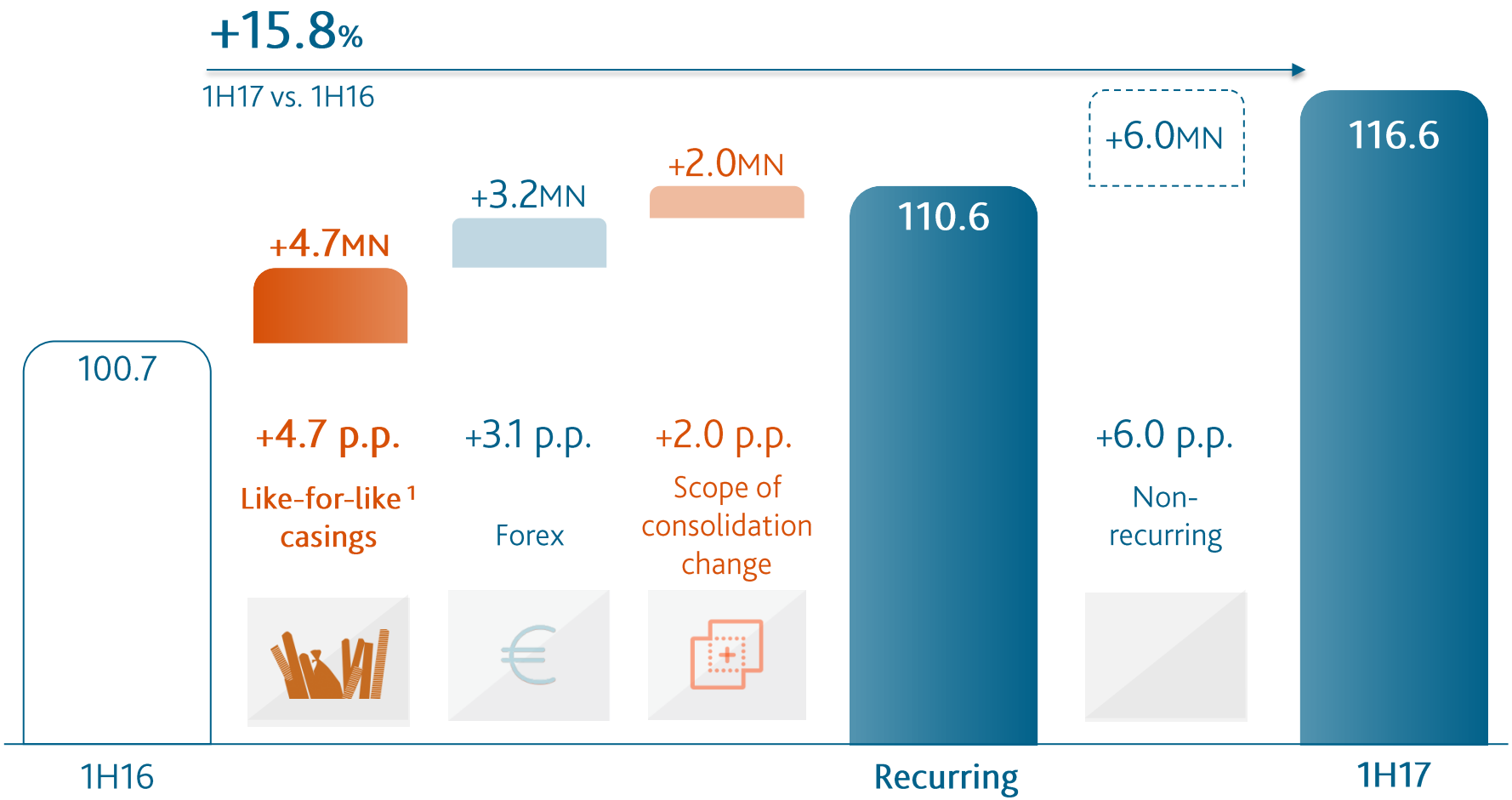


[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts .

[2] Cost of consumption = Supplies +/- Change in inventories of finished and unfinished products.

1H17 Double-digit growth in EBITDA driven by like-for-like improvement, Vector, Forex and non-recurring Germany's compensation.

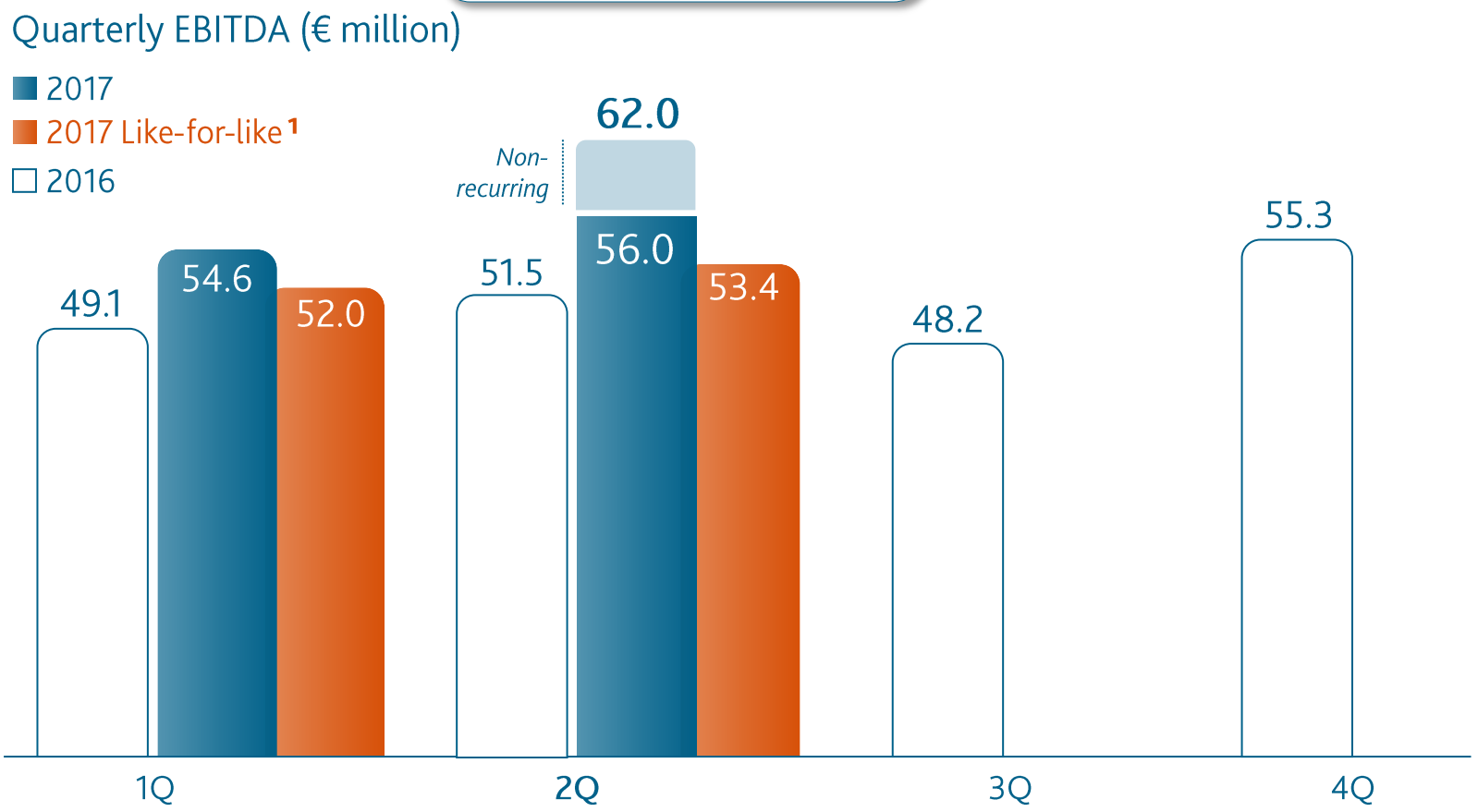
1H17. EBITDA. Growth contribution (€ million)



[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts

New quarterly high in EBITDA, both in reported and recurring terms.

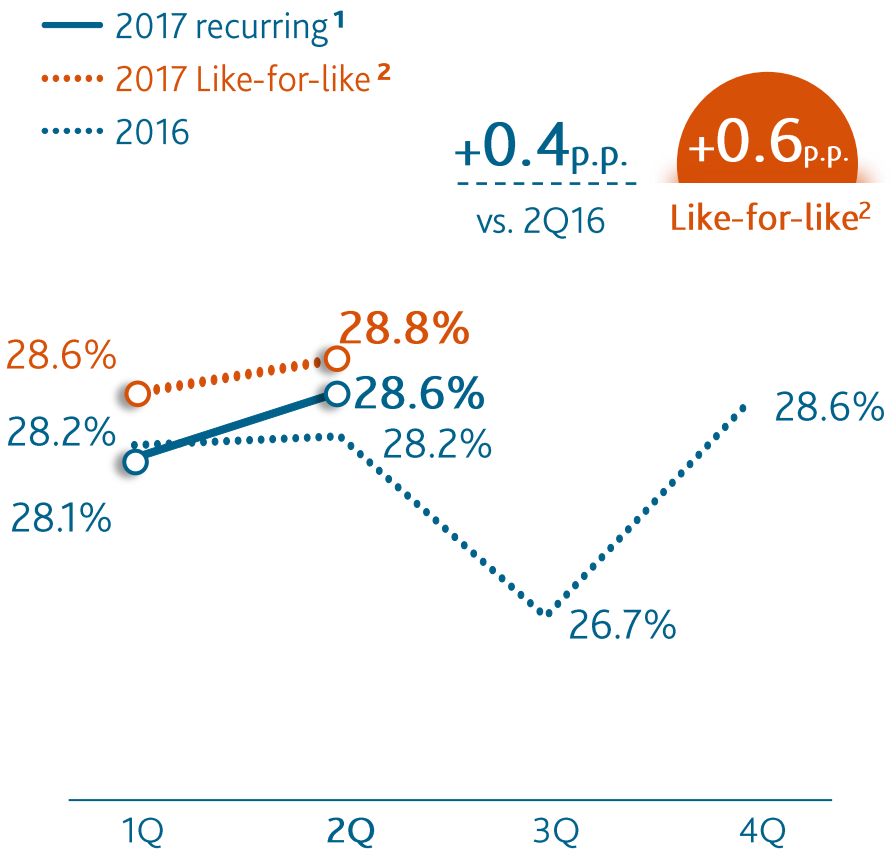
2Q17 **+20.3%** vs. 2Q16 | **+3.7%** Like-for-like[1]



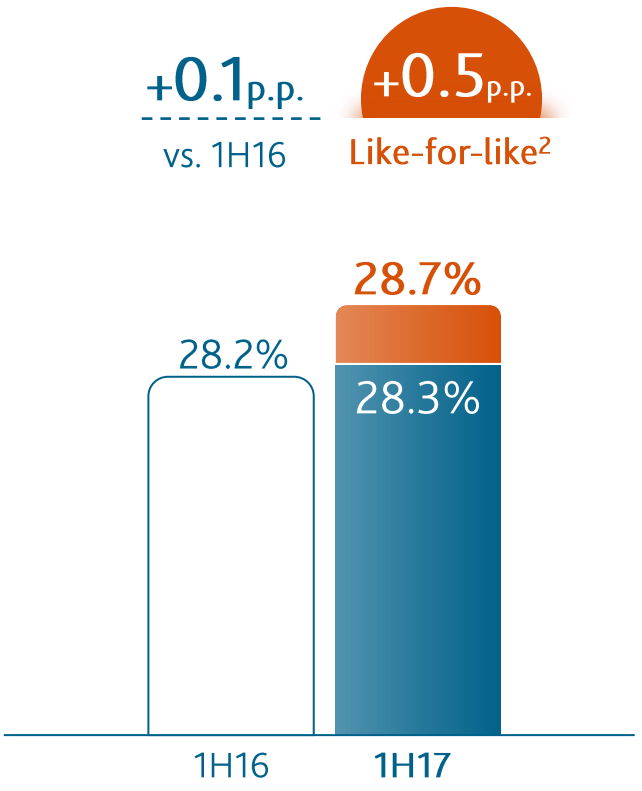
[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts.

Enhancing the profitability of the business.

Quarterly EBITDA margin



Accumulated EBITDA margin

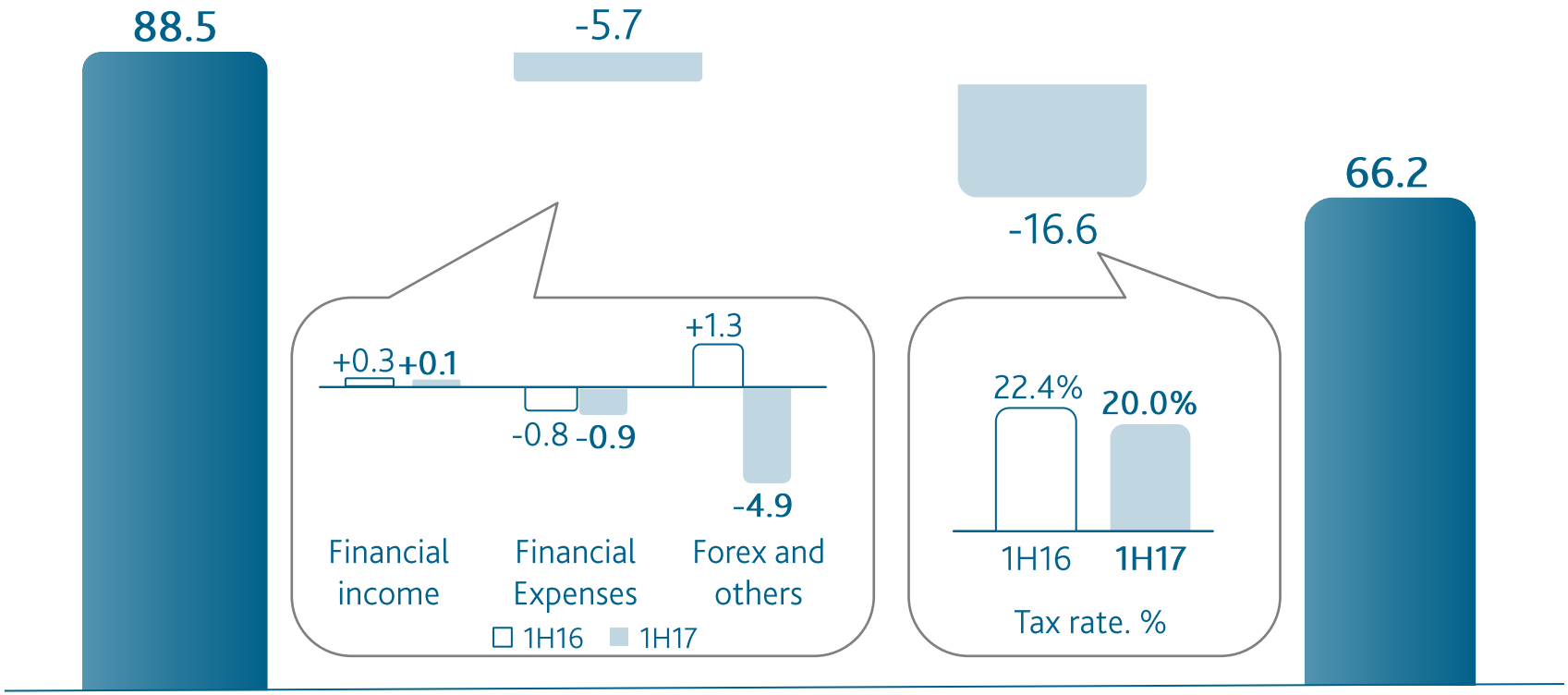


[1] Recurring: For comparative purposes, these figures exclude the positive effect (€6.0 millions on EBITDA and €4.2 millones on Net Profit) arising from the net impact of the recovery of Germany's fire compensation after deducting non-recurring costs of inventories, removal and cleaning, among others.

[2] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts .

Double-digit Net Profit growth even after negative exchange differences impact.

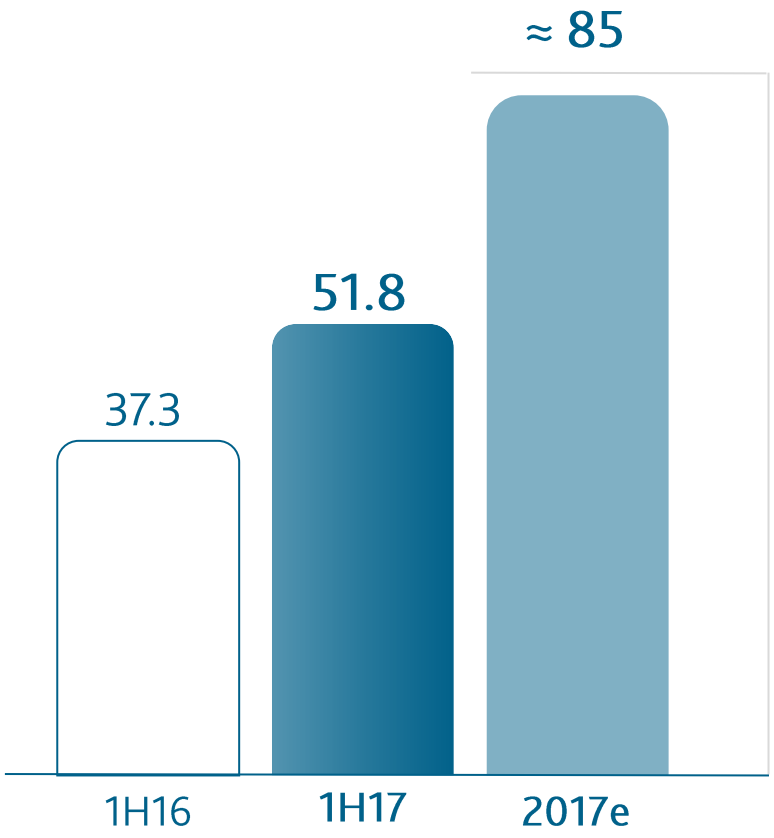
1H17. EBIT to Net Profit (€ million)



Change 1H17 vs. 1H16	+15.8%	s.ch.	-4.2%	+10.5%

1H17 Investment plan in line with schedule aiming to increase capacity in 2017 and strength Viscofan´s positioning…

CAPEX (€ million)



MORE TO BE

2017. Main projects

Cáseda. New plant with fibrous

Serbia. Collagen capacity expansion

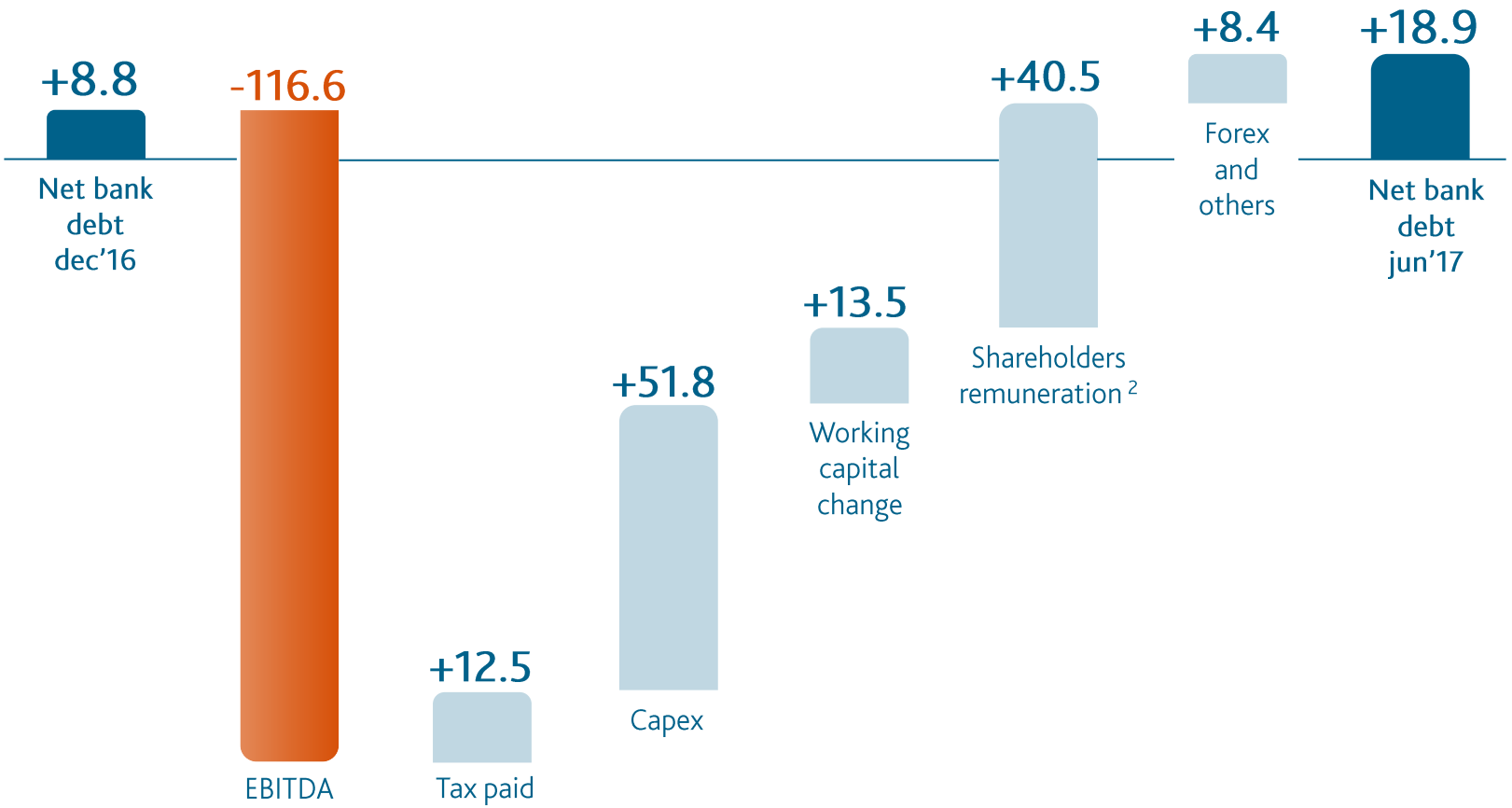
China. Collagen capacity expansion

Brazil. Converting technology

Bioengineering. White room opening ✓ 2Q17

1H17 … financed mainly with operating cash flow, while increasing dividends.

Net bank debt[1] evolution (€ million)



[1] Net bank debt = Non-current bank borrowings + Current bank borrowings – Cash and equivalents.

[2] Remuneration related with 2016 final dividend of 0.87€ paid in June 2017.

1H17 To wrap up

✓ **Growth in main financial figures** thanks to volume growth in all technologies, forex strength and Vector's integration.

✓ **Healthy growth combining higher revenue and profitability** due to production efficiencies and cost control.

✓ **Results in line with expectations for the year** reinforcing "MORE TO BE" strategy, which entails carrying out high operational activity, higher workforce and investments to reach new leadership shares.

✓ Viscofan´s **Balance Sheet remains solid** allowing to explore new growth opportunities in this sector, both in organic and inorganic terms, combining strategic and financial discipline with shareholder remuneration.

✓ The market confirms its **solid growth prospects for the medium and long term**

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Such intentions, expectations or forecasts do not constitute any guaranties of compliance and involve risks, uncertainties and other relevant factors that could cause actual developments and results to differ materially from those states in such forward-looking statements.

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For more information:
Investor Relations
Phone: +34948198436
Mail: *info-inv@viscofan.com*
www.viscofan.com