

Viscofan
The casing company

Results 9 months twenty 17

2017, 30th October

9M17 Growth outperforms our expectations against a worse than expected forex environment…

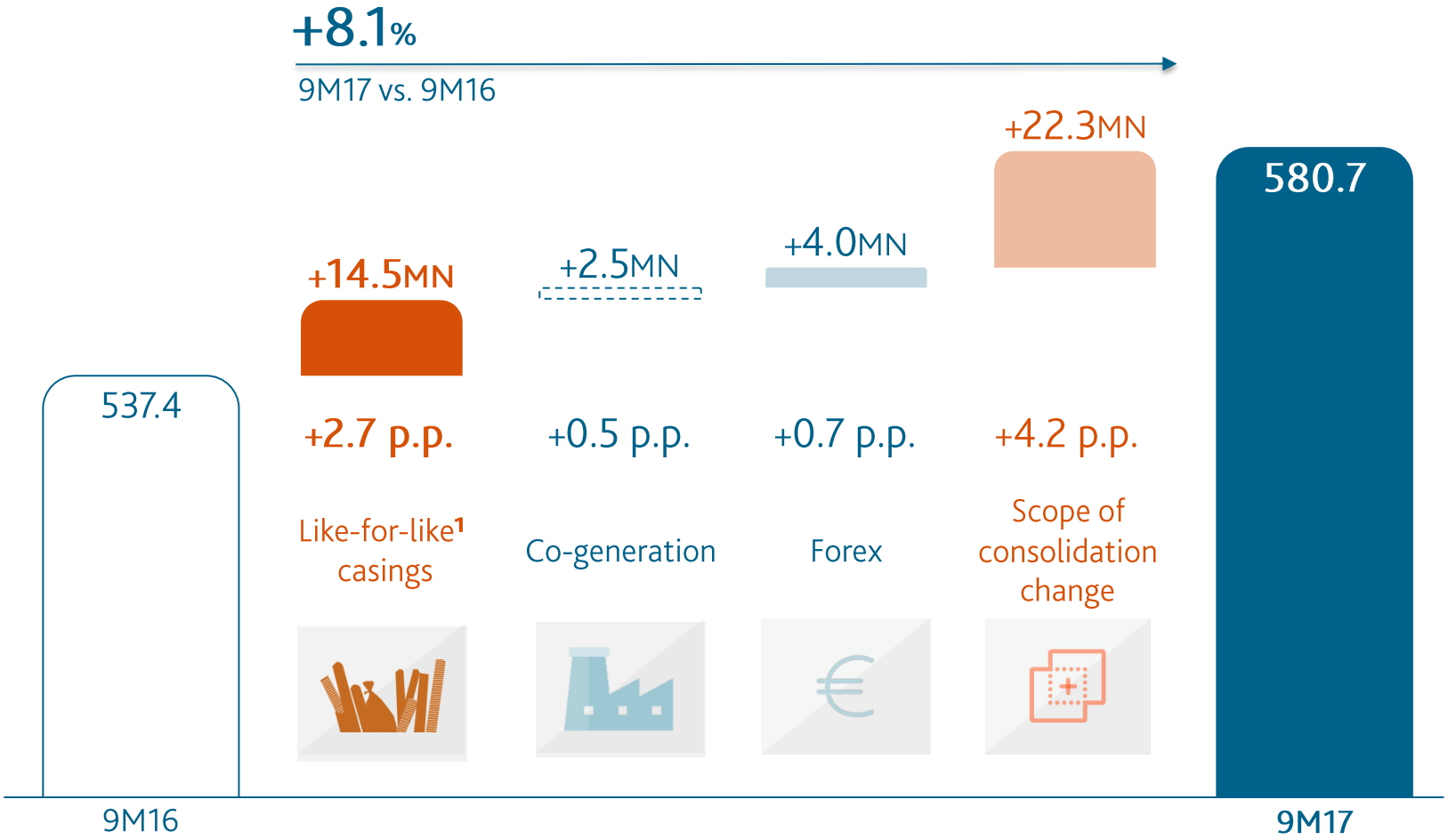
€ million	9M17	% y-o-y	% y-o-.y Like-for-like [1]	3Q17	% y-o-y	% y-o-.y Like-for-like [1]
Revenue	580.7	+8.1%	+3.2%	190.4	+5.5%	+3.8%
Recurring EBITDA [2]	158.8	+6.3%	+4.0%	48.2	-1.1%	+2.4%
Rec. EBITDA margin[2]	*27.4%*	*-0.4p.p.*	*+0.2 p.p.*	*25.3%*	*-1.7p.p.*	*-0.4 p.p.*
EBITDA	164.8	+10.8%		48.2	+0.2%	
EBITDA margin	*28.4%*	*+0.7p.p.*		*25.3%*	*-1.4p.p.*	
EBIT	122.7	+9.3%		34.3	-4.5%	
Net profit	92.2	+4.6%		26.0	-7.8%	

[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: a) In 2017 the figure excludes the positive impact of €6.0 million in EBITDA and €4.2 million in Net Profit corresponding to the net impact of the compensation for the fire in Germany, once non-recurring costs are deducted from inventory, clearing and cleaning, among others. b) In 3Q16, this figure excludes management costs associated with the purchase of Vector companies in the USA and Europe totaling €0.6 million on EBITDA and €0.4 million on Net Profit.

9M17 ...driven by higher casings volumes in all technologies and Vector.

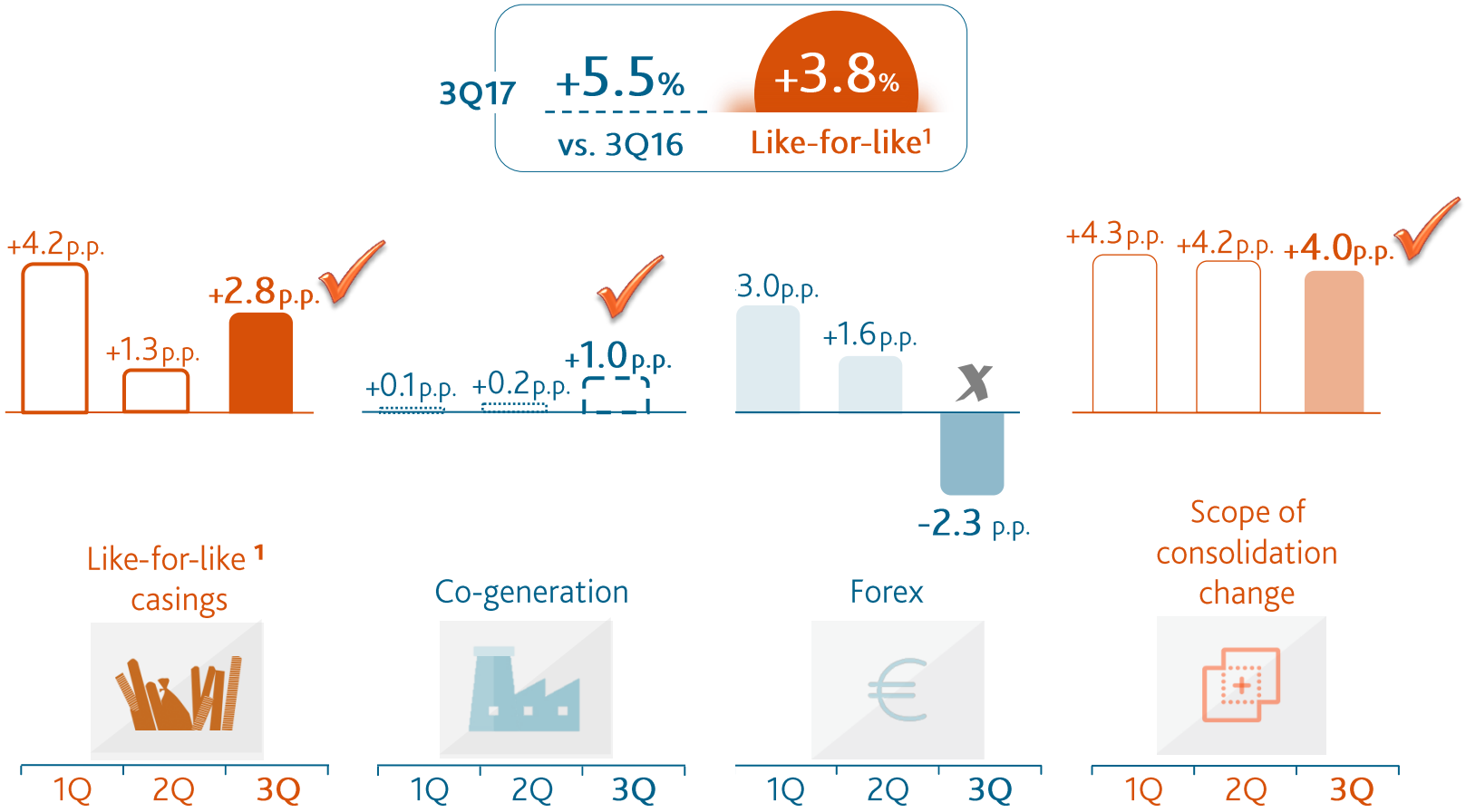
REVENUE. Growth contribution (€ million)



[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.

Strong growth in quarterly volumes contrasts with the weakness of major trade currencies against the euro…

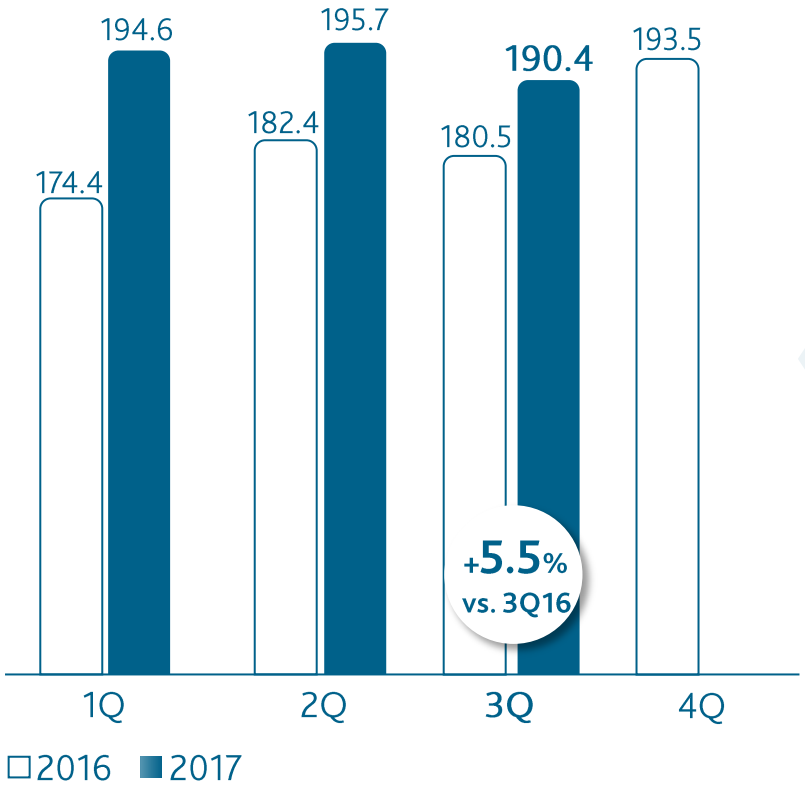
REVENUE. Quarterly growth contribution



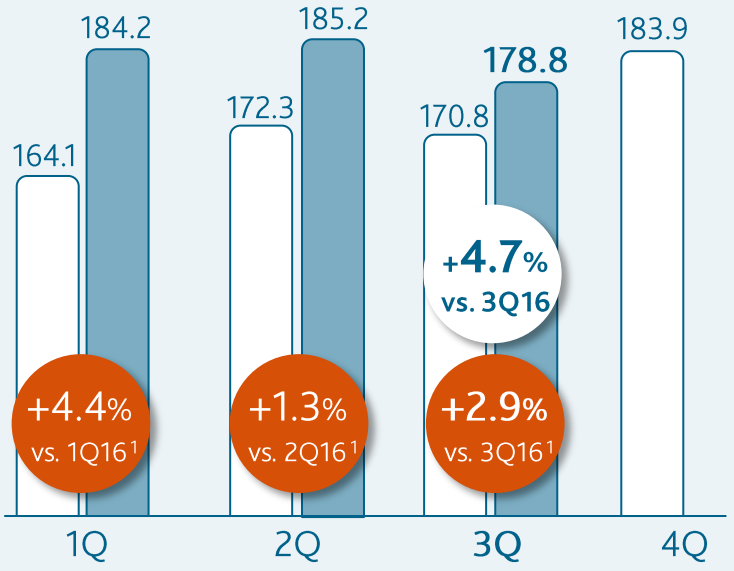
[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts.

...leading to revenue growth for yet another quarter.

REVENUE. Viscofan Group (€ million)

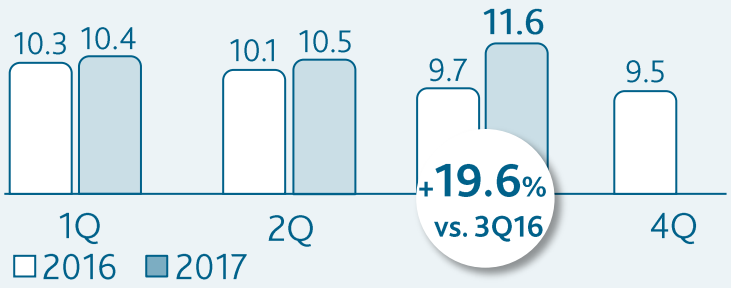


CASING SALES (€ million)



[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)



9M17 Latam, Europe and Asia lead growth and offset North American weakness.

9M17 GROUP

+8.1% vs. 9M16

+3.2% Like-for-like[2]

REVENUE 9M17. Breakdown by geographical area [1] (€ million)

EUROPE AND ASIA

54.6%



+5.0% vs. 9M16

+2.9% Like-for-like[2]

NORTH AMERICA

30.2%



+8.3% vs. 9M16

-0.4% Like-for-like[2]

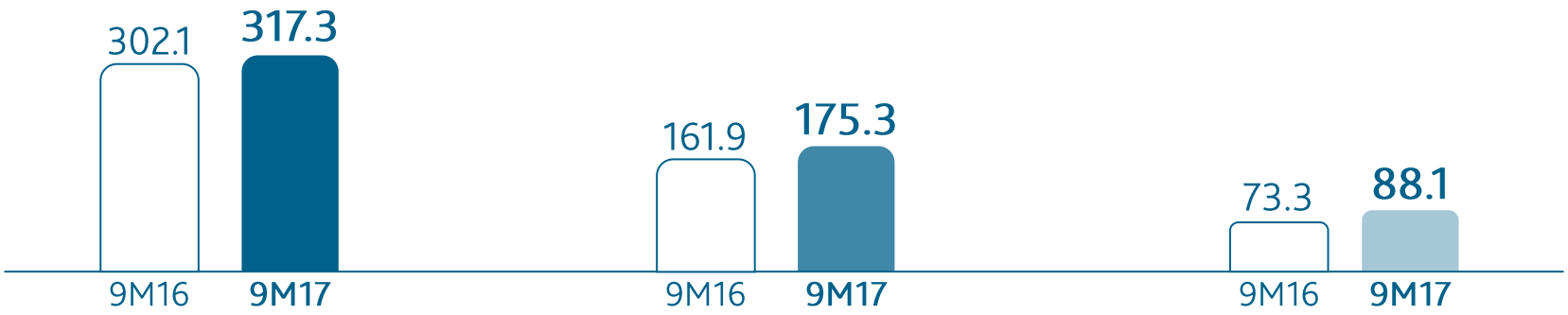
LATAM

15.2%



+20.2% vs. 9M16

+12.2% Like-for-like[2]

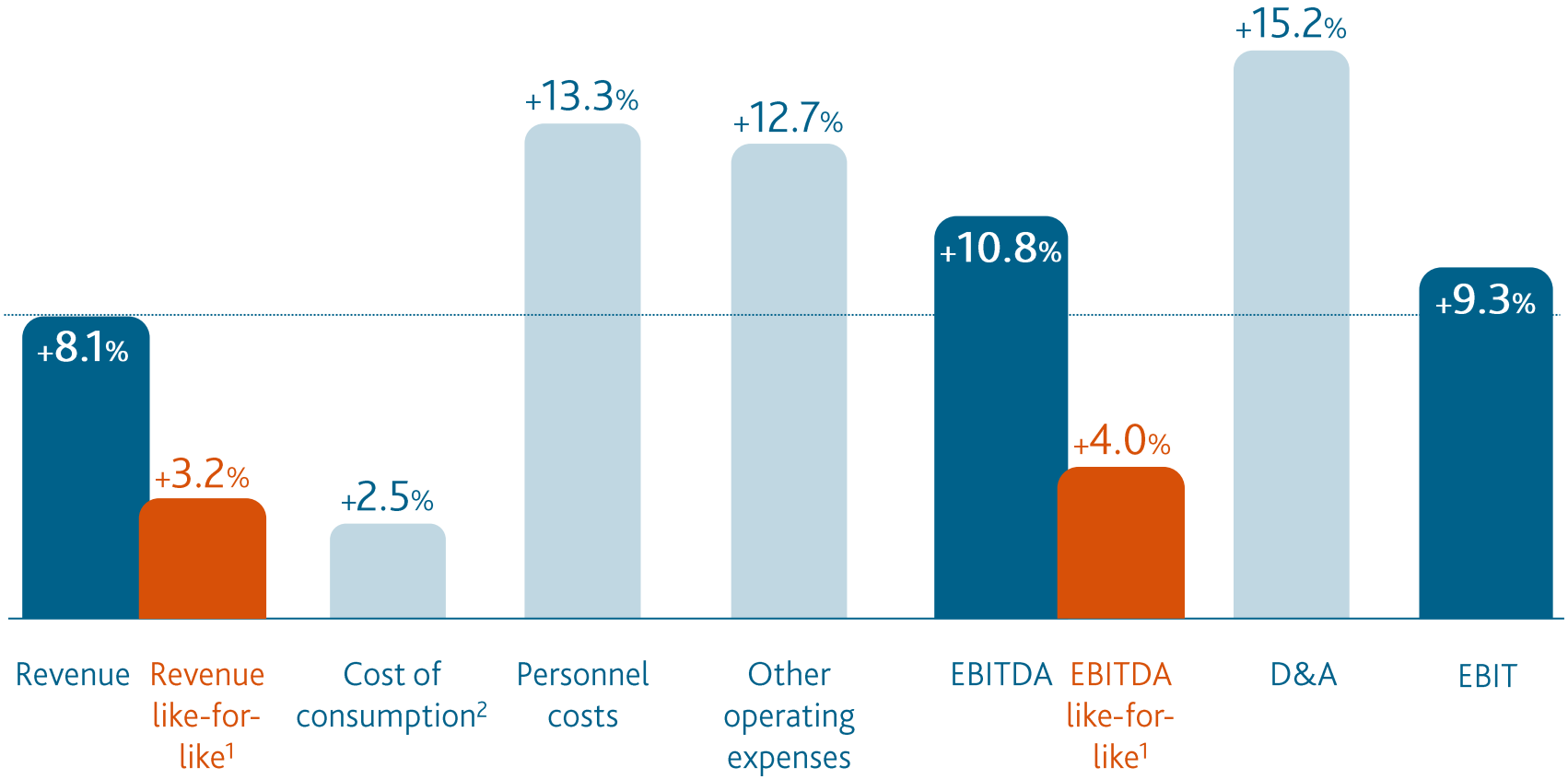


[1] Revenue per origin of sales.

[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).

Revenue growth and gross margin improvement are transferred to EBITDA in a year marked by high operational activity related with MORE TO BE strategic plan.

P&L 9M17. % year-on-year change

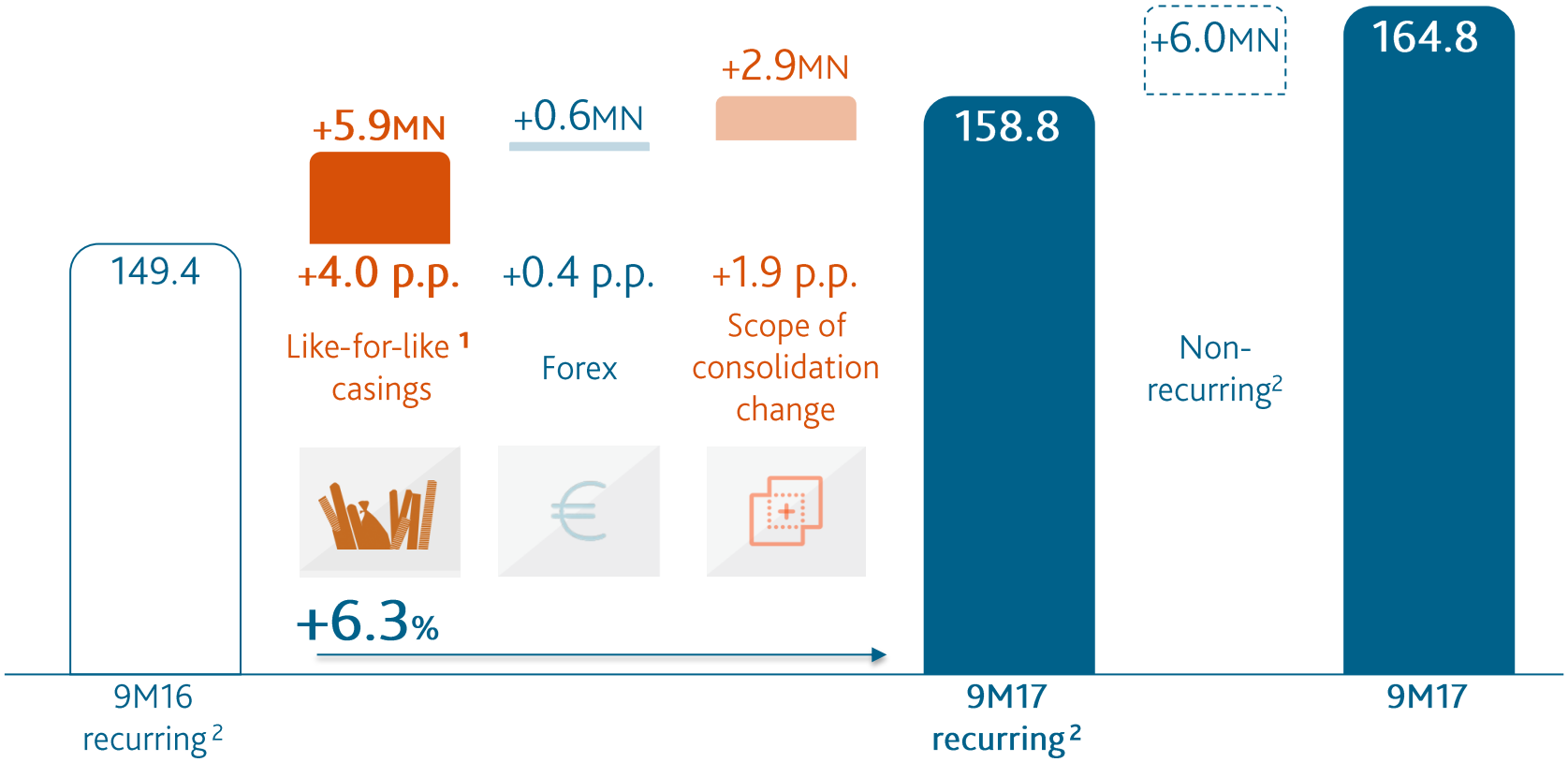


[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts.

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

9M17 EBITDA growth driven by operational strength and Vector contribution.

EBITDA 9M17. Growth contribution (€ million)

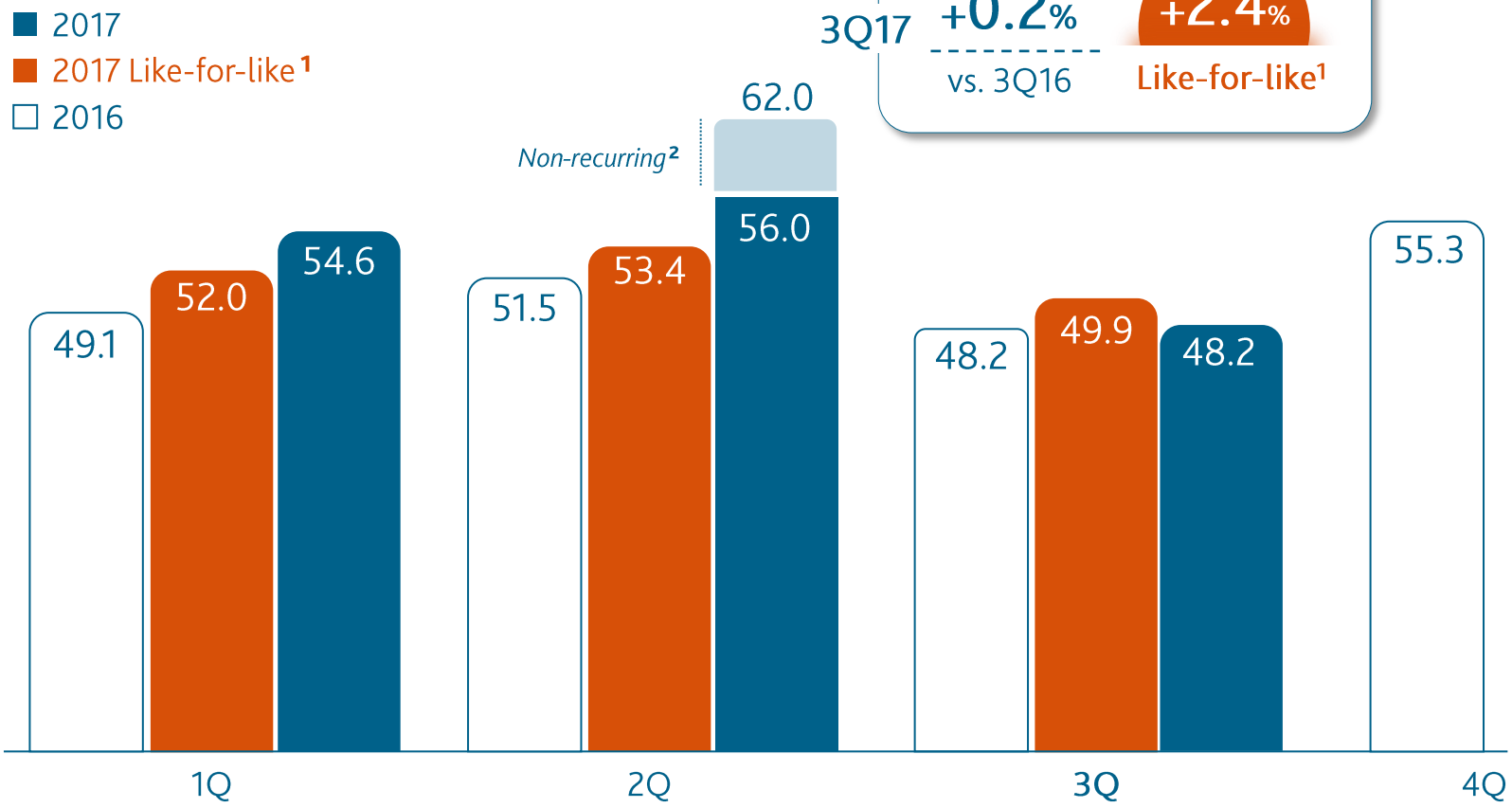


[1] Like-for-like: For comparative purposes, like-for-like growth excludes the impact of the different exchange rates, the change in the scope of consolidation (Vector) and non-recurring impacts.

[2] Recurring: a) In 2017 the figure excludes the positive impact of €6.0 million in EBITDA and €4.2 million in Net Profit corresponding to the net impact of the compensation for the fire in Germany, once non-recurring costs are deducted from inventory, clearing and cleaning, among others. b) In 3Q16, this figure excludes management costs associated with the purchase of Vector companies in the USA and Europe totaling €0.6 million on EBITDA and €0.4 million on Net Profit.

Sound quarterly EBITDA within a context characterized by forex weakness and high internal activity aiming to set out the new plant in Cáseda (Spain).

EBITDA. Quarterly (€ million)



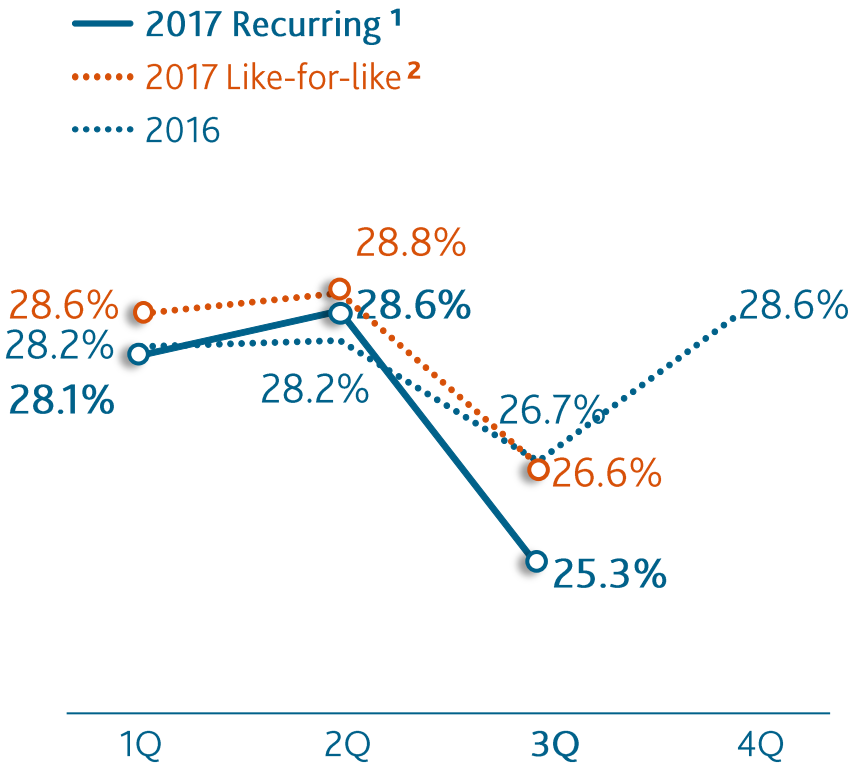
3Q17 +0.2% vs. 3Q16 | +2.4% Like-for-like[1]

[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.

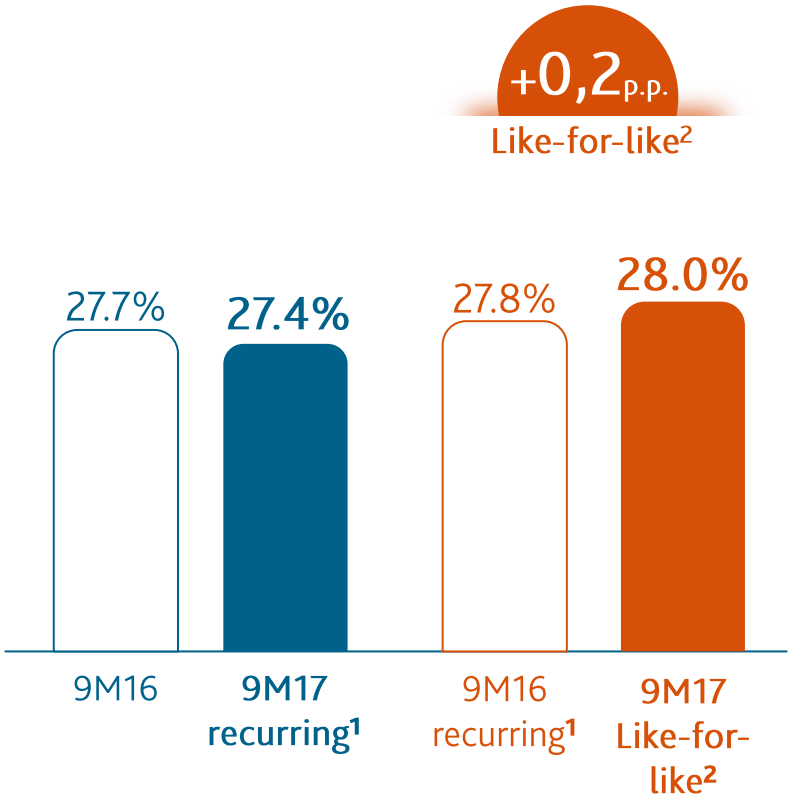
[2] Recurring: In 2017 the figure excludes the positive impact of €6.0 million in EBITDA and €4.2 million in net profit corresponding to the net impact of the compensation for the fire in Germany, once non-recurring costs are deducted from inventory, clearing and cleaning, among others.

9M17 Growth together with increased profitability in operations except for 3Q due to FX and greater fixed costs.

EBITDA MARGIN. Quarterly



EBITDA MARGIN. 9 months

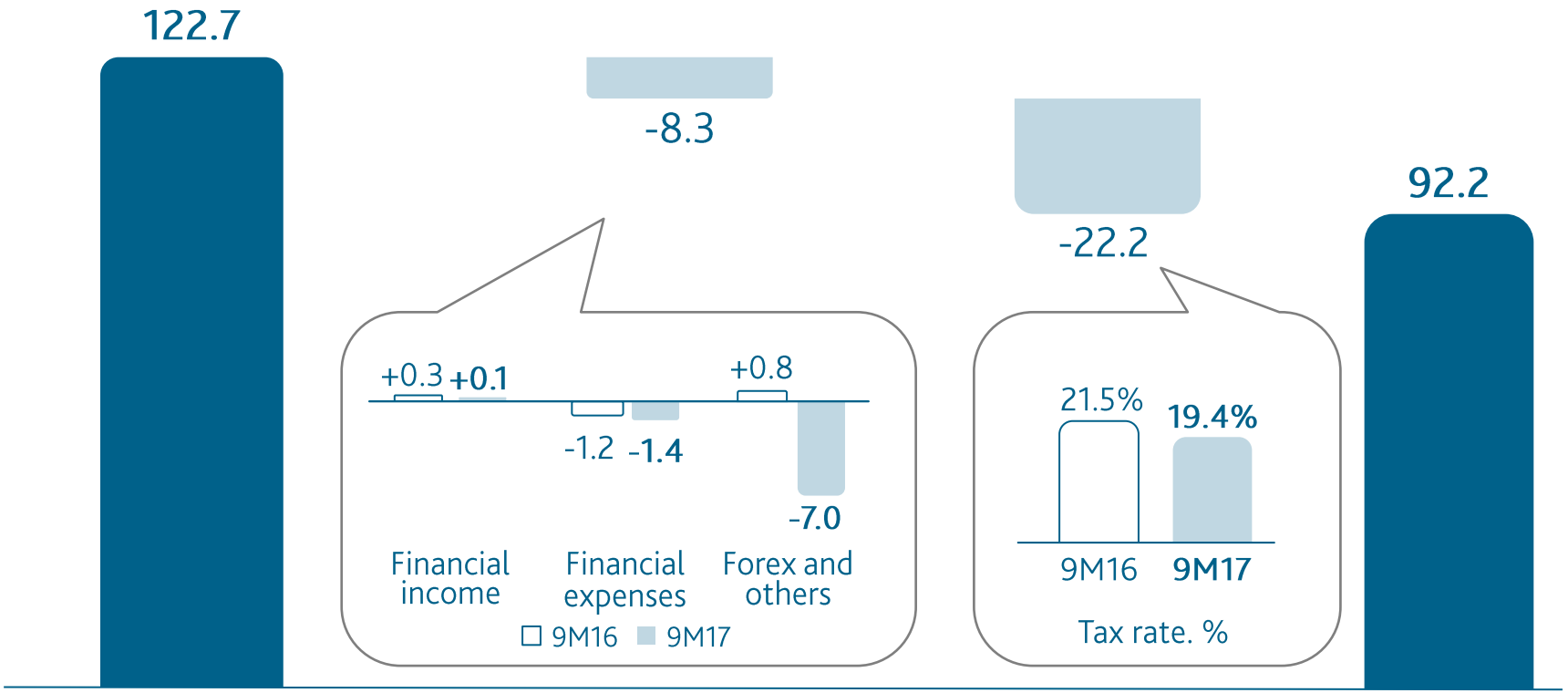


[1] Recurring: a) In 2017 the figure excludes the positive impact of €6.0 million in EBITDA and €4.2 million in Net Profit corresponding to the net impact of the compensation for the fire in Germany, once non-recurring costs are deducted from inventory, clearing and cleaning, among others. b) In 3Q16, this figure excludes management costs associated with the purchase of Vector companies in the USA and Europe totaling €0.6 million on EBITDA and €0.4 million on Net Profit.

[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.

9M17 Growth in Net Profit

9M17. EBIT to Net Profit (€ million)

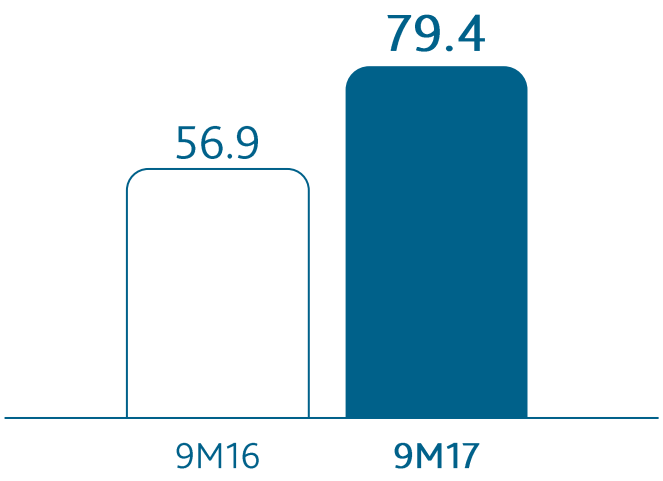


Change 9M17 vs. 9M16	+9.3%	n.s.	-7.8%	+4.6%

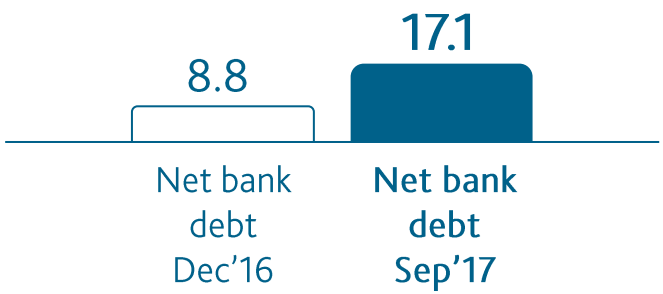
9M17

Construction of the new plant in Cáseda was successfully completed allowing Viscofan to move forward in its expansion plans for 4Q17 while taking advantage of a growing market situation.

CAPEX (€ million)



NET BANK DEBT[1] (€ million)



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

9M17 To wrap up

✓ Viscofan wide product portfolio, technological diversity and foothold is permiting to **capture casings market growth** throughout the year.

✓ **Higher revenue and operational strength** are eroded in 3Q17 by exchange rates against the €.

✓ MORE TO BE strategy is reinforced by **like-for-like results which outperform year expectations.**

✓ **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.

✓ Viscofan **confirms its guidance** for the year.

Disclaimer

This document may include statements about intentions, expectations or forecasts of the Company additional to the mandatory financial reporting whose sole purpose is to provide information more accurately about the perspectives of future behaviours.

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.

This circumstance must be taken into account mainly for all persons or entities that may have to take decision, develop or spread opinions relative to values issued by the Company and particularly by analysts and investors that handle this document.

The financial statements contained in this document have been prepared under International Financial Reporting Standards (IFRS). This financial statements has not been audited and consequently is susceptible to potential future modifications.



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