QUARTELY ADVANCE OF RESULTS CORRESPONDING TO:

QUARTER: **THIRD** YEAR: **2004**

1-) GENERAL INFORMATION

COMPANY NAME

VISCOFAN SA,

MAIN OFFICE:

C/ITURRAMA 23, ENTREPLANTA 31007 PAMPLONA NAVARRA

NIF : A-31/06550-1

Those persons who assume responsability, for this information and their respective positions

D. JUAN IGNACIO VILLEGAS DIAZ (CHIEF EXECUTIVE OFFICER)

2-)QUATERLY BALANCE OF RESULTS

Thousand Euros

	INDIVIDUAL		CONSOLIDATED	
	PRESENT BUSINESS YEAR	PREVIOUS BUSINESS YEAR	PRESENT BUSINESS YEAR	PREVIOUS BUSINESS YEAR
NET TURNOVER	89.967	84.517	261.631	282.331
RESULT BEFORE TAX	11.682	16.852	14.549	26.687
RESULT AFTER TAX	11.472	16.254	13.251	22.380
Result attributable to Minority Interests			0	0
RESULT ATTRIBUTABLE TO THE PARENT COMPANY			13.251	22.380
SHARE CAPITAL	14.504	14.650		
AVERAGE NUMBER OF EMPLOYEES	570	600	2.914	3.047

3-) BUSINESS PERFORMANCE

Here are the main figures from the results of the Grupo Viscofan (Viscofan Group) for the first nine months of 2004:

- Accumulated sales reached 261.63 million euros, down 7.33% on the same period of 2003.
- The EBITDA margin on sales was 15.36%, almost one percentage point lower than in the same period of 2003.
- The accumulated financial results improved by 26%.
- The net profit came to 13.25 million euros, 13.84 % lower than the profit for September 2003 before extraordinaries profits (7 millions euros) produced by the sale of the jams business in 2003.

- This result was affected by pressure price and currency, both effects are 5.1 million euros.
- Net debt has been reduced in the last quarter by 10 million euros and by 10.5 million euros over the last twelve months reaching a leverage figure of 30.5%.

In casings, growth in turnover remained above 5% in the main product families, and prices (in local currency) continued to behave irregularly, although this varied depending on the particular product and geographical area.

Total Group sales came to 261.6 million euros (a fall of 7.3% compare to 2003), 87.3 million of which were made in this quarter (down 6,3% compare to 3Q03). If there had been a currency situation similar to that prevailing in the first nine months of 2003 and the same consolidation parameters, i.e. excluding the sale of the jams business, there would have been an increase in total accumulated sales of 0.3%, with an estimated growth in casings of 1.5% and a fall of 3.7% in conserves.

It is important to highlight the growth achieved in South America (2.7%) as a result of improved demand and market share. The subsidiaries operating in Europe are still suffering from the currency effect on their exports in dollars although part of this negative effect has been offset with increased sales volumes. In North America part of the currency effect (-10.3%) has also been offset with increased volumes.

The EBITDA margin for the Group in accumulated terms fell by almost one percentage point to 15.4%, as a result of the currency situation and the pressure on prices, and of the costs of the new projects in our subsidiaries in Mexico and Brazil, which have now come into service, although their contribution to this quarter has been minimal. Nonetheless, these investments are progressing on schedule and on budget and we therefore expect them to make a significant contribution to sales and results in the fourth quarter of this year.

Net financial costs fell by 11% and positive results have been achieved due to differences in exchange rates. This mean an improvement of 26% in the accumulated financial results for the first nine months of the year.

The net profit was 13.25 million euros, 13.84% less than that obtained in September 2003 before extraordinaries (7 million euros) because of the absence of the extraordinary profits from the sale of the jams business.

Balance Sheet

Net debt has been reduced by 10 million euros over the last quarter to a new minimum of 74.1 million euros, in spite of the amortisation of the capital that the company holds in its own shares (3 million euros). Over the last twelve months net debt has fallen by 10.5 million euros giving a financial leverage figure of 30.5%.

The share capital of Viscofan SA was reduced by 146,504.70 euros by buying back our own shares, a decision taken in the last Shareholders General Meeting held on 14th June.

Events following financial year-end

The Board has approved the project to transfer the plastics extrusion and finishing business from Germany to the Czech Republic and Brazil. It has also approved the restructuring plan for the remaining work of our German subsidiary.

The aim of both these projects is to improve the global profitability in the coming years of the businesses concerned. Costs of compensations and assets adaptation to its new useful life are estimated in 11 MM EUR . These costs will be booked in accordance with the IFRS so that part of them will affect last quarter of the present year and the rest will be affecting during next two years. Necessary investments will be around 6 MM EUR (from January 2005 onwards) . Annual savings (when both projects are completed) are estimated to be around 6,5 MM EUR.

As a result of the new International Financial Reporting Standards (IFRS), in the fourth quarter of this year the Group will have to account a positive effect for tax adjustments estimated at around 6 million euros. We do not foresee any other significant effects of this event.

With the information available to us at present and excluding the final effects that said factors may have, it would seem that the net results for financial year 2004 will fall within scenario basic of those presented in February.

Buy-back.

The company will continue with its policy of buying back its own shares.

4-)DISTRIBUTION OF DIVIDENDS DURING THE PERIOD

	% Par Value	euros per Share	Amount Thousand Euros
1. ORDINARY SHARES	26	0.078	3.773
2. PREFERENCE SHARES	0	0	0
3.NON-VOTING SHARES	0	0	0

As a dividend, In January 29th 2004 a dividend of 0,078 Euro per share was paid against 2003 profits.

In July 5th a refund of the issue premium of 0,102 euros per share was paid . During this month we paid 0,01 euros per share for the attendance to the Shareholders General Meeting.

5-) KEY EVENTS

		YES	NO
1. Acquisitions or transmissions of investments in the capital of companis quotes on the stock-exchange determine the obligation of communication dealt with art. 53 of the LMV.	3200		X
2.Acquisition of treasury stock determine the obligation of communication according to 1st additional provision of the L.S.A.	3210		X
3. Other significant increases or decreases of fixed and other non current asset (holdings greater than 10% in unquoted companies, relevant material investments or disinvestments, etc...)	3220		X
4. Increases or reductions of capital stock or of security value.	3230	X	
5. Emissions, reimbursements or cancellations of debet securities.	3240		X
6. Changes of Administrators or of the Administration Council	3250		X
7. Modification to the articles asociation.	3260	X	
8. Transformations, fusions or brek-ups.	3270		X
9. Changes in the institutional regulation of the sector with significant incidence with regards the economic or financial situation.	3280		X
10. Lawsuits, litgations or contentiouses which may significantly affect the hereditary situation of the Association or the Group	3290		X
11.Competitive situatins, temporary recieverships.	3310		X
12. Special limitation agreements, cession or reliquisment, total or patial, of the political and economic rights of the shares.	3320		X
13. Strategic agreements with national or international groups (interchange of share packets, etc.)	3330		X
	3340	X	

4. Increases or reductions of capital stock or of security value.

The Shareholders General Meeting held on 14th June decided to reduce the Company's share capital in order to buy back 488,349 shares in the company with a total value of 146,504.70 euros. As a result the share capital now comes to 14,503,973.70 euros represented by 48,346,579 shares with a nominal value of 0.30 euros each.

7. Modification to the Articles of Association.

The Shareholders General Meeting held on 14th June agreed on the following amendments to the Articles of Association.

1. Amendment of Articles 23 and 24 of the Articles of Association to include the possibility of voting or delegating voting rights by electronic mail or any other means of long-distance communication in compliance with Law 26/2003.
This modification was registered at the Company Register on 17th July and the CNMV (Spanish Stock Exchange Commission) was informed thereof on 14th June.

2. Amendment of Article 5 of the Articles of Association to change the figure for the share capital, because of the reduction made by buying back shares in the company. This modification was registered at the Company Register on 16th September and the CNMV (Spanish Stock Exchange Commission) was informed thereof on 14th June.

14. Other key events

The investment portfolio management company Nmas1 acting on behalf of the company QMC Development Capital Fund PLC informed the CMNV on 10th March 2004 that said company had acquired a stake in the share capital of Viscofan SA of 2,450,637 shares equivalent to 5.018% of the share capital.