QUARTELY ADVANCE OF RESULTS CORRESPONDING TO:

QUARTER: **FIRST** YEAR: **2005**

1-) GENERAL INFORMATION

COMPANY NAME

VISCOFAN SA,

MAIN OFFICE:

C/ITURRAMA 23, ENTREPLANTA 31007 PAMPLONA NAVARRA

NIF : A-31065501

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 (IAS ADOPTED)	
	PRESENT BUSINESS YEAR	PREVIOUS BUSINESS YEAR	PRESENT BUSINESS YEAR	PREVIOUS BUSINESS YEAR
NET TURNOVER	24.771	29.902	81.585	83.153
RESULT BEFORE TAX/ RESULT BEFORE TAX OF CONTINUOUS ACTIVITIES	3.576	5.591	2.872	6.845
RESULT OF CONTINUOUS ACTIVITIES			1.077	4.860
RESULT AFTER TAX	2.776	4.752	1.077	4.860
Result attributable to Minority Interests			0	0
RESULT ATTRIBUTABLE TO THE PARENT COMPANY			1.077	4.860
SHARE CAPITAL	14.504	14.650		
AVERAGE NUMBER OF EMPLOYEES	572	572	2.960	2.856

3-) BUSINESS PERFORMANCE

1.- Introduction and Summary

The first quarter of the year shows a continuation of the trend that became apparent during the fourth quarter of 2004 with pressure on prices and a weakening of the dollar against the euro, although this was not as accentuated as in previous quarters.

Sales totalled 81,585 thousand euros, a fall of 1.89% on the first quarter of 2004. Relatively in value terms sales of tinned vegetables behaved better, whereas sales of casings behaved worse although sales volumes continued to increase.

The EBITDA has fallen quite considerably, due especially to the performance of the casings business, from a total of 18.30% of sales to 13.87% of sales. The absolute figure in money terms fell from 15,221 to 11,317 thousand euros.

Financial results improved by 46.74% from a net cost of 768 thousand euros to 409 thousand euros.

Pre-tax profits were down 58.04% from 6,845 thousand euros to 2,872 thousand euros. The figure published in the first quarter of 2004 in accordance with the accounting system in force at the time was 6,536 thousand euros.

Taxes amount (1,79 million euro) are not as lower compared to first quarter 2004 (1,98 million euro), because in that period certain tax credits where not in the books because they were booked in the last quarter of 2004. Additionally, the reversion of financial provisions in Viscofan S.A. (offset in the consolidated figures), contributes to bring the consolidated tax rate to 62%.

Bank debt increased by 496 thousand euros over this quarter with an increase in net debt of 5,458 thousand euros over the same period. The increase in net debt would have been 2,809 thousand euros if we had deducted the amount held by the company in its own shares, something we did in previous financial years in accordance with the criteria then applicable.

We should make special mention of the fact that this year our financial statements are going to be presented under international accounting standards (IFRS). This is the reason for the modifications we have made to the financial statements published last financial year, so as to ensure that the two financial years can be effectively compared.

Comments on this financial year.

There was a weak start to the first quarter of the year for the casings sector, poor demand and sales that we believe they will be recovering gradually over the year. The demand keeps in volume terms, so we are confidence in a recovery through the year.

The main product families have shown gains in terms of volume sold, although there has been a worsening in prices that explain the fall in profits shown in the results.

Group commercial policy will be focus to improve profit margin on sales even if this means that the growth in sales volumes will not be as strong.

Results have also been hit by overlapping of personnel and costs arising in the projects currently in progress for the transfer of operations between our subsidiaries in Germany and the Czech Republic. The transfer of the finished product and despatches warehouse has been completed and we are continuing with the plan we announced for the transfer of the plastics.

There have been cost increases in some raw materials such as soda or cellulose which the group has tried to mitigate by trying to find alternative materials and suppliers. We have experienced some inefficiencies as a result of some of the investments made in the year 2004 which are overcome at the time of going to press.

The tinned vegetables division is beginning to show the results of its restructuring and sales were up 2.2.% over same period 2004, improving results. The launch of the new line of refrigerated vegetable dishes continues according to plan and the market response has been satisfactory.

The perspectives for the rest of the year are for a gradual improvement in results, although we will not see all the benefits of the restructuring projects currently in progress until they have been completed. It looks like demand will enable growth to continue in the main casing product ranges without loss in prices

As we informed in March, Viscofan has reached an agreement with the majority shareholders of Tripasin, a Swedish manufacturer of artificial casings, for the purchase of their artificial casings business. The fruits of the consolidation achieved with this purchase will be visible from the last quarter of this year.

In the tinned products division although the contribution of our new line of products to sales and profits has been relatively modest in 2005 the year they were launched, this situation will increase progressively.

The parent company has continued buying shares in its own capital with the intention as previously announced of amortising them during the next Shareholders General Meeting.

4-)DISTRIBUTION OF DIVIDENDS DURING THE PERIOD

	% Par Value	euros per Share	Amount Thousand Euros
1. ORDINARY SHARES	26	0.078	3.762
2. PREFERENCE SHARES	0	0	0
3.NON-VOTING SHARES	0	0	0

In January 29th 2005, a dividend of 0,078 euros per share was paid, against 2004 profits.

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 carters (statutes)	3260		X
8. Transformations, fusions or brek-ups.	3270		X
9. Changes in the institutional regulation of the sector with signifi-cant 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
14. Other key events	3340		X

On 31st January 2005, the company informed Spain's National Securities Market Commission (*Comisión Nacional del Mercado de Valores* – CNMV) that the 26 January 2005 we had reached a level of 1% of own shares acquisition since the last notification.
The final situation of own shares on that date were 0,23%