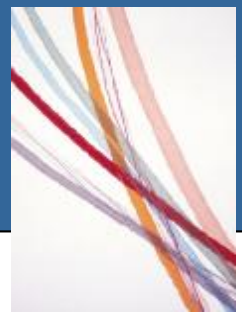
Viscofan Group Result presentation – First quarter 2006



CONTENT

- Highlights.
- First quarter 2006 Results.
- Result analysis.
- Balance sheet and debt analysis.

Highlights

Highlights I

- Group sales: reached 120.29MM€ in the quarter, 47.4% higher than the same period of 2005, showing acquisitions business during 2005.

- With the same Group perimeter as in the first quarter 2005 sales would have been 18.6% higher that 1Q05.

- Casing sales are 56,8% higher and vegetables sales are 8.7% higher.

- EBITDA value in 1Q06 is 23,81 MM€ (+122.52%).

Highlights II

- EBITDA amount includes 11,76 MM€ achieved as a profit from a reduction of post retired benefits and 0,8 MM€ corresponding to restructuring cost.

- EBITDA Margin, as a percentage of sales, in 1Q06 reaches 19.8% (13.9% in the 1Q05).

- Net Financial costs: were -2,1 MM€ (-0,41 MM€ in the same period of last year) due of the increase in debt from the purchases made in financial year 2005.

- Profit before taxes: reaches 13,78MM€ a rise of 380% compared to the same period last year.

Highlights III

- After-tax profit: came to 7.95 MM€ in the 1Q06 (1.1 MM obtained in the first quarter of 2005).

- Net Debt has been increased during last quarter by 45.3 MM€. Net debt reaches 123.4 MM€ at the end of March, this increase was due mainly to the payment of the Teepak NA acquisition

- Financial leverage reached 48% of equity.

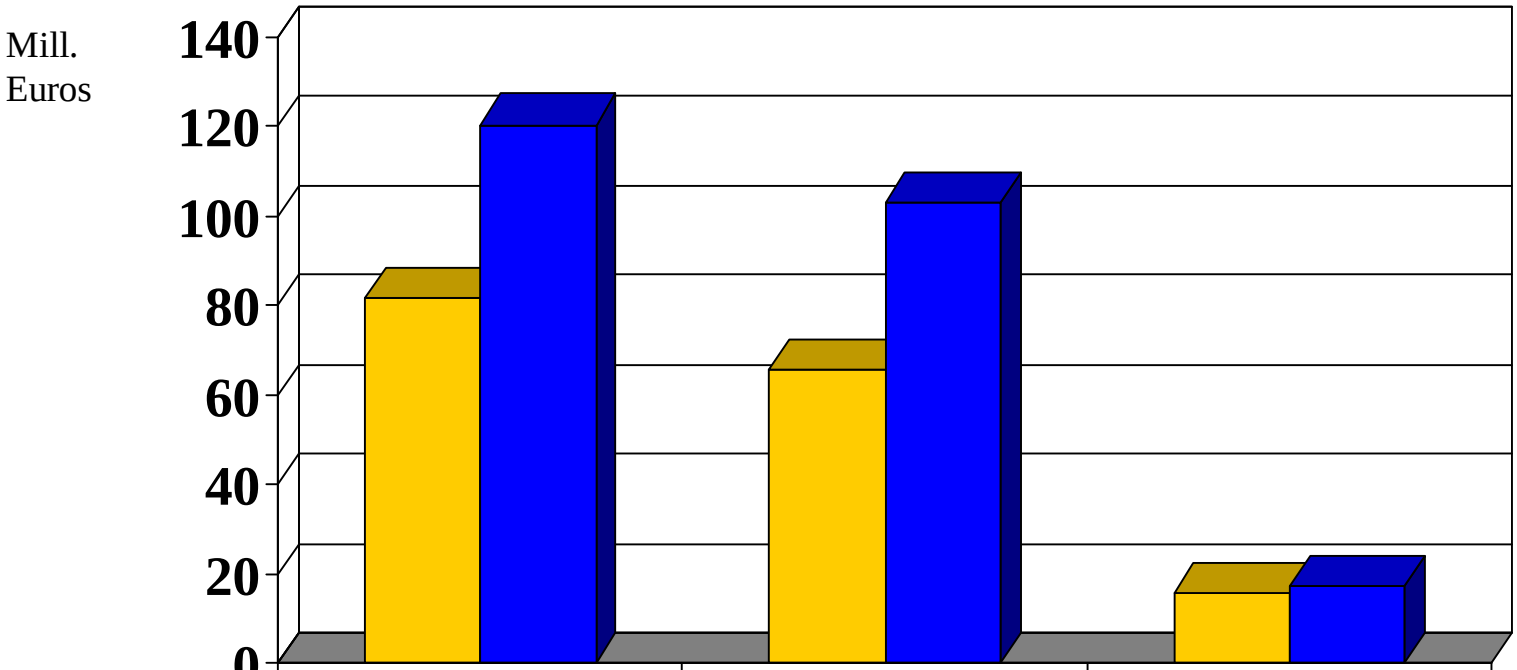
First quarter 2006 Results

First quarter 2006 Results

Mill. Euros	GROUP	%VAR	CASINGS	% VAR	VEGETABLES	% VAR
SALES	120,286	47,44%	102,934	56,84%	17,352	8,75%
EBITDA	23,814	122,52%	22,969	137,95%	0,845	-19,45%
EBIT	15,837	382,69%	15,492	453,88%	0,345	-28,72%
Negat. Financial Result.	-2,057	402,93%	-1,768	811,34%	-0,289	34,42%
PBT	13,780	379,81%	13,724	427,24%	0,056	-79,18%
Tax	5,833	224,96%	-5,811	239,82%	-0,022	-74,12%
NET PROFIT	7,947	637,88%	7,913	786,11%	0,034	-81,52%

Result Analysis

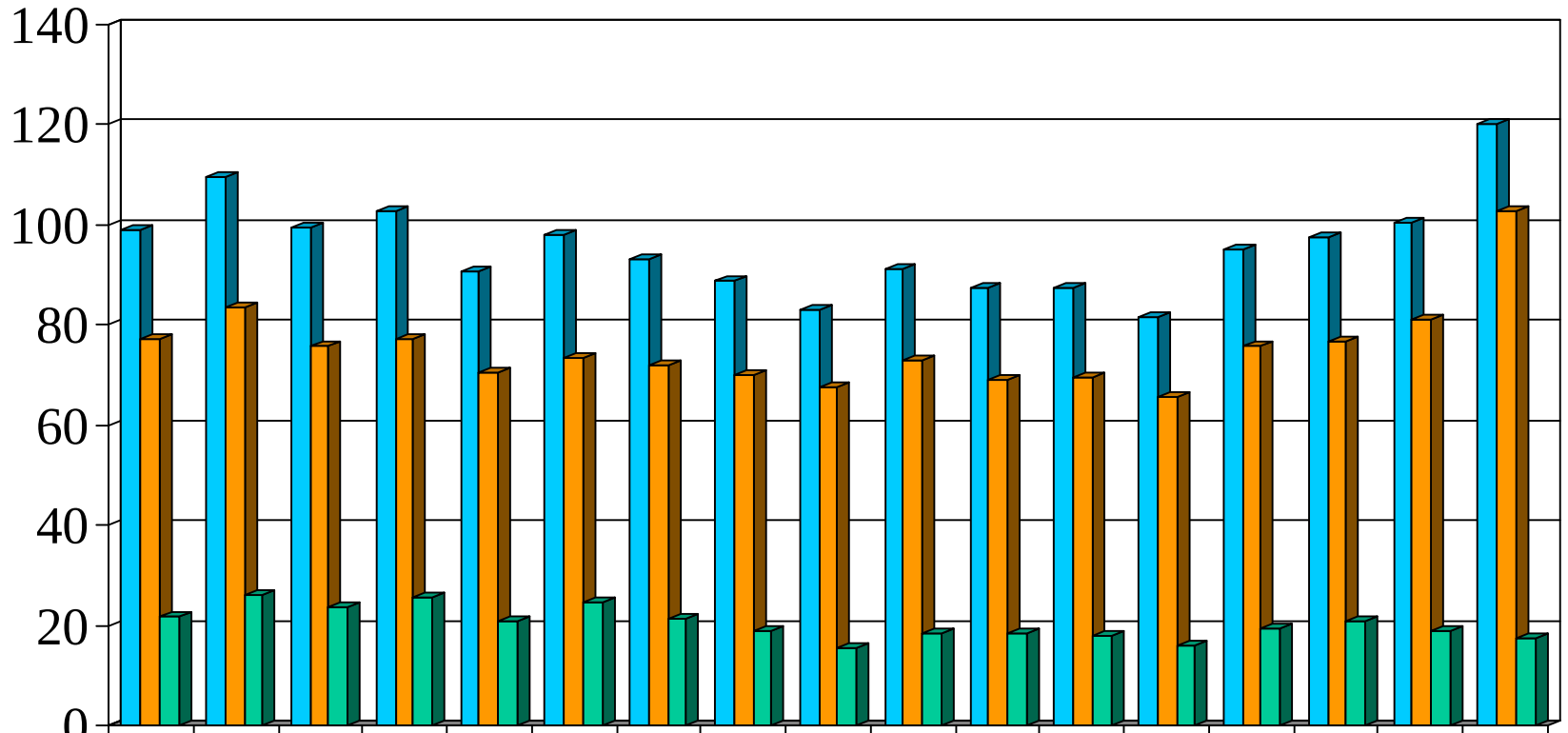
SALES: Are 120.29MM€ in the quarter, 47.4% higher than the same period of 2005. Sales of casing rose by 56.84% and sales of vegetables were up by 8.75%



	GROUP	CASING	VEGETAB.
2005	81,6	65,6	16,0
2006	120,3	102,9	17,3

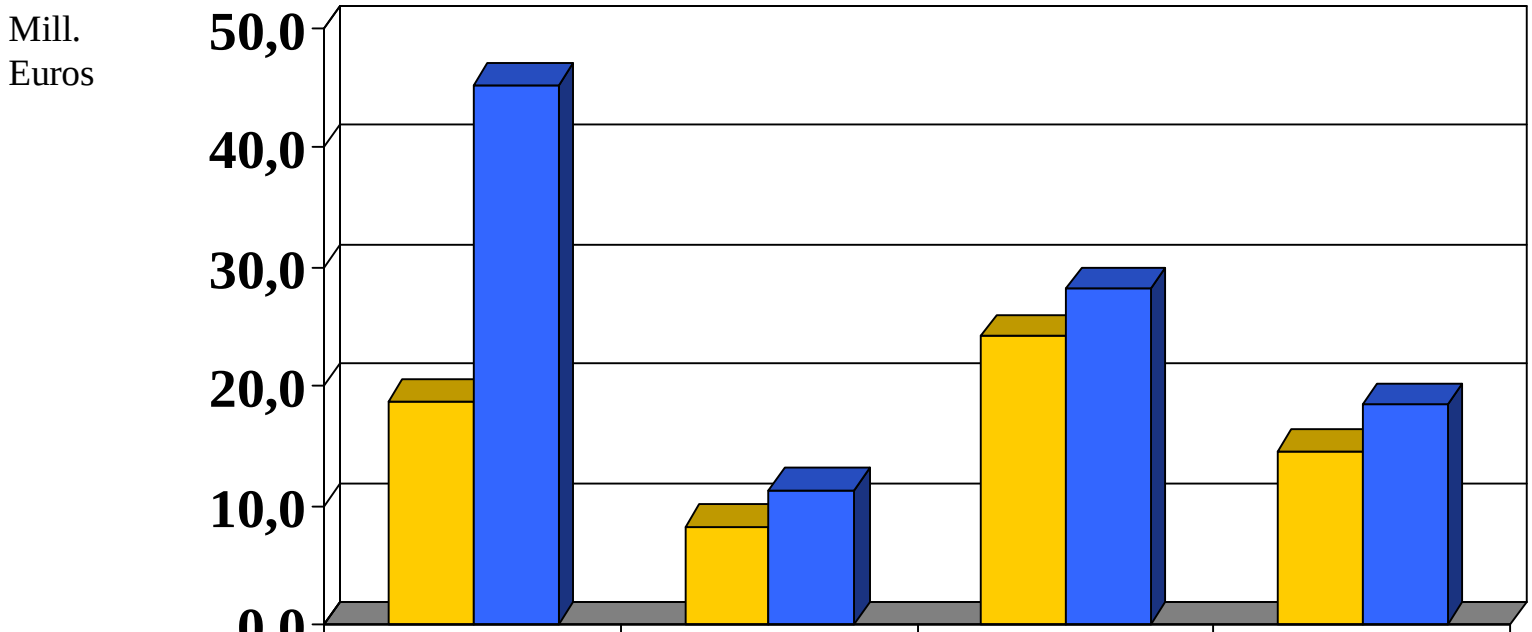
QUATERLY SALES EVOLUTION

Mill. Euros



	1Q 02	2Q 02	3Q 02	4Q 02	1Q 03	2Q 03	3Q 03	4Q 03	1Q 04	2Q 04	3Q 04	4Q 04	1Q 05	2Q 05	3Q 05	4Q 05	1Q 06
GROUP	99,0	109,4	99,4	103,0	91,0	98,1	93,1	89,0	83,1	91,2	87,3	87,6	81,6	95,2	97,6	100,2	120,3
CASING	77,4	83,4	75,8	77,4	70,3	73,6	71,7	70,0	67,5	72,9	69,1	69,5	65,6	75,7	77,0	81,3	102,9
VEGETAB-	21,5	26,0	23,6	25,6	20,7	24,5	21,4	19,0	15,6	18,3	18,2	18,1	16,0	19,5	20,6	19,0	17,3

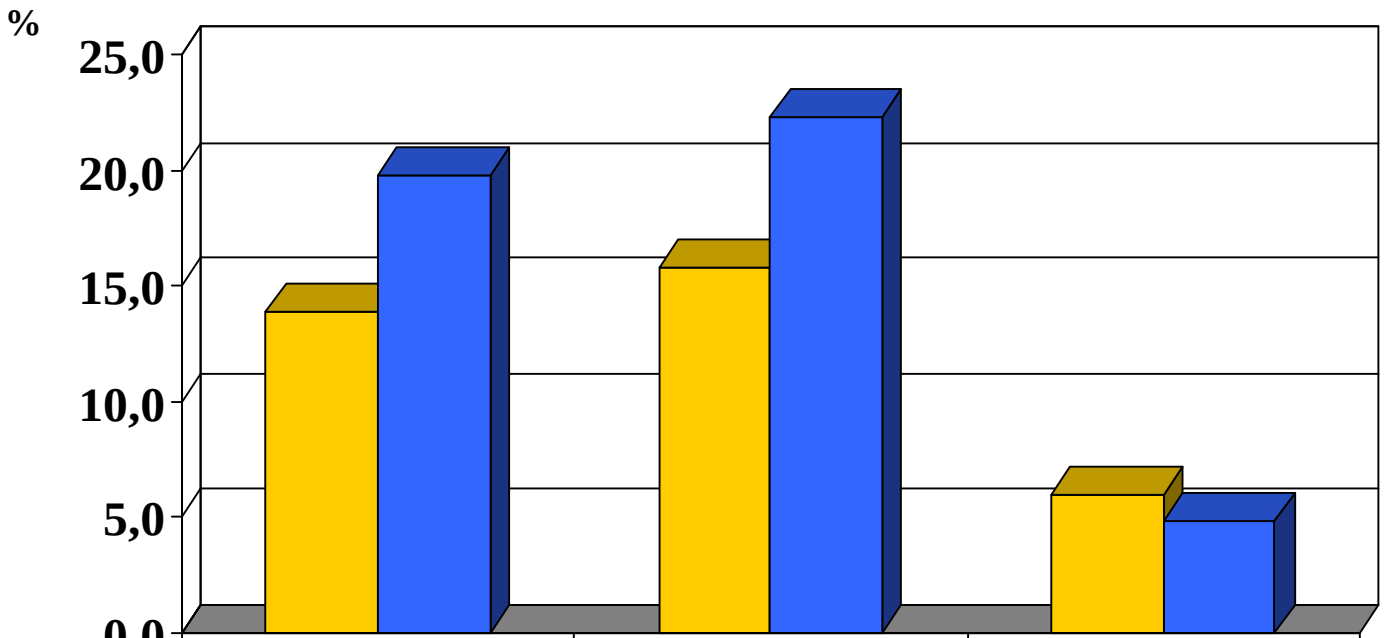
VENTAS POR AREAS: North America and Latam. show strong sales growth, affected by the acquisition of the Teepak NA business. Central Europe and Western Europe also show a good trend of the demand.



	Northamerica	Latam	Central Europe	Western Europe
1Q05	18,7	8,2	24,1	14,5
1Q06	45,2	11,3	28,1	18,4

(*)Casing´s figures. Breakdown by origin of the sales.

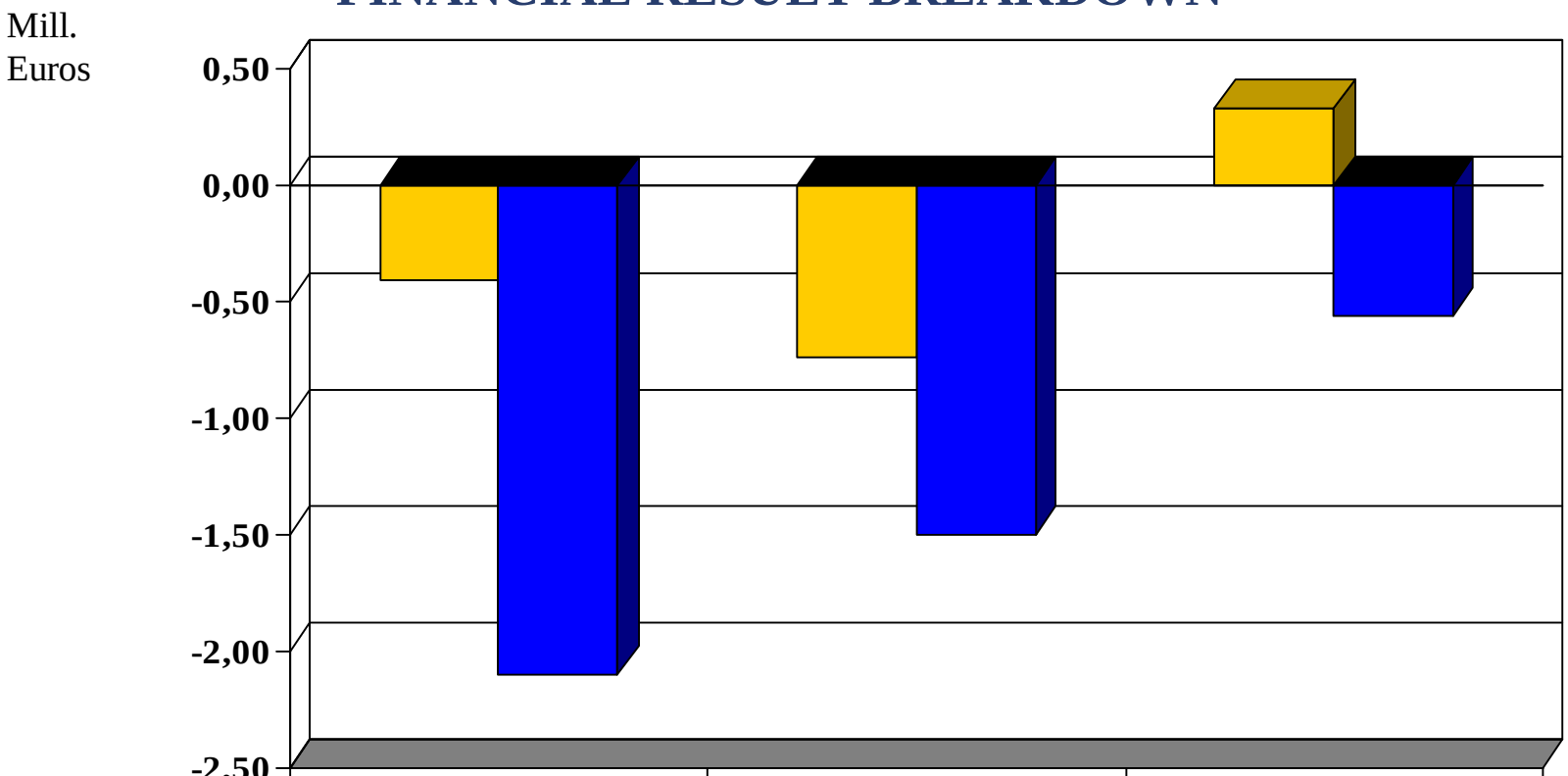
% EBITDA MARGIN: The hole Group improves EBITDA margin supported by the improvement in profitability of the casing business.



	GROUP	CASING	VEGETAB
1Q05	13,9	15,8	6,0
1Q06	19,8	22,3	4,9

FINANCIAL RESULT: Financial needs for the acquisition of Teepak NA and interest rate evolution increase the financial expenses.

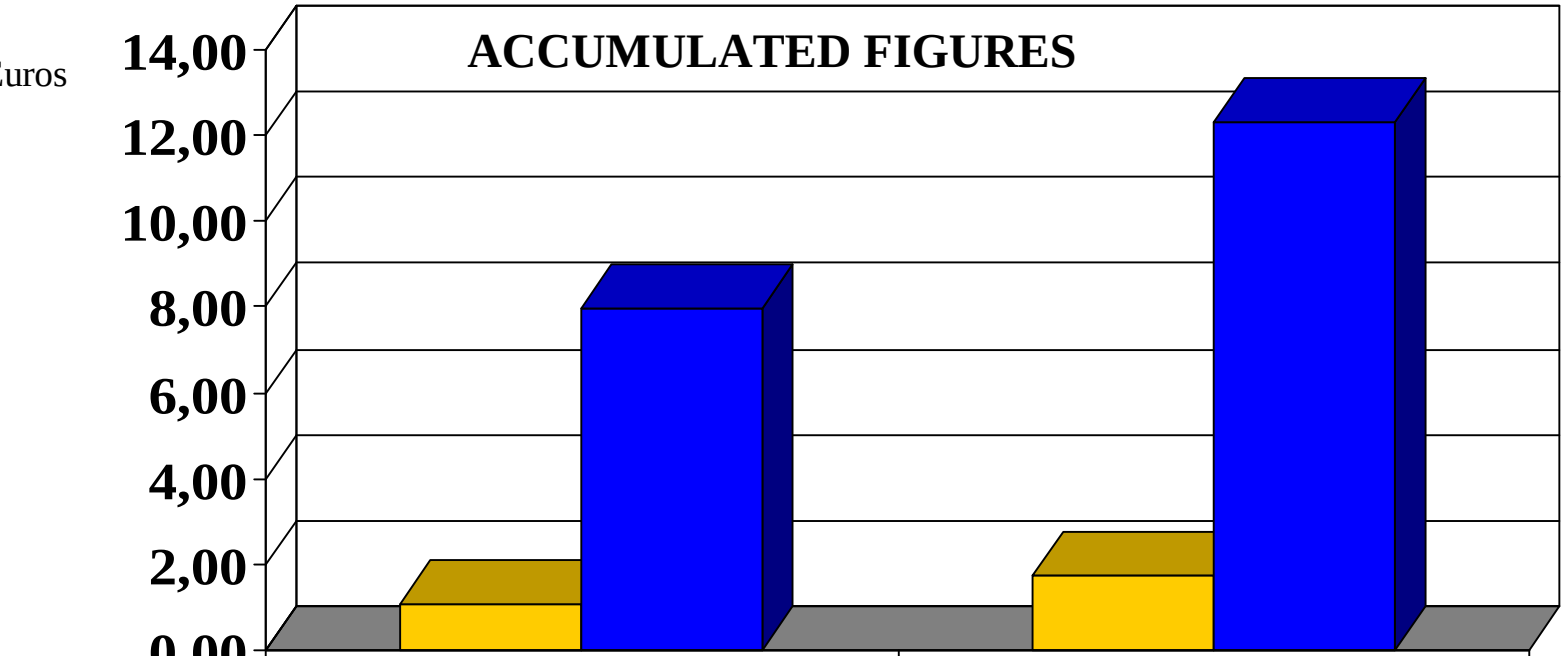
FINANCIAL RESULT BREAKDOWN



	Financ. Result	Net Fin. Expen.	Forex
1Q 05	-0,41	-0,74	0,33
1Q 06	-2,1	-1,5	-0,56

NET PROFIT AND ROE: Net profit in the 1Q06 is 637.88% higher than 1Q05. Annualized ROE is 12.33%.

Mill Euros



	Net Profit	% ROE
1Q 05	1,08	1,75
1Q 06	7,95	12,33

Financial situation analysis

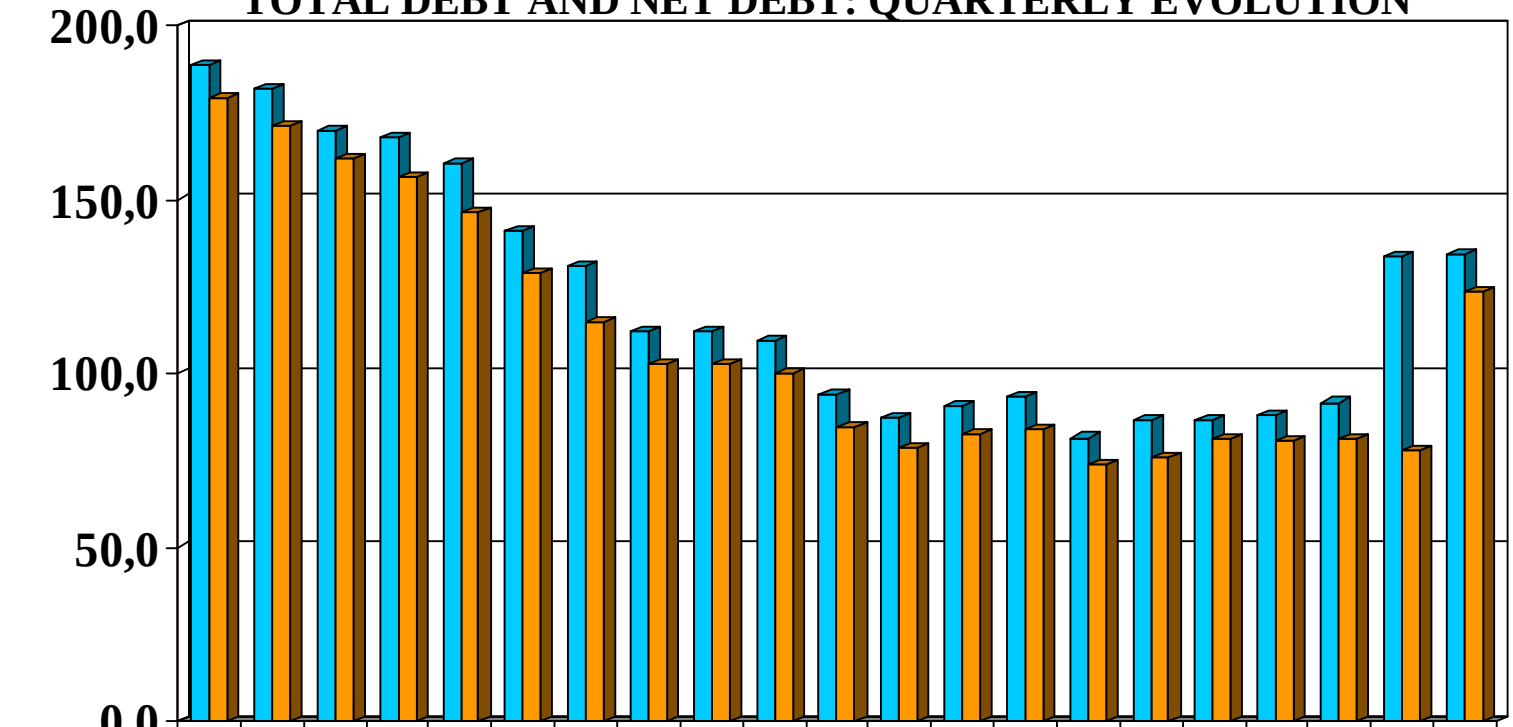
BALANCE SHEET: Financial leverage reached 48% from 31% reached at the end of the 2005 financial year.

Mill. Euros	GROUP		CASINGS		VEGETABLES	
	mar-06	dec. 05	mar-06	dec. 05	mar-06	dec. 05
Non current assets	297,4	260,9	272,8	236,2	24,6	24,7
Inventories	131,9	113,0	104,9	81,3	27,0	31,7
Debtors	107,5	83,2	88,9	63,2	18,6	20,0
Other assets	0,0	0,0	0,0	0,0	0,0	0,0
EMPLOYED CAPITAL	536,8	457,0	466,5	380,7	70,3	76,3
Equity	257,9	251,7	224,3	218,0	33,6	33,7
Provisions	73,9	58,4	71,7	56,1	2,3	2,3
Trade and other creditors	67,1	59,6	53,1	42,3	14,0	17,4
Other current liabilities	14,5	9,2	13,8	8,5	0,7	0,7
Net debt	123,4	78,1	103,7	55,9	19,7	22,2
INVESTED CAPITAL	536,8	457,0	466,5	380,7	70,3	76,3

NET DEBT: has been increased during last quarter by 45,3 MM€ due to the payment of the Teepak NA business acquisition.

TOTAL DEBT AND NET DEBT: QUARTERLY EVOLUTION

Mill. Euros



	1Q 01	2Q 01	3Q 01	4Q 01	1Q 02	2Q 02	3Q 02	4Q 02	1Q 03	2Q 03	3Q 03	4Q 03	1Q 04	2Q 04	3Q 04	4Q 04	1Q 05	2Q 05	3Q 05	4Q 05	1Q 06
Total Debt	188,	182,	170,	167,	160,	141,	131,	112,	112	109,	94	88	90,8	93,0	81,5	86	87	88	92	134	134
Net Debt	179,	171,	161,	156,	146,	128,	114,	102,	103	100,	85	79	82,9	84	74,1	76	81	81	81	78	123

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