Viscofan

January - December 2008 Results



February 27th, 2009

Management Report for Period from January to December 2008

(Free translation from the original in Spanish, in event of discrepancy, the Spanish-language version prevails)

Highlights of January-December 2008 Results

- +11% growth in year-on-year Net income for 2008 to €51.4 million, (+17% for recurrent[1] items).
- €106 million in consolidated recurrent[1] EBITDA[2] for the year (+6% vs. 2007) and +16% growth in Q408 vs. Q407.
- Strong recovery of EBITDA margin in the last quarter of the year (+1 p.p. vs. Q407) to 20% on a consolidated basis in Q408, driven by the margin obtained on the casings business (22% in Q4T08 vs. 21% in Q407).
- The EBITDA margin for the year was a solid 19% despite the decline in EBITDA margin for the vegetable foods division and the increase in raw materials and energy costs.
- Growth in consolidated revenues for all the Group's geographic areas (Europe, North America and Latin America) to €552 million (+9% vs. 2007), offsetting the significant depreciation of the USD against the €.
- 40.2% financial leverage[3], which reflects the company's strong financial position.
- The Viscofan Group achieved record figures for the key financial indicators for the third year running. Despite the climate of uncertainty, it hit its key financial targets for 2008 in terms of revenues, EBITDA, and particularly net profit.

Key events

- In January 2008, as a result of the effort to streamline the company, Teepak de México S.R.L. de C.V. and Teepak Holdings de México S.R.L. de C.V. were merged into Viscofan de México S.R.L. and Teepak Servicios de México, S.R.L. de C.V. merged into Viscofan de México de Servicios S.R.L. de C.V.. In the U.S., Teepak USA, LLC. was merged into Viscofan USA, Inc.
- In January 2008, an interim dividend was distributed, charged to 2007 earnings, in a gross amount of €0.19 per share. This represented a 35.7% increase over the interim dividend charged to 2006 earnings distributed the previous year.
- In April 2008, the company Industrias Alimentarias de Navarra, S.A.U., wholly owned by Viscofan, established a joint venture, Lingbao Baolihao Food Industrial Co., Ltd, based in the province of Henan, China. This company's share capital is approximately €1,988,000, of which Industrias Alimentarias de Navarra, S.A.U. contributed 50%. The new company's corporate purpose is asparagus processing, which will make it possible to improve the IAN Group's competitiveness in marketing its asparagus.
- In June 2008, the expansion of the cogeneration station at Spain's Cáseda plant came on-line.

[1] Recurrent EBITDA exclude -€0.3 million associated with the staff restructuring costs and capital gains deriving from the expropriation of land in Serbia in 2008; versus -€1.2 million recorded in 2007 as a result of the staff restructuring and cancellation of post-retirement benefits in the U.S. Recurrent Net income excludes tax impact linked with the afore-mentioned non recurrent items.
[2] EBITDA = Operating profit – Depreciation of property, plant and equipment
[3] Leverage = Net Debt / Equity

- In June 2008, the Company returned the share premium in the amount of €0.25 per share as resolved at the last General Meeting of Shareholders. This payment, together with the interim dividend and the Meeting attendance fee, resulted in shareholder remuneration totalling €0.445 per share, 45.9% over the prior year.

- As a result of the resolutions passed at the last General Meeting of Shareholders held in June 2008, the Company filed with the Commercial Registry of Navarra a capital decrease as a result of the cancellation of 561,963 treasury shares, equivalent to 1.2% of its share capital. The Company will thus have allocated more than €8.1 million to this item as shareholder remuneration.

- In January 2009, an interim dividend was distributed, charged to 2008 earnings, in a gross amount of €0.205 per share. This represented a 7.9% increase over the interim dividend charged to 2007 earnings distributed the previous year.

- In January 2009, a capital increase was approved for Koteks Viscofan d.o.o. and Viscofan de México de S.R.L de C.V in the amount of €4 million and €6 million, respectively.

Consolidated Group Results for 2008

Viscofan Group Profit and loss account ('000 €)

	Jan-Dec' 08	Jan-Dec 07	Change	Oct-Dec' 08	Oct-Dec' 07	Change
Revenues	**551,818**	**506,024**	**9.0%**	**144,099**	**125,670**	**14.7%**
Other operating income	4,548	3,128	45.4%	356	1,692	-79.0%
Self-constructed assets	355	236	50.4%	99	58	70.7%
Variation in stocks of finished products and work-in-progress	-2,143	6,346	c.s	-2,710	-79	3330.4%
Net purchases	-167,088	-154,296	8.3%	-40,930	-38,044	7.6%
Personnel expenses	-128,291	-130,093	-1.4%	-30,285	-31,921	-5.1%
Other operating expenses	-155,974	-134,097	16.3%	-43,010	-33,677	27.7%
Capital grants	1,968	1,198	64.3%	1,012	165	513.3%
Impairment and results coming from disposals of non-current assets	117	106	10.4%	95	3	3066.7%
Other results	0	0	n.s.	0	0	n.s.
EBITDA	**105,310**	**98,552**	**6.9%**	**28,726**	**23,867**	**20.4%**
Amortization and depreciation	-37,459	-38,076	-1.6%	-9,375	-9,884	-5.1%
EBIT	**67,851**	**60,476**	**12.2%**	**19,351**	**13,983**	**38.4%**
Financial incomes	1,066	1,158	-7.9%	290	410	-29.3%
Financial expenditures	-7,771	-7,093	9.6%	-2,142	-1,622	32.1%
Changes in reasonable value of financial instruments	0	718	n.s.	-51	530	c.s
Exchange differences	-865	-108	700.9%	-2,965	-64	4532.8%
Impairment and results coming from disposals of financials assets	0	0	n.s.	0	0	n.s.
Financial results	**-7,570**	**-5,325**	**42.2%**	**-4,868**	**-746**	**552.5%**
Profit from associated companies	0	0	n.s.	0	0	n.s.
Profit before taxes	**60,281**	**55,151**	**9.3%**	**14,483**	**13,237**	**9.4%**
Taxes	-8,878	-8,973	-1.1%	1,256	1,206	4.1%
Profit after taxes	**51,403**	**46,178**	**11.3%**	**15,739**	**14,443**	**9.0%**
Minority interest	0	0	n.s.	0	0	n.s.
NET PROFIT	**51,403**	**46,178**	**11.3%**	**15,739**	**14,443**	**9.0%**

Unaudited figures

2008 was characterized by a great deal of volatility in the global macroeconomic climate, with a considerable rise in the cost of raw materials and energy prices. These cost increases have been accompanied by considerable weakness of the USD against the €, which in the second half of the year began to turn around as global economic growth slowed.

In this environment, Viscofan has maintained a solid business trend, as reflected by the accelerated revenues growth in the last quarter of the year, which rose 14.7% vs. Q407, to €144.1 million, driven by the good performance of the casings division, with 18.1% growth vs. Q407, despite a slight decline in the revenues of the vegetable foods division (-0.6% vs. Q407).

This greater growth resulted in €551.8 million in cumulative revenues as at December 2008, 9.0% more than in 2007, achieving record annual revenues for the fourth year running. Achievement of this record was attributable to the traditional casings business as well as to the sales of electricity in Spain, whose revenues were €9.8 million in the second half of the year thanks to the new cogeneration plant built this year.

It should be noted that the consolidated revenue growth was achieved in a climate in which, with the exception of the Czech crown and the Polish zloty, all functional currencies of the Group depreciated against the €, with the significant depreciation of the US$ against the € (7.3%) and the pound sterling (16.4%).

The greater volume of production, together with the considerable pressure on raw materials costs for the casings business as well as the vegetable foods business, translated into a significant increase in the consumption[4], which was 14.4% higher than in 2007. In the last quarter of the year, the consumption was 14.5% higher than in Q407, in line with the increase in quarterly sales.

Other operating expenses increased by 16.3% against 2007 to reach €156.0 million as a result of higher energy expenses (+37.9% vs. 2007) caused on the one hand by the significant increase in the price of energy and the greater consumption of gas associated with the increase in capacity at the new cogeneration plant in Spain, and on the other hand by the higher transportation cost deriving from the increase in the price of oil as well as the greater sales volume. In Q408 other operating expenses increased by 27.7% against Q407 to reach €43.0 million in Q408, primarily due to the higher price and higher consumption of gas associated with the cogeneration plant in Spain.

Personnel expense declined by 1.4% to €128.3 million compared to 2007 personnel expense, after excluding the non-recurrent expenses associated with the staff restructuring (-€0.5 million in 2008 and –€1.2 million in 2007), personnel expense was 0.9% less than in 2007. In Q408, personnel expense was €30.3 million, versus €31.9 million in Q407 (-5.1%).

This containment of personnel expense is particularly significant considering that, in 2008, Viscofan Group achieved record production levels. As of year-end 2008, the Group had reduced total headcount by 152 from the prior year (3.7% of total headcount) as a consequence of production improvement and process automation made during this fiscal year.

Non-recurrent operating losses were -€0.3 million, comprising severance payments associated with the staff restructuring (-€0.5 million) and compensation for the expropriation of land belonging to Viscofan in the Vojvodina region of Serbia. This compensation resulted in capital gains of +€0.2 million, versus -€1.2 million non recurrent items recorded in 2007.

Cumulative 2008 EBITDA was 6.9% higher than the prior year, (+5.9% on a recurrent basis), totaling €105.3 million, due primarily to the casings business, whose EBITDA rose by 8.6% year on year, as opposed to a 14.9% decline for the IAN Group.

The EBITDA achieved in Q408 contributes significantly to this EBITDA growth. At €28.7 million, it was the highest quarterly EBITDA for the year, and was 20.4% higher than the EBITDA obtained in the same period last year, and It consolidated the growth trend observed from the beginning of the second half of 2008.

2008 cumulative EBITDA margin was 19.1%, only 0.4 p.p. less than 2007 EBITDA margin, with Q408 EBITDA margin being particularly significant at 19.9%. It was the first time in 2008 that the quarterly EBITDA margin was higher than that of year ago (+0.9 p.p. vs. Q407).

Matching market growth and investments, together with the proper maintenance carried out during these years has allowed reducing depreciation expenses by 1.6% vs. 2007 to €37.5 million.

[4] Consumption = variation in stock + net purchases

The improvement in EBITDA, together with the aforementioned decline in depreciation and amortisation expense was reflected in cumulative 2008 EBIT, which at €67.9 million was 12.2% higher than that obtained in 2007. On a quarterly basis, the faster pace of growth in the last quarter of the year was reflected in quarterly EBIT, which at €19.4 million was 38.4% higher than in Q407.

Net financial losses were -€7.6 million, 42.2% more than in 2007, versus the decline in cumulative financial losses as of September 2008 (-41.0% vs. 9M07). This is due primarily to the exchange losses on currency hedges, mainly on USD, as a result of the strong appreciation of the dollar in the last quarter of the year.

Viscofan Group has a solid financial position, with net debt of €121.8 million as at December 31, 2008, that is, €27.1 million more than as at year-end 2007, and financial leverage[5] of 40.2%.

The increase in net debt in 2008, despite the company's solid cash flow generation, was mainly attributable to:

- Acceleration of the investment plans, totalling €45.3 million for the year, in order to adapt capacity to the pace of growth of the casings market.
- Advance payments of taxes,
- Increase in working capital due to the repayment of non-interest bearing loans in the last quarter of the year, and
- Higher value of inventories as a result of the higher price of raw materials.

Viscofan Group's consolidated gross debt was €136.4 million, with €83.3 million being short term, primarily lines of credit (€57.4 million), and €53.2 million long term.

2008 cumulative profit before taxes was €60.3 million, 9.3% up on the prior year as a result of the strength of revenues and the containment of operating expenses. In Q408, cumulative profit before taxes was €14.5 million, 9.4% higher than in Q407.

As a result of tax allowances and tax credits, cumulative taxes for the year were €8.9 million, 1.1% less than year ago, and means an effective tax rate of 14.7% (1.5 p.p. less than 2007).

Thus, in a particularly adverse and volatile year, Viscofan achieved record net profits of €51.4 million, 11.3% higher than in 2007, (+17% on a like-for-like basis), and well above the Company's target. Quarterly net profits were more than €15.7 million, 9.0% higher than in Q407.

2008 Results: Casings

Figures in thousand €

	Jan-Dec' 08	Jan-Dec 07	*Change*	Oct-Dec' 08	Oct-Dec' 07	*Change*
Revenues	**458,623**	**418,065**	**9.7%**	**121,222**	**102,645**	**18.1%**
EBITDA	**99,216**	**91,391**	**8.6%**	**26,844**	**21,887**	**22.6%**
Margin EBITDA	***21.6%***	***21.9%***	**-0.2 p.p.**	***22.1%***	***21.3%***	**0.8 p.p.**
EBIT	**64,776**	**56,257**	**15.1%**	**18,237**	**12,744**	**43.1%**
Net profit	**47,255**	**43,695**	**8.1%**	**13,893**	**13,352**	**4.1%**

Unaudited figures

The artificial casings market experienced strong global growth in 2008, particularly in emerging regions of Asia, Eastern Europe and Latin America.

This strength in demand, coupled with higher recovering of prices established in the second half of the year, sales of electricity from the cogeneration plant in Spain (€9.8 million in H208), and the recovery of

[5] See note 3

the USD against the €, led to the accelerated growth in revenues in the last quarter of the year, with the full-year 2008 figure totalling €458.6 million (9.7% up on 2007).

Viscofan achieved a new record quarterly revenues, with net turnover of €121.2 million in Q408 and 18.1% growth over Q407.

It is particularly significant that despite the depreciation of the USD against the € by more than 7%, all the Group's[6] regions had positive growth rates, in Europe (+12.9%), with €226.9 million, as well as in Latin America (+22.1%), with €72.5 million, and North America (+1.0%) with €159.2 million.

In order to meet this demand, Viscofan Group pushed significantly its production in a period characterized by inflationary pressures hanging over from year-end 2007. While they declined steadily throughout 2008, these pressures implied higher per-unit raw materials costs than in 2007.

In this environment, cumulative 2008 consumption was €111.7 million, +17.1% on the prior year, primarily driven by a greater volume of production and higher prices for some raw materials as cellulose and glycerine.

In addition, the better price for glycerine in the last quarter of the year was not sufficient to offset the significant increase in the average price for the basket of all raw materials. This effect, together with the faster pace of sales in the last quarter of the year explains the year-on-year increase in consumption in Q408 (+23.3% vs. Q407), to €29.3 million.

Other operating expenses grew 18.4% over 2007 as a result of the increase in energy expenses (+38.4%) due to the sharp increase in gas prices and the coming on-line of the new cogeneration plant in June. Excluding energy-related expenses, other operating expenses grew 7.6% over 2007.

Quarterly Other operating expenses were €37.9 million, 30.8% over the previous year, with the highest unit prices for gas and greater gas consumption at the new cogeneration plant.

It is particularly significant that the improvements introduced by the Group with respect to operating efficiency enabled it to increase its production volume to satisfy the growing market demand while it reduced headcount requirements. Therefore, as at year-end 2008, the casings business has a workforce of 3,731, versus 3,867 at month-end December 2007.

Thus, cumulative personnel expense as of December 2008 was €118.8 million, 1.7% decline from 2007. On a like-for-like basis, that is, excluding the additional costs associated with the staff restructuring recorded in 2008 and 2007 (-€0.5 million and -€1.2 million, respectively), personnel expense decreased 1.2% from the previous year. Quarterly personnel expense was €28.2 million, 4.6% less than in Q407.

Solid revenues, driven by the growth in volume as well as better average prices, together with ongoing cost control in a period characterized by inflationary pressures on production factors, translated into improved EBITDA, which grew 8.6% to €99.2 million and €99.6 million on a like-for-like basis (+7.5% vs. 2007).

Q408 EBITDA grew 22.6% to €26.8 million as a result of a combination of increased revenues and better performance with respect to operating expenses.

2008 cumulative EBITDA margin for the year was 21.6%, only 0.2 p.p. less than 2007 EBITDA margin, while in Q408, Viscofan achieved a significant improvement of EBITDA margin (+0.8 p.p. vs. Q407), to 22.1%.

Cumulative depreciation was €34.4 million, 2.0% less than the previous year. Combined with higher EBTIDA, this resulted in 2008 EBIT of €64.8 million (+15.1% vs. 2007). Quarterly EBIT was €18.2 million (+43.1% vs. Q407).

[6] Revenues by origin of sales

The use of tax credits and the Company's operating strength drove net profits for the business, which were €47.3 million (+8.1%), setting a new record for the fourth year running. Excluding non-recurrent items, net profits were €47.5 million, 13.3% higher than year ago on a like-for-like basis.

Q408 net profit was €13.9 million (+4.1% vs. Q407).

2008 Results: IAN Group

Figures in thousand €

	Jan-Dec' 08	Jan-Dec 07	*Change*	Oct-Dec' 08	Oct-Dec' 07	*Change*
Revenues	93,195	87,959	6.0%	22,877	23,025	-0.6%
EBITDA	6,094	7,161	-14.9%	1,882	1,980	-4.9%
Margin EBITDA	*6.5%*	*8.1%*	-1.6 p.p.	*8.2%*	*8.6%*	-0.4 p.p.
EBIT	3,075	4,219	-27.1%	1,114	1,239	-10.1%
Net profit	4,148	2,483	67.1%	1,846	1,091	69.2%

Unaudited figures

In 2008, IAN Group's revenues totalled €93.2 million, 6.0% growth despite the recession experienced by the Spanish economy, which has had a negative impact on consumption by Spanish households. This is particularly true for higher value added products such as asparagus in vegetable foods, where the Carretilla brand has maintained a solid market share, 15.8%, more than 11 p.p. higher than its closest competitor.

This increase in revenues was based on price increases intended to pass along a portion of the cost increase for some raw materials at origin, and on greater sales of lower value added products, primarily tomato-based products. Nonetheless, the deterioration of the economy and decline in consumption in Spain, particularly in November and December, caused Q408 revenues to decline 0.6% from year ago, to €22.9 million.

The increase in sales was not sufficient to offset the rising cost of raw materials, primarily asparagus. Together with a less favourable sales mix and the general increase in sales of products under private label brands, hurt gross margin, which was 38.3% vs. 40.3% in 2007.

Cumulative consumption[7] as of December 2008 increased 9.5% vs. 2007, to €57.5 million. A decrease in sales and slight recovery of margins during the quarter resulted in better performance for quarterly consumption, which was €14.3 million, 0.1% down from Q407.

This resulted in EBITDA margin of 6.5%, down 1.6 p.p. from the previous year, but in line with 2006 EBITDA margin and significantly higher than the 2004 and 2005 margins. In the context of a recession like the present, this demonstrates the solid containment of expenses and improved operations achieved in these years. During the quarter, the decline in EBITDA margin slowed; at 8.2% it was down only 0.4 p.p. from Q407.

2008 EBITDA was €6.1 million, down 14.9% from the previous year. Fourth-quarter EBITDA was €1.9 million, down 4.9% from Q407.

The decline in EBITDA together with an increase in depreciation and amortisation expense led to a decline of 27.1% in EBIT from year ago, to €3.1 million. Quarterly EBIT declined 10.1% vs. Q407, to €1.1 million.

The use of tax credits offset the decline in operating profits. Thus, cumulative net profits were €4.1 million, 67.1% more than in 2007. In the last quarter of the year, net profits were more than €1.8 million, 69.2% higher than in Q407.

[7] See note 4

Description of Risks and Uncertainties

Viscofan Group strengthened its results in a period with a high level of volatility and uncertainty, and it is well prepared to capture the market growth in its core businesses. However, it is worth recalling that due to the type of its operations, the Group's business is exposed to various risks of an operational, financial and economic nature. The Group manages risk under policies adopted by the Board of Directors.

Specific risks include that of a larger depreciation in exchange rates, increased costs of production factors for items like raw materials and energy and a deterioration in market conditions due to the global economic situation.

APPENDIX

Consolidated balance sheets ('000 €)

	Dec '08	Dec '07	*Change*
Intangible assets	11,976	9,919	20.7%
Goodwill	0	0	n.s.
Others intangible asset	11,976	9,919	20.7%
Tangible assets	277,940	279,017	-0.4%
Real state investments	0	0	n.s.
Investment accounting ussing the equity method	998	0	n.s.
Non-current financial assets	585	977	-40.1%
Deferred tax assets	15,286	9,717	57.3%
Other non-current assets	0	0	n.s.
NON-CURRENT ASSETS	**306,785**	**299,630**	**2.4%**
Non-current assets held for sale	0	0	n.s.
Inventories	156,540	143,013	9.5%
Trade and other receivables	118,344	104,817	12.9%
Trade debtors	100,119	93,150	7.5%
Other debtors	18,073	11,189	61.5%
Current tax assets	152	478	-68.2%
Other financial current assets	612	0	n.s.
Other current assets	172	1,213	-85.8%
Cash and cash equivalents	14,014	17,107	-18.1%
CURRENT ASSETS	**289,682**	**266,150**	**8.8%**
TOTAL ASSETS= EQUITY AND LIABILITIES	**596,467**	**565,780**	**5.4%**
Share capital	14,020	14,189	-1.2%
Share issue premium	30,165	41,844	-27.9%
Reserves	3,264	3,281	-0.5%
Treasury shares	-1,699	-3,728	-54.4%
Profit for previous years	226,612	197,561	14.7%
Received from associates	0	0	n.s.
Result of the period	51,403	46,178	11.3%
Less: Interim dividend	0	0	n.s.
Other equity instruments	0	0	n.s.
SHAREHOLDER'S FUNDS	**323,765**	**299,325**	**8.2%**
ADJUSTMENTS DUE TO CHANGE IN VALUE	**-20,489**	**-3,518**	482.4%
SHAREHOLDERS' EQUITY	**303,276**	**295,807**	**2.5%**
Minority interest	0	0	n.s.
EQUITY	**303,276**	**295,807**	**2.5%**
Grants	3,111	3,440	-9.6%
Non-current provision	37,212	36,906	0.8%
Non-current financial liabilities	58,202	45,603	27.6%
Financial debt	53,151	40,344	31.7%
Other financial liabilities	5,051	5,259	-4.0%
Deferred tax liabilities	28,863	28,333	1.9%
Other non-current liabilities	0	103	n.s.
NON-CURRENT LIABILITIES	**127,388**	**114,385**	**11.4%**
Liabilities linked to non-current assets held for sale	0	0	n.s.
Current provisions	2,750	2,259	21.7%
Current financial liabilities	87,429	72,684	20.3%
Financial debt	83,287	71,442	16.6%
Other financial liabilities	4,142	1,242	233.5%
Trade creditor and other payable accounts	75,624	80,645	-6.2%
Trade creditors	53,558	44,494	20.4%
Other creditors	21,711	31,740	-31.6%
Current tax liabilities	355	4,411	-92.0%
Other current liabilities	0	0	n.s.
CURRENT LIABILITIES	**165,803**	**155,588**	**6.6%**
NET DEBT	**121,812**	**94,679**	**28.7%**

Unaudited figures

Cash flow statments ('000 €)

	Jan-Dec '08	Jan-Dec '07	% Change
Cash flows from operating activities	**53,904**	**68,778**	**-21.6%**
Profit for the year before tax	**60,281**	**55,151**	**9.3%**
Adjustments in results	**42,187**	**39,223**	**7.6%**
Amortisation and depreciation	37,459	38,075	-1.6%
Others adjustments in results(net)	4,728	1,148	311.8%
Changes in working capital	**-37,494**	**-17,875**	**109.8%**
Other cash flows from operating activities	**-11,070**	**-7,721**	**43.4%**
Interest paid	0	0	n.s.
Dividend paid and other payments from others equity instruments	0	0	n.s.
Dividends received	0	0	n.s.
Interests received	0	0	n.s.
Proceeds/ (payments) from income tax	-9,917	-7,721	28.4%
Proceeds/(payments) from operating activities	-1,153	0	n.s.
Cash flows from investing activities	**-44,382**	**-30,430**	**45.8%**
Investment payments	**-47,400**	**-32,925**	**44.0%**
Group companies, associated & business units	0	0	n.s.
Acquisition of property, plant and equipment and intangible assets	-44,123	-32,884	34.2%
Other financial assets	-3,277	-41	7892.7%
Other assets	0	0	n.s.
Cash from disposals	**3,018**	**1,271**	**137.5%**
Group companies, associated & business units	0	0	n.s.
Disposal of property, plant and equipment and intangible assets	2,242	1,271	76.4%
Other financial assets	9	0	n.s.
Other assets	767	0	n.s.
Other cash flows from investing activities	**0**	**1,224**	**n.s.**
Dividends received	0	0	n.s.
Interest paid	0	1,224	n.s.
Proceeds/(Payments) from others investings activities.	0	0	n.s.
Cash flows from financing activities	**-9,600**	**-35,290**	**-72.8%**
Proceeds and payments from equity instruments	**-6,070**	**-5,129**	**18.3%**
Proceeds from issue of stock	0	0	n.s.
Cancellation and payments	0	0	n.s.
Acquisition	-6,070	-5,129	18.3%
Disposal	0	0	n.s.
Proceeds and payments from financial liabilities instruments	**25,904**	**-8,294**	**c.s.**
Proceeds from issue of financial liabilities instruments	36,728	0	n.s.
Refund, cancellation and payments	-10,824	-8,294	30.5%
Dividends paid and others payments from others equities instruments	**-20,588**	**-14,187**	**45.1%**
Others cash flows from financing activities	**-8,846**	**-7,680**	**15.2%**
Interest paid	-6,359	-7,159	-11.2%
Others proceeds /(payments) from financing activities	-2,487	-521	377.4%
Effect of foreign exchange rate changes on collections and payments	**-3,015**	**1,816**	**c.s.**
Net increase (decrease) in cash and cash equivalents	**-3,093**	**4,874**	**c.s.**
Cash and cash equivalents at 1st January 2008	**17,107**	**12,233**	**39.8%**
Cash and cash equivalents at 31 December 2008	**14,014**	**17,107**	**-18.1%**

Average exchange rates (Currency/€)

	2008	2007	% Change
Euro	1.000	1.000	0.0%
US Dollar	1.471	1.370	7.3%
Canadian Dollar	1.560	1.469	6.2%
Mexican Peso	16.299	14.972	8.9%
Brazilian real	2.674	2.661	0.5%
Czech crown	24.962	27.764	-10.1%
British Pound	0.797	0.685	16.4%
Polish Zloty	3.517	3.814	-7.8%
Serbian Dinar	81.437	79.665	2.2%

For further information please contact to:

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Disclaimer

This document is a free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.

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Such forward-looking statements do not constitute any guarantee of future performance and involve risks and uncertainties as well as other important factors that could cause actual developments or results to differ essentially from those expressed in our forward-looking statements.

Analysts and investors in particular as well as any other persons or entities who must take decisions or give advise on investments in the Company should not place undue reliance on those forward-looking statements.

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