January – December 2011 Results



29th February 2012

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

Management Report January - December 2011

Highlights

- +24% year-on-year growth in net profit to €101.2million; +21% excluding non-recurring gains[1].
- +5% year-on-year growth in consolidated EBITDA[2] to €162.1 million, with growth of 17% in 4Q11 vs. 4Q10, in a year marked by pressure on unit raw material and energy costs.
- EBITDA margin[3] stable at 24.3% year-on-year, despite the pressure on costs and weakness in the company's main trading currencies against the euro. Excluding the exchange rate effect[4], the EBITDA margin would stand at 25.2% (+0.9 p.p. vs. 2010).
- +5% year-over-year growth in consolidated revenue to €666.8 million, driven by volume strength in the casings division (especially during the last quarter of the year, when revenue rose 9%) and the robust performance of the vegetable food division.
- The higher demand in its market has prompted the Viscofan Group to step up its growth strategy, investing €64.7 million in 2011 (+36.6% vs. 2010).
- The Viscofan Group has exceeded its revenue guidance for the year (€660 – €665 million) thanks to the strong volumes in emerging markets. However, the decision to step up its growth plans, mainly in these areas, kept the EBITDA margin in line year-on-year, with EBITDA falling short of full-year guidance (€166 - €168 million). However, net profit excluding non-recurring gains amply outstripped the forecast for the year at €98.4 million (vs. guidance of €89 - €91 million).
- At its meeting of 29 February 2012 the Board of Directors resolved to propose at the Shareholders' Meeting the payment of a final dividend of €0.634 per share. This would imply total shareholder remuneration of €1.00 per share, 25% higher than the figure of €0.80 approved last year.

Consolidated FY11 Results

Viscofan Group consolidated income statement ('000 €)

	Jan-Dec' 11	Jan-Dec' 10	*Change*	Oct-Dec' 11	Oct-Dec' 10	*Change*
Revenue	**666,812**	**633,726**	**5.2%**	**173,278**	**159,634**	**8.5%**
EBITDA	**162,142**	**154,143**	**5.2%**	**42,640**	**36,442**	**17.0%**
EBITDA margin	***24.3%***	***24.3%***	**0.0 p.p.**	***24.6%***	***22.8%***	**1.8 p.p.**
EBIT	**120,092**	**110,386**	**8.8%**	**31,254**	**22,480**	**39.0%**
Net profit	**101,245**	**81,346**	**24.5%**	**26,444**	**20,100**	**31.6%**
Adjusted Net Profit [1]	**98,402**	**81,346**	**21.0%**	**26,444**	**20,100**	**31.6%**

[1] Adjusted net profit excludes a one-off gain of €2.84 million, recognised in June 2011, related to an out-of-court settlement in Serbia in connection with the financial liability with Vojvodanska banka a.d.

1 Adjusted net profit excludes a one-off gain of €2.843 thousand, recognised in June 2011, related to an out-of-court settlement in Serbia in connection with the financial liability with Vojvodanska banka a.d.
2 EBITDA = Earnings before interest, taxes, depreciation and amortisation
3 EBITDA margin = EBITDA / revenue
4 Constant exchange rate growth: for comparative purposes, growth excluding foreign exchange differences excludes the impact of the various exchange rates applied in the consolidation of financial statements, as well as the impact of US$ fluctuations on trade transactions

Net revenue increased for the seventh consecutive year, standing at €666.8 million, a rise of 5.2% on 2010. This performance is predicated on the strong volumes achieved in both divisions. Revenue climbed 4.8% to €564.5million and 7.3% to €102.3million in the casings and vegetable food division respectively.

It is noteworthy the stronger growth marked in the year's fourth quarter, headed up by revenue growth in the casings division (+9.0% vs. 4Q10) and the strength of the vegetable food division (+6.0% vs. 4Q10), and leading to a rise in consolidated revenue of 8.5% in the quarter vs. 4Q10 (€173.3 million).

Full year revenue growth reported by the Viscofan Group was eroded by weakness in the company's main trading currencies against the euro, particularly the US dollar (4.9% vs. 2010). Excluding the exchange rate effect, consolidated revenue growth was 6.8% vs. 2010.

Cost of consumption[5] climbed 6.7% year-on-year in 2011, to €180.8 million, driven by strong volume growth (notably in the second half of the year) and the higher unit raw material costs, particularly costs of cellulose derivatives and other auxiliary raw materials such as caustic soda, glycerine and polyamides.

The company's clear focus on growing in emerging markets boosted revenue, although the higher cost of raw materials and an unfavourable price mix held back the gross margin [6] down 0.4p.p. in 2011 vs. 2010 to 72.9%.

In 4Q11, consumption costs rose by 15.1% year-on-year to €48.0 million, reflecting the increase in production and commercial activity in the quarter and the higher unit cost of main and auxiliary raw materials. Therefore, the gross margin stood at 72.3% in 4Q11 (-1.6 p.p. vs. 4Q10).

Other operating costs rose 7.2% year-on-year to €196.9 million in FY11. Under this heading, the increase in gas, electricity and petrol derivatives prices should be noted as this caused energy costs to rise by 9.2% on 2010.

In the fourth quarter, other operating costs climbed 6.6% vs. 4Q10 to €53.4million and energy costs were 7.3% higher year-on-year.

Production capacity was raised over the year, production at the converting plant in China is more robust and volumes increased at most of the company's manufacturing plants due to higher market demand. In response to this growth, the company's average workforce increased by 7.0% to 4,081 employees, of which 3,699 belong to the casings division and 382 to the vegetable food division (including staff from the Lingbao Baolihao Food Industrial Co. Ltd.[7], an investment that has been fully consolidated since August 2011). These growth initiatives were partially offset by downsizing the workforce in the Czech Republic, Germany, the US and Mexico.

In this context, personnel costs to December 2011 stood at €137.6million, up 1.0% year-on-year, thanks to the optimisation of resources and improved productivity and competitiveness. As a result of these improvements, personnel costs accounted for 20.6% of consolidated revenue in the year vs. 21.5% in 2010. 4Q11 personnel costs totalled €32.7 million, a decline of 5.2% vs. 4Q10.

FY11 EBITDA rose 5.2% to €162.1 million. EBITDA for 4Q11 rose by 17.0% vs. 4Q10 to €42.6 million. Stripping out the exchange rate effect, FY11 EBITDA climbed 10.6% compared to 2010.

In a particularly adverse environment for raw materials and energy and volatile currency markets, the FY11 EBITDA margin remained stable at 24.3% on the back of productivity improvements and the austerity and cost control measures introduced. It is particularly noteworthy that excluding the exchange rate effect, the EBITDA margin would have grown +0.9 p.p. to 25.2%.

5 Cost of consumption = Change in inventories + net purchases
6 Gross margin = (Revenue – cost of consumption) / revenue
7 In August 2011, the Viscofan Group acquired the 50% of Lingbao Baolihao Food Industrial Co. Ltd. that it did not already own. The core business of this company, headquartered in Henan (China) is asparagus processing

The 4Q11 EBITDA margin was 24.6%, up +1.8 p.p. on 4Q10, when it was heavily impacted by the start up of production activities in China.

Consolidated EBIT totalled €120.1 million (+8.8% vs. 2010) and €31.3 million in 4Q11 (+39.0% vs. 4Q10), putting the consolidated FY11 EBIT margin at 18.0% (+0.6 p.p. vs. 2010 and +3.9 p.p. in 4Q11 vs. 4Q10).

Profit before tax was €127.9 million, 21.0% higher year-on-year, and 4Q11 profit before tax rose 31.3% vs. 4Q10 to €31.1 million.

This increase in profit before tax was due mainly to the rise in EBIT (+8.8% vs. 2010), positive exchange differences (€6.6 million gain vs. a loss of €2.8 million in 2010), and the agreement between Koteks Viscofan d.o.o. (the Viscofan S.A. subsidiary headquartered in Serbia) and Vojvodjanska Banka a.d. that extinguished its financial liability with this entity producing a non-recurring consolidated financial gain for the Viscofan Group of €3.3million.

The effective tax rate was 20.8% in 2011, compared to 23.1% in 2010. The difference between the theoretical tax rate and the effective tax rate is basically due to the different taxes paid by subsidiaries that are not resident in Navarre (Viscofan S.A's. tax domicile) which pay taxes in all countries in which they operate, applying the corporate (or similar) tax rate in force on profits for the period and the application of tax allowances in various Group subsidiaries.

Profit for the year hit a new record high, at over €101.2 million, up 24.5% vs. 2010 (+21.0% excluding non-recurring gains), significantly higher than the increase of +10% to +12% provided for in 2011 guidance. 4Q11 net profit was €26.4 million (+31.6% vs. 4Q10).

The Viscofan Group had net bank debt of €61.5 million in FY11, 2.8% higher than the figure seen at the close of the previous year, putting the company's gearing at 13.7% vs. 14.7% in December 2010.

The strong operating cash flow allowed the company to raise investment in 2011 (€64.7 million vs. €47.4 million in 2010 largely used to increase production capacity), to meet working capital requirements arising from the Group's expansion, and to cover the higher shareholder remuneration paid.

At its meeting of 29 February 2012 the Board of Directors submitted to shareholders a proposal to pay a final dividend of €0.634 per share.

This would put total shareholder remuneration at €1.00 per share, including the interim dividend of €0.360 per share paid on 22 December 2011, the afore-mentioned final dividend of €0.634 per share and €0.006 per share as a bonus for attending the Shareholders' Meeting. The remuneration proposed is 25.0% higher than the total remuneration of €0.80 approved last year.

It is also important to highlight the progress made in the Be ONE strategy (2009-2011) when the Viscofan Group increased revenue by 21%, consolidated EBITDA rose 54% (with margins improving by 5 p.p) and net profit climbed to over €100 million, practically doubling the figure reported in 2008.

The Be ONE strategy has required a great deal of internal effort and has one clear objective: to strengthen the company's leadership position in the market and improve the profitability of its operations. Therefore, measures have been implemented to improve economies of scale: better alignment of the organisation, efficiency and production improvements at current plants, and the development of a management model supported by product families' centres of excellence.

At year-end 2011 the Viscofan Group is in a stronger position to face the new challenges affecting medium-term growth in the casings market in all the segments in which it operates: skinless, collagen, fibrous and plastic casings

The company has developed its Be MORE strategic plan for 2012-2015 in this growth context, focusing on initiatives to drive Market growth, Optimisation of resources, Returns to stakeholders, and Excellence in its operations.

FY11 results: casings

Casings income statement ('000€)

	Jan-Dec' 11	Jan-Dec' 10	*Change*	Oct-Dec' 11	Oct-Dec' 10	*Change*
Revenue	**564,544**	**538,455**	**4.8%**	**147,677**	**135,480**	**9.0%**
EBITDA	**153,597**	**146,260**	**5.0%**	**40,388**	**34,074**	**18.5%**
EBITDA margin	***27.2%***	***27.2%***	**0.0 p.p.**	***27.3%***	***25.2%***	**2.1 p.p.**
EBIT	**114,646**	**105,479**	**8.7%**	**29,772**	**21,049**	**41.4%**
Net profit	**97,068**	**77,457**	**25.3%**	**25,374**	**18,709**	**35.6%**
Adjusted Net Profit [1]	**94,225**	**77,457**	**21.6%**	**25,374**	**18,709**	**35.6%**

[1] Adjusted net profit excludes a one-off gain of €2.84 million, recognised in June 2011, related to an out-of-court settlement in Serbia in connection with the financial liability with Vojvodanska banka a.d.

2011 was a year marked by demand increases that outstripped the historic average for the sector.

In response to this growth, the Viscofan Group made capacity increases throughout the year, especially in the collagen segment, with new installations in Spain and "superfast" equipment in Germany. As a result of these capacity increases and the company's focus on areas with higher growth potential, sales volume and revenue reached new record levels.

FY11 revenue from the casings division climbed 4.8% year-on-year to €564.5 million:

- €45.2 million of this balance came from cogeneration in Spain and Mexico (+5.3% vs. FY10); 2010);
- Casings sales stood at €519.3 million, up 4.8% vs. FY10, with higher volumes across the entire product range (skinless, collagen, fibrous and plastic casings).

Despite the recovery staged by the US dollar against the euro in the last quarter of the year, over the year as a whole revenue was negatively impacted by the performance of the main trading currencies, especially the US dollar (4.9% depreciation vs. 2010). Stripping out the impact of the exchange rates applied in consolidation, revenue in the casings division increased 6.7% year-on-year in FY11 (+5.7% in 9M11 vs. 9M10).

The geographical breakdown of revenue[8] for 2011 was as follows:

- In Europe and Asia, revenue rose 11.6% on FY10 to €291.3 million.
- In North America, revenue declined 2.0% to €184.6 million.
- In Latin America, revenue eased 0.6% year-on-year to €88.6 million.

In 4Q11 revenue climbed 9.0% year-on-year to €147.7 million. The acceleration in sales volumes in 4Q11, coupled with the higher cost of the company's main raw materials (especially cellulose, caustic soda and glycerine), prompted a 19.2% increase in the cost of consumption in the quarter (to €33.5 million).

Raw material prices rose steadily over the year, partly offset by measures to optimise purchasing, reduce production waste and technological improvements taking the cost of consumption for the year to €120.5million, 6.3% higher than in 2010.

8 Revenue by origin of sales

The expansion projects implemented by the Viscofan Group require a significant human capital effort and a resizing of the workforce to meet its new global requirements. Therefore, the average workforce in the casings division in 2011 was 3,699, 5.0% higher than in 2010, due mainly to new hires related to the expansion programme in Spain, Brazil, Serbia and China which were partly offset by headcount reductions in the Czech Republic, Germany and North America.

Despite the company's larger size, personnel expenses in FY11 remained in line with FY10 figures at €126.6million, accounting for 22.4% full-year revenue, vs. 23.5% in the previous year. 4Q11 personnel expenses were €29.8 million (-7.5 vs. 4Q10).

Other operating costs in this division grew 7.3% in FY11 to €173.4million (€47.1 million in 4Q11; +7.3% vs. 4Q10), and energy costs rose 9.2% year-on-year.

The strong volumes reported in the fourth quarter of the year drove up EBITDA despite the adverse cost scenario. The 4Q11 EBITDA margin was 27.3% (+2.1 p.p. vs. 4Q10), with EBITDA up 18.5% to €40.4 million.

FY11 EBITDA also marked a positive trend, up 5.0% year-on-year to €153.6 million, with the margin stable at 27.2%.

The stability of the EBITDA margin in FY11 was due mainly to unfavourable currency trends, which reduced the consolidated margin by 1.0 p.p. Stripping out the exchange rate effect, full-year EBITDA in the casings division grew 10.6% vs. 2010.

EBIT stood at €114.6 million in FY11 and €29.8 million in 4Q11, an improvement of 8.7% and 41.4% year-on-year and 4Q10 respectively.

The growth in operating profit, in addition to the positive exchange differences and the company's financial strenght, filtered through to the net profit line in this business segment. 4Q11 net profit rose 35.6% vs. 4Q10 to €25.4 million and 25.3% in FY11 vs. FY10 to €97.1 million.

FY11 results: IAN Group

IAN Group income statement ('000€)

	Jan-Dec' 11	Jan-Dec' 10	*Change*	Oct-Dec' 11	Oct-Dec' 10	*Change*
Revenue	102,268	95,271	7.3%	25,601	24,154	6.0%
EBITDA	8,545	7,883	8.4%	2,252	2,368	-4.9%
EBITDA margin	*8.4%*	*8.3%*	0.1 p.p.	*8.8%*	*9.8%*	-1.0 p.p.
EBIT	5,446	4,907	11.0%	1,482	1,431	3.6%
Net profit	4,177	3,889	7.4%	1,070	1,391	-23.1%

In a context of severe economic slowdown in Spain, which is hitting consumption particularly hard, 2011 was an enormously challenging year for the vegetable food division. IAN Group succeeded in strengthening its position of leadership in the sector, establishing itself as a sound and reliable benchmark for consumers and distributors alike, and gaining market share, especially in the tomato and ready-meals segment.

Higher volumes in the tomato, olive and ready-cooked meals segments have pushed revenue up by 7.3% to €102.3 million, offsetting the drop in asparagus sales. 4Q11 revenue climbed 6.0% to €25.6 million.

In 2011, Carretilla expanded its ready-meals portfolio, most notably with the launch of new ready-meals pasta dishes during last quarter.

The launch of new products comes in response to the success of ready-meals, a segment where Carretilla is cementing its position as a leading player, due to the quality of its products and the scale and availability

of its product range (with more than 40 varieties). This leadership is evident in the sales growth registered in ready-meals in the year: +40.3%.

The increase in volumes has allowed the company to improve its production capacity utilisation rate offsetting the decline in gross margins caused by the higher unit cost of raw materials. FY11 EBITDA rose 8.4% year-on-year to €8.5 million. In the quarter, the commercial effort made during the Christmas campaign pushed EBITDA down 4.9% vs. 4Q10 to €2.3 million.

The EBITDA margin was 8.3% in FY11 (+0.1 p.p. vs. 2010) and 8.8% 4Q11 (-1.0 p.p. vs. 4Q10).

This growth filtered through to net profit which stood at €4.2 million (+7.4% vs. 2010) and €1.1 million in 4Q11 (-23.0% vs. 4Q10).

APPENDICES

Significant event

- In April 2011, the following resolutions, among others, were adopted at the General Shareholders' Meeting:

    - To approve the balance sheet, income statement, cash flow statement, statement of changes in equity, explanatory notes, the management report, including the annual corporate governance report for the year ended 31 December 2010 of Viscofan, S.A., as well as the consolidated balance sheet, the consolidated income statement, the consolidated cash flow statement, the consolidated statement of changes in equity, the notes to the consolidated financial statements, the management report and management's performance for the year ended 31 December 2010 of the Viscofan Group, of which Viscofan, S.A. is the parent.

    - To approve the appropriation, with a charge to 2010 profit of Viscofan, S.A., of €23,488,255.73 to the payment of dividends and €39,491,243.63 to voluntary reserves. It was therefore approved to declare a final dividend of €0.204 per share for a total payout of €9,507,151.13, paid last 5 May 2011.

    - To decrease share capital by €13,515,067.78 by reducing the unit par value of the Company's shares from €0.30 to €0.01, in order to partially return capital to shareholders, thereby amending article 5 of the bylaws. The difference of €0.29 per share has been returned to shareholders on last 16th June 2011.

    - To increase the Company's share capital by €32,156,540.58 through an increase in the unit par value of its shares by €0.69, from €0.01 to €0.70 per share. The capital increase does not entail any contributions by shareholders, as it will be charged against the Company's reserves, as recognised on the 31 December 2010 balance sheet, approved earlier at the same General Meeting.

    - The new company's share capital of 32,156,540.58€ has been Register in the commercial register of Navarra after the fulfilment of all legal requirements.

- In June 2011, Koteks Viscofan DOO, headquartered in Novi Sad (Serbia) and wholly-owned by Viscofan S.A., reached an out-of-court settlement with Vojvodjanska Banka a.d. with respect to a lawsuit concerning a loan dating back to 1984 and accordingly granted before the company was acquired by Viscofan S.A. in 2005. The agreement reached stipulated a total payment (principal and interest) by Koteks to Vojvodjanska Banka a.d. of €3.2 million, thereby definitively extinguishing the financial liability with this entity.

- In August 2011, the Viscofan Group acquired the 50% of Lingbao Baolihao Food Industrial Co., Ltd. that it did not already own. This core business of this company, headquartered in Henan province (China) is asparagus processing. The company has share capital of CNY26.2 million (approximately €2.8 million). The Group bought this stake for CNY13.1 million (approximately €1.4 million), giving it outright ownership of this investee.

- In October 2011, Viscofan S.A. purchased all the new shares issued by Viscofan Technology Suzhou Ltd., headquartered in Suzhou (China) and 100%-owned by the former, for €14.5 million with a view to endowing this subsidiary with sufficient funds to start up a new collagen extrusion facility in China. With this investment, the Viscofan Group has reinforced its commitment to development of the Chinese market, taking the decision to locate its fourth collagen extrusion plant in this country (complementing collagen production at the Group's factories in Germany, Spain and Serbia), the first to be located outside of Europe.

- At its meeting of 29 February 2012 the Board of Directors submitted to shareholders a proposal to pay next 5th June 2012 a final dividend of €0.634 per share. This put total shareholder remuneration at €1.00 per share, including the interim dividend of €0.360 per share paid on 22 December 2011, the afore-mentioned final dividend of €0.634 per share and €0.006 per share as a bonus for attending the Shareholders' Meeting. The remuneration proposed is 25% higher than the total remuneration of €0.80 approved last year.

Viscofan Group Profit and loss account ('000 €)

	Jan-Dec' 11	Jan-Dec' 10	*Change*	Oct-Dec' 11	Oct-Dec' 10	*Change*
Revenues	**666.812**	**633.726**	**5,2%**	**173.278**	**159.634**	**8,5%**
Other operating income	8.006	8.385	-4,5%	2.569	2.469	4,1%
Self-constructed assets	1.601	998	60,4%	481	247	94,7%
Variation in stocks of finished products and work-in-progress	4.093	-8.298	c.s	-94	4.391	c.s
Net purchases	-184.905	-161.201	14,7%	-47.880	-46.077	3,9%
Personnel expenses	-137.635	-136.213	1,0%	-32.738	-34.517	-5,2%
Other operating expenses	-196.874	-183.701	7,2%	-53.406	-50.121	6,6%
Capital grants	1.085	469	131,3%	423	200	111,5%
Impairment and results coming from disposals of non-current assets	-41	-22	86,4%	7	216	-96,8%
Other results	0	0	n.s.	0	0	n.s.
EBITDA	**162.142**	**154.143**	**5,2%**	**42.640**	**36.442**	**17,0%**
EBITDA margin	*24,3%*	*24,3%*	*0,0 p.p.*	*24,6%*	*22,8%*	*1,8 p.p.*
Amortization and depreciation	-42.050	-43.757	-3,9%	-11.386	-13.962	-18,5%
EBIT	**120.092**	**110.386**	**8,8%**	**31.254**	**22.480**	**39,0%**
EBIT margin	*18,0%*	*17,4%*	*0,6 p.p.*	*18,0%*	*14,1%*	*3,9 p.p.*
Financial incomes	1.389	1.489	-6,7%	144	525	-72,6%
Financial expenditures	-3.491	-3.431	1,7%	-931	-396	135,1%
Changes in reasonable value of financial instruments	0	0	n.s.	0	0	n.s.
Exchange differences	6.648	-2.808	c.s	618	990	-37,6%
Impairment and results coming from disposals of financials assets	3.326	0	n.s.	-1	0	n.s.
Financial results	**7.872**	**-4.750**	**c.s**	**-170**	**1.119**	**c.s**
Profit from associated companies	-80	77	c.s	-2	77	c.s
Profit before taxes	**127.884**	**105.713**	**21,0%**	**31.082**	**23.676**	**31,3%**
Taxes	-26.639	-24.367	9,3%	-4.638	-3.576	29,7%
Profit after taxes	**101.245**	**81.346**	**24,5%**	**26.444**	**20.100**	**31,6%**
Minority interest	0	0	n.s.	0	0	n.s.
Net profit	**101.245**	**81.346**	**24,5%**	**26.444**	**20.100**	**31,6%**
Adjusted Net Profit [1]	**98.402**	**81.346**	**21,0%**	**26.444**	**20.100**	**31,6%**

[1] Adjusted net profit excludes a one-off gain of €2.84 million, recognised in June 2011, related to an out-of-court settlement in Serbia in connection with the financial liability with Vojvodanska banka a.d.

Consolidated balance sheets ('000 €)

	Dec '11	Dec '10	*Change*
Intangible assets	17.545	16.918	3,7%
Goodwill	0	0	n.s.
Others intangible asset	17.545	16.918	3,7%
Tangible assets	322.293	300.301	7,3%
Real state investments	0	0	n.s.
Investment accounting ussing the equity method	0	1.565	n.s.
Non-current financial assets	838	1.178	-28,9%
Deferred tax assets	11.155	14.459	-22,9%
Other non-current assets	0	0	n.s.
NON-CURRENT ASSETS	**351.831**	**334.422**	**5,2%**
Non-current assets held for sale	0	0	n.s.
Inventories	175.076	159.258	9,9%
Trade and other receivables	141.470	129.268	9,4%
Trade debtors	124.014	114.754	8,1%
Other debtors	16.706	14.514	15,1%
Current tax assets	750	0	n.s.
Other financial current assets	11.515	6.730	71,1%
Other current assets	2.656	2.193	21,1%
Cash and cash equivalents	14.748	57.301	-74,3%
CURRENT ASSETS	**345.465**	**354.749**	**-2,6%**
TOTAL ASSETS= EQUITY AND LIABILITIES	**697.296**	**689.171**	**1,2%**
Share capital	32.623	13.981	133,3%
Share issue premium	12	12	0,0%
Reserves	334.575	312.051	7,2%
Treasury shares	0	0	n.s.
Profit for previous years	0	0	n.s.
Received from associates	0	0	n.s.
Result of the period	101.245	81.346	24,5%
Less: Interim dividend	-16.777	-13.981	20,0%
Other equity instruments	0	0	n.s.
SHAREHOLDER´S FUNDS	**451.678**	**393.410**	**14,8%**
Financial assets held for sale	0	0	n.s.
Hedge transaction reserves	-1.498	2.277	c.s.
Currency translation differences	-744	10.683	c.s.
Others	0	0	n.s.
ADJUSTMENTS DUE TO CHANGE IN VALUE	**-2.242**	**12.960**	c.s.
SHAREHOLDERS' EQUITY	**449.436**	**406.369**	**10,6%**
Minority interest	0	0	n.s.
EQUITY	**449.436**	**406.369**	**10,6%**
Grants	6.444	4.386	46,9%
Non-current provision	28.461	27.606	3,1%
Non-current financial liabilities	22.059	38.770	-43,1%
Financial debt	16.654	32.928	-49,4%
Other financial liabilities	5.405	5.842	-7,5%
Deferred tax liabilities	26.692	30.509	-12,5%
Other non-current liabilities	0	0	n.s.
NON-CURRENT LIABILITIES	**83.656**	**101.270**	**-17,4%**
Liabilities linked to non-current assets held for sale	0	0	n.s.
Current provisions	5.140	7.639	-32,7%
Current financial liabilities	69.606	92.931	-25,1%
Financial debt	59.563	84.191	-29,3%
Other financial liabilities	10.043	8.739	14,9%
Trade creditor and other payable accounts	89.458	80.894	10,6%
Trade creditors	63.654	60.816	4,7%
Other creditors	17.240	18.603	-7,3%
Current tax liabilities	8.564	1.475	480,6%
Other current liabilities	0	68	n.s.
CURRENT LIABILITIES	**164.204**	**181.532**	**-9,5%**
NET BANK DEBT	**61.469**	**59.818**	**2,8%**

Cash flow statments ('000 €)

	Jan-Dec 11	Jan-Dec' 10	Change
Cash flows from operating activities	**112.238**	**121.470**	**-7,6%**
Profit for the year before tax	**127.884**	**105.713**	**21,0%**
Adjustments in results	**34.420**	**45.908**	**-25,0%**
Amortisation and depreciation	42.050	43.757	-3,9%
Others adjustments in results(net)	-7.630	2.151	c.s.
Changes in working capital	**-28.514**	**-2.773**	**928,3%**
Other cash flows from operating activities	**-21.552**	**-27.378**	**-21,3%**
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	-19.396	-24.311	-20,2%
Proceeds/(payments) from operating activities	-2.156	-3.067	-29,7%
Cash flows from investing activities	**-71.440**	**-61.147**	**16,8%**
Investment payments	**-72.084**	**-51.155**	**40,9%**
Group companies, associated & business units	886	0	n.s.
Acquisition of property, plant and equipment and intangible assets	-65.994	-43.606	51,3%
Other financial assets	-6.976	-7.549	-7,6%
Other assets	0	0	n.s.
Cash from disposals	**644**	**4.744**	**-86,4%**
Group companies, associated & business units	0	0	n.s.
Disposal of property, plant and equipment and intangible assets	644	1.596	-59,6%
Other financial assets	0	3.148	n.s.
Other assets	0	0	n.s.
Other cash flows from investing activities	**0**	**-14.736**	**n.s.**
Dividends received	0	0	n.s.
Interest paid	0	0	n.s.
Proceeds/(Payments) from others investings activities.	0	-14.736	n.s.
Cash flows from financing activities	**-83.299**	**-30.656**	**171,7%**
Proceeds and payments from equity instruments	**-13.515**	**0**	**n.s.**
Proceeds from issue of stock	0	0	n.s.
Cancellation and payments	-13.515	0	n.s.
Acquisition	0	0	n.s.
Disposal	0	0	n.s.
Proceeds and payments from financial liabilities instruments	**-40.134**	**-2.350**	**1607,8%**
Proceeds from issue of financial liabilities instruments	10.905	25.461	-57,2%
Refund, cancellation and payments	-51.039	-27.811	83,5%
Dividends paid and others payments from others equities instruments	**-26.284**	**-30.619**	**-14,2%**
Others cash flows from financing activities	**-3.366**	**2.313**	**c.s.**
Interest paid	-5.327	-3.083	72,8%
Others proceeds /(payments) from financing activities	1.961	5.396	-63,7%
Effect of foreign exchange rate changes on collections and payments	**-52**	**1.871**	**c.s.**
Net increase (decrease) in cash and cash equivalents	**-42.553**	**31.538**	**c.s.**
Cash and cash equivalents at the begining of the period	**57.301**	**25.763**	**122,4%**
Cash and cash equivalent at the end of the period	**14.748**	**57.301**	**-74,3%**

Average exchange rates (Currency/€)

	2011	2010	% Change
Euro	1.000	1.000	0.0%
US Dollar	1.392	1.471	4.9%
Canadian Dollar	1.376	1.560	0.7%
Mexican Peso	17.279	16.299	3.1%
Brazilian real	2.326	2.674	-0.4%
Czech crown	24.589	24.962	-2.8%
British Pound	0.868	0.797	1.1%
Polish Zloty	4.118	3.517	3.1%
Serbian Dinar	101.972	81.437	-0.9%
Chinesse yuan remminbi	9.000	8.982	0.2%

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