January – June 2013 Results



30th July 2013

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

Interim management report

Main highlights of the April-June 2013 results

- +5% growth in consolidated revenues in the quarter, amounting to €202.9 million, underpinned by casings volumes. Consolidated first-half revenues stood at €387.5 million.
- +3% year-on-year rise in consolidated quarterly EBITDA[1] to €49.5 million, with the EBITDA margin eroded by 0.6 p.p. to 24.4%.
- +8% year-on-year growth in net profit to €30.4 million in 2Q13.
- Net bank debt[2] stood at €93.7 million at the end of June 2013, up 44.9% compared with December 2012 due to the payment of the final dividend in June and the completion of planned investment (Capex of €31.0 million in 2Q13).
- According to Mr. José Domingo de Ampuero, the Chairman of Viscofan, "We achieved record results in the second quarter of 2013, which shows that the Viscofan Group is well placed to meet the needs of the casings market against a backdrop of global growth despite currency volatility, the rise in unit prices for production inputs and the regulatory changes which have pushed up energy prices in Spain."

Consolidated 1H 13 Results

Viscofan Group consolidated income statement ('000 €)

	Jan-Jun' 13	Jan-Jun' 12	*Change*	Apr-Jun' 13	Apr-Jun 12	*Change*
Revenue	**387,495**	**370,894**	**4.5%**	**202,898**	**193,016**	**5.1%**
EBITDA	**91,824**	**91,065**	**0.8%**	**49,463**	**48,218**	**2.6%**
EBITDA margin	***23.7%***	***24.6%***	**-0.9 p.p.**	***24.4%***	***25.0%***	**-0.6 p.p.**
EBIT	**67,781**	**68,593**	**-1.2%**	**37,361**	**36,961**	**1.1%**
Net profit	**53,772**	**51,440**	**4.5%**	**30,358**	**28,154**	**7.8%**

The Viscofan Group's consolidated net turnover in 2Q13 amounted to €202.9 million, up 5.1% on 2Q12. This reflects the acceleration in revenue growth compared with the rate of 3.8% posted in 1Q13 underpinned by the casings division, whose revenues increased by 5.4% vs. 2Q12, and the 3.5% rise in revenue at the vegetable food division.

The total revenue of €387.5 million for the first half of 2013 was up by 4.5% year-on-year, with casings revenue growing by 4.7% and vegetable food revenue by 3.2%.

Stripping out the exchange rate effect[3], consolidated first-half revenue grew by 6.3% compared with 1H12 (+5.9% in 1Q13 vs. 1Q12).

Costs of consumption[4] in 2Q13 rose 8.9% against the same period of the previous year to €66.4 million. The increases in sales volume and the cost of raw materials (especially collagen skins) fuelled this growth.

[1] EBITDA = Operating profit (EBIT) + Depreciation and amortisation charges
[2] Net bank debt = Non-current bank borrowings + Current bank borrowings – Cash and equivalents
[3] 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

Costs of consumption through June 2013 rose 7.2% to €125.3 million. Consequently, the gross margin[5] was 67.7% in 1H13 vs. 68.5% in the same period a year earlier.

The average headcount was 4,830, 8.3% higher than in June 2012, largely due to the increase in staff at the Suzhou extrusion factory (China) and the seasonal increase in staff at the vegetable food division in the second quarter for the asparagus season.

Personnel costs in 2Q13 amounted to €39.9 million, up 8.1% vs. 2Q12, while personnel expenses for the first half amounted to €78.2 million (+5.6% vs. 1H12). During 2Q13, Viscofan continued deploying personnel from the different Group plants to facilities in China to carry out training and monitoring and so ensure that the new machinery and production process are properly implemented.

Other operating costs rose by 1.1% vs. 2Q12 to €49.2 million. Underpinning this strong performance was the 5.5% decline in energy supply costs vs. 2Q12.

Other operating costs for the first half totalled €95.3 million, up 4.3% vs. 1H12, with energy supply costs rising 1.8% year-on-year. This performance was negatively affected by the new energy cogeneration taxes in Spain, which reduced consolidated EBITDA by €2.4 million.

The strength of revenue offset the rise in operating costs, with consolidated EBITDA at the Viscofan Group rising by 2.6% year-on-year to €49.5 million in 2Q13. The quarterly EBITDA margin was 24.4% (-0,6 p.p. vs. 2Q12).

Accordingly, EBITDA in 1H13 amounted to €91.8 million (+0.8% year-on-year), with a margin of 23.7% (-0.9 p.p. vs. 1H12) against a backdrop of sharply rising raw material prices, taxes on cogeneration and the start-up of the new collagen extrusion plant in China.

Stripping out the exchange rate effect, EBITDA in 1H13 was up by 3.8% on 1H12.

Depreciation and amortisation charges amounted to €12.1 million in 2Q13 (+7.5% vs. 2Q12) and €24.0 million in 1H13 (+7.0% vs. 1H12), leaving EBIT of €37.4 million in 2Q13 (+1.1% vs. 2Q12) and €67.8 million in 1H13 (-1.2% vs. 1H13).

The net financial loss in 1H13 stood at €0.6 million compared with losses of €2.3 million in 1H12 due to the impact of foreign exchange differences (+€0.8 million in 1H13 vs. -€1.0 million in 1H12), with the finance cost stable year-on-year.

Profit before tax in 1H13 amounted to €67.2 million, up 1.3% on the previous year. In addition, the revaluation of the balance sheet approved by shareholders at the General Meeting in May 2013 generated a tax benefit of €2.8 million in the quarter, leaving an effective tax rate in 1H13 of 20.0%.

Accordingly, net quarterly profit stood at €30.4 million, up 7.8% compared with 2Q12, leaving first-half net profit at €53.8 million, an increase of 4.5% year-on-year.

Net bank debt totalled €93.7 million, up 44.9% compared with December 2012, leaving the Viscofan Group's financial leverage[6] at 18.2% vs. 13.0% in December 2012. This increase in net debt was mainly caused by:

- The increase in the payment to shareholders (a final dividend of €0.694 per share was paid in June, entailing a total amount of €32.3 million, +9.5% vs. 1H12).

[4] Cost of consumption = Supplies +/- Change in inventories of finished and unfinished products
[5] Gross margin = (revenue – cost of consumption) / revenue.
[6] Financial leverage = Net bank borrowings / Equity

- The higher volume of investments, which amounted to €51.4 million (+51.7% vs. 1H12). This will drive revenue growth in the second half of the year thanks to the new installed capacity and allow progress to be made in Uruguay, where construction of the new plant is advancing in accordance with the initial plan. The aim is for edible collagen extrusion to commence in the first quarter of 2014.

1H13 results: Casings

Casings income statement ('000€)

	Jan-Jun' 13	Jan-Jun' 12	*Change*	Apr-Jun' 13	Apr-Jun 12	*Change*
Revenue	**335,503**	**320,530**	**4.7%**	**175,541**	**166,574**	**5.4%**
EBITDA	**88,361**	**87,509**	**1.0%**	**47,301**	**46,134**	**2.5%**
EBITDA margin	***26.3%***	***27.3%***	**-1.0 p.p.**	***26.9%***	***27.7%***	**-0.8 p.p.**
EBIT	**65,923**	**66,555**	**-0.9%**	**36,053**	**35,654**	**1.1%**
Net profit	**51,489**	**49,994**	**3.0%**	**28,474**	**27,168**	**4.8%**

In the second quarter of 2013, the artificial casings market continued to grow strongly in the main casings families. Noteworthy once again was the greater vigour of the collagen segment, especially in the emerging markets in the Americas and Asia.

Against this backdrop of growth, the Viscofan Group is making great efforts to increase its production capacity and to respond to the demands of this more global market. With this in mind, the company is stepping up investments under the Be MORE 12-15 strategic plan. Projects include the establishment of new production centres in China (which has been in operation since February 2013) and Uruguay (which is expected to start up in 1Q14).

Revenue growth accelerated in 2Q13 vs. the previous quarter thanks to the increase in production capacity, with quarterly revenue rising 5.4% vs. 2Q12 to a new record figure of €175.5 million. First-half revenue totalled €335.5 million (+4.7% vs. 1H12), with all casings families posting year-on-year growth.

Volumes, average prices and cogeneration revenues all contributed to the casings division's revenue growth.

In specific terms, energy cogeneration sales accounted for €14.1 million (+6.8% vs. 2Q12) of the casings division's quarterly revenue of €175.5 million while sales of casings contributed €161.5 million (+5.3% vs. 2Q12). Cogeneration accounted for €27.6 million (+6.3% vs. 1H12) of the casings division's total 1H13 revenue of €335.5 million, while casing sales contributed €307.9 million (+4.5% vs. 1H12).

Revenue growth was again fuelled by strong volumes in emerging markets, especially in Asia and Latin America, while growth was more moderate in the more mature northern hemisphere markets (Europe and North America). Here the colder weather took a toll in what is traditionally a stronger quarter due to the impact of sausage consumption outdoors. Nonetheless, the Viscofan Group achieved positive growth in all its reporting areas[7]:

- In Europe and Asia, revenue rose 5.5% on 1H12 to €175.7 million.
- In North America, revenue was 0.7% higher at €105.5 million.
- In Latin America, revenue rose 10.4% year-on-year to €54.2 million, very strong growth considering the 9.7% depreciation of the Brazilian real.

[7] Revenue by origin of sales

Stripping out the impact of the foreign exchange rates applied in consolidation, net turnover advanced 6.8% year-on-year through June, reflecting the organic growth at the casings division compared with the previous quarter (+6.3% constant exchange rate growth).

This growth in sales volumes was achieved amidst sharply rising raw material costs (especially noteworthy is the double-digit year-on-year increase in the cost of collagen hides) and in the price of gas in Europe for cogeneration. Initiatives have been launched in the second half of 2013 aimed at reducing the cost of raw materials.

The aforementioned inflation in production input prices impacted on costs of consumption, which grew 10.2% in 2Q13 vs. 2Q12 and by 7.8% in 1H13 vs. 1H12 to €50.6 million and €94.0 million respectively. Consequently, the gross margin stands at 71.2% for the quarter (72.4% in 2Q12) and at 72.0% in 1H13 (72.8% in 1H12).

The average headcount in the casings division is 3,880, 4.0% higher than in June 2012, mainly as a result of the increase in staff associated with the new plant in China.

This brought personnel expenses to €71.9 million in the first half, up 5.6% against the previous year, a figure that reflects the significant deployment of personnel from Group plants to China to ensure that the new plant runs smoothly and to help train local personnel as Chinese production capacity is expanded.

Personnel expenses rose 8.2% year-on-year in the second quarter of 2013 to €36.2 million.

Other operating costs rose by 1.1% vs. 2Q12 to €43.0 million thanks to the significant saving achieved from the use of natural gas in energy supply costs in Mexico and the lower electricity purchase price in Spain in 2Q13. As a result, energy supply costs fell 5.8% compared with 2Q12, offsetting the impact of higher costs stemming from the new energy cogeneration taxes in Spain (+€1.3 million in the quarter).

Despite the strong quarterly performance, other operating costs for 1H13 were up by 4.8% year-on-year to €83.9 million.

Quarterly EBITDA hit a new record high of €47.3 million, up 2.5% vs. 2Q12, and the margin was 26.9%. Although down 0.8 p.p. compared with 2Q12 as a result of the increase in production input prices and operating costs at the new plant in China, the EBITDA margin was 1.2 p.p. higher than in 1Q13 thanks to higher sales volumes and the high productivity rates achieved at the centres of excellence.

First-half EBITDA stood at €88.4 million, up 1.0% year-on-year, and the EBITDA margin was 26.3% (-1.0 p.p. vs. 1H12).

Stripping out the exchange rate effect, 1H13 EBITDA climbed 4.1% year-on-year (+2.5% in 1Q13 vs. 1Q12).

Depreciation and amortisation charges amounted to €11.2 million in 2Q13 (+7.3% vs. 2Q12) and €22.4 million in 1H13 (+7.1% vs. 1H12), to leave quarterly EBIT of €36.1 million (+1.1% vs. 2Q12) and a first-half figure of €65.9 million (-0.9% vs. 1H12).

First-half net profit totalled €51.5 million (+3.0% vs. 1H12), with the second quarter contributing €28.5 million (+4.8% vs. 2Q12).

1H13 results: IAN Group

IAN Group income statement ('000€)

	Jan-Jun' 13	Jan-Jun' 12	*Change*	Apr-Jun' 13	Apr-Jun 12	*Change*
Revenue	51,992	50,364	3.2%	27,357	26,442	3.5%
EBITDA	3,463	3,556	-2.6%	2,162	2,084	3.7%
EBITDA margin	*6.7%*	*7.1%*	-0.4 p.p.	*7.9%*	*7.9%*	0.0 p.p.
EBIT	1,858	2,038	-8.8%	1,308	1,307	0.1%
Net profit	2,283	1,446	57.9%	1,884	986	91.1%

In a context of deep economic crisis, which continues to erode household consumption, the vegetable food division posted revenue growth in both 2Q13 (+3.5% vs. 2Q12 to €27.4 million) and the first half (+3.2% vs. 1H12 to €52.0 million).

This improvement was due to the strength of the Carretilla brand, which posted approximately 5% sales growth underpinned by its leadership in the asparagus market, the success of ready-made meals, range diversification and the search for new export markets.

Despite the growth in revenue over the year and the strong second-quarter cost performance, the higher cost of raw materials and pressure by retailers to reduce prices had a negative impact on the first-half EBITDA margin, which shrank by 0.4 p.p. to 6.7%; EBITDA amounted to €3.5 million, down 2.6% year-on-year.

First-half net profit rose by 57.9% year-on-year to €2.3 million, boosted by the €0.9 million tax benefit from the asset revaluation carried out in Spain.

APPENDICES

Significant events

- The Board of Directors, at its meeting on 28 February 2013, appointed Ms Agatha Echevarría as Second Vice-Chairwoman.

- In May 2013, the following resolutions, among others, were adopted at the General Shareholders' Meeting:

  - The meeting approved the balance sheet, income statement, statement of changes in equity, cash flow statement, proposed distribution of earnings including a final dividend of €0.694 per share, explanatory notes, management report including the annual report on corporate governance and management's performance, for Viscofan, S.A., as well as the consolidated statement of financial position, the consolidated income statement, the consolidated statement of total changes in equity, the consolidated cash flow statement, explanatory notes, management report and management's performance for the Viscofan Group, of which Viscofan, S.A. is the parent, for the year ended 31 December 2012.

    Bearing in mind the interim dividend of €0.40 per share paid on 20 December 2012, and the above mentioned final dividend of €0.694 per share paid on 4th June 2013, the proposed total remuneration per share, including the premium for attending the General Shareholders' Meeting of €0.006 per share, is €1.10 per share.

  - The meeting approved the revaluation of the Viscofan SA balance sheet to 31 December 2012 in application of Regional Law 21/2012, of 26 December, on the modification of various taxes and other tax measures.

  - The meeting resolved to appoint Ernst & Young, S.L. as auditors to review the financial statements of Viscofan, S.A. and the consolidated annual accounts of the business group of which Viscofan is the parent, for the fiscal year closing on 31 December 2013.

  - The meeting approved the adoption and application of recommendation 29 of the Unified Code of Good Governance of Listed Companies and subsequent amendment of article 27 of the Company Bylaws, related to the limit of 12 years for the Independent Directors.

  - The meeting approved the modification of the remuneration system of the Board of Directors with the subsequent amendment of articles 27 and 30 of the Company Bylaws.

  - The meeting resolved to renew, for the maximum term envisaged by law, and running from the date of the resolution, the authorisation for the Board of Directors to buy and sell treasury shares on the market at the listed share price on the day of the transaction, subject to the maximum number of shares permitted by the Spanish Corporate Enterprises Act (Ley de Sociedades de Capital) and related legal provisions, with the minimum price being the par value and the maximum not exceed 15% of the value of the share price in the stock market at the time of the acquisition.

  - The meeting approved, by advisory vote, the report on the directors'compensation policy, pursuant to art. 61.3 "of the Securities Market Act.

Viscofan Group Profit and loss account ('000 €)

	Jan-Jun' 13	Jan-Jun' 12	*Change*	Apr-Jun' 13	Apr-Jun 12	*Change*
Revenues	**387,495**	**370,894**	**4.5%**	**202,898**	**193,016**	**5.1%**
Other operating income	2,421	1,877	29.0%	1,526	1,294	17.9%
Self-constructed assets	147	195	-24.6%	85	93	-8.6%
Variation in stocks of finished products and work-in-progress	11,415	-906	c.s	5,897	613	862.0%
Net purchases	-136,707	-116,009	17.8%	-72,293	-61,556	17.4%
Personnel expenses	-78,211	-74,057	5.6%	-39,879	-36,889	8.1%
Other operating expenses	-95,309	-91,371	4.3%	-49,158	-48,613	1.1%
Capital grants	367	445	-17.5%	183	258	-29.1%
Impairment and results coming from disposals of non-current assets	206	-3	c.s	204	2	10100.0%
Other results	0	0	n.s.	0	0	n.s.
EBITDA	**91,824**	**91,065**	**0.8%**	**49,463**	**48,218**	**2.6%**
EBITDA margin	*23.7%*	*24.6%*	*-0.9 p.p.*	*24.4%*	*25.0%*	*-0.6 p.p.*
Amortization and depreciation	-24,043	-22,472	7.0%	-12,102	-11,257	7.5%
EBIT	**67,781**	**68,593**	**-1.2%**	**37,361**	**36,961**	**1.1%**
EBIT margin	*17.5%*	*18.5%*	*-1.0 p.p.*	*18.4%*	*19.1%*	*-0.7 p.p.*
Financial incomes	205	321	-36.1%	140	98	42.9%
Financial expenditures	-1,542	-1,544	-0.1%	-605	-864	-30.0%
Changes in reasonable value of financial instruments	0	0	n.s.	0	0	n.s.
Exchange differences	768	-1,048	c.s	-450	686	c.s
Impairment and results coming from disposals of financials assets	0	0	n.s.	0	0	n.s.
Financial results	**-569**	**-2,271**	**-74.9%**	**-915**	**-80**	**1043.8%**
Profit from associated companies	0	0	n.s.	0	0	n.s.
Profit before taxes	**67,212**	**66,322**	**1.3%**	**36,446**	**36,881**	**-1.2%**
Taxes	-13,440	-14,882	-9.7%	-6,088	-8,727	-30.2%
Profit after taxes	**53,772**	**51,440**	**4.5%**	**30,358**	**28,154**	**7.8%**
Minority interest	0	0	n.s.	0	0	n.s.
Net profit	**53,772**	**51,440**	**4.5%**	**30,358**	**28,154**	**7.8%**

Consolidated balance sheets ('000 €)

	Jun '13	Dec '12	*Change*
Intangible assets	15,770	16,342	-3.5%
Goodwill	0	0	n.s.
Others intangible asset	15,770	16,342	-3.5%
Tangible assets	368,472	344,536	6.9%
Real state investments	0	0	n.s.
Investment accounting ussing the equity method	0	0	n.s.
Non-current financial assets	1,119	1,360	-17.7%
Deferred tax assets	14,113	11,023	28.0%
Other non-current assets	0	0	n.s.
NON-CURRENT ASSETS	**399,474**	**373,261**	**7.0%**
Non-current assets held for sale	0	0	n.s.
Inventories	204,739	197,837	3.5%
Trade and other receivables	176,230	155,897	13.0%
Trade debtors	145,832	133,563	9.2%
Other debtors	25,110	20,011	25.5%
Current tax assets	5,288	2,323	127.6%
Other financial current assets	6,754	3,411	98.0%
Other current assets	6,745	2,300	193.3%
Cash and cash equivalents	25,164	44,863	-43.9%
CURRENT ASSETS	**419,632**	**404,308**	**3.8%**
TOTAL ASSETS= EQUITY AND LIABILITIES	**819,106**	**777,569**	**5.3%**
Share capital	32,623	32,623	0.0%
Share issue premium	12	12	0.0%
Reserves	441,647	386,858	14.2%
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	53,772	105,063	-48.8%
Less: Interim dividend	0	-18,641	n.s.
Other equity instruments	0	0	n.s.
SHAREHOLDER'S FUNDS	**528,054**	**505,915**	**4.4%**
Financial assets held for sale	0	0	n.s.
Hedge transaction reserves	297	1,125	-73.6%
Currency translation differences	-13,181	-8,471	55.6%
Others	0	0	n.s.
ADJUSTMENTS DUE TO CHANGE IN VALUE	**-12,884**	**-7,346**	75.4%
SHAREHOLDERS' EQUITY	**515,170**	**498,569**	**3.3%**
Minority interest	0	0	n.s.
EQUITY	**515,170**	**498,569**	**3.3%**
Grants	4,129	5,434	-24.0%
Non-current provision	22,279	26,772	-16.8%
Non-current financial liabilities	30,758	25,856	19.0%
Financial debt	23,580	19,000	24.1%
Other financial liabilities	7,178	6,856	4.7%
Deferred tax liabilities	24,721	25,315	-2.3%
Other non-current liabilities	0	0	n.s.
NON-CURRENT LIABILITIES	**81,887**	**83,377**	**-1.8%**
Liabilities linked to non-current assets held for sale	0	0	n.s.
Current provisions	5,167	3,834	34.8%
Current financial liabilities	103,969	102,112	1.8%
Financial debt	95,259	90,516	5.2%
Other financial liabilities	8,710	11,596	-24.9%
Trade creditor and other payable accounts	112,629	89,677	25.6%
Trade creditors	70,689	62,458	13.2%
Other creditors	26,060	17,784	46.5%
Current tax liabilities	15,880	9,435	68.3%
Other current liabilities	284	0	n.s.
CURRENT LIABILITIES	**222,049**	**195,623**	**13.5%**
NET BANK DEBT	**93,675**	**64,653**	**44.9%**

Cash flow statments ('000 €)

	Jan-Jun' 13	Jan-Jun' 12	*Change*
Cash flows from operating activities	**61.424**	**52.474**	**17,1%**
Profit for the year before tax	**67.212**	**66.322**	**1,3%**
Adjustments in results	**25.430**	**27.635**	**-8,0%**
Amortisation and depreciation	24.043	22.472	7,0%
Others adjustments in results(net)	1.387	5.163	-73,1%
Changes in working capital	**-17.152**	**-24.472**	**-29,9%**
Other cash flows from operating activities	**-14.066**	**-17.011**	**-17,3%**
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	-10.337	-13.294	-22,2%
Proceeds/(payments) from operating activities	-3.729	-3.717	0,3%
Cash flows from investing activities	**-56.558**	**-29.625**	**90,9%**
Investment payments	**-57.980**	**-32.788**	**76,8%**
Group companies, associated & business units	0	0	n.s.
Acquisition of property, plant and equipment and intangible assets	-52.968	-31.999	65,5%
Other financial assets	-5.012	-760	559,5%
Other assets	0	-29	n.s.
Cash from disposals	**1.156**	**3.163**	**-63,5%**
Group companies, associated & business units	0	0	n.s.
Disposal of property, plant and equipment and intangible assets	581	170	241,8%
Other financial assets	575	2.991	-80,8%
Other assets	0	2	n.s.
Other cash flows from investing activities	**266**	**0**	**n.s.**
Dividends received	0	0	n.s.
Interest received	266	0	n.s.
Proceeds/(Payments) from others investings activities.	0	0	n.s.
Cash flows from financing activities	**-25.371**	**-16.759**	**51,4%**
Proceeds and payments from equity instruments	**0**	**0**	**n.s.**
Proceeds from issue of stock	0	0	n.s.
Cancellation and payments	0	0	n.s.
Acquisition	0	0	n.s.
Disposal	0	0	n.s.
Proceeds and payments from financial liabilities instruments	**9.294**	**16.554**	**-43,9%**
Proceeds from issue of financial liabilities instruments	68.512	23.890	186,8%
Refund, cancellation and payments	-59.218	-7.336	707,2%
Dividends paid and others payments from others equities instruments	**-32.343**	**-29.547**	**9,5%**
Others cash flows from financing activities	**-2.322**	**-3.766**	**-38,3%**
Interest paid	-1.135	-1.528	-25,7%
Others proceeds /(payments) from financing activities	-1.187	-2.238	-47,0%
Effect of foreign exchange rate changes on collections and payments	**806**	**596**	**35,2%**
Net increase (decrease) in cash and cash equivalents	**-19.699**	**6.686**	**c.s.**
Cash and cash equivalents at the begining of the period	**44.863**	**14.748**	**204,2%**
Cash and cash equivalent at the end of the period	**25.164**	**21.434**	**17,4%**

Average exchange rates (Currency/€)

	1H13	1H12	% Change
Euro	1.000	1.000	0.0%
US Dollar	1.313	1.297	1.3%
Canadian Dollar	1.334	1.304	2.3%
Mexican Peso	16.502	17.181	-4.0%
Brazilian real	2.649	2.416	9.7%
Czech crown	25.697	25.165	2.1%
British Pound	0.851	0.823	3.5%
Serbian Dinar	111.929	110.828	1.0%
Chinesse yuan remminbi	8.196	8.182	0.2%
Uruguayan Peso	25.278	na	na

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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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