

22 October 2015

Results

January–September 2015

Results highlights 9M15

Net profit from continuing operations grew to €86.6MM backed by operational strength and forex.

+14.6%

+16.5% **Cumulative EBITDA increases** to €158.8MM, improving the EBITDA margin by +1,7 p.p. to 28,6%.

Consolidated revenue growth to €555.9MM

+9.8%

€0.9MM **Net bank debt decreased by 98.7%** helped by €55.8 proceeds from IAN Group sale and the improvement in operational cash flow.

Growing revenue and operational profitability…

9M15

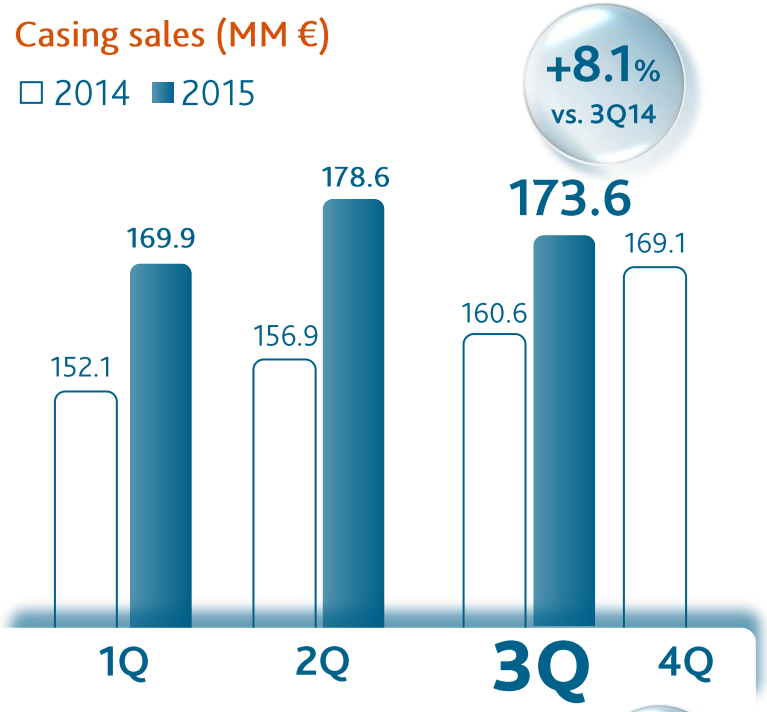
Selected financial data (MM €)

	9M15	% y-o-y	% y-o-y Like-for-Like[1]	3Q15	% y-o-y	% y-o-y Like-for-Like[1]
Revenue	555.9	+9.8%	**+4.4%**	185.1	+7.6%	**+4.0%**
EBITDA	158.8	+16.5%	**+8.4%**	50.9	+13.1%	**+5.9%**
EBITDA margin	*28.6%*	*+1.7 p.p.*	***+1.0p.p.***	*27.5%*	*+1.4p.p.*	***+0.5 p.p.***
EBIT	119.2	+19.7%		37.7	+15.6%	
Net profit from continued operations	86.6	+14.6%		26.5	+3.2%	

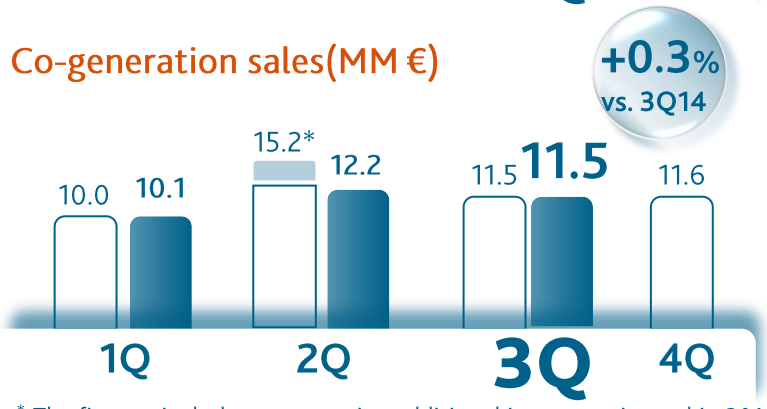
[1] For comparative purposes, organic growth excludes the impact of the different exchange rates applied in the consolidation of the financial statements and the impact of the USD variation in business transactions and non-recurring results recorded in 2015 related to the outsourcing of pensions in the US and in 2014 due to the changes in cogeneration regulations.

...led by casing volume growth for yet another Quarter.

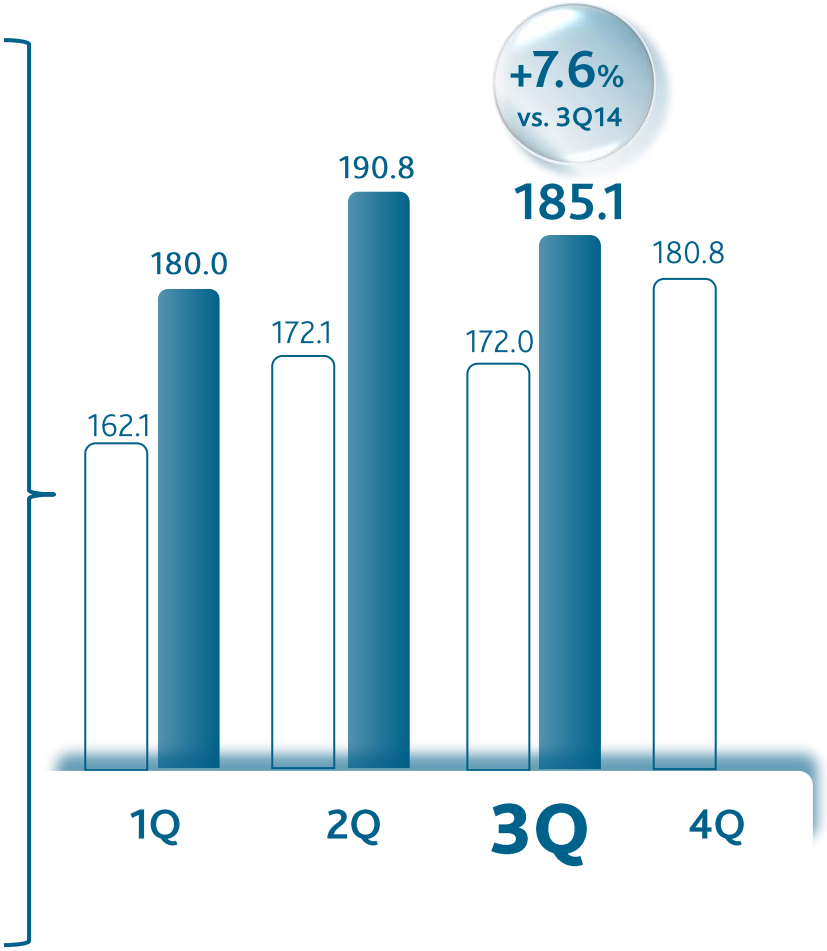
Casing sales (MM €)



Co-generation sales(MM €)



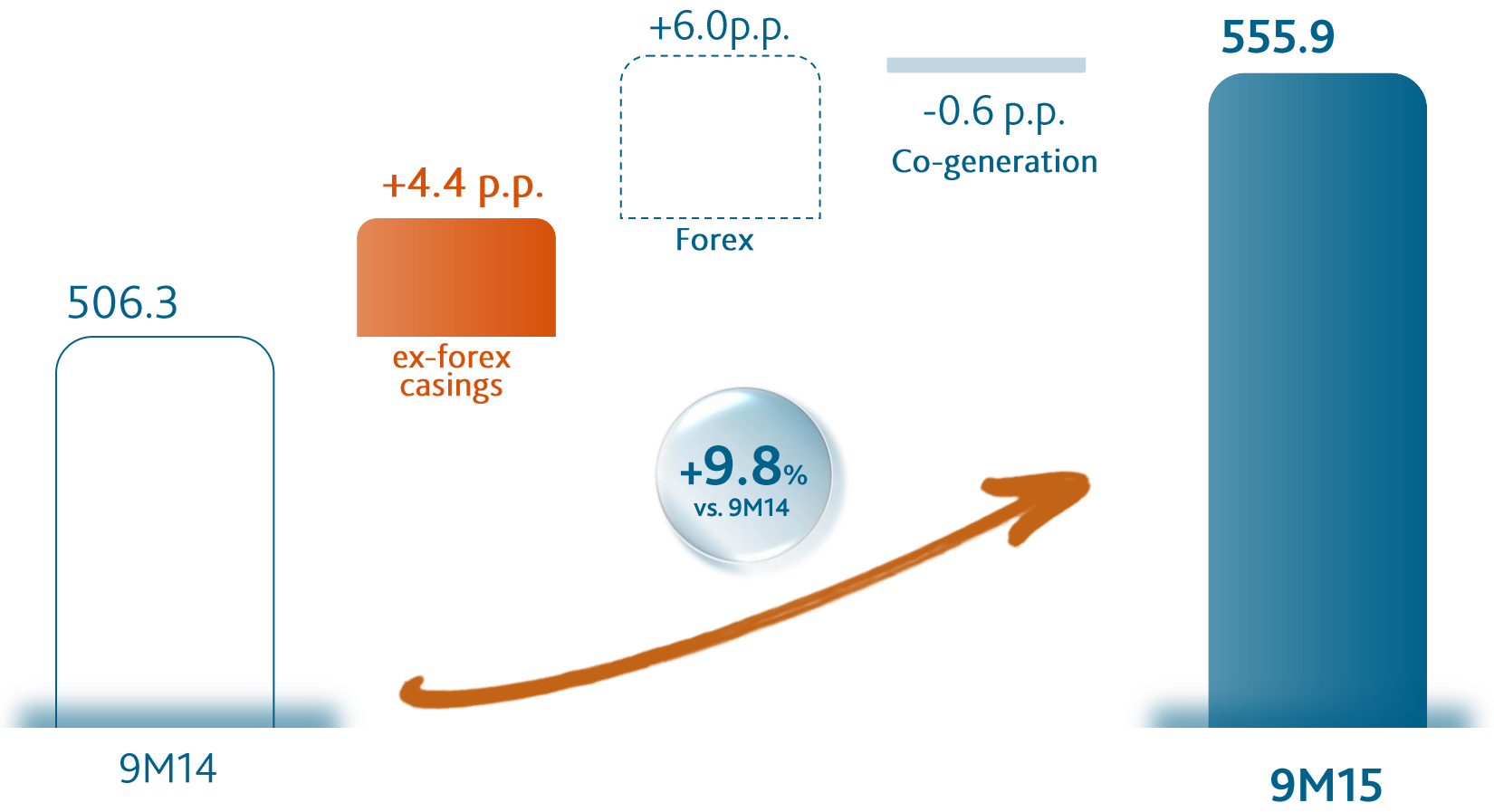
Revenue Viscofan Group (MM €)



* The figures include non-recurring additional impact registered in 2014 in Revenue by €2.9MM due to the modification of payment parameters for cogeneration published in the Ministerial Order in July, 2014 versus provisioned in 2013 under the publication of the Order dispatched by the secretary of State to the CNMC.

Better growth performance based on organic growth and forex tailwind

Revenue and Revenue growth contribution (MM €)



Positive performance in Latam, Europe and Asia, but weaker in North America

Revenue breakdown by geographical area[1] (MM €)

GROUP REVENUE

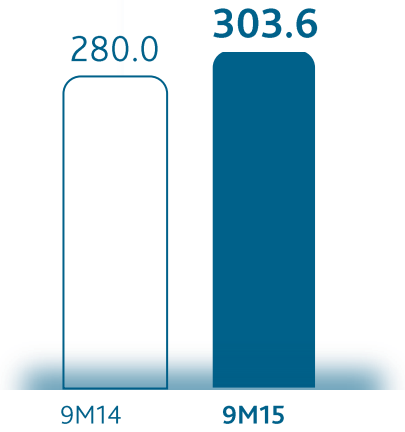
+9.8%	+4.4%
vs. 9M14	Organic[2]

EUROPE AND ASIA

54.6%

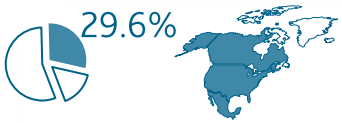


+8.4%	+6.5%
vs. 9M14	Organic[2]

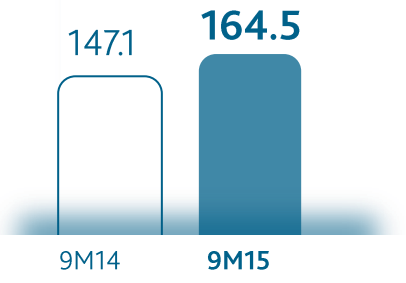


NORTH AMERICA

29.6%

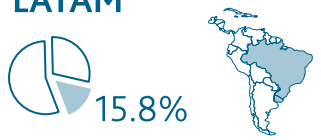


+11.8%	-3.8%
vs. 9M14	Organic[2]

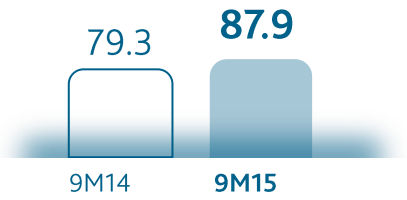


LATAM

15.8%



+10.8%	+12.4%
vs. 9M14	Organic[2]

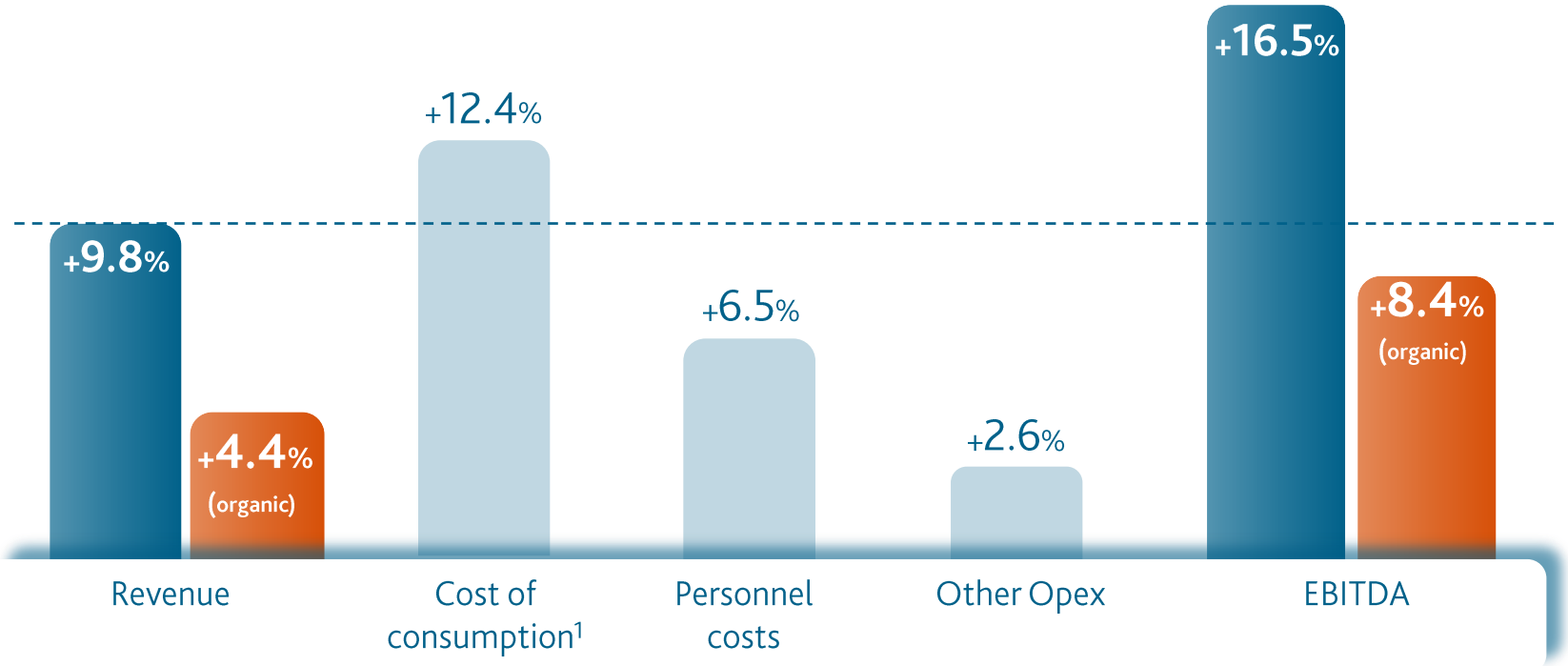


[1] Revenue per origin of sale.

[2] For comparative purposes, organic growth excludes the impact of the different exchange rates applied in the consolidation of the financial statements and the impact of the USD variation in business transactions and non-recurring results recorded in 2015 related to the outsourcing of pensions in the US and in 2014 due to the changes in cogeneration regulations.

Organic growth and cost control push EBITDA growth…

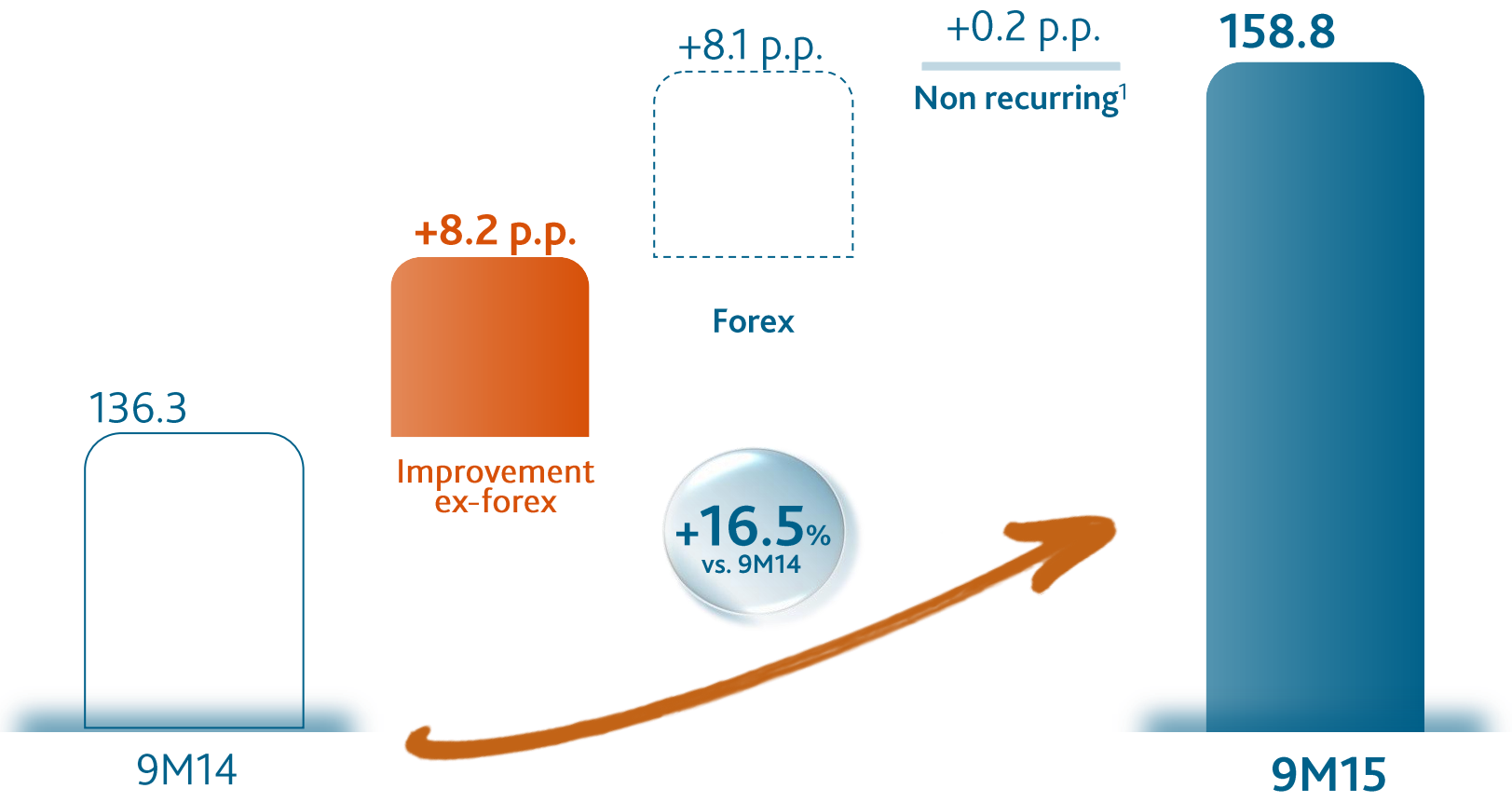
9M15. % y-o-y



[1] Cost of consumption = Net purchases +/- Variation in stocks of finished products and work in progress.

… thanks to operational improvement, market leadership position and forex strength.

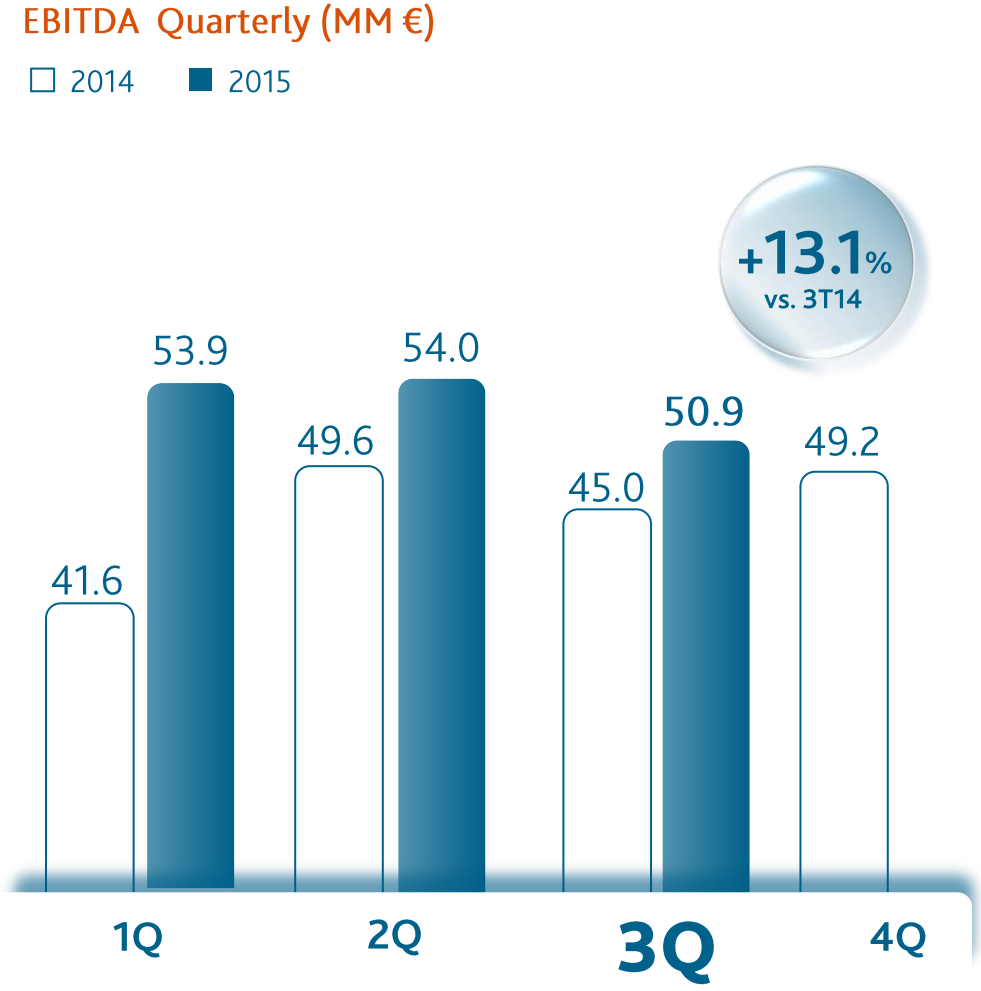
EBITDA and EBITDA growth contribution (MM €)



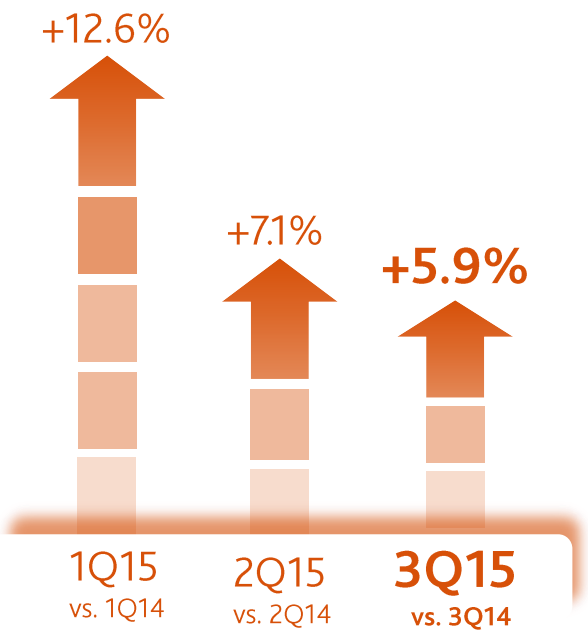
[1] Non-recurring figure include the change between additional impact registered in 2015 related to the outsourcing of pensions in the US and non-recurring impact recorded in 2014 due to the changes in cogeneration regulation.

EBITDA growth in all Quarters…

EBITDA Quarterly (MM €)



Organic[1] EBITDA growth (%)



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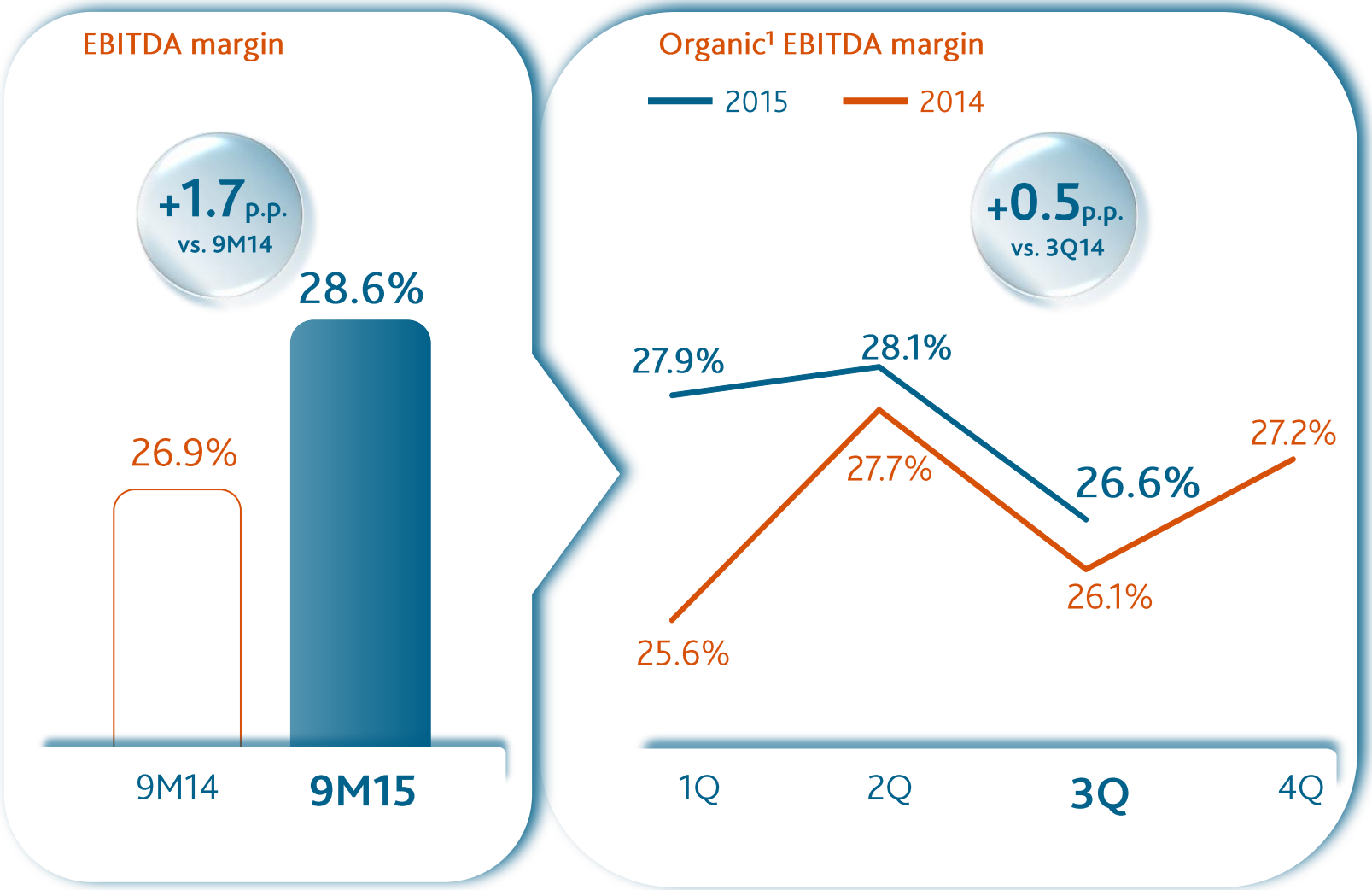
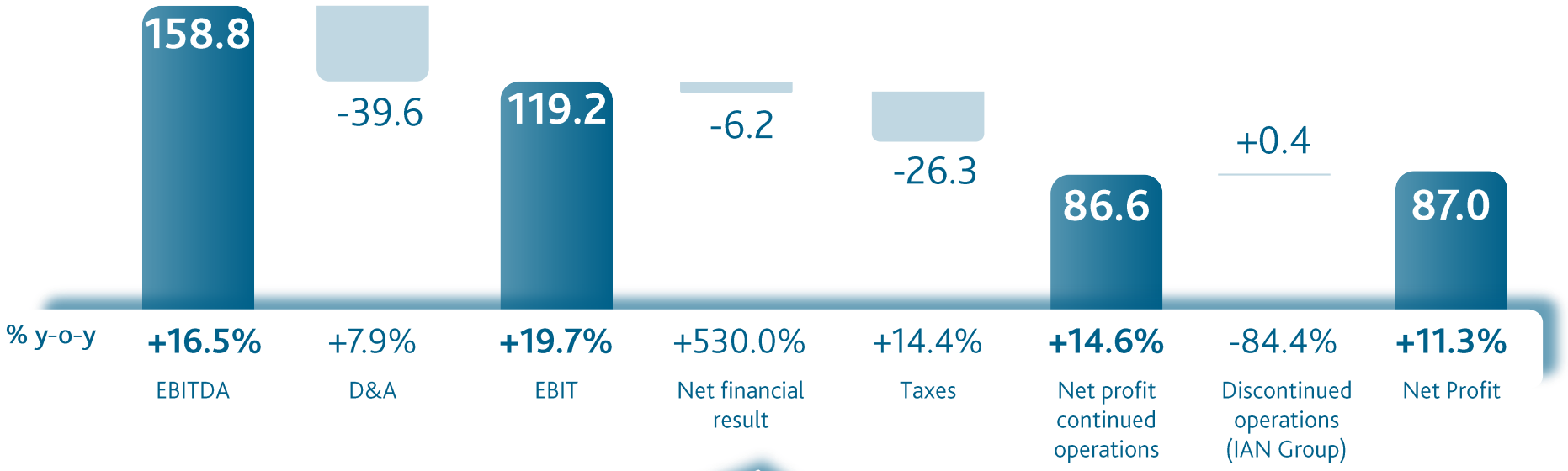
… combining revenue growth and profitability in all Quarters…



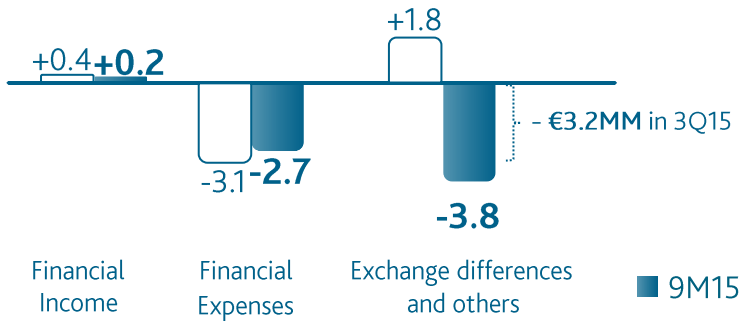
[1] For comparative purposes, organic growth excludes the impact of the different exchange rates applied in the consolidation of the financial statements and the impact of the USD variation in business transactions and non-recurring results recorded in 2015 related to the outsourcing of pensions in the US and in 2014 due to the changes in cogeneration regulations.

Margin improvement transferred to double digit growth in Net profit despite worse Exchange differences results.

9M15. EBITDA to Net profit bridge, MM€

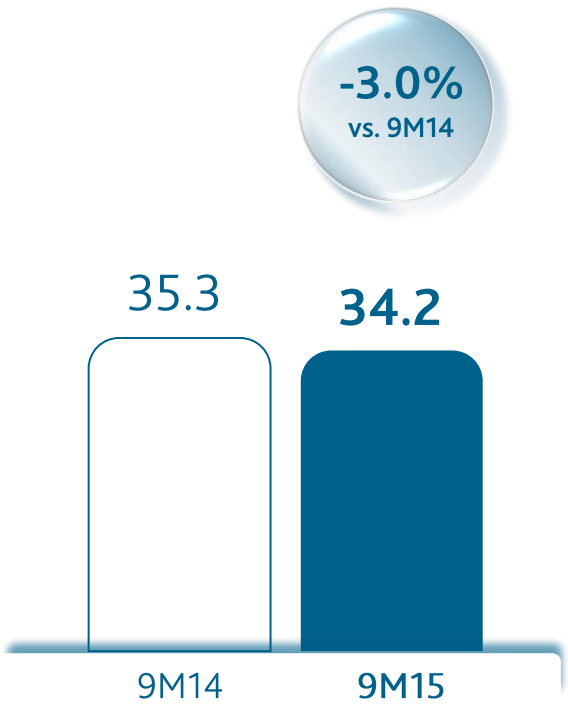


Net financial result (MM €)

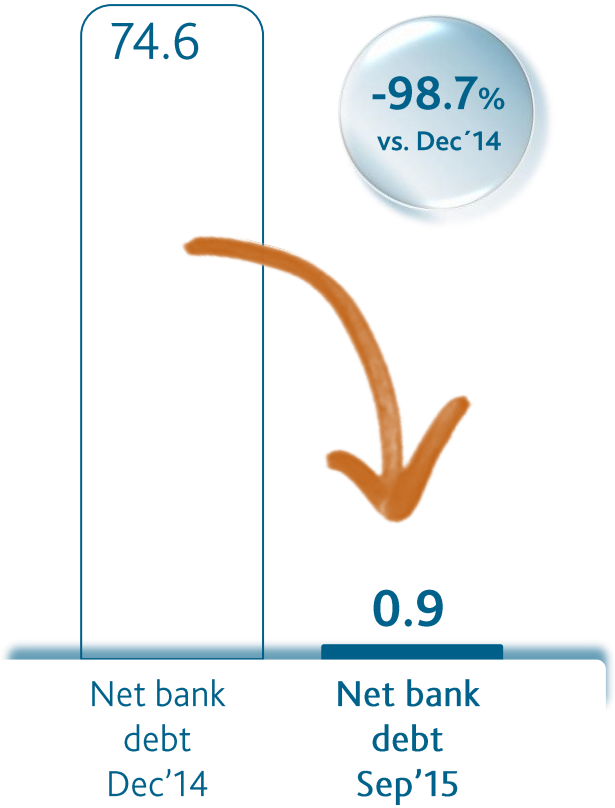


IAN disposal and solid operating cash flow to finance investments, dividend increase and to reduce debt

CAPEX (MM €)



Net bank debt evolution[1] (MM €)



[1] Net bank debt = Long and short financial debt - cash and cash equivalents

To wrap up

- ✓ **Organic growth** boosted by volume growth in collagen and plastics.
- ✓ **Solid global position** to help capture growth as market conditions normalise.
- ✓ **Margin improvement** backed by revenue growth, lower energy costs and labour productivity.
- ✓ **Sound balance sheet** after increased dividends, investment on technology and growth, outsourcing of US pension funds and the sale of IAN Group.

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