January-September 2008 Results

October 27th, 2008

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Highlights 9M08 results

- **Acceleration in growth during 3Q08** in major financial magnitudes: *Revenues (+11%), EBITDA (+8%), EBIT (+12%), and Net Profit (+19%)*
- **+12%** y-o-y growth in **Net Profit** during 9M08
- €76.6MM EBITDA in 9M08, **leaded by a strong EBITDA growth in Q3 in the casing business** (+11% y-o-y).
- +7% y-o-y growth in 9M08 consolidated Revenues with **double-digit growth in casing and vegetable businesses** during 3Q08 (+11% vs. 3Q07)
- Healthy financial situation, with a **38.1% financial leverage**[1]

[1] Financial Leverage = Net Debt/Equity

Consolidated results

Accelerated growth in 3Q08

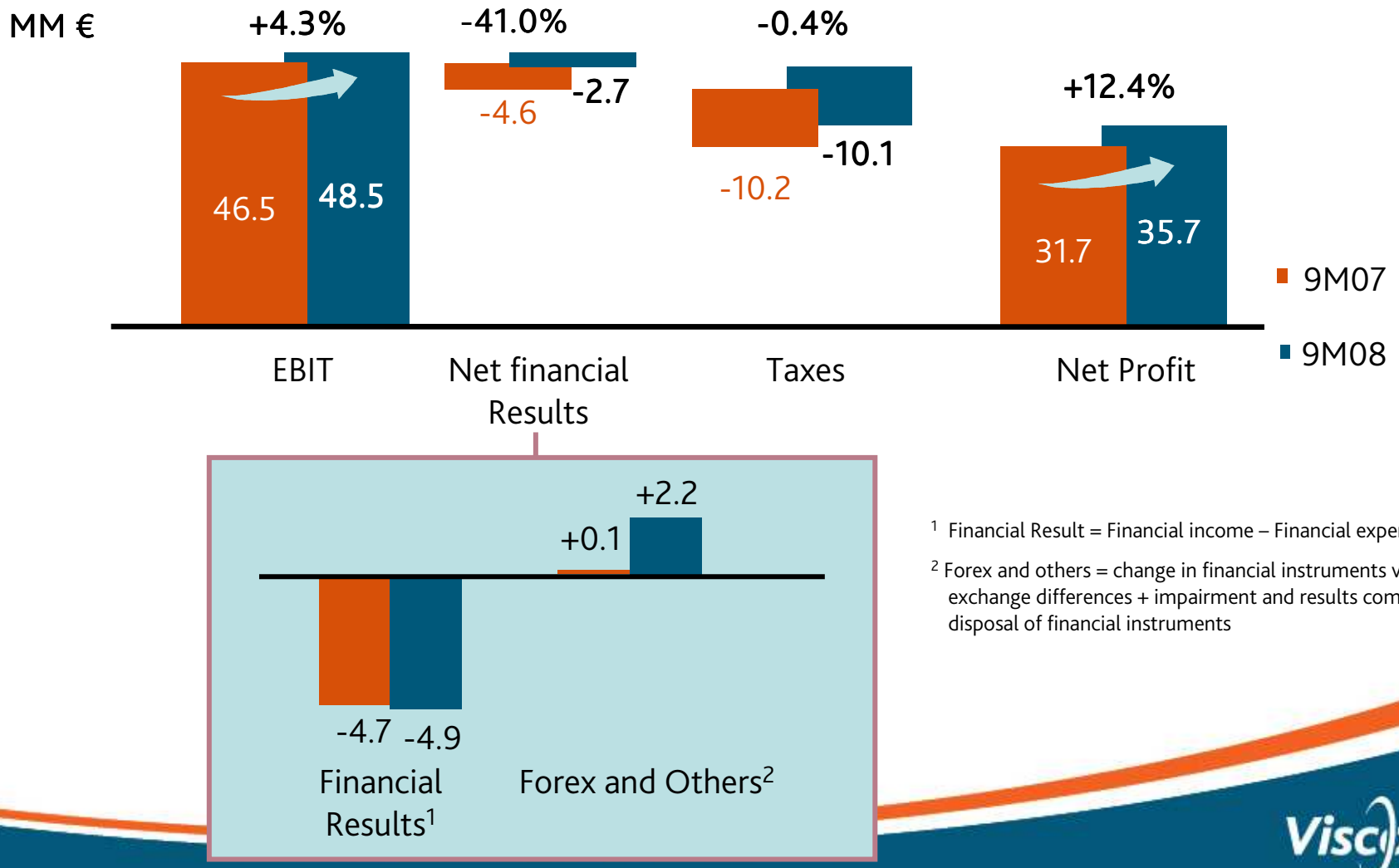
MM €	9M08	% Change	3Q08	% Change
Revenues	407.7	+7.2%	139.4	+11.0%
EBITDA	76.6	+2.5%	24.9	+8.2%
EBITDA margin	*18.8%*	*-0.9p.p.*	*17.8%*	*-0.5 p.p.*
EBIT	48.5	+4.3%	15.0	+12.1%
BAI	45.8	+9.3%	15.0	+23.0%
Net profit	35.7	+12.4%	10.8	+18.6%

- Revenues ex –forex[1]: +11.3% vs. 9M07
- EBITDA ex –forex[1]: +9.5% vs. 9M07

[1] For comparison purposes, ex–forex growth excludes the impact of different exchange rates used on consolidation, and their impact in commercial transactions.

Consolidated results

EBIT strength and improvement in financial results are translated into double-digit growth in Net Profit

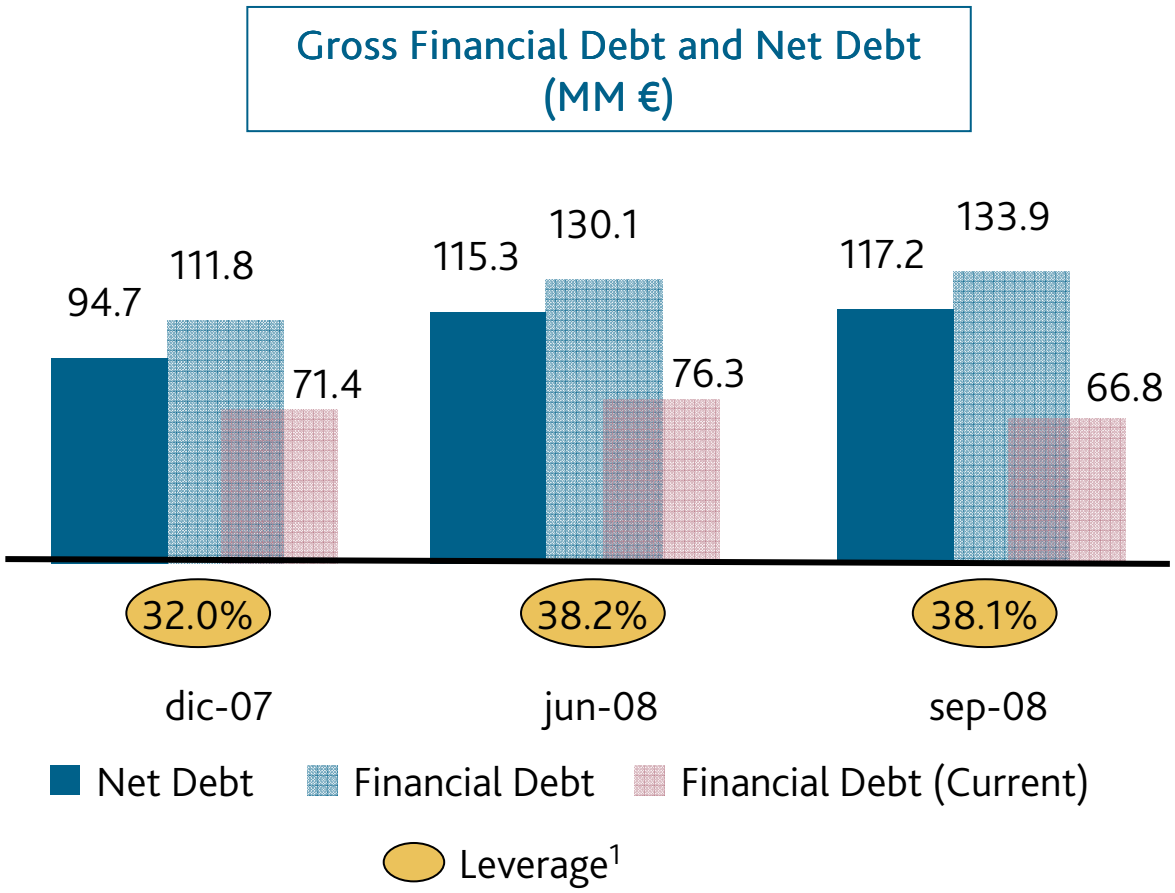


[1] Financial Result = Financial income – Financial expenses

[2] Forex and others = change in financial instruments value+ exchange differences + impairment and results coming from disposal of financial instruments

Consolidated results

Financial Debt (MM €)

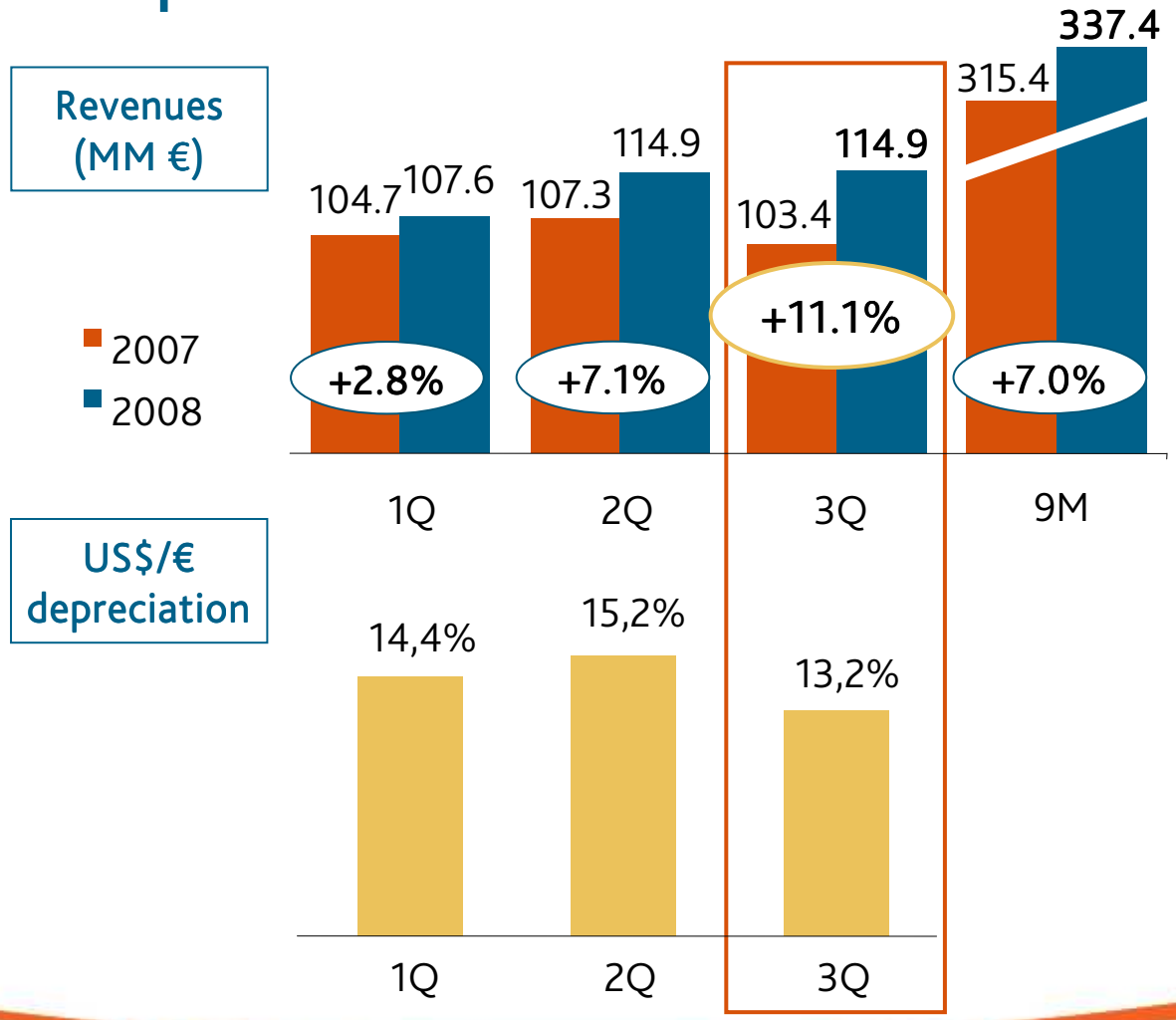


[1] Leverage = Net Debt/Equity

- Healthy financial situation, with a financial leverage of 38%.
- Financial discipline: Reducing short-term debt in an environment of credit contraction.

Casings

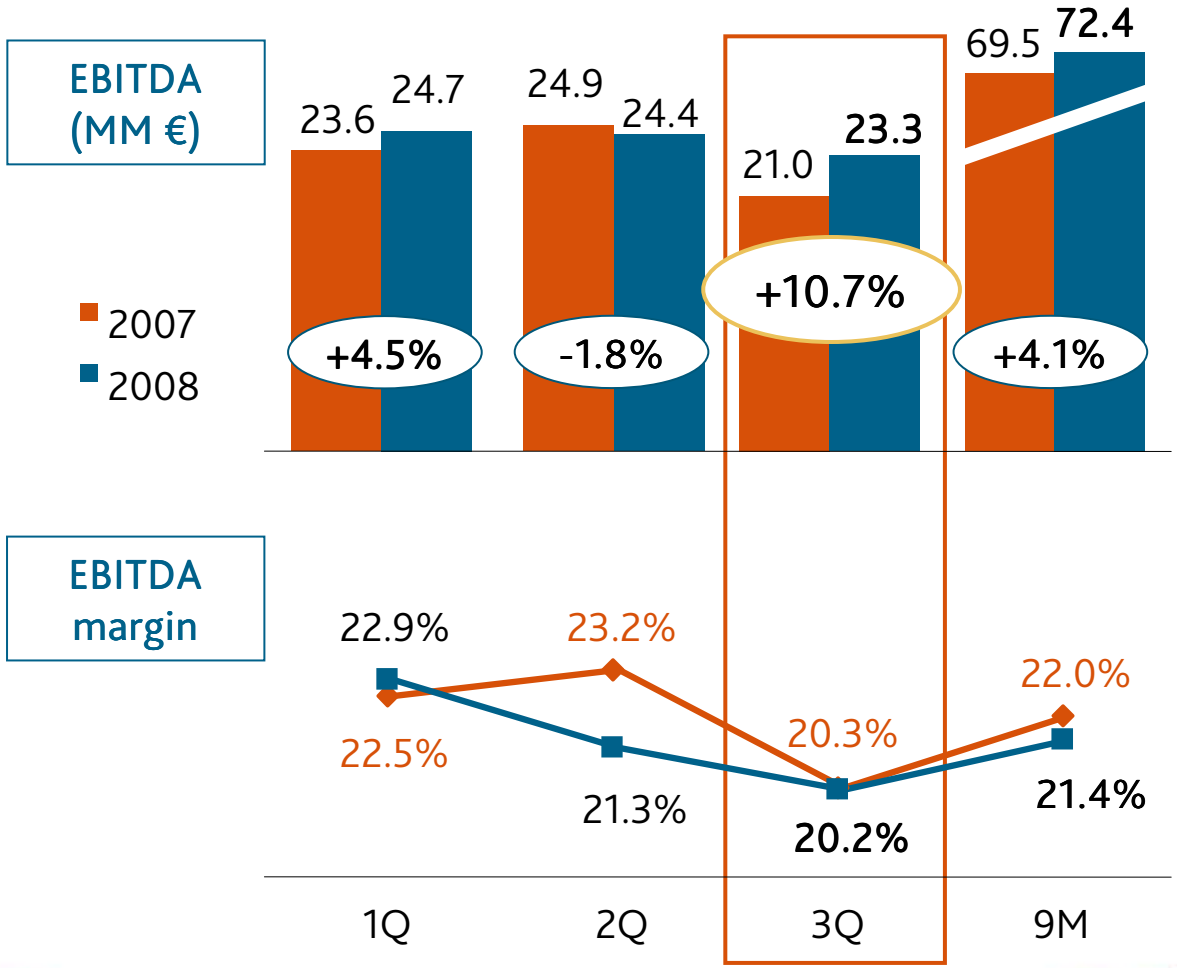
Double-digit y-o-y growth in Q3 Revenues despite strong US$ depreciation



- Best Quarter by revenues despite seasonality
- Revenues leaded by sales volumes, better average price and co-generation revenues coming from Spain.
- Excluding US$ depreciation against the €, revenue grows +11,9% y-o-y in 9M08.

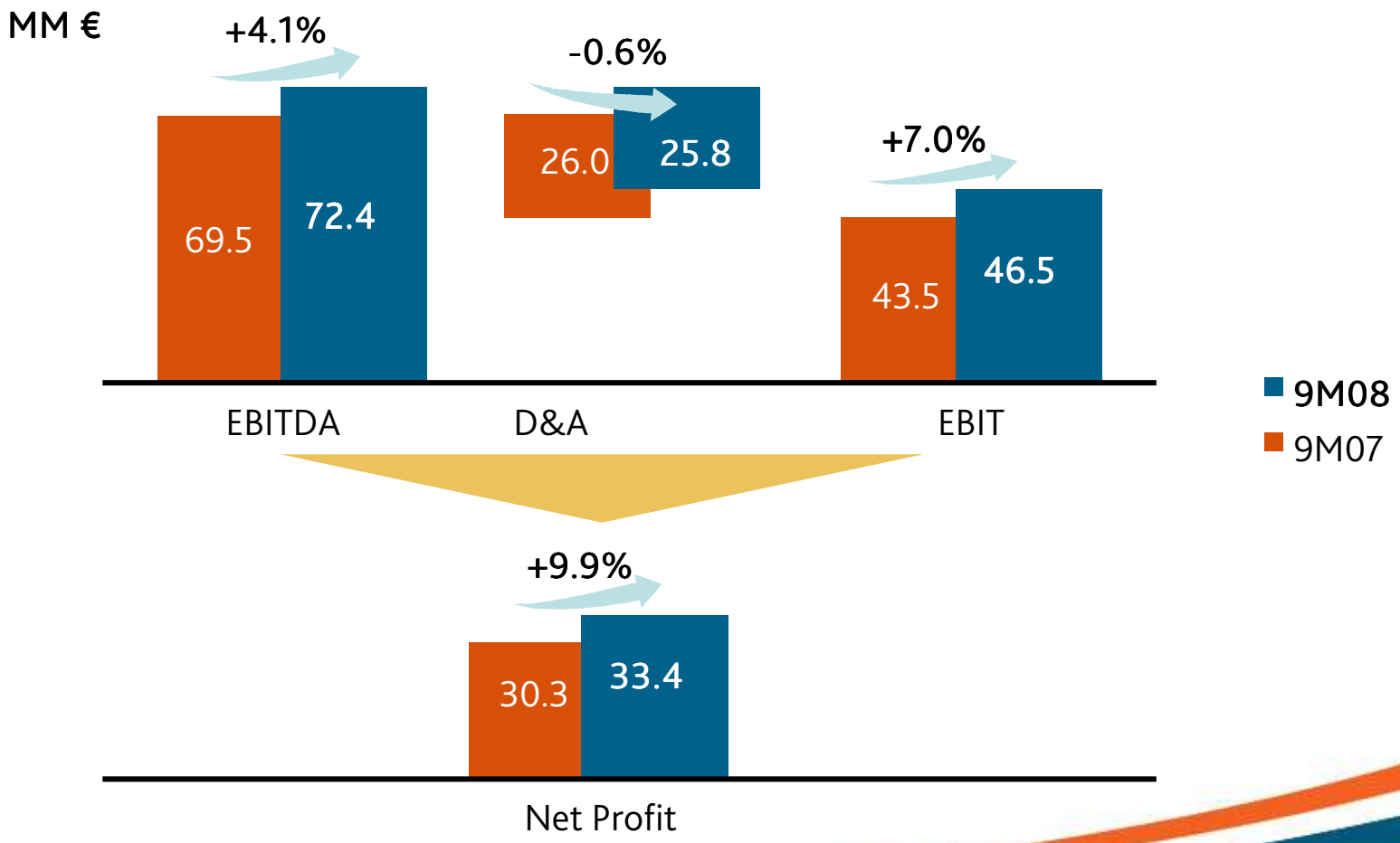
Casings

Recovering EBITDA margin in 3Q08 with faster y-o-y cumulative growth



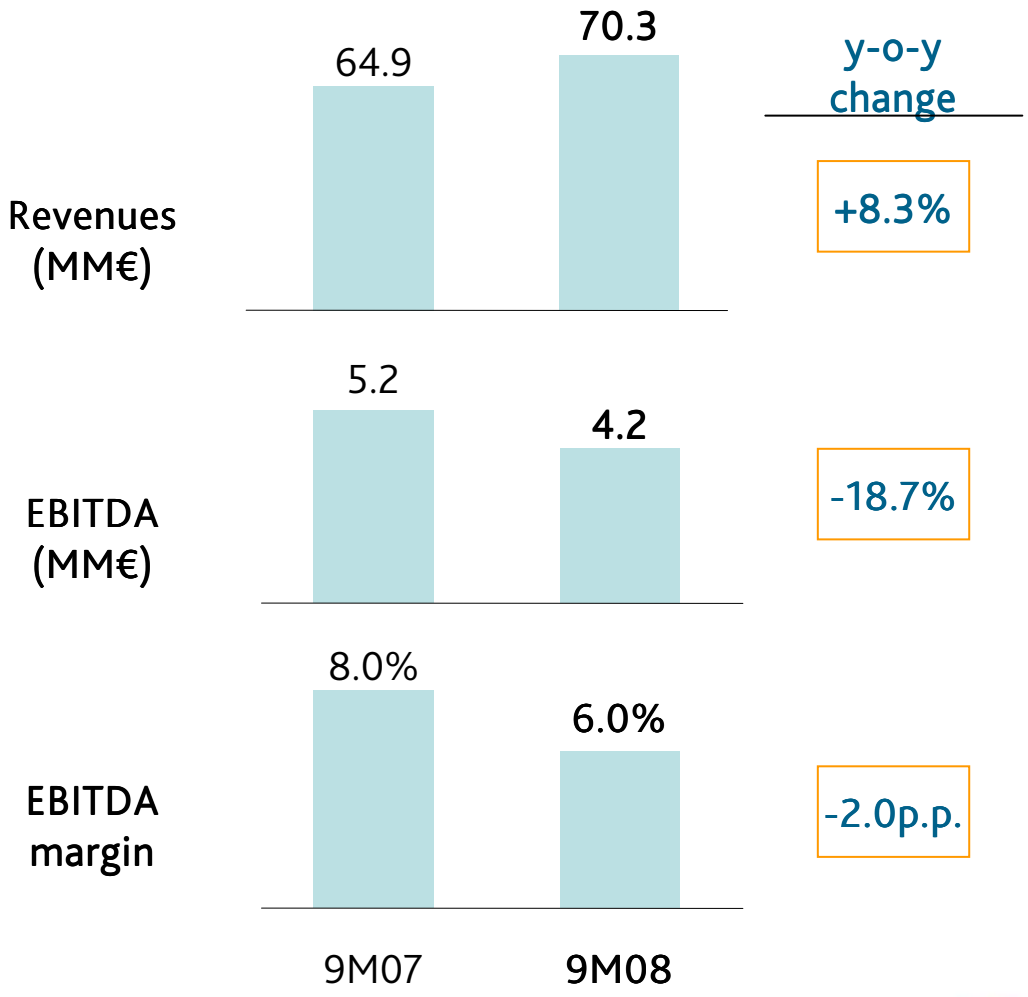
- Double-digit on EBITDA growth in Q3 despite pressure on unit costs of Raw material, Energy, Salaries, and a worse Foreign Exchange rate.
- Recovering EBITDA margin: Acceleration in revenue growth, containment of personnel costs, and the start-up of the cogeneration plant in Spain.

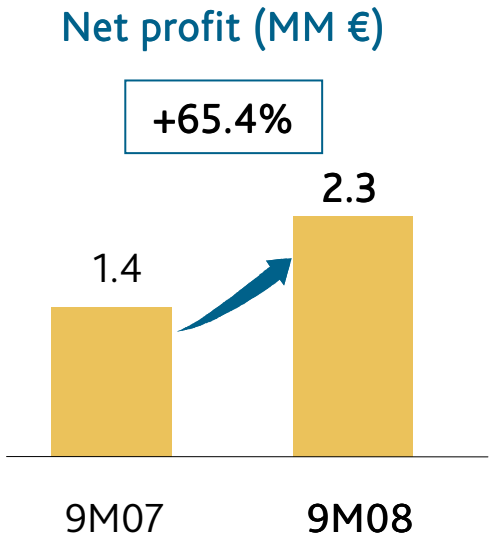
Operating leverage and solid balance sheet boost Net profit growth: +9.9% vs. 9M07



Vegetable foods

Higher margin deterioration despite revenue growth





To sum up

- **Revenue growth acceleration**, leaded by the strength of the demand and better average prices in the casing business
- Solid consolidated EBITDA growth, with a **significant contribution from casing EBITDA growth in Q3** despite higher costs in raw material, energy, salaries and the depreciation of US$ against €.
- **IAN Group results affected by the economic crisis in Spain,** eroding partially the consolidated EBITDA margin.
- **Very healthy financial situation.** Increasing shareholder remuneration and accelerating investment plans.
- Momentum and solid operational results set **Viscofan on track to meet 2008 guidance.**