

Results January - June 2009

July 27th, 2009

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This document contains additional non-compulsory forward-looking statements on intentions or expectations of the Company as of the date of its publication whose only purpose is to provide further information on perspectives on future performance.

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.

The financial information contained in this document has been prepared under International Financial Reporting Standards (IFRS). This financial information is unaudited and, therefore, subject to potential future modifications.

Highlights 1H09 Results

- +25% Net profit 1H09 vs. 1H08 up to €31.1MM.
- +26% consolidated EBITDA 1H09 vs. 1H08 up to €65.2MM.
- +3.1 p.p. consolidated EBITDA margin up to 22.4%.
- 25.9% quarterly EBITDA margin in the casing business (+4.6 p.p.)
- Strong consolidated Revenues, +8% vs. 1H08 in an environment of global economic recession.
- Decline in the results of the vegetable foods business (IAN Group) affected by the economic crisis in Spain and market competition.
- A solid balance sheet, is maintained, reducing leverage in an environment of tough credit conditions.

Consolidated Results

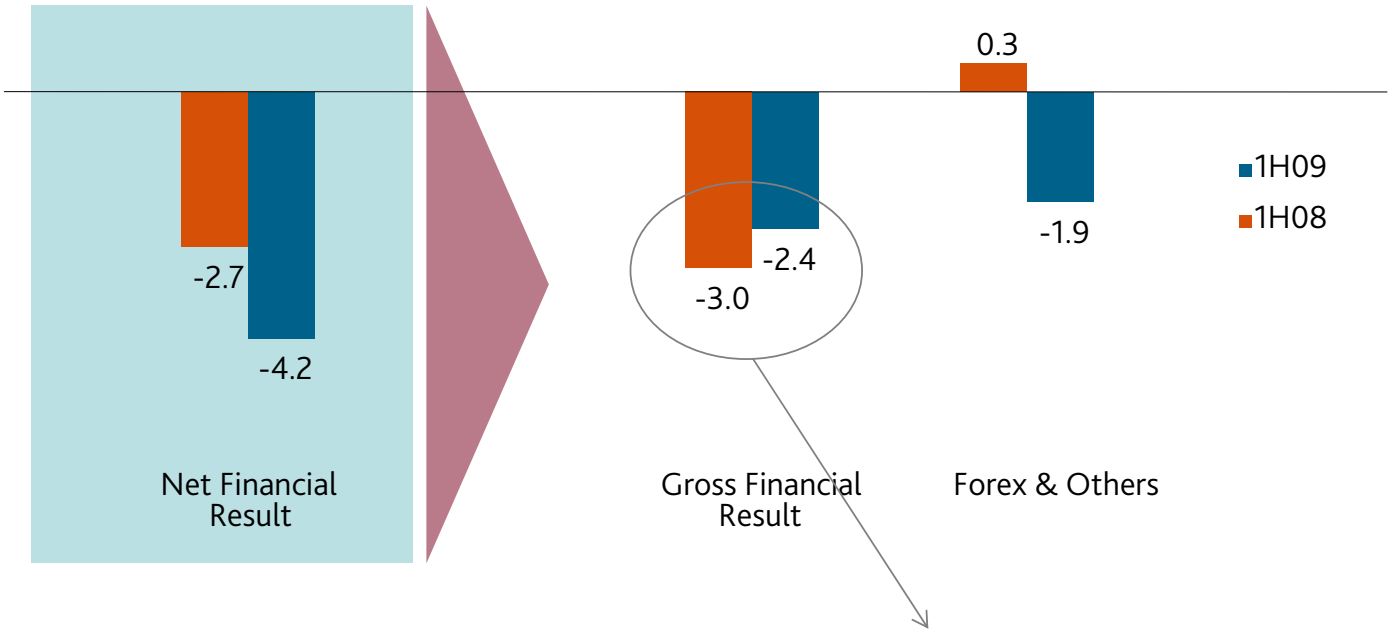
Significant y-o-y margin improvement.

MM €	2Q09	% y-o-y change	1H09	% y-o-y change	% change ex-forex[1]
Revenues	148.0	+5.4%	291.0	+8.5%	+5.2%
EBITDA	33.0	+27.3%	65.2	+26.1%	+12.7%
EBITDA Margin	*22.3%*	*+3.8 p.p.*	*22.4%*	*+3.1 p.p.*	
EBIT	23.7	+42.3%	46.9	+40.1%	
PBT	22.6	+42.6%	42.6	+38.5%	
Net Profit	16.5	+19.4%	31.1	+25.3%	

[1] For comparison purposes, ex-forex growth excludes the impact of the different exchange rates used in the consolidated accounts and the USD impact in commercial transactions.

Financial Results: Lower financial cost and increase in negative forex.

Net financial Result breakdown (MM €)

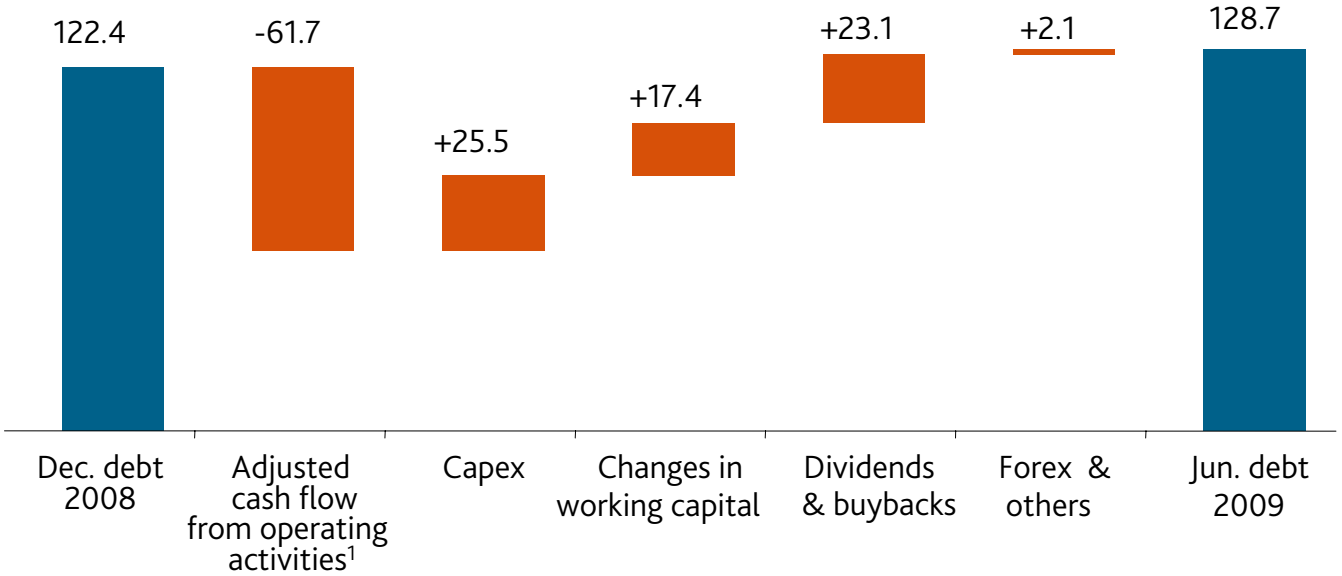


Effective financial cost[1] = 1.9% vs. 3.0% in 1H08

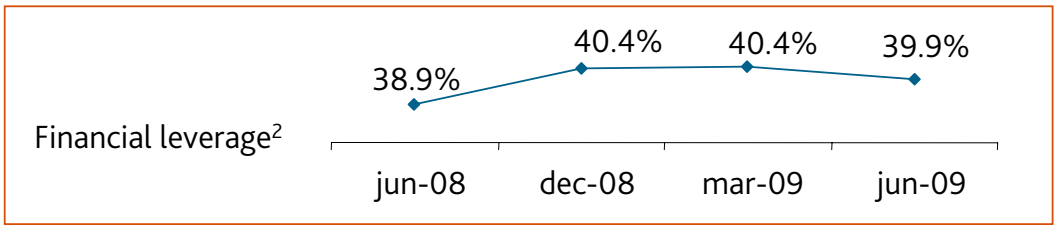
[1] Effective financial cost = Gross financial result / Average net debt for the period

Solid financial situation backed by the strength of the Cash flow.

Net Debt evolution (MM €)



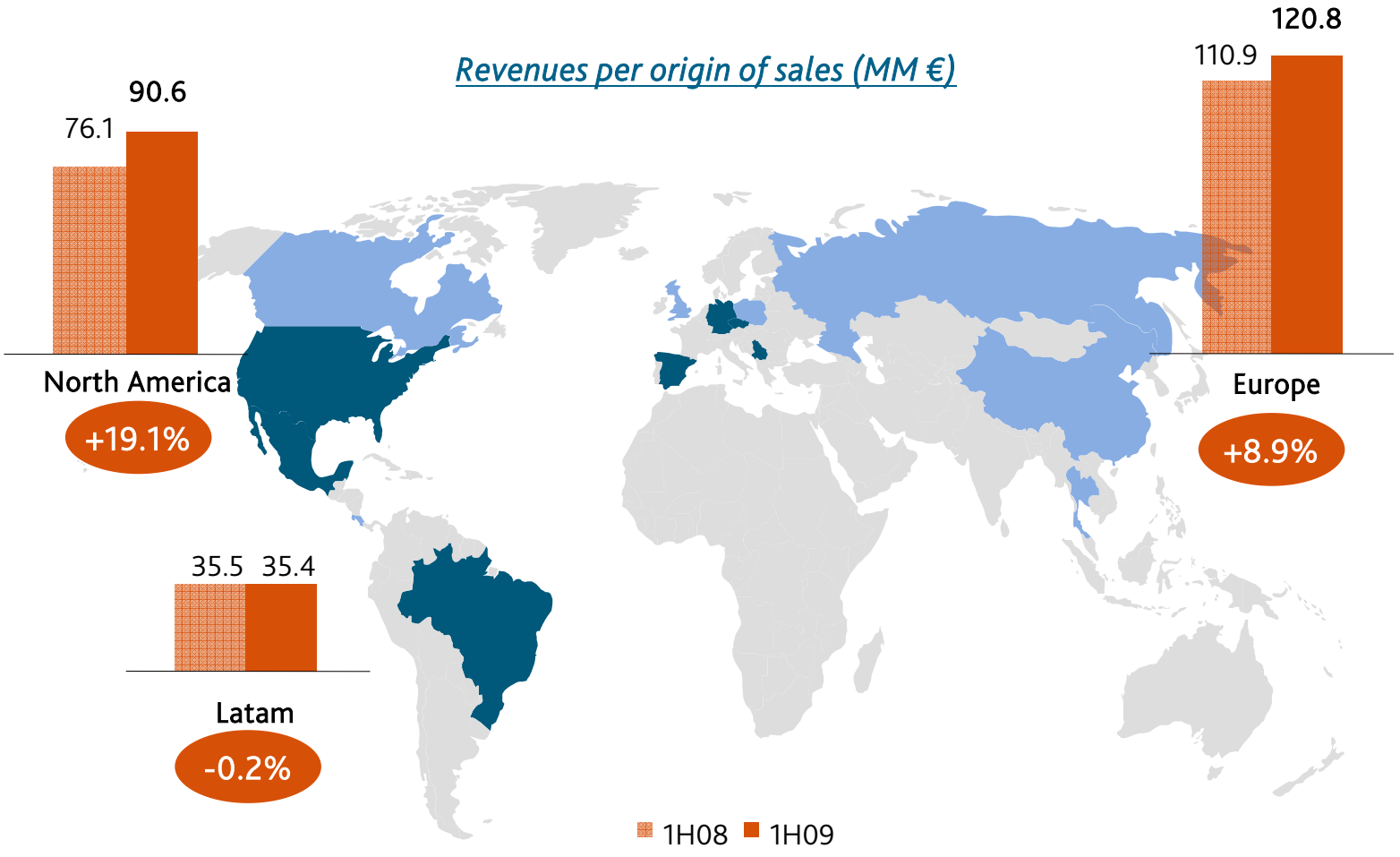
% y-o-y change	*+61.8%*	*+15.0%*	*+3.0%*	*-9.2%*	*c.s.*



[1] Adjusted cash flow from operating activities = Cash flow from operating activities – changes in working capital
[2] Financial leverage = Net debt / Equity

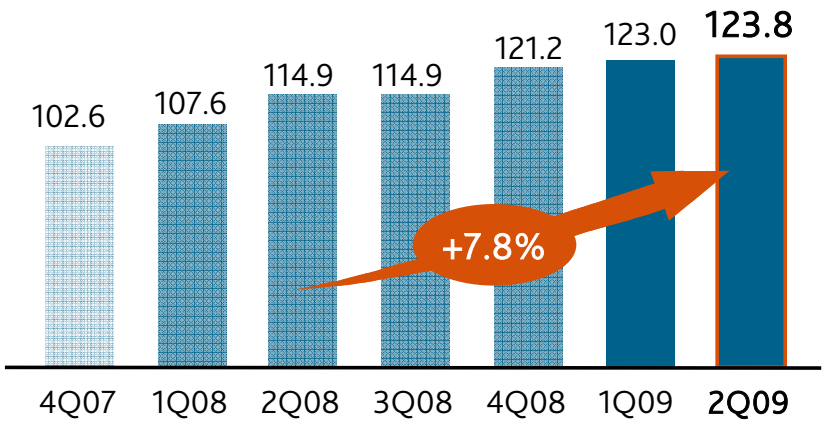
Geographic diversification provide a higher exposition to growing markets…

Revenues per origin of sales (MM €)

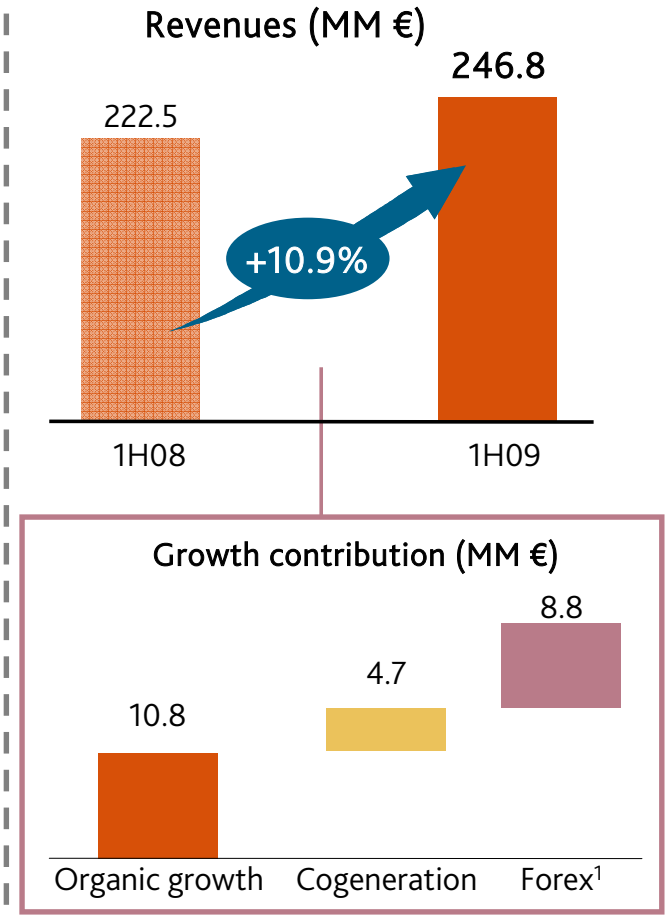


Casing

… with a focus on value that leads to a strong revenue growth in an environment of economic recession…



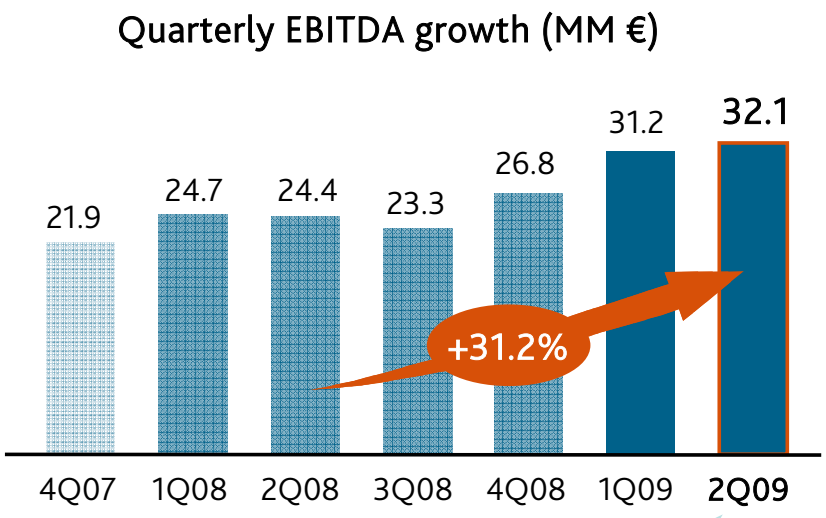
Sixth quarter on a row of quarterly improvements on revenues



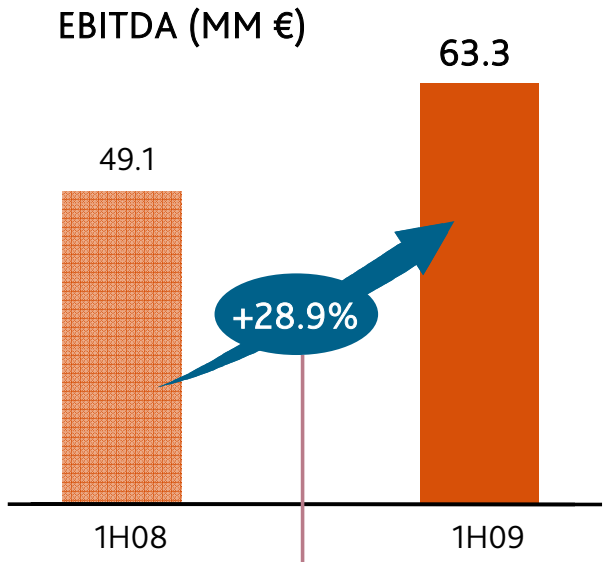
[1] For comparison purposes, ex-forex growth excludes the impact of the different exchange rates used in the consolidated accounts and the USD impact in commercial transactions.

Casing

Vertiginous EBITDA growth…



New quarterly high record on EBITDA



Better average price

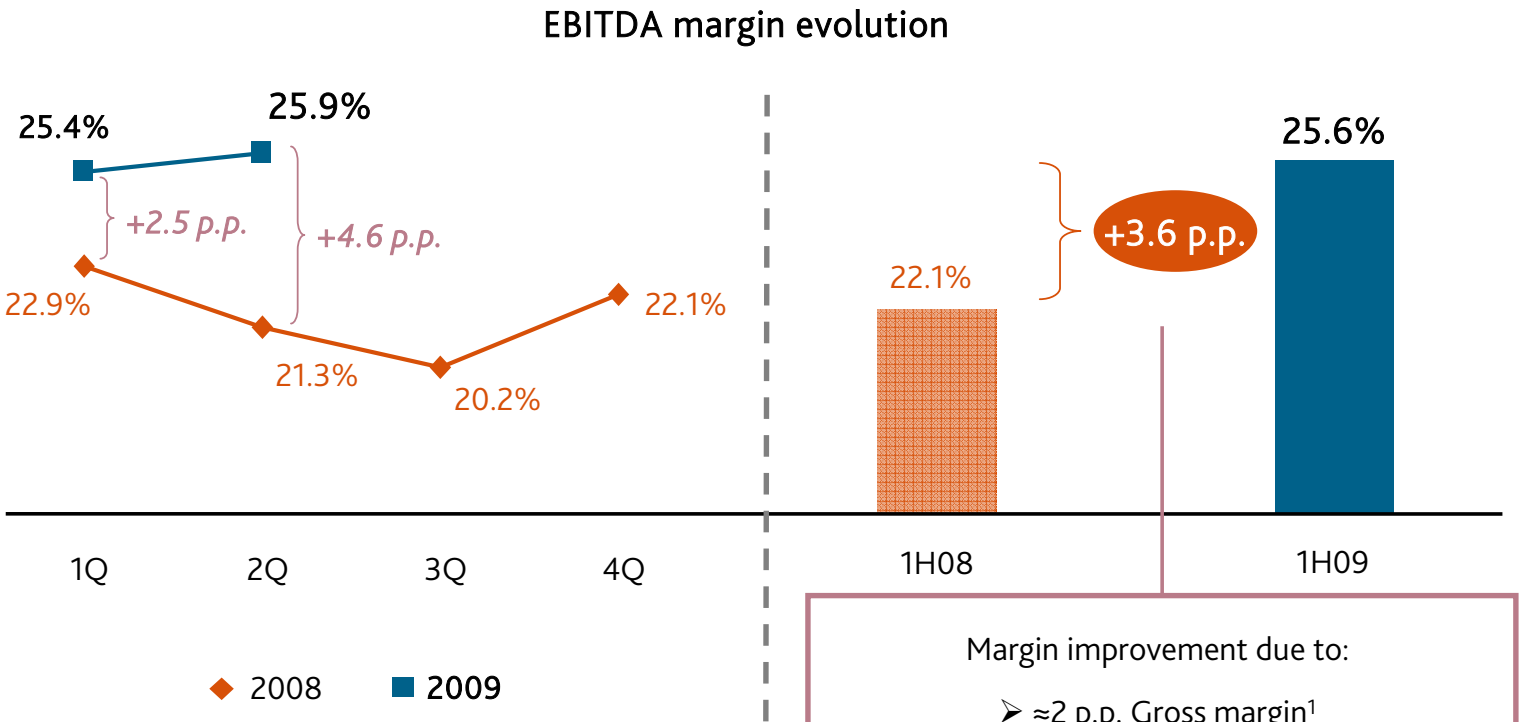
Lower workforce and personnel expenses contention

Austerity in general cost & lower unitary gas cost

US$ appreciation vs. €

Casing

... Boosted by the acceleration in margin improvements



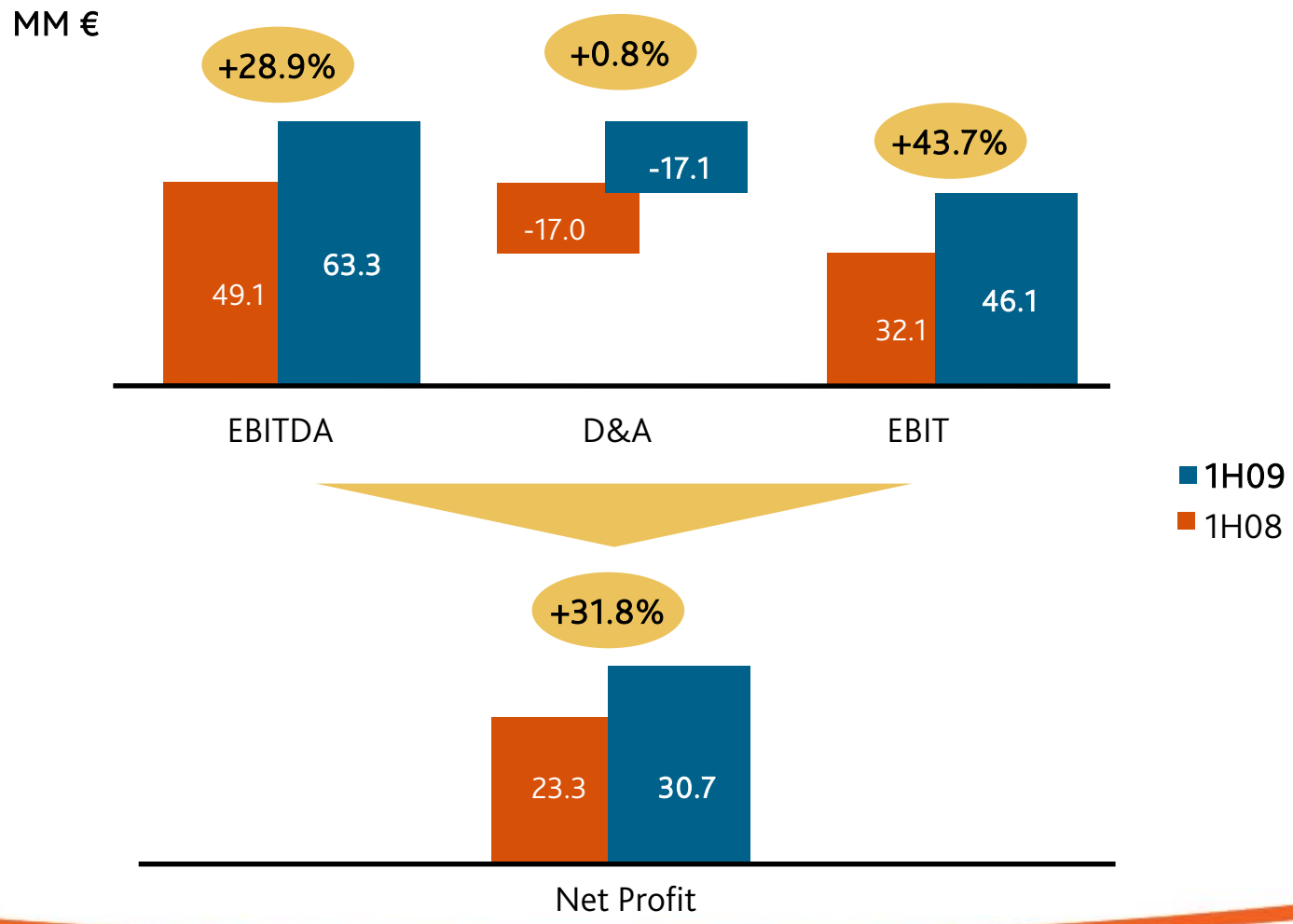
Margin improvement due to:

- ≈2 p.p. Gross margin[1]
- ≈2 p.p. Productivity margin[2]
- Commercial discipline, Focus on value and contention in the rest of Other operating costs

[1] Gross Margin = 1 – [(Net purchases – Variation in stocks) / Revenues].

[2] Productivity Margin = 1 – (Personnel expenses / Revenues)

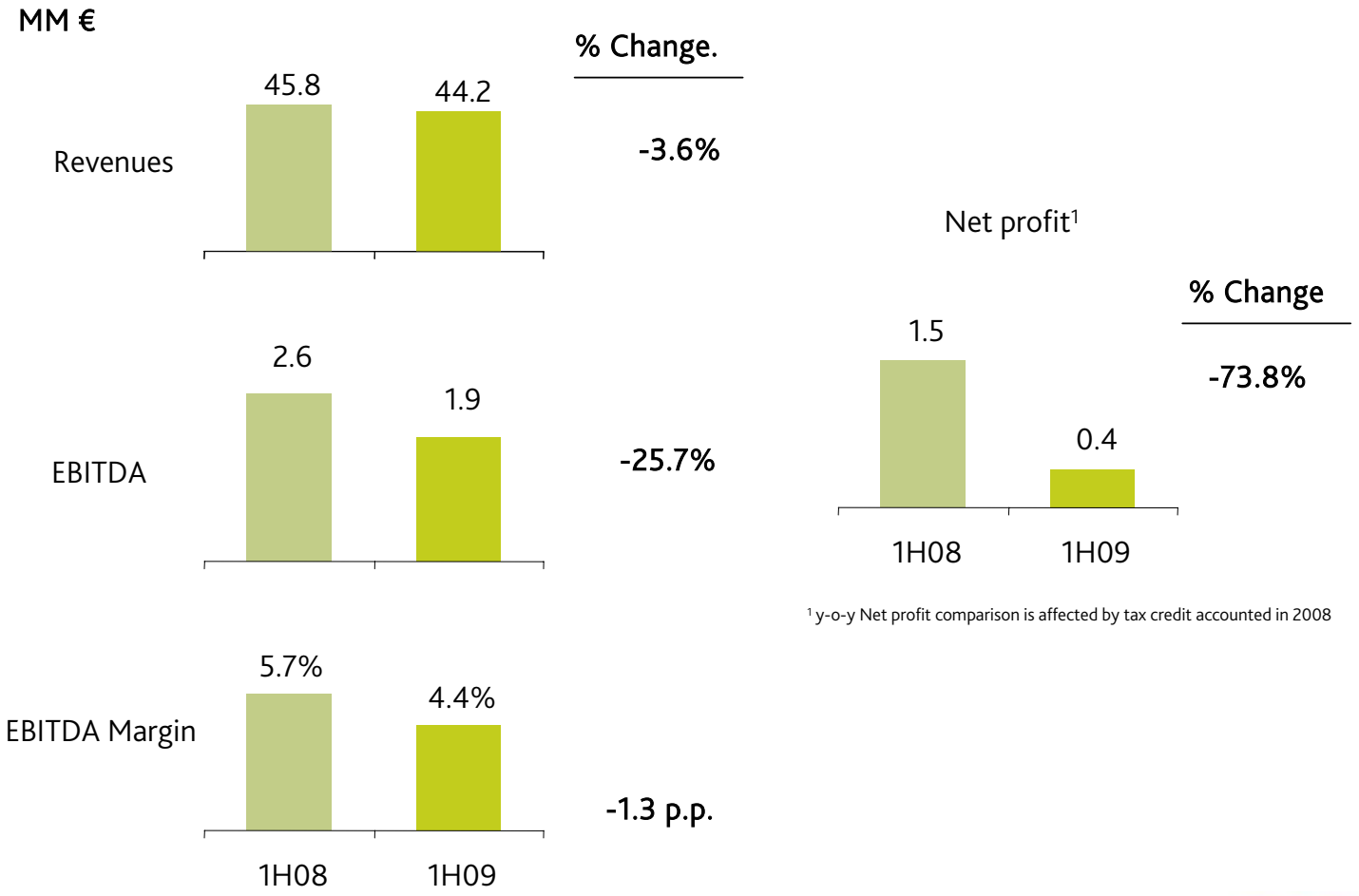
Operating leverage transferred to Net profit



Vegetable foods

Specially adverse market conditions due to consumption contraction and market competitions.

MM €



[1] y-o-y Net profit comparison is affected by tax credit accounted in 2008

To sump up

- **Viscofan Group reiterates its guidance for 2009:** Revenues +10/11%; EBITDA +16%/20%; Net profit +10/15%)
- **Acceleration in operating margin** and strength of growth in revenues in an environment of economic crisis.
- **Double digit growth in main financial magnitudes in the casing division,** which increase again its margin significantly with a management based on:
  - **Focus on value and risk management,**
  - **Commercial discipline and leadership…**
  - **and the ongoing seek of efficiencies, savings and productivities.**
- **IAN** maintains its declining trend, although it's achieving positive results in an environment of deep consumption contraction in Spain.
- Capex plans and shareholders remuneration backed by a **solid financial situation.**


Viscofan