



# XVII Iberian Small & Mid Cap Conference,



February 2-3, 2011

# Disclaimer

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.

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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.



## Be ONE: Our strategy in the current environment

# Viscofan at a glance

A sustained growth company

Viscofan Group  
CAGR 2006/2009

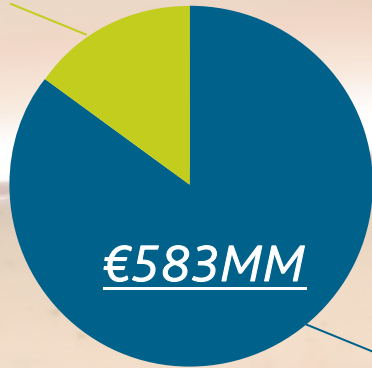
Net Profit: +27.1%

Revenue: +5.5%

EBITDA: +15.6%

FY09 Data

16%



€583MM

Revenue

3%



€129MM

EBITDA

97%

1%



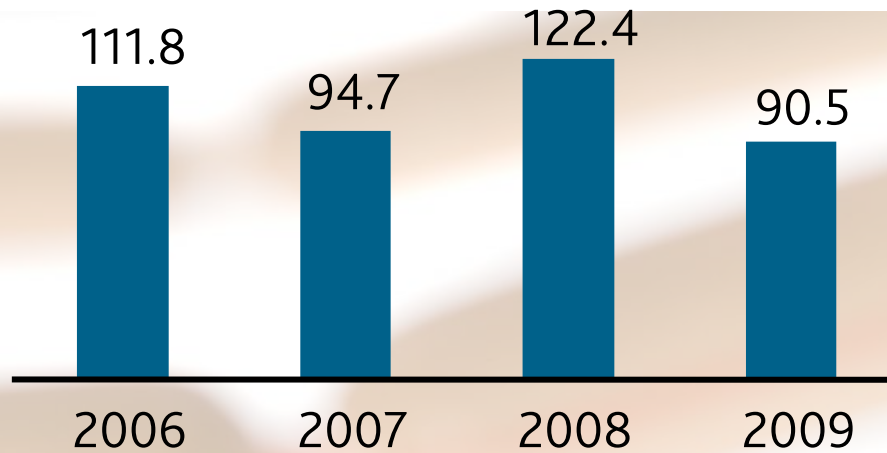
€64MM

99%

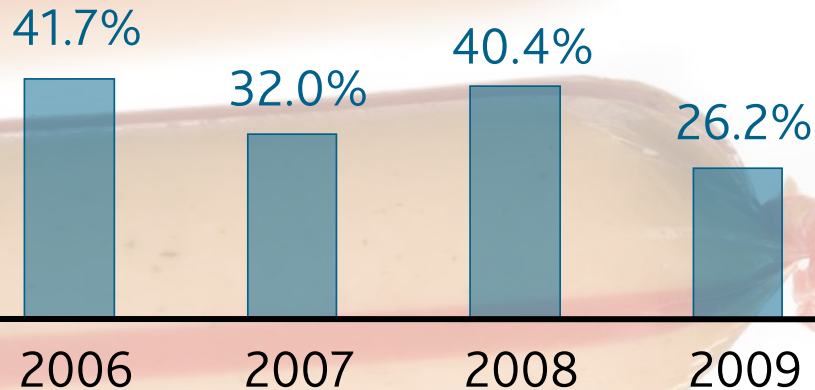
# Viscofan at a glance

## A robust balance sheet

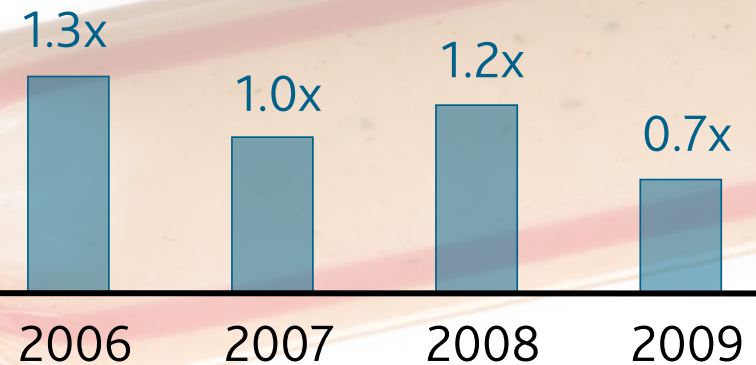
Net Debt (€ MM)



Financial leverage<sup>1</sup>



Net Debt/EBITDA

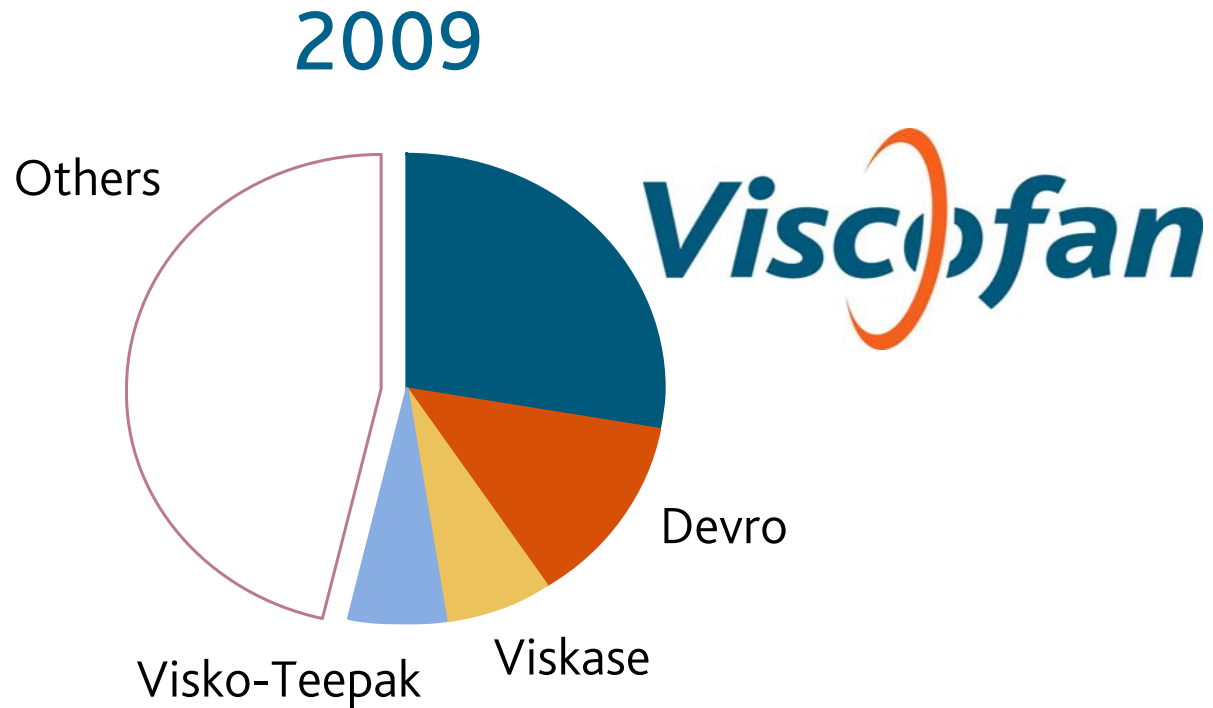


<sup>1</sup> Net Debt/Equity

## Viscofan at a glance:

### *The worldwide leader in the artificial casing market*

Artificial casings Market share<sup>1</sup>

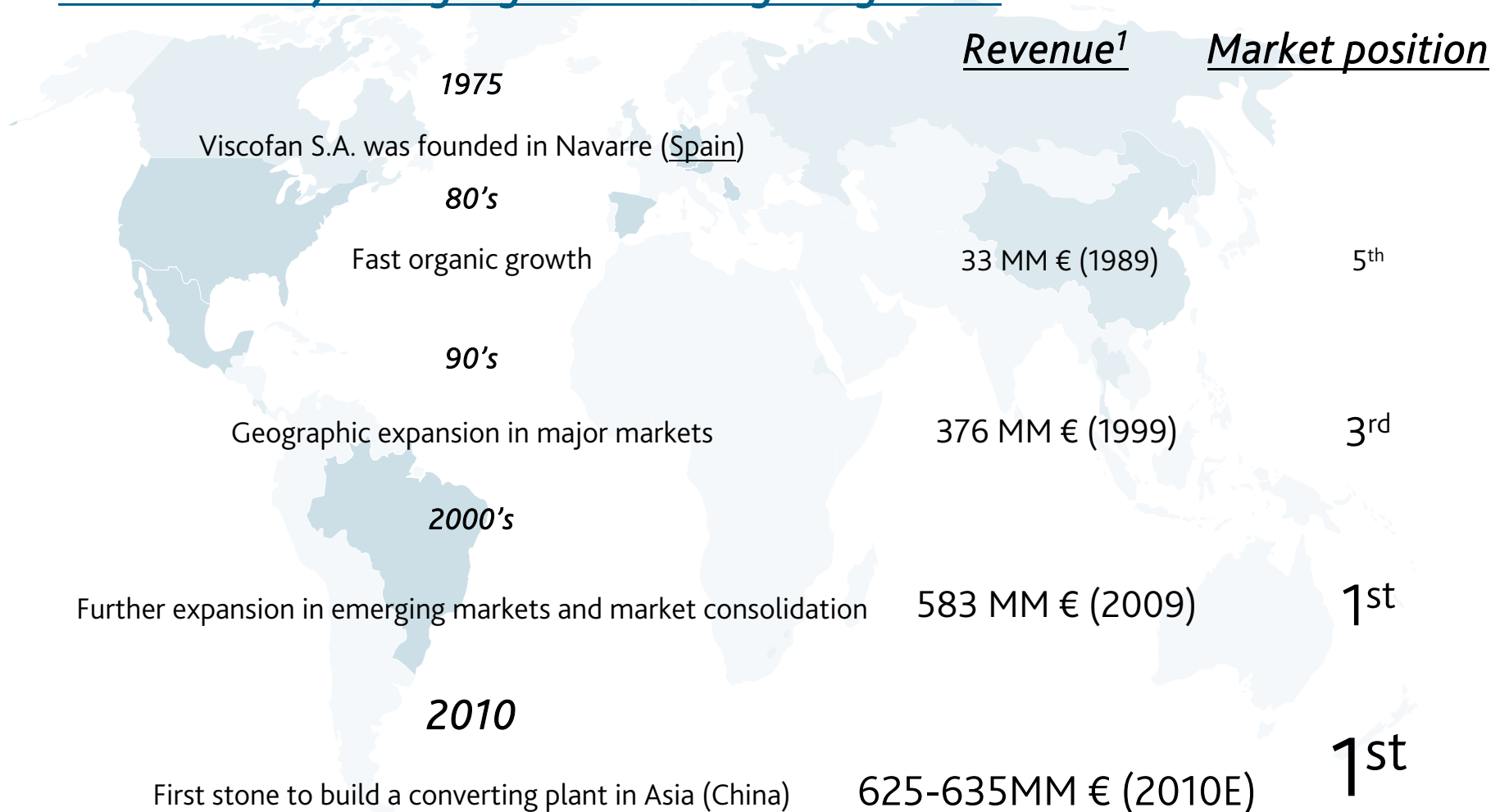


<sup>1</sup> Includes segments of skinless, collagen, fibrous, and tubular plastics.

Source: Viscofan Group

# Viscofan at a glance

## Track record of strong organic and inorganic growth.



<sup>1</sup> Revenue for the Consolidated Group. 1989 and 1999 figures are reported in Spanish GAAP, 2009 and guidance 2010 figures are reported in NIFF



## Be ONE: Our strategy in the current environment

2009 - 2011

- B**e aligned with the rest of the Group
- E**nhance added value
- O**rganic growth
- N**ew businesses
- E**xcellence centers by family product

### Leverages to create value...



Growth in current environment

+



Cost reduction



# Why customers are choosing artificial casing?

Casing provides **final shape** to the sausage...



... but also with an artificial casing customer can ...

- ✓ improve **speed** of production
- ✓ **automate** production process
- ✓ Improve product **quality**
- ✓ Reduce “**waste**” in the production process
- ✓ Facilitate the development of **new products**
- ✓ Improve **health** control

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A solution that encompass new growth opportunities and production savings

Viscofan provides the most comprehensive portfolio in the market

# Viscofan

Skinless

Collagen

Fibrous

Plastics

Products



Market position

1<sup>st</sup>

2<sup>nd</sup>

4<sup>th</sup>

n.s.

Applications



## Customer

Large and mid meat processors,  
distributors, local butchers...

# Market growth drivers haven't been affected by the global crisis...

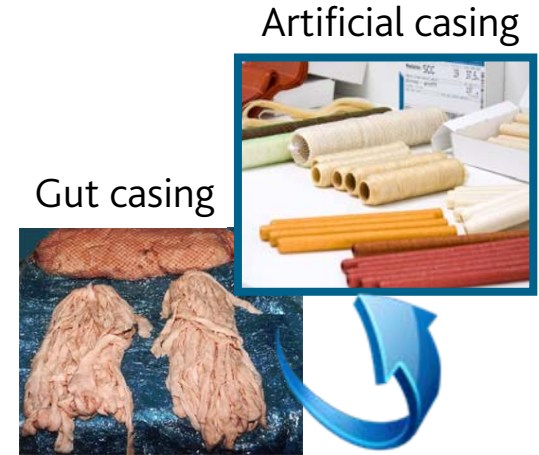
Growth drivers →



Population growth



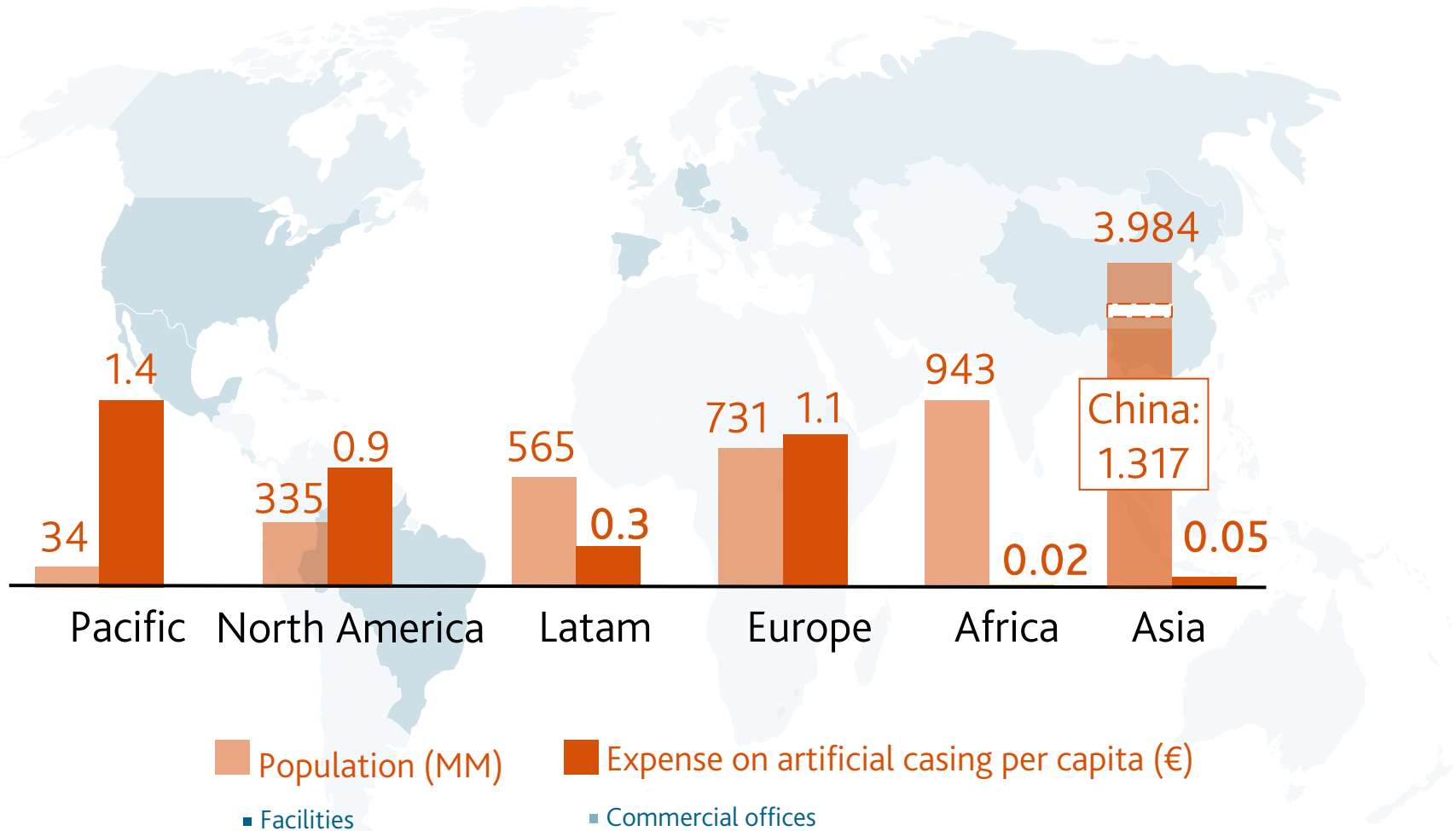
Global feeding habits



Replacement of gut casings

+3% to +5%  
**VOLUME GROWTH**  
(AVERAGE ANNUAL RATE)

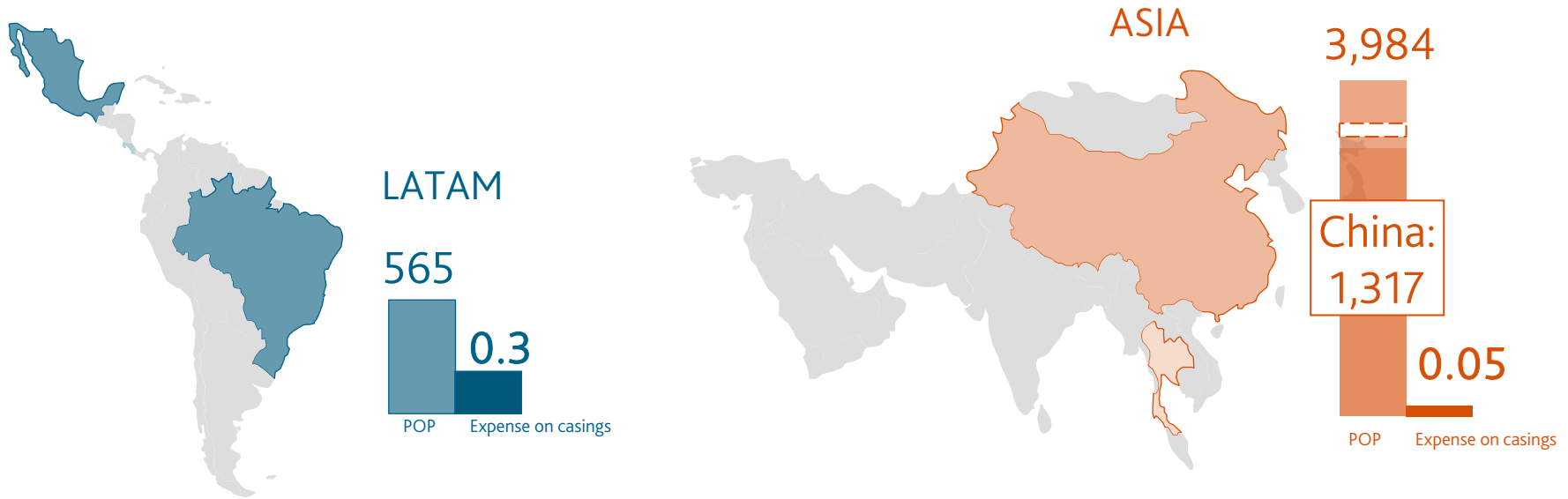
# Market opportunities around the globe...



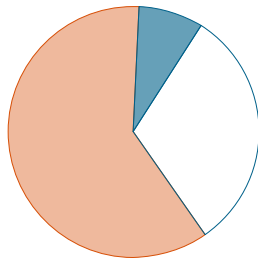
Source: Population and vital statistic report (United Nations) and Viscofan

# ... for sure in the emerging areas...

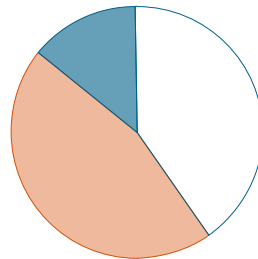
Manufacturing footprint in the emerging areas with highest growth potential



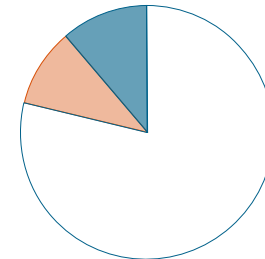
% world population



% world meat production<sup>1</sup>  
<sup>1</sup> Tons pork and poultry meat production



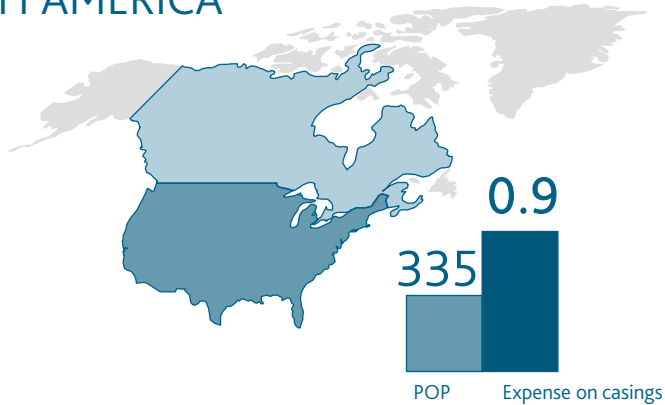
% world artificial casings market



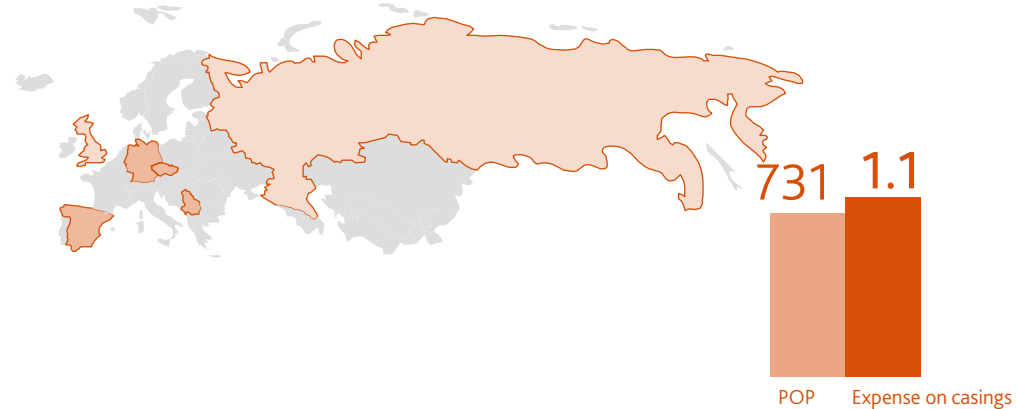
... but also in developed markets.

Manufacturing footprint in large casings markets

NORTH AMERICA

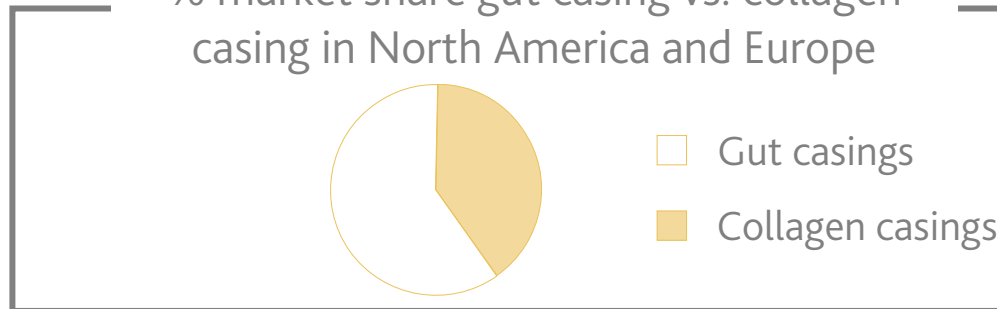


EUROPE

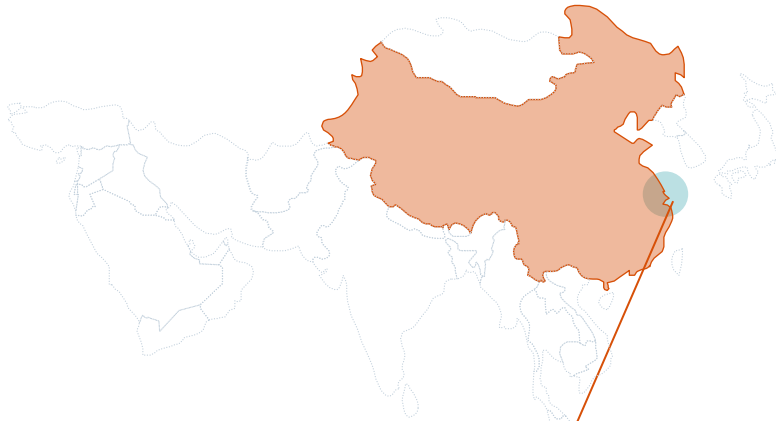


... where the market and consumers requirements are every day more sophisticated and demanding...

% market share gut casing vs. collagen casing in North America and Europe



## New growth opportunity: Viscofan in China



Suzhou (≈80 km from Sanghai)



### China

GDP 2010E: +10.0%

Population: 1.4 Bn

% Worldwide meat production: 30%

Artificial casing market 2010E: >100 MM €

### Viscofan Technology (Suzhou) Co. Ltd

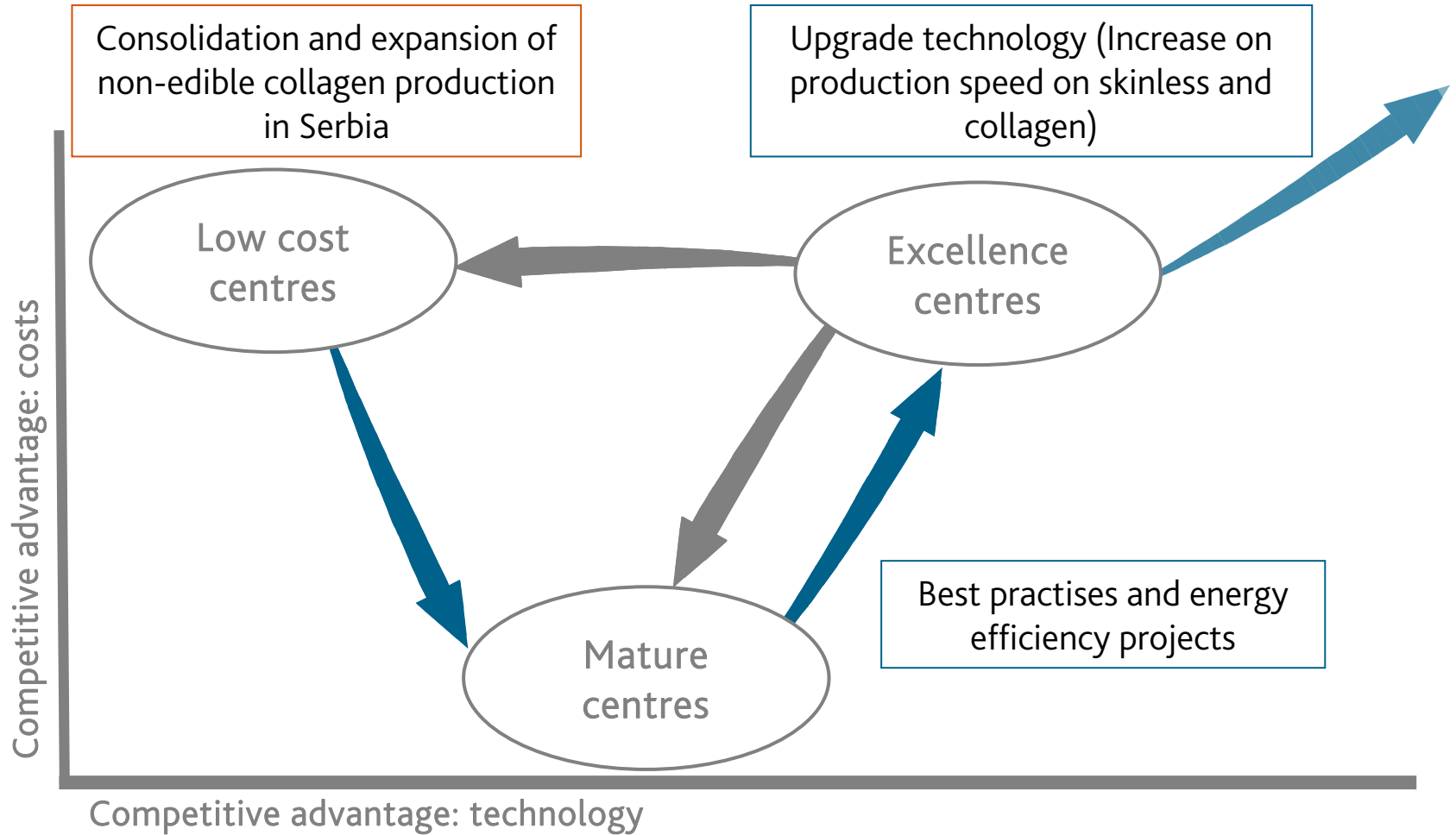
Ownership: 100% Viscofan SA

Mission: Artificial casing converting plant

Capex 2010E: €8MM

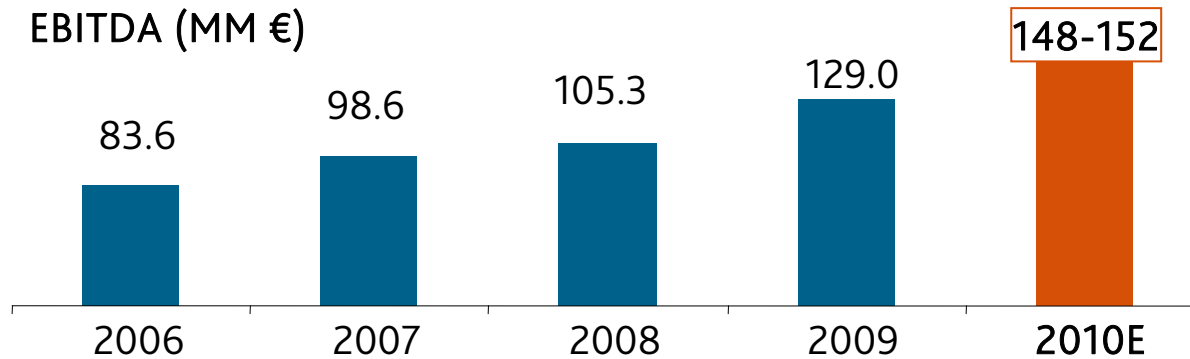
*Start of operations: 1Q11*

# A permanent improving operation model to boost our competitive advantages and value creation





## Sustained EBITDA growth fostered by better margins

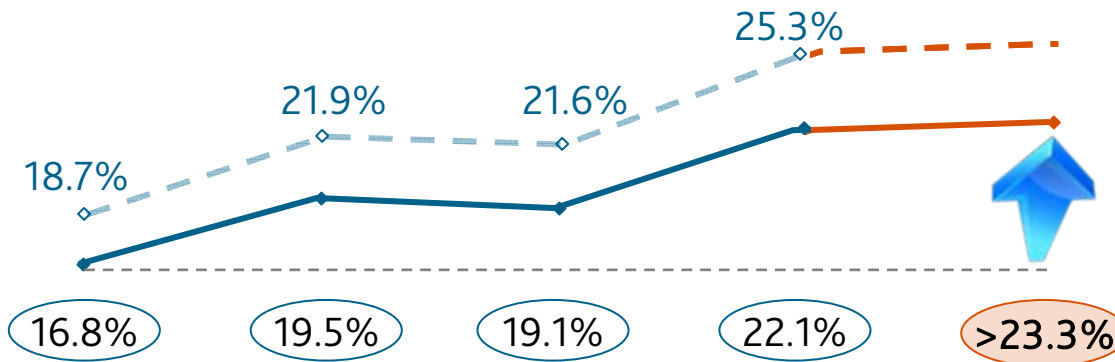


CAGR 06-10E



EBITDA margin  
Casings

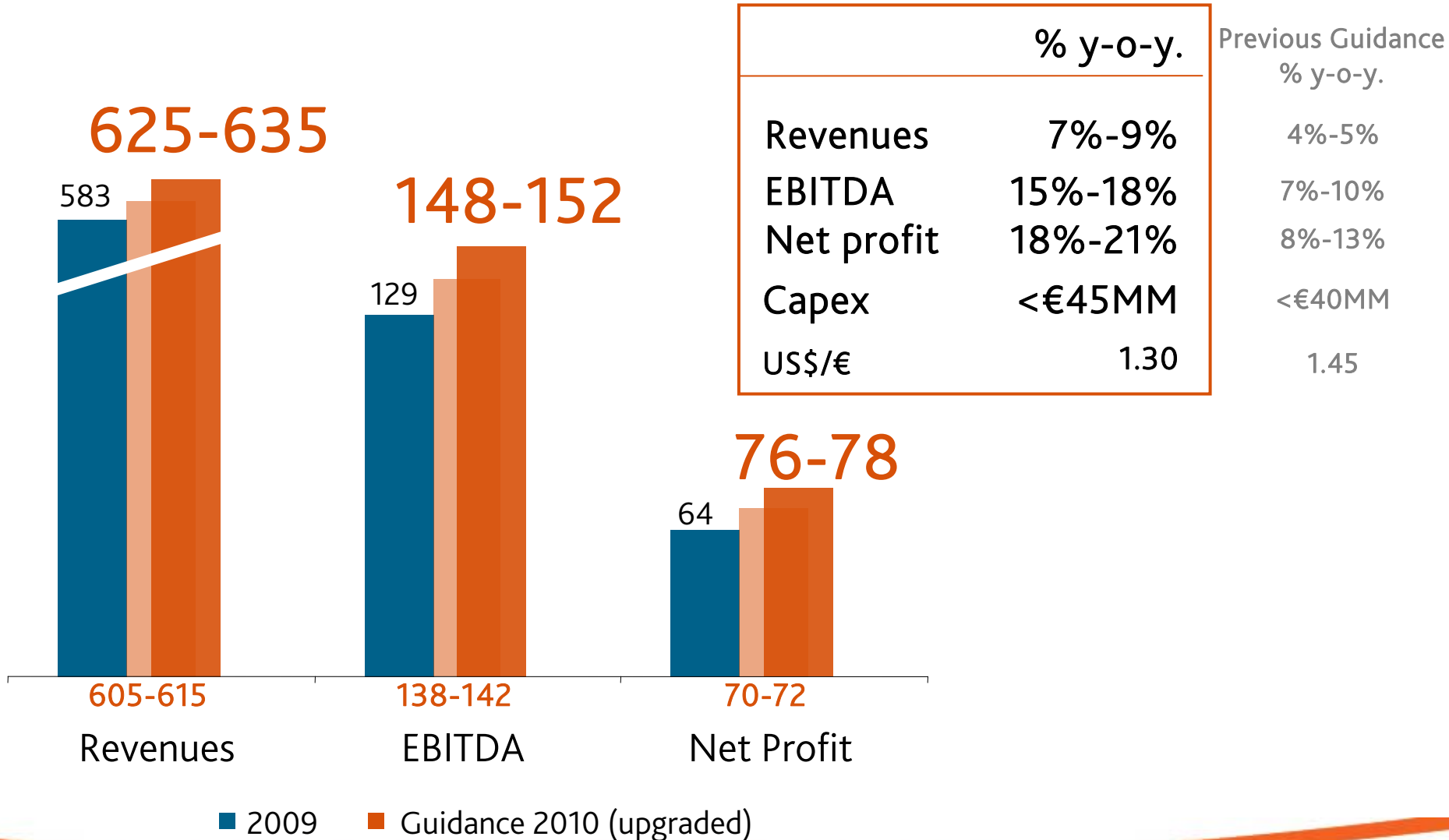
EBITDA margin  
Group



>6 p.p.



## Upgraded guidance for 2010 (MM€)



Casing production is our main core business... but there are also other sources of revenue and value.

## Cogeneration

2009

Power capacity: 44,9MW

Revenue: €20MM; EBITDA margin ≈ 25%

2010E

Power capacity: 45,5MW

Revenue: >€27MM; EBITDA margin ≈ 25%

## Viscofan Bioengineering

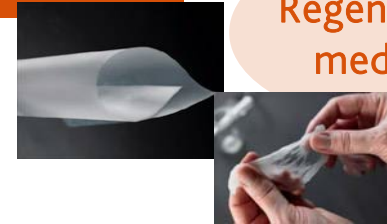
### “Life sciences”

- Cell culture based on collagen (CCC)



### “Health care”

- Collagen biocompatible membrane



Regenerative medicine

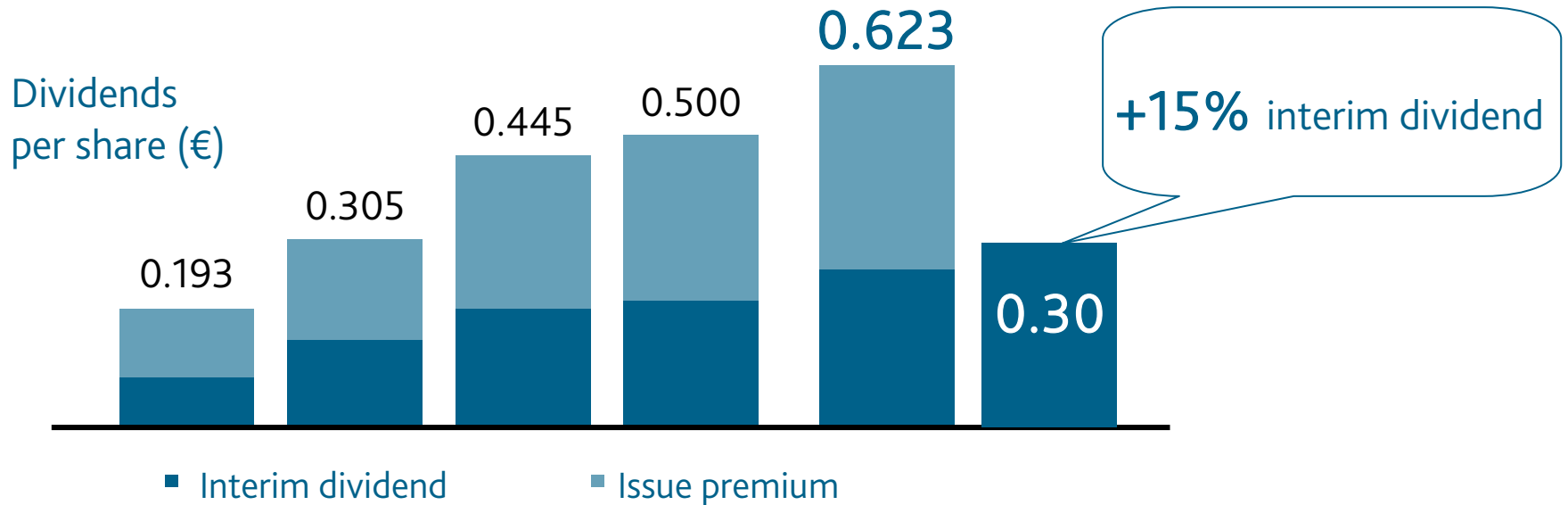
## Vegetable foods

Leader domestic brand:  
**Carretilla**

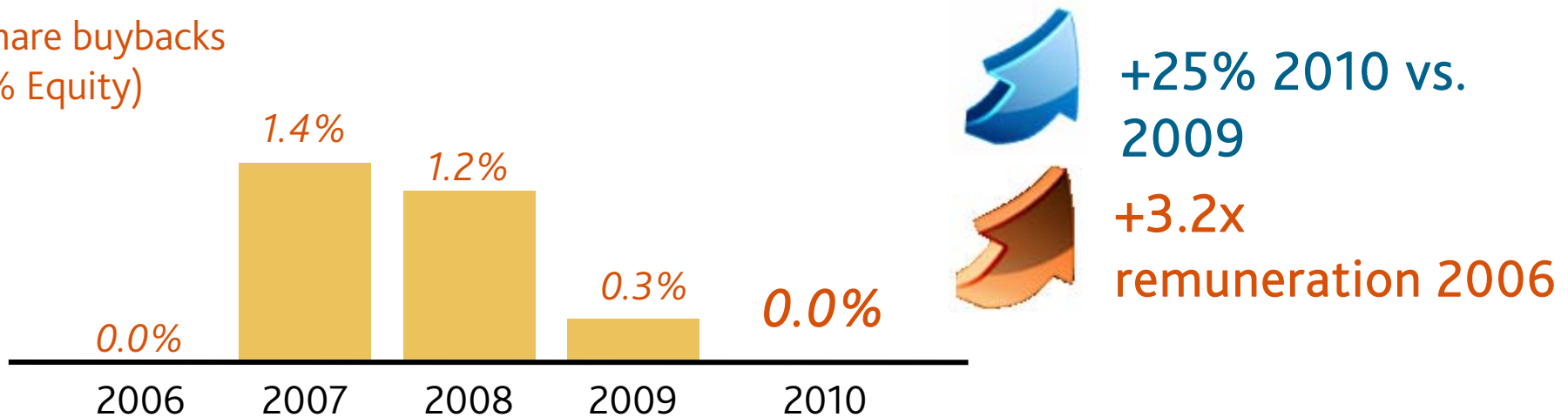
More added value products  
and ready meals



# Viscofan Group: Outstanding combination between share price performance and shareholder's remuneration....



## Share buybacks (% Equity)



## To Sum up

- **Visibility for a new high record on results**, exceeding initial expectations
- **A Group in an excellent situation** considering growth opportunities and Group's low exposure to the specific risks derived from worldwide economic crisis.
- **With a unique business model and positioning** which enables us to capture that growth and keep improving our operating margins.
- Significant progress in expected Cash Flow for 2010, even including **ambitious investment plans and higher shareholder remuneration.**