



29 April 2014

# ESSENTRA

## ESSENTRA PLC ("Essentra" or "the Company")

*A leading international supplier of speciality plastic, fibre, foam & packaging components*

### INTERIM MANAGEMENT STATEMENT FOR THE PERIOD FROM 1<sup>ST</sup> JANUARY 2014 ACQUISITION OF KELVINDALE PRODUCTS PTY LTD IN COMPONENTS

**POSITIVE MOMENTUM MAINTAINED IN Q1  
WELL-PLACED TO DELIVER FURTHER BALANCED, PROFITABLE GROWTH IN 2014**

#### Company Financial Performance

During the first quarter<sup>1</sup> of 2014, the Company's overall performance was in line with the Board's expectations. Revenue was ahead +25% versus Q1 2013 ("comparable period"<sup>2</sup>) at constant FX and +17% at actual rates: like-for-like ("LFL"<sup>3</sup>) growth was +8%.

#### Divisional Overview

Revenue vs comparable period	Year-to-date 2014 <sup>4</sup>	
	% change Actual FX	% change Constant FX
Component & Protection Solutions	+7%	+13%
- LFL	+1%	+6%
Porous Technologies <sup>4</sup>	-17%	-12%
Packaging & Securing Solutions	+83%	+89%
- LFL	-10%	-6%
Filter Products	+11%	+23%
Other <sup>5</sup>	+1%	+3%
<b>Total Company</b>	<b>+17%</b>	<b>+25%</b>
- LFL	<b>+1%</b>	<b>+8%</b>

<sup>1</sup> Period from 1 January 2014 to 29 March 2014

<sup>2</sup> Period from 1 January 2013 to 30 March 2013

<sup>3</sup> Excludes the impact of acquisitions, disposals and foreign exchange

<sup>4</sup> Includes intercompany revenue

<sup>5</sup> Other relates to the Essentra Extrusion business



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The increase in Component & Protection Solutions was broad-based across the division, benefiting from an improving backdrop in Components Europe and new business wins in Pipe Protection Technologies: it was further boosted by the acquisition of Mesan Kilit A.S which is performing in line with expectations to date. As anticipated, the performance in Porous Technologies was impacted by inventory destocking in Printer Systems with a major global OEM, with growth expected to be weighted towards the second half of the year. The acquisition of Contego Healthcare Limited contributed to the total result in Packaging & Securing Solutions, where softness in tear tape to the European tobacco market offset a strong performance in Speciality Tapes. Continued demand for innovative special filters combined with the roll-out of recent contract wins drove excellent growth in Filter Products, with the performance in Extrusion reflecting successful new business development.

There has been no material change in the financial position of the Company during the period.

## **Acquisition of Kelvindale Products Pty Ltd**

The Company today announces that it has signed an agreement for the acquisition of 100% of the share capital of Kelvindale Products Pty Ltd (“Kelvindale”) for an undisclosed cash consideration. The cash consideration, which is subject to customary adjustments and is funded from the Company’s existing facilities, is payable on completion of the transaction: completion is conditional upon certain administrative provisions which are anticipated to be satisfied shortly.

Based in Australia, Kelvindale is a leading manufacturer and distributor of an extensive range of plastic protection and finishing products, and will be reported under Component & Protection Solutions. Kelvindale provides a compelling entry point for the division into the Australian market, and the transaction will be immediately earnings enhancing to the Company.

## **Annual General Meeting**

The Annual General Meeting of the Company is being held today at 12 noon.

Commenting on today’s Interim management Statement, Colin Day, Chief Executive, said:

**“Essentra continued its positive organic growth trend in Q1, with revenue ahead 8% on a like-for-like basis and 25% at constant exchange. We also made good progress with the ongoing integration of recent transactions, and are pleased to have signed an agreement to acquire Kelvindale which further enhances the geographic presence of our Component & Protection Solutions division.**

**Given this positive start to the year, combined with a strong pipeline of new business wins, Essentra is well-positioned for further balanced, profitable growth in 2014 and to deliver its Vision 2015 objectives of at least mid single-digit like-for-like revenue growth and double-digit adjusted EPS growth at constant exchange.”**



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The Company will hold a conference call to discuss this Interim Management Statement at 08:00 (UK time) today, details of which are as follows:

Dial-in number:	+44 (0)20 3428 1542 (UK / international participants) +1 718 873 9077 (US participants)
Toll-free number:	0808 237 0040 (UK participants) +1 866 928 7517 (US participants)
PIN code:	42797806#
Replay number:	+44 (0)20 3426 2807
Toll-free number:	0808 237 0026 (UK participants) +1 866 535 8030 (US participants)
Replay PIN	647600#
Replay available:	For 30 days

## Enquiries

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## Notes to Editors

Essentra plc is a FTSE 250 company and a leading international supplier of speciality plastic, fibre, foam and packaging products. Through its four principal operating divisions, Essentra focuses on the light manufacture and distribution of high volume, essential components which serve customers in a wide variety of end-markets and geographies.

### *Component & Protection Solutions*

The Components business is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded and metal items. Operating units in 25 countries serve a very broad industrial base of customers with a rapid supply of primarily plastic products for a variety of applications in industries such as equipment manufacturing, automotive, fabrication, electronics and construction.



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The Pipe Protection Technologies business specialises in the manufacture of high performance innovative products from commodity resins to engineering-grade thermoplastics and polymer alloys for use in a range of end-markets. Locations in four countries, combined with a wide distributor network, serve customers around the world.

## *Porous Technologies*

A global market leading developer and manufacturer of custom fluid handling components, engineered from a portfolio of technologies that includes bonded and non-woven fibre, polyurethane foam and porous plastic. Representing leading innovations used in healthcare, consumer and industrial applications, its enabling components are found in a wide range of products from medical diagnostics tests to advanced wound care pads, inkjet printer cartridges, writing instruments, clean room wipes and air fresheners. Customers in over 56 countries are served from six manufacturing facilities with research and development centres supporting the division globally.

## *Packaging & Securing Solutions*

A leading global provider of packaging and securing solutions to a diversified blue-chip customer base. The division focuses on delivering value adding innovation, quality and service to customers through a range of cartons, tapes, leaflets, foils and labels for the healthcare, consumer and specialist packaging, point of sale and paper & board industries. The division is also a leading supplier of authentication technologies and identity solutions. Customers in over 100 countries are served from facilities operating in ten countries.

## *Filter Products*

The only global independent cigarette filter supplier. The nine worldwide locations, including a UK-based research facility and three regional development centres provide a flexible infrastructure strategically positioned to serve the tobacco industry. The division supplies a wide range of value adding high quality innovative filters, packaging solutions to the roll your own sector and analytical laboratory services for ingredient measurement for the industry.

## *Other*

The Extrusion business is a leading custom profile extruder located in The Netherlands and offers a complete design and production service. One of the first companies to extrude plastics in 1956, it is now one of Europe's most advanced suppliers of co-extrusions and tri-extrusions to all branches of industry.

Headquartered in the United Kingdom, Essentra's global network extends to 32 countries and includes c. 5,700 employees, 42 principal manufacturing facilities, 64 sales & distribution operations and 5 research & development centres. For further information, please visit [www.essentra.com](http://www.essentra.com).