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31 July 2015

ESSENTRA PLC
("the Company")

A leading global provider of essential components and solutions

RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2015

HY 2015: SOLID START, DESPITE OIL & GAS CHALLENGE
FY 2015: WELL-PLACED TO DELIVER BALANCED, PROFITABLE GROWTH UNDER "DRIVE FOR 2020" STRATEGY

HY 2015 highlights:

- Revenue up 27% at constant FX to £550m.
- Like-for-like[1] ("LFL") revenue +2%, +6% excluding Pipe Protection Technologies ("PPT").
- Adjusted operating profit[2] up 18% (constant FX) to £82m.
- LFL[1, 2] margin +20bps, +90bps ex-PPT.
- Adjusted EPS[2] ahead 10% (constant FX) to 22.7p.
- Tax rate on adjusted profit reduced by 240bps to 23.0%.
- Net debt of £360m (FY 2014: £62m), with strong cash flow generation offset by the acquisition of Clondalkin Specialist Packaging Division ("SPD") and higher dividends.
- 11% increase in the half year dividend to 6.3p per share.
- 50% increase in targeted Clondalkin SPD acquisition integration synergies, to at least US$24m on an annualised basis from 2016.

Results at a glance:

	HY 2015	HY 2014	% change Actual FX	% change Constant FX
Revenue	£550m	£431m	+28	+27
Operating profit – adjusted[2]	£82m	£69m	+19	+18
Pre-tax profit – adjusted[2]	£77m	£64m	+19	+18
Net income – adjusted[2]	£59m	£48m	+23	+22
Basic earnings per share – adjusted[2]	22.7p	20.3p	+12	+10
Dividend per share	6.3p	5.7p	+11	+11
Operating profit	£50m	£54m	-7	-8
Pre-tax profit	£45m	£49m	-8	-10
Net income	£36m	£36m	-1	-2
Basic earnings per share	13.7p	15.2p	-10	-12

[1] Adjusted for the impact of acquisitions, disposals and foreign exchange (see page 2)
[2] Before intangible amortisation and exceptional operating items

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Commenting on today's results, Colin Day, Chief Executive, said:

"With like-for-like revenue growth of 6% and the adjusted operating margin up 90 basis points - excluding the impact on our Pipe Protection Technologies business of the downturn in the global oil and gas industry – we have made a solid start to our Drive for 2020 strategy, and will exceed £1bn of revenue this year for the first time in the Company's history.

Having completed the acquisition of Clondalkin SPD on 30th January 2015 – Essentra's largest transaction to date - we have made significant progress with the integration in the first five months of ownership. As such, we are confident of substantially exceeding our ingoing expectation as to potential synergy savings, raising the target by 50% to at least US$24m on an annualised basis from 2016, and thus rapidly enhancing the margin towards the Company average.

While the current environment in the oil and gas sector remains uncertain, Essentra remains well-positioned to deliver balanced, profitable growth in 2015 under its Drive for 2020 strategy."

Basis of Preparation

The term "constant FX" describes the performance of the business on a comparable basis, after adjusting for the impact of foreign exchange.

The term "like-for-like" ("LFL") describes the performance of the business on a comparable basis, adjusting for the impact of acquisitions, disposals and foreign exchange. The HY 2015 LFL results are adjusted for Clondalkin Specialist Packaging Division ("Clondalkin SPD", acquired on 30 January 2015), excluding certain non-material activities of a distribution nature which have been fully integrated and managed therein. The impact of the major operating subsidiaries of Abric Berhad ("Abric Seals", acquired on 16 December 2014) is not excluded from the LFL results from 1 March 2015 (Europe and US) and 1 April 2015 (Asia), as it is no longer separately identifiable having been fully integrated into the Components business. The impact of Specialty Plastics (acquired on 27 February 2015) is not excluded from the LFL results, as it is not separately identifiable having been fully integrated into the Components business upon completion of the acquisition.

The term "adjusted" excludes the impact of intangible amortisation and exceptional operating items, less any associated tax relief. In HY 2015, intangible amortisation was £15.2m (HY 2014: £8.7m), and there was an exceptional pre-tax charge of £16.3m (HY 2014: £6.3m) mainly relating to integration and restructuring costs arising from the afore-mentioned acquisitions.

In conjunction with the Group's previously-communicated structural change, with effect from 1 January 2015 Essentra has implemented a revised methodology for allocation of certain functional costs such as finance, human resources, legal and IT, as well as costs relating to management of the strategic business units and regions.

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Operating Review

HY 2015 revenue increased 27.7% (+27.0% at constant exchange) to £550.4m, with LFL growth of 1.8%. Excluding Pipe Protection Technologies ("PPT"), LFL growth was 5.5% and was supported by continued product innovation, new business wins and investment in both existing and new geographical markets.

On an adjusted basis, operating profit was ahead 18.7% (+17.5% at constant exchange) at £81.9m. Excluding Clondalkin SPD, the adjusted operating margin was up 40bps (+20bps at constant exchange) to 16.3%, driven by a strong improvement in the Porous Technologies, Filter Products and Extrusion businesses: ex-PPT, the uplift was higher, at +100bps (+90bps at constant exchange). The integration of Clondalkin SPD has started rapidly, with the proposed rationalisation of six sites already either closed or under consultation, and encouraging progress made on procurement savings.

Including intangible amortisation of £15.2m, and an exceptional pre-tax charge of £16.3m mainly relating to integration and restructuring costs arising from recent acquisitions, operating profit as reported was £50.4m, -6.7% versus HY 2014 (-8.3% at constant exchange).

Net finance expense was slightly above the prior year at £5.3m (HY 2014: £4.8m), owing to lower pension interest income. The effective tax rate on profit before tax (before exceptional operating items) reduced to 23.0% (HY 2014: 25.4%).

On an adjusted basis, net income of £59.0m was up 23.2% (+22.1% at constant exchange) and earnings per share growth was 11.8% (+10.2% at constant exchange) to 22.7p. On a reported basis, net income was £35.6m, a decrease of 0.6% (-2.4% at constant exchange), with earnings per share down 9.9% versus HY 2014 at 13.7p (-11.7% at constant exchange).

Business Review

Summary growth in revenue by Strategic Business Unit

% growth	LFL	Acquisitions / Disposals	Foreign Exchange	Total Reported
Distribution	+9	+3	-1	+11
Health & Personal Care Packaging	-	+127	-7	+120
Filter Products	+6	-	+3	+9
Specialist Technologies	-14	-	+3	-11
Total Company	**+2**	**+25**	**+1**	**+28**
Total ex-PPT	***+6***	***+27***	***-***	***+33***

The following review is given at constant exchange rates and on an adjusted basis, unless otherwise stated.

Distribution

	HY 2015 £m	% growth Actual FX	% growth Constant FX
Revenue	138.0	+11	+12
Operating profit	32.4	+4	+5
Operating margin	23.5%	-170bps	-150bps

Revenue increased 11.9% to £138.0m. On a LFL basis, growth was 9.1% and was supported by more encouraging market conditions and the roll out of new distribution sites, as well as range expansion and new business wins.

In Components, the result reflected continued improvement in the trading environment in much of Continental Europe, as well as benefits to the Asia region of opening a regional distribution centre in Singapore in the prior year period. Trading in the Americas was more challenging, although has recently shown more encouraging trends which are expected to continue to improve in the second half of the year. Additionally, the strategic focus on expanding custom injection moulding business has already resulted in incremental revenue opportunities in a number of end-markets.

Upgraded and expanded sites in Australia and Canada were opened, with the Components business also being rolled out in South Korea and Dubai in HY 2015. New catalogues were launched in all three geographic regions during the period: the European and Asian versions featured some 6-7,000 new products, and a range of springs and magnets was stocked for the first time to provide customers with an even more comprehensive offering.

Abric Seals was rapidly rebranded to Essentra and integrated into the underlying Components activities, with some 300 seals products already included in the core catalogues. In addition, the acquisition of Specialty Plastics in Perth, Australia has been fully integrated with Essentra's existing business in Sydney and, with more than 13,000 new products available to purchase from the combined ".au" website, is well positioned to serve both the domestic and export markets – in particular the Oil & Gas, Construction and Specialist Transport sectors.

The performance in Speciality Tapes was supported by further growth in the US - in particular in the industrial sector for foam and gasketing.

Operating profit grew 5.0% to £32.4m equating to a 150bps decline in the margin, largely due to the short-term dilutive impact of acquisitions. In addition, further benefits from the consolidation of the Components' site footprint, together with raw material and operating efficiency savings were offset by increased marketing spend.

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Health & Personal Care Packaging

	HY 2015 £m	% growth Actual FX	% growth Constant FX
Revenue	189.1	+120	+127
Operating profit	22.4	+46	+48
Operating margin	11.8%	-600bps	-640bps

Revenue increased 127.1% to £189.1m. LFL growth was 0.2%, with a strong performance in healthcare packaging being offset by weakness in tobacco tear tape.

The underlying healthcare business was supported by significant new business wins and the successful roll-out of the Company's Key Account Management strategy to its global customer base. Leaflets were particularly positive, and were boosted by such successful new product innovations as the Plurium™ booklet (which offers separate sections for different audiences, marketing purposes and languages) and ComboPack™, a pre-assembled leaflet that is attached inside or outside a flat carton. Tear tape sales to the tobacco industry continued to come under pressure, as a result of challenging market conditions.

On 30 January 2015, the Company completed the acquisition of Clondalkin SPD for US$455m. Clondalkin SPD is a leading global provider of a broad suite of speciality secondary packaging solutions for the pharmaceutical and health & personal care industries, and transforms Essentra's position in these targeted end-markets. The integration of Clondalkin SPD into the underlying packaging business is proceeding rapidly, with the proposed rationalisation of six sites already either closed or under consultation and encouraging progress made on procurement savings. As a result, the cost synergies from the transaction are now anticipated to be in excess of US$24m on an annualised basis from 2016; this equates to a 50% uplift versus the ingoing expectation.

Operating profit increased 47.8% to £22.4m, equating to a margin of 11.8%. The margin decline was largely due to the significantly dilutive initial impact of the Clondalkin SPD business, in addition to certain short-term capacity constraints associated with new healthcare contract wins which have now been addressed, together with the mix effect of the decline in tobacco packaging.

Filter Products

	HY 2015 £m	% growth Actual FX	% growth Constant FX
Revenue	153.9	+9	+6
Operating profit	23.8	+35	+32
Operating margin	15.5%	+310bps	+310bps

Revenue increased 5.8% to £153.9m. Underlying volumes were ahead of the prior year period, with Asia accounting for 61% of volumes in HY 2015 (HY 2014: 58%).

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Special filters delivered particularly strong growth, supported by the successful commercialisation of recent contract wins and continued proprietary innovations. Among the new product launches and development initiatives during the period was a new multi-cellulose acetate filter which can be combined with carbon, flavour, coloured acetate tow or a distinctive recess, to offer cigarette manufacturers numerous possibilities for visualisation and brand differentiation. Joint development activity with multinational and independent customers continued to increase, and the commercialisation of the Company's fully-functional and packaged e-cigarette products continued in both Europe and North America.

Leveraging its extensive experience and expanded portfolio of accredited testing methods, the Scientific Services laboratory continued to develop. During the period, a new facility dedicated exclusively to the testing of e-cigarettes was added to the existing analytical laboratory services, to ensure the delivery of high quality analysis which remains at the forefront of industry trends and regulatory requirements in this growing segment.

As part of its commitment to ensuring a flexible and competitive manufacturing base, the business saw further expansion in its joint venture facility in Dubai, while continuing to deliver strong growth in Hungary.

Operating profit grew 31.7% to £23.8m, with the margin up 310bps to 15.5%. Continued successful productivity and efficiency initiatives more than offset competitive industry pricing, with the margin further boosted by savings from the site closure in Italy which was announced in the prior year.

On 8th July 2015, Essentra announced that it was entering into a 45-day consultation period regarding the proposal to transfer its filter manufacturing, product development and innovation activities based in Jarrow, UK to its facility in Hungary, and as a consequence to close the existing Bedesway site in Jarrow. If the proposal is confirmed, the transfer of activities will take place by the end of 2015.

Specialist Technologies

	HY 2015 £m	**% growth Actual FX**	**% growth Constant FX**
Revenue	70.5	-11	-14
Operating profit	12.1	-12	-17
Operating margin	17.2%	-10bps	-70bps
Revenue ex-PPT	*61.8*	*+8*	*+6*
Operating profit ex-PPT	*11.9*	*+45*	*+37*
Operating margin ex-PPT	*19.3%*	*+500bps*	*+430bps*

Revenue decreased 13.8% to £70.5m, driven exclusively by the impact of weakness in the Oil & Gas industry on the Protection Technologies business. Excluding PPT, revenue was ahead 6.2% to £61.8m.

In Porous Technologies, growth was driven by new contract awards and the commercialisation of recent business wins. The increase in speciality wipes reflected continued momentum from geographic and product roll-out, while the result in healthcare was boosted by the ongoing commercialisation of recent launches in both advanced wound care and products using porous plastics. Writing instruments benefited from further portfolio expansion in nibs to both current and existing customers, while the performance in household was supported by accelerated demand for successful recent innovations. The result in Printer Systems continued to reflect more challenging market conditions.

A strong result in Extrusion was driven by continued business wins in a number of attractive growth sectors, and benefited from more encouraging market conditions as well as positive momentum in the water treatment and point of sale segments.

The performance of the Pipe Protection Technologies business was severely impacted by developments in the Oil & Gas industry, with a significant decline in the North American rig count driving a consequent reduction in drilling activity and demand from the pipe mills. As a result, LFL revenue fell 63% versus a strong performance in the prior year period.

Operating profit decreased 17.2% to £12.1m equating to a margin decline of -70bps. Significant improvements in both Porous Technologies and Extrusion - which benefited from continued efficiency programmes, a positive mix effect and more benign raw material costs - were offset by the impact of the decline in revenue in the higher margin PPT business, notwithstanding rapid cost and headcount reduction.

Summary growth in revenue by Region (by destination)

% growth	**LFL**	**Acquisitions / Disposals**	**Foreign Exchange**	**Total Reported**
Europe	+4	+23	-6	+21
Americas	-8	+41	+10	+43
Asia	+13	+3	+6	+22
Total Company	**+2**	**+25**	**+1**	**+28**
PPT	-63	-	+2	-61
Total ex-PPT	**+6**	**+27**	**-**	**+33**
Europe ex-PPT	*+4*	*+23*	*-6*	*+21*
Americas ex-PPT	*+3*	*+50*	*+11*	*+64*

The following review is given at constant exchange rates and on an adjusted basis, unless otherwise stated.

Europe

	HY 2015 £m	% growth Actual FX	% growth Constant FX
Revenue	270.3	+21	+27
Revenue ex-PPT	*269.7*	*+21*	*+27*

Revenue increased 27.1% to £270.3m, with LFL growth of 3.9% (+4.0% ex-PPT).

Underlying growth in Europe was driven by a strong performance in the Industrial, Health & Personal Care and Furniture segments, supported by Food & Drink and Tobacco.

Metal hardware performed well in both existing and export Industrial markets, with range expansions and the roll-out of the Abric Seals product portfolio also contributing. In Health & Personal Care, there was good growth in both speciality wipes and the core packaging portfolio, supported by new innovations – including authentication solutions – which are well-placed to meet evolving regulatory requirements. Enhanced project conversion rates and cross-selling opportunities for extruded plastics boosted the result, while new innovative tapes and labels contributed to the performance in FMCG sectors.

The performance of the recently-acquired Clondalkin SPD business has been supported by sizeable contract wins with pharmaceutical, beauty and consumer customers. Significant progress was made integrating the business into the Essentra footprint, with the proposed rationalisation of four sites already under consultation.

Americas

	HY 2015 £m	% growth Actual FX	% growth Constant FX
Revenue	186.4	+43	+33
Revenue ex-PPT	*178.3*	*+64*	*+53*

Revenue increased 33.3% to £186.4m: LFL revenue was down 7.9% (+3.2% growth excluding PPT).

The result in the Americas was driven by the afore-mentioned developments in the Oil & Gas sector and the consequent impact on the PPT business. However, consistent with its positive longer-term view of the industry, the Company continued to invest in opportunities for future growth, including opening a new purpose-built distribution centre in the heart of the Alberta, Canada oil patch. Notwithstanding the rapid consolidation of the Abric Seals range into the Components offering, performance was also weak in the broader Industrial segment, although recent trends have been more positive and are expected to continue into the second half of the year.

Underlying growth in Health & Personal Care was driven by success in the medical foam business and portfolio expansion in speciality wipes, with the increase in the Household segment boosted by successful commercialisation of recent business wins in both air care and writing instruments for products using porous plastics. Development activity and the roll-out of the Company's e-cigarette offering continued in Tobacco, with new packaging projects supporting the performance in the Food & Drink category.

The integration of Clondalkin SPD in Health & Personal Care proceeded well during the period, with some encouraging new business wins and the proposed rationalisation of two sites already either closed or under consultation.

Asia

	HY 2015 £m	% growth Actual FX	% growth Constant FX
Revenue	93.7	+22	+16

Revenue increased 15.7% to £93.7m, with LFL revenue growth of 12.9%.

Growth in Asia came across all markets, with particularly good progress in India in the Industrial category. A strong result in Tobacco was driven by joint development activity with key multinational customers, combined with an excellent performance in both flavoured and special filters and further expansion in Dubai. The Household segment benefited from the transfer of writing instrument nib activity to a new facility in Indonesia from South Korea.

Total revenue was boosted by the rapid integration of the Abric Seals and Specialty Plastics acquisitions, which are performing in line with expectations for the combined businesses.

Financial Review

Foreign exchange rates. Movements in exchange rates relative to sterling affect actual results as reported. The constant exchange rate basis adjusts the comparative to exclude such movements, to show the underlying growth of the Company.

The principal exchange rates for Essentra in HY 2015 were:

	Average		Closing	
	HY 2015	HY 2014	HY 2015	HY 2014
US$:£	1.53	1.67	1.57	1.71
€:£	1.36	1.22	1.41	1.25

Re-translating at HY 2015 average exchange rates increases the prior year revenue and adjusted operating profit by £2.4m and £0.7m respectively.

Net finance expense. Net finance expense of £5.3m was slightly above the prior year period, and is broken down as follows:

£m	HY 2015	HY 2014
Net interest charged on net debt	4.8	4.8
Amortisation of bank fees	0.4	0.4
IAS 19 pension finance expense / (credit)	0.1	(0.4)
Total net interest expense	**5.3**	**4.8**

Positive numbers represent net finance expense, negative numbers reflect net finance income

Tax. The effective tax rate on profit before tax (before exceptional operating items) was 23.0% (HY 2014: 25.4%).

Net working capital. Net working capital is defined as Inventories plus Trade & Other Receivables less Trade & Other Payables, adjusted to exclude Deferred Consideration Receivable / Payable, Interest Accruals, Capital Payables and Other Normalising Items ("Adjustments").

£m	HY 2015	HY 2014
Inventories	112.1	84.6
Trade & other receivables	231.6	163.3
Trade & other payables	(226.1)	(139.5)
Adjustments	8.0	7.0
Net working capital	**125.6**	**115.4**

The net working capital / revenue ratio was 12.7% (HY 2014: 13.7%, at constant FX).

Cash flow. Operating cash flow increased 21.0% to £41.5m. Free cash flow of £27.5m was £8.5m higher than HY 2014 (+44.7%).

£m	HY 2015	HY 2014
Operating profit – adjusted	**81.9**	**69.0**
Depreciation	18.4	15.0
Share option expense / other movements	2.1	1.1
Change in working capital	(33.0)	(37.2)
Net capital expenditure	(27.9)	(13.6)
Operating cash flow – adjusted	**41.5**	**34.3**
Tax	(6.3)	(10.3)
Net interest paid	(4.6)	(4.7)
Pension obligations	(3.1)	(0.3)
Free cash flow - adjusted	**27.5**	**19.0**

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Net debt. Net debt at the end of the period was £359.5m, a £297.4m increase from 1 January 2015, primarily due to the completion of the acquisition of Clondalkin SPD and the impact of higher dividend payments.

£m	HY 2015
Net debt as at 1 January 2015	62.1
Free cash flow	(27.5)
Dividends	32.6
Acquisitions	304.0
Foreign exchange	(14.3)
Exceptional items	6.0
Employee trust shares	(4.0)
Other	0.6
Net debt as at 30 June 2015	**359.5**

The Company's financial ratios remain strong. The ratio of net debt to EBITDA as at 30 June 2015 was 1.9x (12 months pro forma for Clondalkin SPD: 1.7x, 31 December 2014: 1.3x) and interest cover was 18.6x (31 December 2014: 13.0x).

Pensions. As at 30 June 2015, the Company's IAS 19 pension asset was £0.5m (HY 2014: £7.9m) and the associated deferred tax liability was £2.7m (HY 2014: £0.6m deferred tax liability). The pension asset has been calculated after updating the asset values and certain assumptions as at 30 June 2015.

Dividends. The Board of Directors has approved an interim dividend of 6.3 pence per 25 pence ordinary share (HY 2014: 5.7 pence), an increase of 10.5%. The interim dividend will be paid on 30 October 2015 to equity holders on the share register on 25 September 2015: the ex-dividend date will be 24 September. Essentra operates a Dividend Re-Investment Programme ("DRIP"), details of which are available from the Company's Registrars, Computershare Investor Services PLC.

Board changes. On 23 April 2015, Paul Drechsler retired from the Board, and the Company announced the appointment of Tommy Breen as a Non-Executive Director of Essentra plc with immediate effect.

Treasury policy and controls. Essentra has a centralised treasury function to manage funding, liquidity and exposure to interest rate and foreign exchange risk. Treasury policies are approved by the Board and cover the nature of the exposure to be hedged, the types of derivatives that may be employed and the criteria for investing and borrowing cash. Essentra uses derivatives only to manage currency and interest rate risk arising from the underlying business activities. No transactions of a speculative nature are undertaken. The treasury function is subject to periodic independent reviews by the Group Assurance department. Underlying policy assumptions and activities are reviewed by the Treasury Committee.

Controls over exposure changes and transaction authenticity are in place, and dealings are restricted to those banks with the relevant combination of geographical presence, expertise and suitable credit rating.

Foreign exchange risk. The majority of Essentra's net assets are in currencies other than sterling. The Company's normal policy is to reduce the translation exposure and the resulting impact on shareholders' funds through measures such as borrowing in those currencies in which the Group has significant net assets. As at 30 June 2015, Essentra's US dollar-denominated assets were approximately 77% hedged by its US dollar-denominated borrowings, while its euro-denominated assets were approximately 95% hedged by its euro-denominated borrowings.

The majority of Essentra's transactions are carried out in the functional currencies of its operations, and therefore transaction exposure is limited. However, where such exposure does occur, Essentra uses forward foreign currency contracts to hedge its exposure to movements in exchange rates on its highly probably forecast foreign currency sales and purchases over a period of up to 18 months.

Management of principal risks. The management of risk underpins the Company's Drive for 2020 strategy, focusing on the challenges which arise in the international environment in which Essentra conducts business and reflecting the Company's appetite for risk in the delivery of its business objectives. As such, risks are continuously monitored, associated action plans are reviewed, appropriate contingencies are provisioned and information is reported through established management control procedures.

The Company is subject to the general risks and uncertainties which impact other international organisations, including political instability in the countries in which the Company operates and sources raw materials, the impact of natural disasters and changes in general economic conditions, including currency and interest rate fluctuations, tax regimes and raw material costs.

The principal risks and uncertainties which the Board believes are specific to Essentra are summarised below and are set out in full, together with the associated risk management response, on pages 32-37 of the Company's 2014 Annual Report.

Disruption to infrastructure

A catastrophic loss of the use of all or a portion of any of Essentra's manufacturing or distribution facilities could adversely affect the Company's ability to meet the demands of its customers.

Emerging technology and competition pressures

Essentra faces pressure from direct competitors, as well as competition from alternative technologies.

Failure to drive business development

There can be no assurance that the Company will develop, complete and commercialise current and suitable new products, nor expand further through start-up operations.

Mergers and acquisitions

The rate of any future acquisition integration may in part be dependent on the success of identifying the correct acquisitions and having sufficient resources available for integration.

Customer profile

In some of Essentra's businesses, the customer base is relatively concentrated. In addition, trends in certain markets may reduce the demands for the Company's products.

Key raw material supply

Some of Essentra's businesses are dependent on the availability of specialist raw materials or components which are incorporated into the Company's products.

Intellectual property development and protection

A key component of Essentra's future success is the ability to develop new and innovative products and services.

Relationship with the tobacco industry

A substantial part of Essentra's business relates to the supply of filter products and packaging solutions to manufacturers in the tobacco industry.

Talent management

Essentra's international operations are dependent on existing key executives and certain other employees in order to sustain, develop and grow its businesses.

Compliance risk

Risk related to regulatory and legislative changes involves the possible failure of the Company to comply with current, changing or new legislation or regulation.

2015 Outlook

While the current environment in the oil and gas sector remains uncertain, Essentra remains well-positioned to deliver balanced, profitable growth in 2015 under its Drive for 2020 strategy.

Drive for 2020

Essentra's Drive for 2020 strategy seeks to maximise shareholder value through the delivery of balanced profitable growth in both its existing and future opportunity markets and technologies. The strategy also calls for strong conversion of profit into cash and a progressive dividend policy. The Company looks to complement this balanced organic growth with value-adding acquisitions.

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Presentation

1. A copy of these results is available on www.essentra.com
2. A live audiocast of today's presentation of these results to investors and analysts will start at 08:30 (UK time) on www.essentra.com/webcasts.aspx. The audiocast can also be accessed using the following details.

Dial in, using the following details:

Dial-in number:	+44 (0)20 3427 1910 (UK / international participants) +1 646 254 3365 (US participants)
Toll-free number:	0800 279 4992 (UK participants) +1 877 280 1254 (US participants)
PIN code:	6950831

In both cases, there will be a facility for participants to ask questions in the Question & Answer session at the end of the presentation.

A recording of the audiocast will be made available on the website later in the day. A replay will additionally be available as follows:

Replay number:	+44 (0)20 3427 0598 (UK / international participants) +1 347 366 9565 (US participants)
Toll-free number:	0800 358 7735 (UK participants) +1 866 932 5017 (US participants)
Replay access code:	6950831
Replay available:	For 7 days

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Cautionary forward looking statement

These results contain forward-looking statements based on current expectations and assumptions. Various known and unknown risks, uncertainties and other factors may cause actual results to differ from future results or developments expressed or implied from the forward-looking statements. Each forward-looking statement speaks only as of the date of this document. The Company accepts no obligation to revise or update these forward-looking statements publicly or adjust them to future events of developments, whether as a result of new information, future events or otherwise, except to the extent legally required.

Notes to Editors

Essentra plc is a FTSE 250 company and a leading global provider of essential components and solutions. Essentra focuses on the light manufacture and distribution of high volume, enabling components which serve customers in a wide variety of end-markets and geographies.

Distribution

The Components business is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded and metal items. Operating units in 27 countries serve a very broad industrial base of customers with a rapid supply of products for a variety of applications in industries such as equipment manufacturing, automotive, fabrication, electronics and construction.

The Speciality Tapes business has expertise in coating multiple adhesive systems in numerous technologies. With close to 3,000 adhesive products available for same-day shipping, Essentra's products can meet all high performance needs, from foam, magnetic, finger lift and acrylic high bond tapes to hook and loop and non-skid foam.

The Security business has been at the forefront of ID technology for over 30 years, and has access to the widest portfolio of products and services, including printers, software and consumables from leading manufacturers.

Health & Personal Care Packaging

A leading global provider of packaging and authentication solutions to a diversified blue-chip customer base in the pharmaceutical, health & personal care, consumer and specialist packaging sectors, and to the paper and board industries. The business focuses on delivering value-adding innovation, quality and service through the provision of a wide range of products and solutions, including cartons, tapes, leaflets, foils, labels and authentication solutions.

Filter Products

The only global independent cigarette filter supplier. The nine worldwide locations, including a dedicated Technology Centre supported by three regional development facilities, provide a flexible infrastructure strategically positioned to serve the tobacco industry. The business supplies a wide range of value-adding high quality innovative filters, packaging solutions to the roll your own segment and analytical laboratory services to ingredient measurement to the industry.

Specialist Technologies
A leading provider of specialised solutions to an international customer base in a diverse range of end-markets, including oil and gas, construction, point of sale, health & personal care and consumer goods.

Essentra Porous Technologies is a 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 plastics. Representing 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.

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.

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

Headquartered in the United Kingdom, Essentra's global network extends to 33 countries and includes c. 9,000 employees, 69 principal manufacturing facilities, 64 sales & distribution operations and 5 research & development centres. For further information, please visit www.essentra.com.

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Condensed consolidated income statement

	Note	**Six months ended 30 Jun 2015 £m**	Six months ended 30 Jun 2014 £m	Year ended 31 Dec 2014 £m
Revenue	2	**550.4**	431.1	865.7
Operating profit before intangible amortisation and exceptional operating items		**81.9**	69.0	142.5
Intangible amortisation		**(15.2)**	(8.7)	(17.5)
Exceptional operating items	3	**(16.3)**	(6.3)	(16.2)
Operating profit		**50.4**	54.0	108.8
Finance income		**0.3**	0.4	1.4
Finance expense		**(5.6)**	(5.2)	(10.5)
Profit before tax		**45.1**	49.2	99.7
Income tax expense		**(9.5)**	(13.4)	(27.9)
Profit for the period		**35.6**	35.8	71.8
Attributable to:				
Equity holders of Essentra plc		**35.3**	35.4	71.0
Non-controlling interests		**0.3**	0.4	0.8
Profit for the period		**35.6**	35.8	71.8
Earnings per share attributable to equity holders of Essentra plc:				
Basic	4	**13.7p**	15.2p	30.0p
Diluted	4	**13.4p**	14.8p	29.4p

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Condensed consolidated statement of comprehensive income

	Six months ended 30 Jun 2015 £m	Six months ended 30 Jun 2014 £m	Year ended 31 Dec 2014 £m
Profit for the period	**35.6**	35.8	71.8
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit pension schemes	**3.4**	(4.0)	(15.8)
Deferred tax (expense)/credit on remeasurement of defined benefit pension schemes	**(1.5)**	1.2	5.0
	1.9	(2.8)	(10.8)
Items that may be reclassified subsequently to profit or loss:			
Effective portion of changes in fair value of cash flow hedges:			
Net change in fair value of cash flow hedges transferred to the income statement	**(3.4)**	0.1	0.1
Effective portion of changes in fair value of cash flow hedges	**-**	0.6	3.4
Foreign exchange translation differences:			
Attributable to equity holders of Essentra plc:			
Arising on translation of foreign operations	**(28.2)**	(14.7)	3.4
Arising on effective net investment hedges	**14.0**	5.1	(2.3)
Income tax (expense)/credit on effective net investment hedges	**(2.8)**	(1.1)	0.5
Attributable to non-controlling interests	**-**	-	0.3
	(20.4)	(10.0)	5.4
Other comprehensive income for the period, net of tax	**(18.5)**	(12.8)	(5.4)
Total comprehensive income for the period	**17.1**	23.0	66.4
Attributable to:			
Equity holders of Essentra plc	**16.8**	22.6	65.3
Non-controlling interests	**0.3**	0.4	1.1
	17.1	23.0	66.4

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Condensed consolidated balance sheet

	Note	**30 Jun 2015 £m**	30 Jun 2014 £m	31 Dec 2014 £m
Assets				
Property, plant and equipment	5	**272.9**	207.6	230.5
Intangible assets		**676.6**	383.2	406.4
Long-term receivables		**1.9**	-	3.1
Deferred tax assets		**8.2**	5.4	11.8
Retirement benefit assets	6	**24.3**	25.1	20.1
Total non-current assets		**983.9**	621.3	671.9
Inventories		**112.1**	84.6	84.8
Income tax receivable		**2.9**	3.9	8.9
Trade and other receivables		**231.6**	163.3	165.4
Derivative assets	11	**1.0**	1.0	3.9
Cash and cash equivalents	7	**34.3**	35.5	46.0
Total current assets		**381.9**	288.3	309.0
Total assets		**1,365.8**	909.6	980.9
Equity				
Issued capital		**66.0**	60.1	66.0
Merger relief reserve		**298.1**	136.4	298.1
Capital redemption reserve		**0.1**	0.1	0.1
Other reserve		**(132.8)**	(132.8)	(132.8)
Cash flow hedging reserve		**-**	0.6	3.4
Translation reserve		**(25.4)**	(20.6)	(8.5)
Retained earnings		**381.6**	356.5	366.5
Attributable to equity holders of Essentra plc		**587.6**	400.3	592.8
Non-controlling interests		**5.1**	4.6	5.0
Total equity		**592.7**	404.9	597.8
Liabilities				
Interest bearing loans and borrowings	7	**393.0**	258.1	104.2
Retirement benefit obligations	6	**23.8**	17.2	21.8
Provisions		**5.9**	2.6	3.4
Other financial liabilities		**1.3**	3.2	3.5
Deferred tax liabilities		**90.8**	42.3	54.7
Total non-current liabilities		**514.8**	323.4	187.6
Interest bearing loans and borrowings	7	**0.8**	1.2	5.8
Derivative liabilities	11	**0.3**	0.2	0.1
Income tax payable		**28.9**	28.7	28.6
Trade and other payables		**226.1**	139.5	156.8
Provisions		**2.2**	11.7	4.2
Total current liabilities		**258.3**	181.3	195.5
Total liabilities		**773.1**	504.7	383.1
Total equity and liabilities		**1,365.8**	909.6	980.9

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Condensed consolidated statement of changes in equity

Six months ended 30 June 2015

	Issued capital £m	**Merger relief reserve £m**	**Capital redemption reserve £m**	**Other reserve £m**	**Cash flow hedging reserve £m**	**Translation reserve £m**	**Retained earnings £m**	**Non-controlling interests £m**	**Total equity £m**
At 1 January 2015	**66.0**	**298.1**	**0.1**	**(132.8)**	**3.4**	**(8.5)**	**366.5**	**5.0**	**597.8**
Profit for the period							35.3	0.3	**35.6**
Other comprehensive income					(3.4)	(16.9)	1.8	-	**(18.5)**
Total comprehensive income for the period					(3.4)	(16.9)	37.1	0.3	**17.1**
Purchase of employee trust shares							(1.0)		**(1.0)**
Shares options exercised							5.0		**5.0**
Share option expense							3.3		**3.3**
Tax relating to share-based incentives							3.3		**3.3**
Dividends paid							(32.6)	(0.2)	**(32.8)**
At 30 June 2015	**66.0**	**298.1**	**0.1**	**(132.8)**	**-**	**(25.4)**	**381.6**	**5.1**	**592.7**

Six months ended 30 June 2014

	Issued capital £m	Merger relief reserve £m	Capital redemption reserve £m	Other reserve £m	Cash flow hedging reserve £m	Translation reserve £m	Retained earnings £m	Non-controlling interests £m	Total equity £m
At 1 January 2014	60.1	136.4	0.1	(132.8)	(0.1)	(9.9)	345.0	4.2	403.0
Profit for the period							35.4	0.4	35.8
Other comprehensive income					0.7	(10.7)	(2.8)	-	(12.8)
Total comprehensive income for the period					0.7	(10.7)	32.6	0.4	23.0
Purchase of employee trust shares							(4.4)		(4.4)
Shares options exercised							3.5		3.5
Share option expense							3.2		3.2
Tax relating to share-based incentives							1.4		1.4
Dividends paid							(24.8)		(24.8)
At 30 June 2014	60.1	136.4	0.1	(132.8)	0.6	(20.6)	356.5	4.6	404.9

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Condensed consolidated statement of changes in equity *(continued)*

	Issued capital £m	Merger relief reserve £m	Capital redemption reserve £m	Other reserve £m	Cash flow hedging reserve £m	Translation reserve £m	Retained earnings £m	Non-controlling interests £m	Total equity £m
									Year ended 31 December 2014
At 1 January 2014	60.1	136.4	0.1	(132.8)	(0.1)	(9.9)	345.0	4.2	403.0
Profit for the year							71.0	0.8	71.8
Other comprehensive income					3.5	1.6	(10.8)	0.3	(5.4)
Total comprehensive income for the year	-	-	-	-	3.5	1.6	60.2	1.1	66.4
Issue of shares	5.9	161.7							167.6
Changes in non-controlling interests in subsidiaries								(0.1)	(0.1)
Transfer to loss on disposal of subsidiary						(0.2)			(0.2)
Purchase of employee trust shares							(12.3)		(12.3)
Shares options exercised							4.3		4.3
Share option expense							6.8		6.8
Tax relating to share-based incentives							0.6		0.6
Dividends paid							(38.1)	(0.2)	(38.3)
At 31 December 2014	66.0	298.1	0.1	(132.8)	3.4	(8.5)	366.5	5.0	597.8

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Condensed consolidated statement of cash flows

	Note	**Six months ended 30 Jun 2015 £m**	Six months ended 30 Jun 2014 £m	Year ended 31 Dec 2014 £m
Operating activities				
Profit for the period from continuing operations		**35.6**	35.8	71.8
Adjustments for:				
Income tax expense		**9.5**	13.4	27.9
Net finance expense		**5.3**	4.8	9.1
Intangible amortisation		**15.2**	8.7	17.5
Exceptional operating items		**16.3**	6.3	16.2
Depreciation		**18.4**	15.0	27.2
Share option expense		**3.3**	3.2	6.8
Other movements		**(0.4)**	(1.0)	(2.9)
Increase in inventories		**(11.7)**	(10.6)	(5.5)
Increase in trade and other receivables		**(38.3)**	(25.8)	(22.4)
Increase/(decrease) in trade and other payables		**17.0**	(0.8)	2.5
Cash outflow in respect of exceptional operating items		**(6.0)**	(1.6)	(6.9)
Adjustment for pension contributions		**(3.1)**	(0.3)	(2.5)
Movement in provisions		**(0.8)**	(1.2)	(8.1)
Cash inflow from operating activities		**60.3**	45.9	130.7
Income tax paid		**(6.3)**	(10.3)	(20.5)
Net cash inflow from operating activities		**54.0**	35.6	110.2
Investing activities				
Interest received		**0.3**	0.1	0.3
Acquisition of property, plant and equipment		**(29.8)**	(14.8)	(38.1)
Proceeds from sale of property, plant and equipment		**1.9**	1.2	5.0
Acquisition of businesses net of cash acquired		**(304.0)**	(2.6)	(26.1)
Net cash outflow from investing activities		**(331.6)**	(16.1)	(58.9)
Financing activities				
Interest paid		**(4.9)**	(4.9)	(8.8)
Dividends paid to equity holders		**(32.6)**	(24.8)	(38.1)
Dividends paid to non-controlling interests		**(0.2)**	-	(0.2)
Proceeds from equity issue		**-**	-	167.6
Repayments of short-term loans		**(4.9)**	(5.2)	(3.8)
Repayments of long-term loans		**-**	(25.3)	(158.1)
Proceeds from long-term loans		**305.4**	33.9	-
Purchase of employee trust shares		**(1.0)**	(4.4)	(12.3)
Proceeds from sale of employee trust shares		**5.0**	3.5	4.3
Net cash inflow/(outflow) from financing activities		**266.8**	(27.2)	(49.4)
Net (decrease)/increase in cash and cash equivalents		**(10.8)**	(7.7)	1.9
Net cash and cash equivalents at the beginning of the period		**46.0**	44.1	44.1
Net (decrease)/increase in cash and cash equivalents		**(10.8)**	(7.7)	1.9
Net effect of currency translation on cash and cash equivalents		**(0.9)**	(0.9)	-
Net cash and cash equivalents at the end of the period	7	**34.3**	35.5	46.0

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Notes

1. Basis of preparation

The condensed set of financial statements has been prepared in accordance with the accounting policies set out in the 2014 Annual Report which comply with International Financial Reporting Standards as adopted by the EU and also in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU and the Disclosure and Transparency Rules ('DTR') of the Financial Conduct Authority. The preparation of the condensed set of financial statements requires management to make estimates and assumptions that affect the reporting amounts of revenues, expenses, assets and liabilities at 30 June 2015. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the condensed set of financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

In the view of the Directors, the Group has adequate resources to continue its activities for the foreseeable future and, therefore it is appropriate to continue to adopt the going concern basis in the preparation of the condensed set of financial statements.

The comparative figures for the financial year ended 31 December 2014 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

For the purpose of the condensed set of financial statements 'Essentra' or 'the Group' means Essentra plc ('the Company') and its subsidiaries.

The Group operates in industries where there are no significant seasonal or cyclical variations in revenue. All results in the current period were attributable to continuing operations.

Income tax expense is recognised based upon the best estimate of the weighted average income tax rate on profit before tax and exceptional items expected for the full financial year, taking into account the weighted average rate for each jurisdiction.

2. Segment analysis

In accordance with IFRS 8, Essentra has determined its operating segments based upon the information reported to the Group Management Committee. With effect from 1 January 2015, Essentra has implemented a new organisation structure, comprising four strategic business units. The Components, Speciality Tapes and Security businesses form a strategic business unit named Distribution. The Pipe Protection Technologies, Porous Technologies and Extrusion businesses together form Speciality Technologies. The packaging and authentication solutions businesses within the previous Packaging & Securing Solutions division and the Clondalkin SPD business acquired on 30 January 2015 (see note 8) form Health & Personal Care Packaging. The existing Filter Products division remains as a separate strategic business unit.

In conjunction with the structural change, with effect from 1 January 2015 Essentra has also implemented a revised methodology for allocation of certain functional costs such as finance, human resources, legal and IT, as well as costs relating to management of the strategic business units and regions. These allocations are made on the basis of revenue which is deemed by management as a reasonable measure of activities and a key performance indicator of the Group.

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2. Segment analysis *(continued)*

The operating segments are as follows:

Distribution consists of a Component Distribution business, a Speciality Tapes business and a Security business. Component Distribution is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded, and metal items. The Speciality Tapes business has expertise in coating multiple adhesive systems in numerous technologies. The Security business has been at the forefront of ID technology for over 30 years, and has access to the widest portfolio of products and services, including printers, software and consumables from leading manufacturers.

Health and Personal Care Packaging is a leading global provider of packaging and authentication solutions to a diversified blue-chip customer base in the health and personal care, consumer and specialist packaging sectors, and to the paper and board industries.

Filter Products is an independent cigarette filter manufacturer supplying 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.

Specialist Technologies is a leading provider of specialised solutions to an international customer base in a diverse range of end-markets, including oil and gas, construction, point of sale, health & personal care and consumer goods.

June 2015

	Distribution £m	Health & Personal Care Packaging £m	Filter Products £m	Specialist Technologies £m	Elimin-ations £m	Central Services[1] £m	Continuing operations £m	Discontinued operations £m	Total £m
External revenue	137.6	189.0	153.5	70.3	-	-	550.4	-	550.4
Intersegment revenue	0.4	0.1	0.4	0.2	(1.1)		-	-	-
Total revenue	**138.0**	**189.1**	**153.9**	**70.5**	**(1.1)**	**-**	**550.4**	**-**	**550.4**
Adjusted operating profit/(loss) [2]	**32.4**	**22.4**	**23.8**	**12.1**	**-**	**(8.8)**	**81.9**	**-**	**81.9**
Segment assets	147.8	206.9	151.6	103.3	-	7.7	617.3	-	617.3
Intangible assets	183.1	442.0	-	51.5	-	-	676.6	-	676.6
Unallocated items [3]	-	-	-	-	-	71.9	71.9	-	71.9
Total assets	**330.9**	**648.9**	**151.6**	**154.8**	**-**	**79.6**	**1,365.8**		**1,365.8**
Segment liabilities	42.3	100.6	54.1	14.4	-	24.1	235.5	-	235.5
Unallocated items [3]	-	-	-	-	-	537.6	537.6	-	537.6
Total liabilities	**42.3**	**100.6**	**54.1**	**14.4**	**-**	**561.7**	**773.1**	**-**	**773.1**

June 2014

	Distribution £m	Health & Personal Care Packaging £m	Filter Products £m	Specialist Technologies £m	Elimin-ations £m	Central Services[1] £m	Continuing operations £m	Discontinued operations £m	Total £m
External revenue	123.9	85.9	141.7	79.6	-	-	431.1	-	431.1
Intersegment revenue	0.1	0.2	-	-	(0.3)	-	-	-	-
Total revenue	**124.0**	**86.1**	**141.7**	**79.6**	**(0.3)**	**-**	**431.1**	**-**	**431.1**
Adjusted operating profit/(loss) [2]	**31.2**	**15.3**	**17.6**	**13.8**	**-**	**(8.9)**	**69.0**	**-**	**69.0**
Segment assets	120.9	99.5	134.7	97.7	-	2.7	455.5	-	455.5
Intangible assets	162.4	168.8	-	52.0	-	-	383.2	-	383.2
Unallocated items [3]	-	-	-	-	-	70.9	70.9	-	70.9
Total assets	**283.3**	**268.3**	**134.7**	**149.7**	**-**	**73.6**	**909.6**	**-**	**909.6**
Segment liabilities	38.0	37.6	45.9	18.0	-	15.0	154.5	2.5	157.0
Unallocated items [3]	-	-	-	-	-	347.7	347.7	-	347.7
Total liabilities	**38.0**	**37.6**	**45.9**	**18.0**	**-**	**362.7**	**502.2**	**2.5**	**504.7**

2. Segment analysis *(continued)*

	Distribution £m	Health & Personal Care Packaging £m	Filter Products £m	Specialist Technologies £m	Elimin-ations £m	Central Services[1] £m	Continuing operations £m	Discontinued operations £m	Total £m
									December 2014
External revenue	243.7	168.8	291.4	161.8	-	-	865.7	-	865.7
Intersegment revenue	0.3	0.5	0.1	0.3	(1.2)	-	-	-	-
Total revenue	**244.0**	**169.3**	**291.5**	**162.1**	**(1.2)**	**-**	**865.7**	**-**	**865.7**
Adjusted operating profit/(loss) [2]	**56.9**	**30.8**	**39.0**	**29.8**	**-**	**(14.0)**	**142.5**	**-**	**142.5**
Segment assets	137.5	102.5	133.6	103.3	-	5.0	481.9	-	481.9
Intangible assets	188.4	163.9	-	54.1	-	-	406.4	-	406.4
Unallocated items [3]	-	-	-	-	-	92.6	92.6	-	92.6
Total assets	**325.9**	**266.4**	**133.6**	**157.4**	**-**	**97.6**	**980.9**		**980.9**
Segment liabilities	42.7	36.5	38.8	20.4	-	27.0	165.4	2.5	167.9
Unallocated items [3]	-	-	-	-	-	215.2	215.2	-	215.2
Total liabilities	**42.7**	**36.5**	**38.8**	**20.4**	**-**	**242.2**	**380.6**	**2.5**	**383.1**

[1] Central Services includes group finance, tax, treasury, legal, group assurance, human resources, information technology, corporate development and other services provided centrally to support the operating segments

[2] Operating profit before intangible amortisation and exceptional items

[3] The unallocated assets relate to income and deferred tax assets, retirement benefit assets, derivatives and cash and cash equivalents. The unallocated liabilities relate to interest bearing loans and borrowings, retirement benefit obligations, derivatives, deferred tax liabilities and income tax payable. Intersegment transactions are carried out on an arm's length basis.

[4] The 2014 full-year results for Distribution and Health & Personal Care Packaging have been represented to include manufactured cards within Health & Personal Care Packaging.

3. Exceptional items

	Six months ended 30 Jun 2015 £m	Six months ended 30 Jun 2014 £m	Year ended 31 Dec 2014 £m
Exceptional operating items			
Acquisition fees	**0.1**	0.2	7.1
Acquisition integration and restructuring costs	**18.2**	6.1	9.3
Other	**(2.0)**	-	(0.2)
	16.3	6.3	16.2
Exceptional tax items	**(1.7)**	-	-

Acquisition-related costs incurred during the period in respect of the acquisition of Speciality Plastics (period ended 30 June 2014: acquisition of Kelvindale; year ended 31 December 2014: acquisitions of Kelvindale, Abric and Clondalkin SPD).

Acquisition integration and restructuring costs incurred during the period in respect of Clondalkin SPD, Abric and Speciality Plastics (period ended 30 June 2014: Contego, Dakota and Mesan; year ended 31 December 2014: Kelvindale, Contego, Dakota, Mesan and Abric). The costs for June 2015 also include the effect of unwinding the fair value adjustment on inventory in relation to the acquisition of Clondalkin SPD, amounting to £1.9m.

Other exceptional items in the period ended June 2015 relate to the release in respect of warranty obligations for the disposal of Globalpack, an entity disposed of in 2007. Other exceptional items in the period ended 31 December 2014 comprised £0.4m loss on disposal of Filters Jordan and a £0.6m credit adjustment for contingent deferred consideration in relation to the acquisition of Ulinco.

Exceptional tax items relate to the release of tax indemnity provisions of £1.7 million in respect of the 2007 Globalpack disposal.

4. Earnings per share

	Six months ended 30 Jun 2015 £m	Six months ended 30 Jun 2014 £m	Year ended 31 Dec 2014 £m
Continuing operations			
Earnings attributable to equity holders of Essentra plc	**35.3**	35.4	71.0
Adjustments			
Intangible amortisation	**15.2**	8.7	17.5
Exceptional operating items	**16.3**	6.3	16.2
	31.5	15.0	33.7
Tax relief on adjustments	**(6.4)**	(2.9)	(5.4)
Exceptional tax item	**(1.7)**	-	-
Adjusted earnings	**58.7**	47.5	99.3
Basic weighted average ordinary shares in issue (million)	**258.6**	233.6	236.8
Dilutive effect of employee share option plans (million)	**4.1**	5.2	5.0
Diluted weighted average ordinary shares (million)	**262.7**	238.8	241.8
Continuing operations			
Basic earnings per share	**13.7p**	15.2p	30.0p
Adjustment	**9.0p**	5.1p	11.9p
Adjusted earnings per share	**22.7p**	20.3p	41.9p
Diluted earnings per share	**13.4p**	14.8p	29.4p
Diluted adjusted earnings per share	**22.3p**	19.9p	41.1p

Adjusted earnings per share is provided to reflect the underlying earnings performance of Essentra.

5. Property, plant and equipment

During the period, the additions of land and buildings, plant and machinery and fixtures, fittings and equipment amounted to £28.5m (six months ended 30 June 2014: £15.3m; year ended 31 December 2014: £40.5m).

Land and buildings, plant and machinery and fixtures, fittings and equipment with a net book value of £1.9m (six months ended 30 June 2014: £1.1m; year ended 31 December 2014: £2.6m) were disposed of for proceeds of £1.9m (six months ended 30 June 2014: £1.2m; year ended 31 December 2014: £5.0m).

6. Retirement benefit obligations

Movement in pension net assets/(liabilities) during the period

	30 Jun 2015 £m	30 Jun 2014 £m	31 Dec 2014 £m
Movements			
Beginning of period	**(1.7)**	10.6	10.6
Service cost	**(1.0)**	(1.2)	(2.7)
Employer contributions	**2.3**	1.5	5.2
Return on plan assets excluding amounts in net finance income	**(2.9)**	4.3	16.7
Actuarial gain/(loss) arising from changes in financial assumptions	**6.2**	(8.3)	(27.9)
Actuarial loss arising from changes in demographic assumptions	**-**	-	(4.2)
Actuarial gain/(loss) arising from experience adjustment	**0.1**	-	(0.4)
Net finance (cost)/income	**(0.1)**	0.4	0.6
Business combination	**(4.7)**	-	-
Curtailments and settlements	**1.7**		1.4
Currency translation	**0.6**	0.6	(1.0)
End of period	**0.5**	7.9	(1.7)

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6. Retirement benefit obligations *(continued)*

The principal defined benefit schemes were reviewed by independent qualified actuaries as at 30 June 2015. The assets of the schemes have been updated to the balance sheet date to take account of the investment returns achieved by the schemes and the level of contributions. The liabilities of the schemes at the balance sheet date have been updated to reflect latest discount rates and other assumptions as well as the level of contributions. The principal assumptions used by the independent qualified actuaries were as follows:

Europe

	30 Jun 2015 £m	30 Jun 2014 £m	31 Dec 2014 £m
Rate of increase in salaries (pre-2010) [1]	**3.00%**	3.00%	3.00%
Rate of increase in salaries (post-2010) [1]	**3.00%**	3.00%	3.00%
Rate of increase in pensions [1]			
At RPI capped at 5%	**3.20%**	3.20%	3.00%
At CPI capped at 5%	**2.30%**	2.30%	2.10%
At CPI minimum 3%, capped at 5%	**3.30%**	3.20%	3.20%
At CPI capped at 2.5%	**1.80%**	1.90%	1.70%
Discount rate	**3.80%**	4.30%	3.70%
Inflation rate – RPI	**3.30%**	3.30%	3.10%
Inflation rate – CPI	**2.30%**	2.30%	2.10%

US

	30 Jun 2015 £m	30 Jun 2014 £m	31 Dec 2014 £m
Rate of increase in salaries	**3.00%**	3.00%	3.00%
Rate of increase in pensions	**n/a**	n/a	n/a
Discount rate	**4.55%**	4.30%	4.00%
Inflation rate	**n/a**	n/a	n/a

[1] For service prior to April 2010, pension at retirement is linked to salary at retirement. For service after April 2010, pension is linked to salary at April 2010 with annual increases capped at 3%

7. Analysis of net debt

	30 Jun 2015 £m	31 Dec 2014 £m
Cash at bank and in hand	**22.0**	26.5
Short-term deposits repayable on demand	**12.3**	19.5
Cash and cash equivalents	**34.3**	46.0
Debt due within one year	**(0.8)**	(5.8)
Debt due after one year	**(393.0)**	(102.3)
Net debt	**(359.5)**	(62.1)

At 30 June 2015 the Group's facilities primarily comprised US$160m US Private Placement Loan Notes and revolving credit facilities of €160.0m and £262.0m.

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8. Acquisitions

On 30 January 2015, Essentra acquired the entire Specialist Packaging Division of Clondalkin Group ("Clondalkin SPD") from an affiliate of Warburg Pincus. Clondalkin SPD is a global provider of speciality secondary packaging solutions for the pharmaceutical and health & personal care industries. With 24 facilities in North America and Europe, the acquisition of Clondalkin SPD significantly enhances Essentra's existing geographic presence in healthcare packaging and, through leveraging the combined footprint of both businesses, will allow the Group to further exploit both existing, and attractive new growth opportunities. Clondalkin SPD's product portfolio of folding carton, product literature and labels is complementary to the Group's current packaging and authentication capabilities, therefore broadening the range and innovation offered to customers.

A summary of the acquisition of Clondalkin SPD is detailed below:

	Provisional fair value of assets/(liabilities) acquired £m
Customer relationships and order book	160.7
Goodwill	139.6
Property, plant and equipment	44.3
Inventories	20.4
Receivables	36.3
Cash and cash equivalents	7.2
Retirement benefit obligations	(4.7)
Deferred tax	(43.0)
Current Tax	0.5
Payables	(48.7)
Provisions	(4.4)
Fair value of net assets acquired	308.2
Satisfied by:	
Cash consideration paid	309.4
Completion amount receivable	(1.2)
Cash consideration	309.4
Cash and cash equivalents acquired	(7.2)
Net cash flow in respect of the acquisition	**302.2**

Property, plant and equipment, intangible assets, inventories, receivables and payables were all reassessed to their fair value. The gross contractual amount receivable of the receivables was £40.8m.

Goodwill represents the expected operating synergies and financial synergies, and the value of an assembled workforce. Goodwill is not deductible for tax purposes. The adjustment to deferred tax is the tax effect of recognising customer relationships and other intangible assets and the tax effect of the fair value adjustments.

Clondalkin SPD contributed £105.8m to revenue and £9.6m to operating profit before intangible amortisation in the period from acquisition to 30 June 2015.

The Group also acquired Specialty Plastics based in Australia in February 2015. This acquisition was not material.

9. Dividends

	Per share			Total		
	Six months ended 30 Jun 2015 p	Six months ended 30 Jun 2014 p	Year ended 31 Dec 2014 p	**Six months ended 30 Jun 2015 £m**	Six months ended 30 Jun 2014 £m	Year ended 31 Dec 2014 £m
2014 interim:						
paid 30 October 2014		5.7	5.7		13.4	13.3
2014 final:						
paid 1 May 2015			12.6			32.6
2015 interim:						
payable 30 October 2015	**6.3**			**16.4**		
	6.3	5.7	18.3	**16.4**	13.4	45.9

The interim dividend for 2015 of 6.3p per 25p ordinary share will be paid on 30 October 2015 to equity holders on the share register on 25 September 2015.

10. Related party transactions

Other than the compensation of key management, Essentra has not entered into any material transactions with related parties since the last Annual Report.

11. Financial instruments

Essentra held the following financial instruments at fair value at 30 June 2015. The only financial instrument with fair value determined by reference to significant unobservable inputs, which is classified as level 3 in the fair value hierarchy, is the deferred contingent consideration of £6.1m primarily relating to the acquisition of Mesan Kilit A.S. (31 Dec 2014: deferred contingent consideration of £5.8m relating to the acquisition of Mesan Kilit A.S.). The other financial instruments included in the table below are determined to be level 2 in the fair value hierarchy. There have been no transfers between levels of the fair value hierarchy. There are no non-recurring fair value measurements.

	30 Jun 2015 £m	31 Dec 2014 £m
Financial assets		
Derivatives	**1.0**	3.9
Financial liabilities		
Derivatives	**(0.3)**	(0.1)
Deferred contingent consideration	**(6.1)**	(5.8)
Total	**(5.4)**	(2.0)

The fair values of forward foreign exchange contracts and cross currency swaps have been calculated based on period end forward exchange rates compared to contracted rates. The carrying amount and fair value of the US Private Placement Loan Notes are £101.9m (31 December 2014: £101.9m) and £111.6m (31 December 2014: £111.3m) respectively. The carrying amount of the other financial instruments is a reasonable approximation of their fair value.

12. Subsequent events

On 8 July 2015, Essentra announced that it was entering into a 45-day consultation period regarding the proposal to transfer its filter manufacturing, product development and innovation activities based in Jarrow, UK to its facility in Hungary, and as a consequence to close the existing Bedesway site in Jarrow. If the proposal is confirmed, the transfer of activities will take place by the end of 2015.

Responsibility statement of the directors in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

• the condensed set of financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU;

• the interim management report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Colin Day
Chief Executive

Matthew Gregory
Group Finance Director

31 July 2015

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Independent review report to Essentra plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2015 which comprises the condensed consolidated balance sheet, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA"). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2015 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FCA.

Stephen Wardell
for and on behalf of KPMG LLP
Chartered Accountants
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Canary Wharf
London
E14 5GL
31 July 2015