

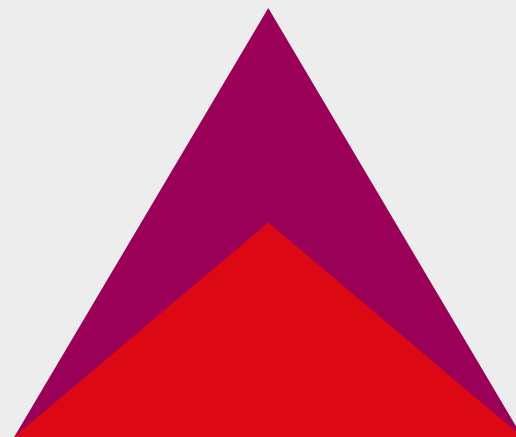


ESSENTRA

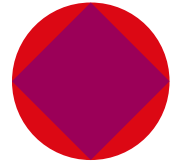
INVESTOR PRESENTATION

Half Year 2014 Results

31 JULY 2014



AGENDA



1. Operational Review - Colin Day
2. Financial Review - Matthew Gregory
3. 2014 Outlook - Colin Day

OPERATIONAL REVIEW

Colin Day
Chief Executive

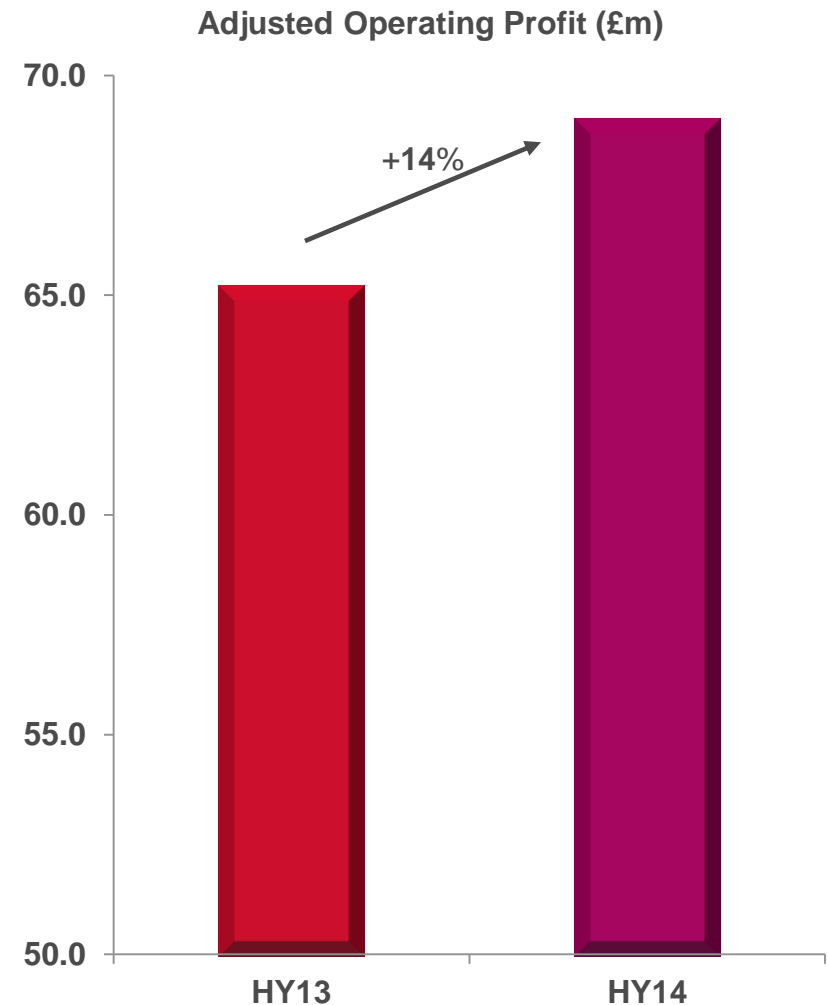
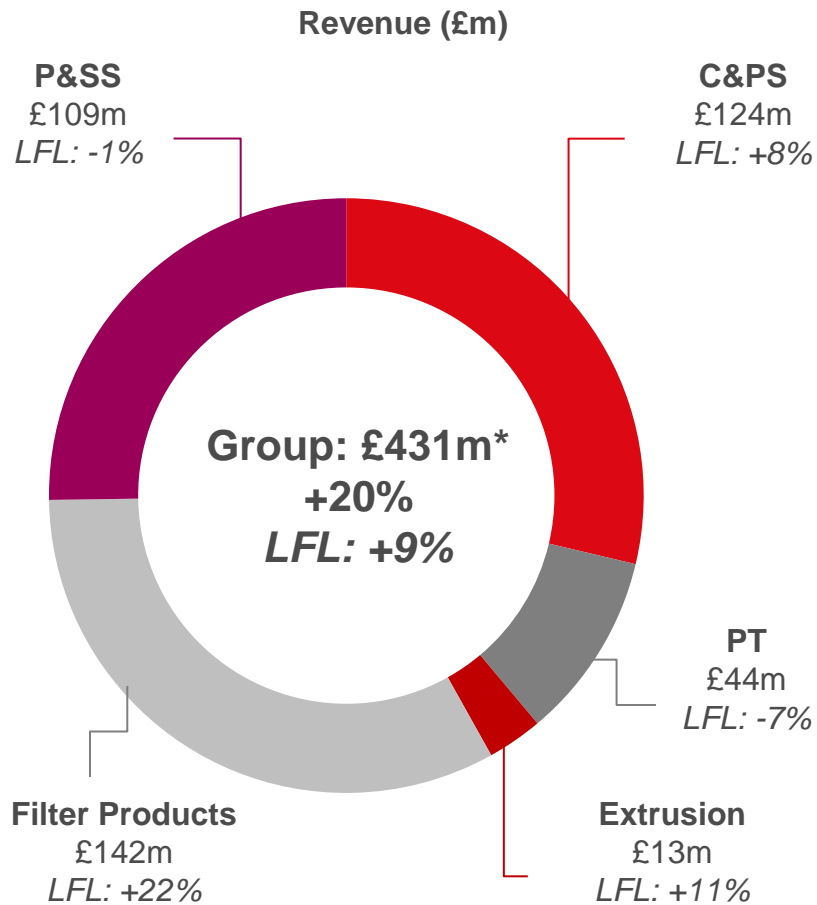
HY 2014: HIGHLIGHTS



- Strong revenue growth, with accelerating momentum in Q2 ...
 - More sizeable business wins
 - Successful commercialisation of new product initiatives
- ... supported by further cost reduction and efficiency programmes
- Acquisition integration, synergy delivery and organisational transition ahead of expectations
- Continued improvement in tax rate
- Half year dividend per share increased by 19% to 5.7p
- Intend to deliver further balanced, profitable growth in 2014

Continued delivery of Vision 2015 objectives

STRONG REVENUE & PROFIT GROWTH



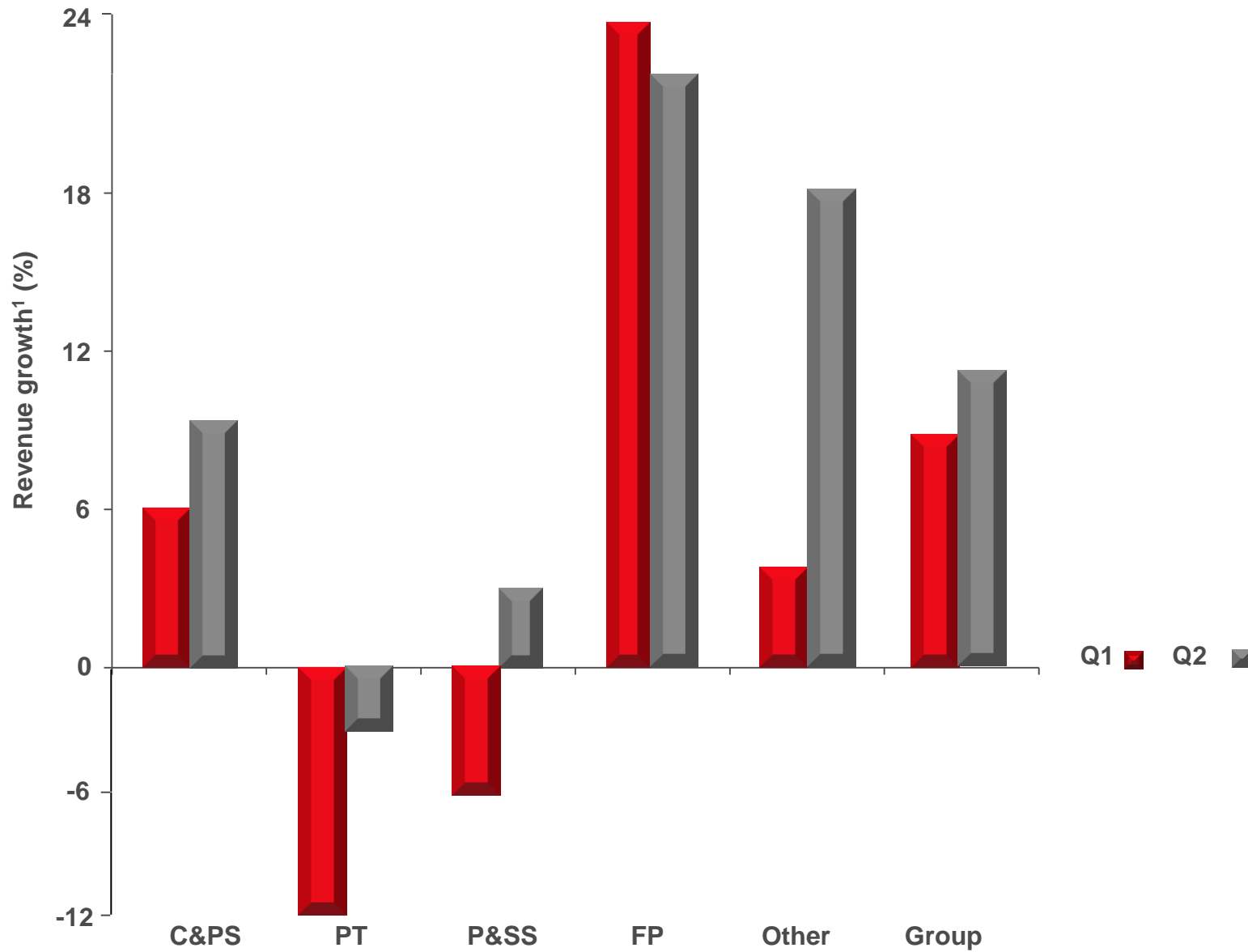
Notes:

Growth at constant exchange rates, unless otherwise stated

Operating profit is adjusted to exclude intangible amortisation and exceptional operating items

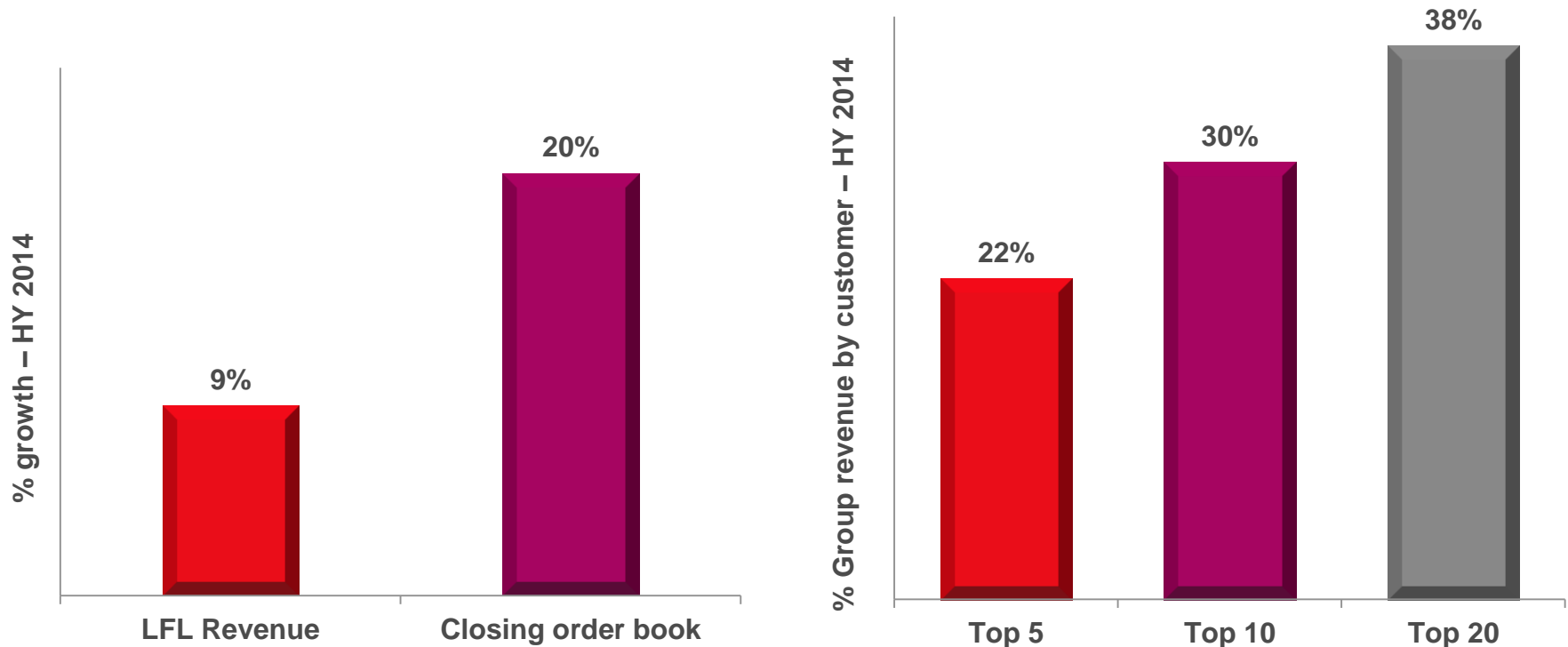
* After Eliminations of £(0.4)m

ACCELERATING MOMENTUM IN Q2



¹ At constant exchange rates, and adjusted for the acquisitions of Contego Healthcare Limited and Dakota Packaging Limited (from 30 April), Mesan Kilit A.S. and Kelvindale Products Pty Ltd

WINNING MORE BUSINESS WITH LARGER CUSTOMERS



Fewer, bigger, better ...

COMPONENT & PROTECTION SOLUTIONS



New Components DC in Louisville, US



Extension of the MaxX™ range of PPT thread protectors, to include a liftable variant

- More encouraging market backdrop in both Components and PPT
- Improved marketing effectiveness and range consolidation opportunities behind Essentra branding
- Further site roll-out
 - Thailand, Romania and Mexico
 - New distribution centres in Louisville, US and Singapore
- Strong growth across all PPT locations
 - New business wins and product roll out
- Site footprint consolidation and further operating & process efficiencies
- Successful integration of Mesan and completion of Kelvindale acquisitions

POROUS TECHNOLOGIES



Investment in new nib development line at Richmond, US



Global roll-out of cleanroom wipes

- Growth led by H&PC ...
 - New business wins in air care with multinational customers
- ... supported by cleanroom wipes and healthcare
 - Success in globalising the product range
 - Further growth in wound care and porous plastics
- New sales of nibs to global writing instrument customers
- Printer systems impacted by destocking with a major global OEM
 - Anticipated recovery in revenue and profit in H2

PACKAGING & SECURING SOLUTIONS



Investment in new labels facility in Newport, UK



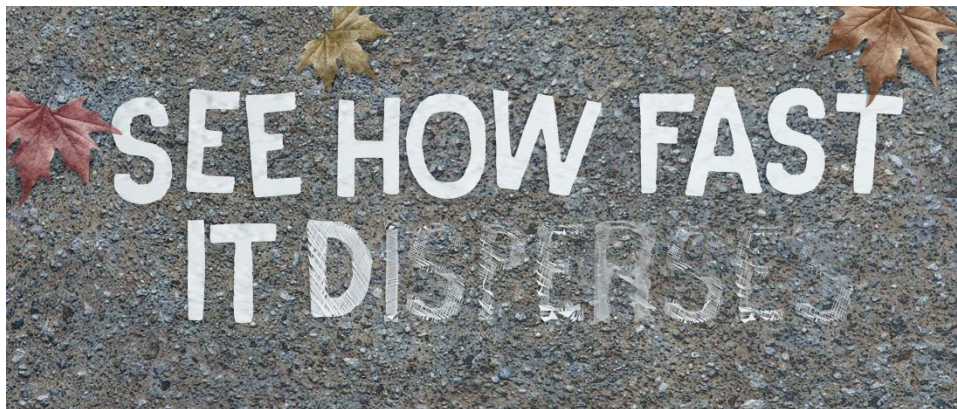
Launch of new resealable tape solution for branded consumer goods

- Packaging led by leaflets in healthcare ...
- ... supported by new business wins and successful product launches ...
 - eg, AquaSense™ labels and Re:Close tape
 - Value-added healthcare packaging, incorporating security technologies
- ... offset by weakness in tobacco tear tape sales
- Relocation of labels manufacturing to state-of-the-art facility in Newport
- Consolidation of Irish healthcare packaging to Dublin
 - Waterford site closed and sold
- Successful delivery of acquisition synergy savings and further cost initiatives
 - Offset by –ve mix impact of declining growth in tobacco packaging

FILTER PRODUCTS



Investment in second JV site in Bangalore, India with ITC



New product launches to meet the continued demand for innovative and more environmentally-friendly filters

- Underlying volumes > HY 2013
- Successful commercialisation of major recent contract wins
- Ongoing launches & development initiatives
 - Innovative multi-segment filter variant and unique dispersible plugwrap material
 - Further increase in joint development activity with multinational customers
 - 5 new patent & trademark filings

Continued expansion of Scientific Services, particularly e-cig testing

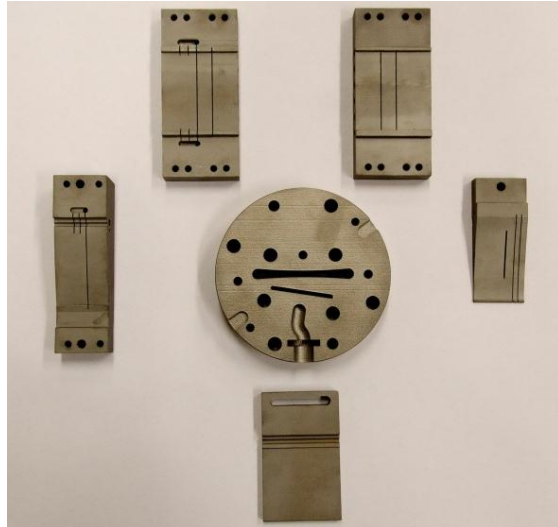
Geographic footprint enhanced

- Additional JV site opened in India
- Increased production in Hungary and capacity in Dubai
- Italy site closure → significant savings in H2

EXTRUSION



Investment in profile line for slatted pool covers



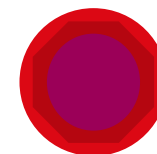
Introduction of new 3D printed mould manufacturing technique

- Strong revenue growth, particularly in Q2
- Growth in construction sector boosting demand for core applications
 - Esp. for scanning and greenhouse profiles
- Successful commercialisation of recent business wins
- Significant improvement in order book and encouraging prospects
 - Esp. Point of Sale
- Continued investment to support future growth opportunities

FINANCIAL REVIEW

Matthew Gregory
Group Finance Director

INCOME STATEMENT - SUMMARY



| | HY 14 | HY 13 | Growth | |
|--|--------------|--------------|----------------------|------------------------|
| | £m | £m | Actual FX | Constant FX |
| Revenue | 431.1 | 384.6 | +12% | +20% |
| <i>Like-for-like¹</i> | | | | +9% |
| Gross margin | 34.0% | 35.9% | -190bps | -230bps |
| Operating profit² | 69.0 | 65.2 | +6% | +14% |
| Operating margin | 16.0% | 17.0% | -100bps | -80bps |
| Profit before tax² | 64.2 | 60.3 | +6% | +16% |
| Adjusted earnings² | 47.5 | 43.3 | +10% | +20% |
| Adjusted earnings per share² | 20.3p | 19.4p | +5% | +15% |

¹ At constant exchange rates, adjusted for the acquisitions of Contego Healthcare Limited and Dakota Packaging Limited (from 30 April), Mesan Kilit A.S. and Kelvindale Products Pty Ltd

² Adjusted to exclude intangible amortisation and exceptional operating items

REVENUE GROWTH – VOLUME / MIX / PRICE



| | % |
|---------------------------|------------|
| Volume / mix | +7 |
| Price | +2 |
| Like-for-like | +9 |
| Acquisitions | +11 |
| Constant FX growth | +20 |
| Exchange | -8 |
| Reported growth | +12 |

High quality revenue growth, driven by volume

REVENUE GROWTH – BY DIVISION

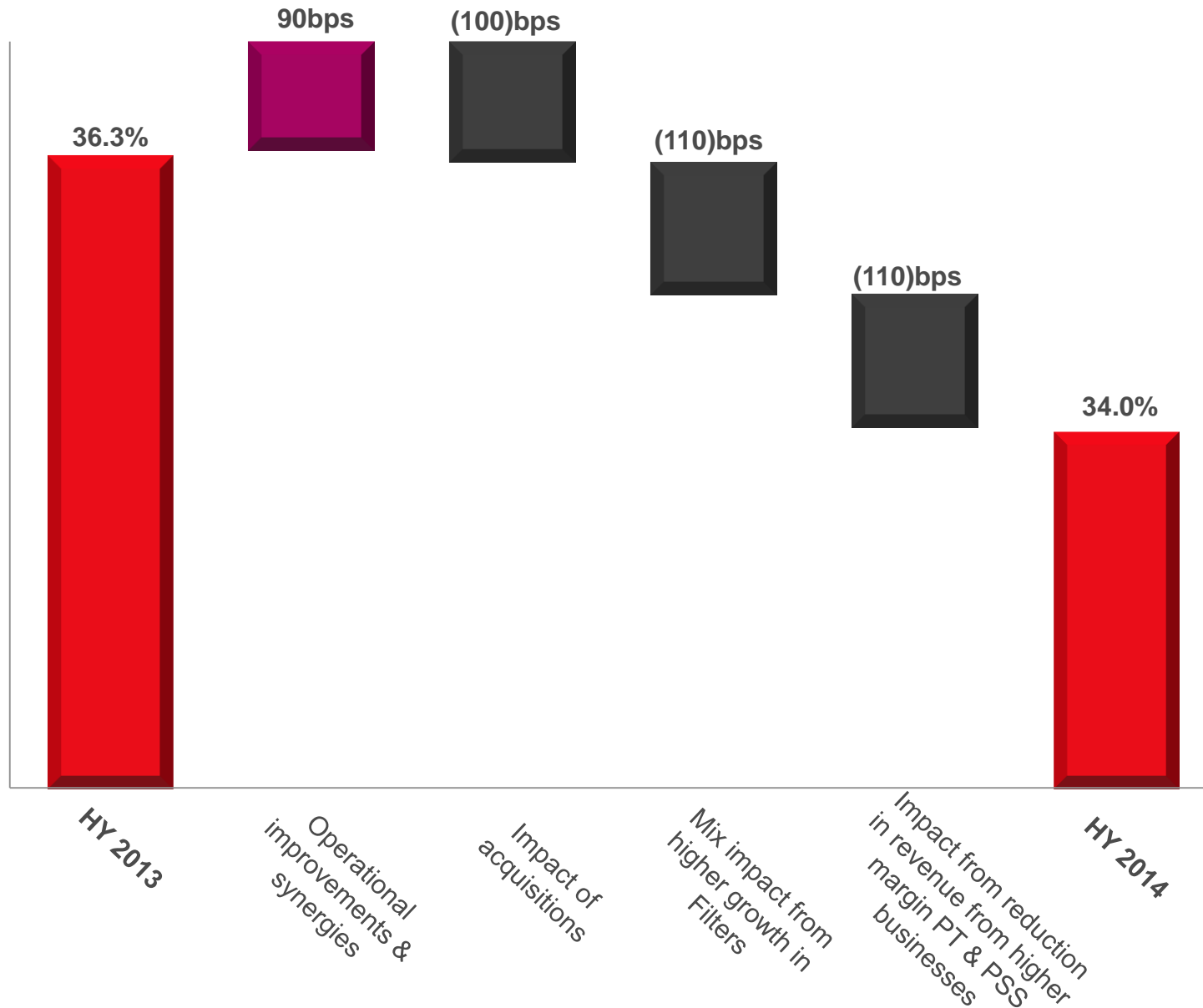
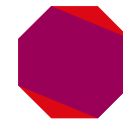


| | HY 14 £m | HY growth Constant FX | HY growth LFL | Q2 growth LFL |
|---|---------------------|--------------------------------------|--------------------------|--------------------------|
| Component & Protection Solutions | 123.8 | +13.7% | +8% | +9% |
| Porous Technologies | 44.4 | -8.7% | -7% | -3% |
| Packaging & Securing Solutions | 108.6 | +47.0% | -1% | +2% |
| Filter Products | 141.7 | +22.1% | +22% | +21% |
| Extrusion | 13.0 | +10.5% | +11% | +18% |
| Eliminations | (0.4) | | | |
| Group | 431.1 | +20.3% | +9% | +10% |
| Group – at actual FX | | +12.1% | | |

Strong momentum maintained in Filters & improving in all other divisions

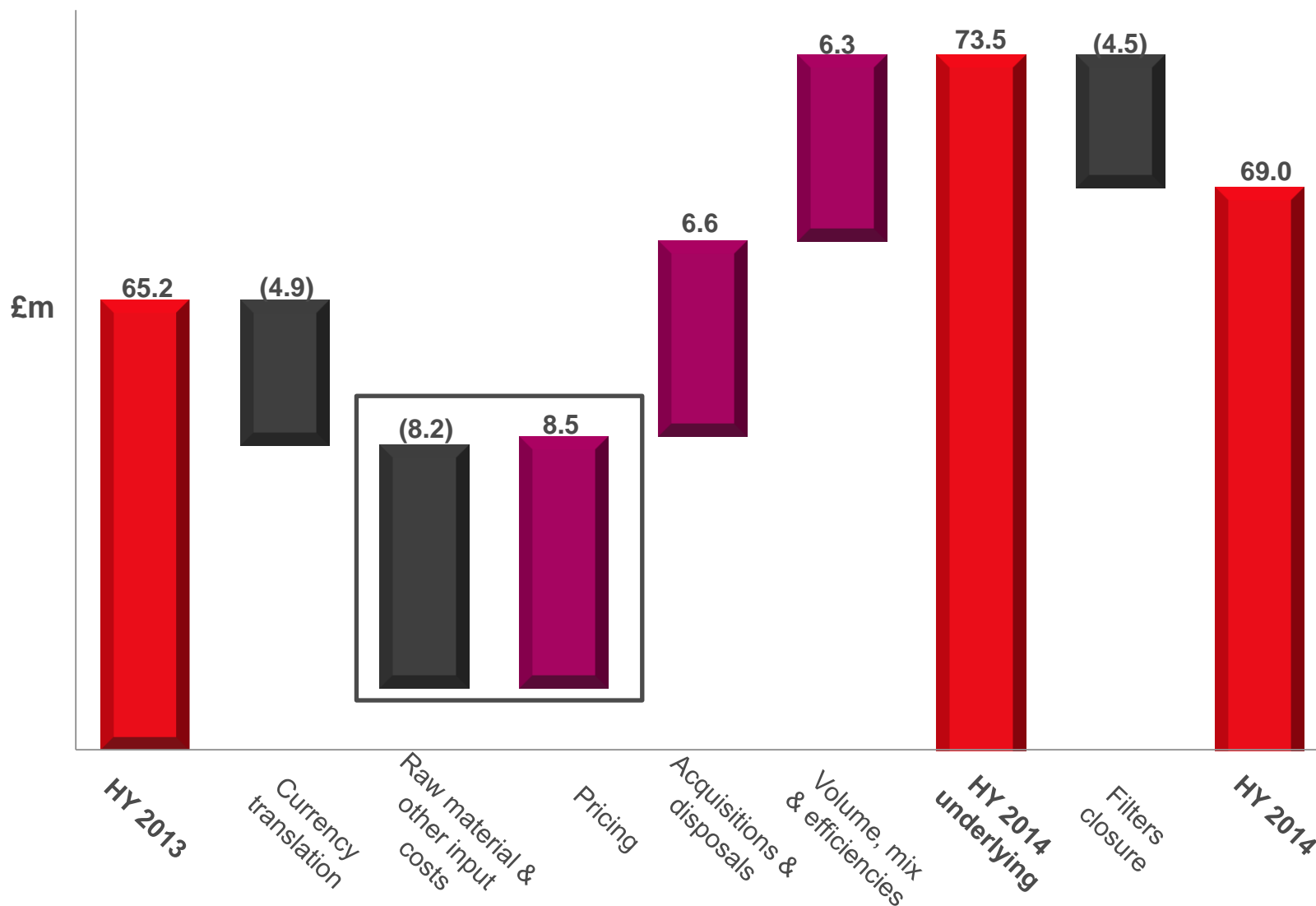
¹ At constant exchange rates, adjusted for the acquisitions of Contego Healthcare Limited and Dakota Packaging Limited (from 30 April), Mesan Kilit A.S. and Kelvindale Products Pty Ltd

GROSS MARGIN¹ – KEY MOVEMENTS



¹ At constant exchange rates

OPERATING PROFIT¹ – KEY MOVEMENTS



Successful recovery of higher input costs

¹Adjusted to exclude intangible amortisation and exceptional operating items

OPERATING PROFIT¹ BY DIVISION



Adjusted¹ operating profit

| | HY 14 £m | Growth Constant FX | Margin |
|---|---------------------|-----------------------------------|---------------|
| Component & Protection Solutions | 32.5 | +21% | 26.3% |
| Porous Technologies | 6.7 | -45% | 15.1% |
| Packaging & Securing Solutions | 18.3 | +40% | 16.9% |
| Filter Products | 19.8 | +23% | 14.0% |
| Extrusion | 0.9 | +11% | 6.9% |
| Central Services | (9.2) | | |
| Group | 69.0 | +14% | 16.0 % |
| Group – at actual FX | | +6% | |

Includes £4.5m
closure cost for
Italy site

¹ Adjusted to exclude intangible amortisation and exceptional operating items

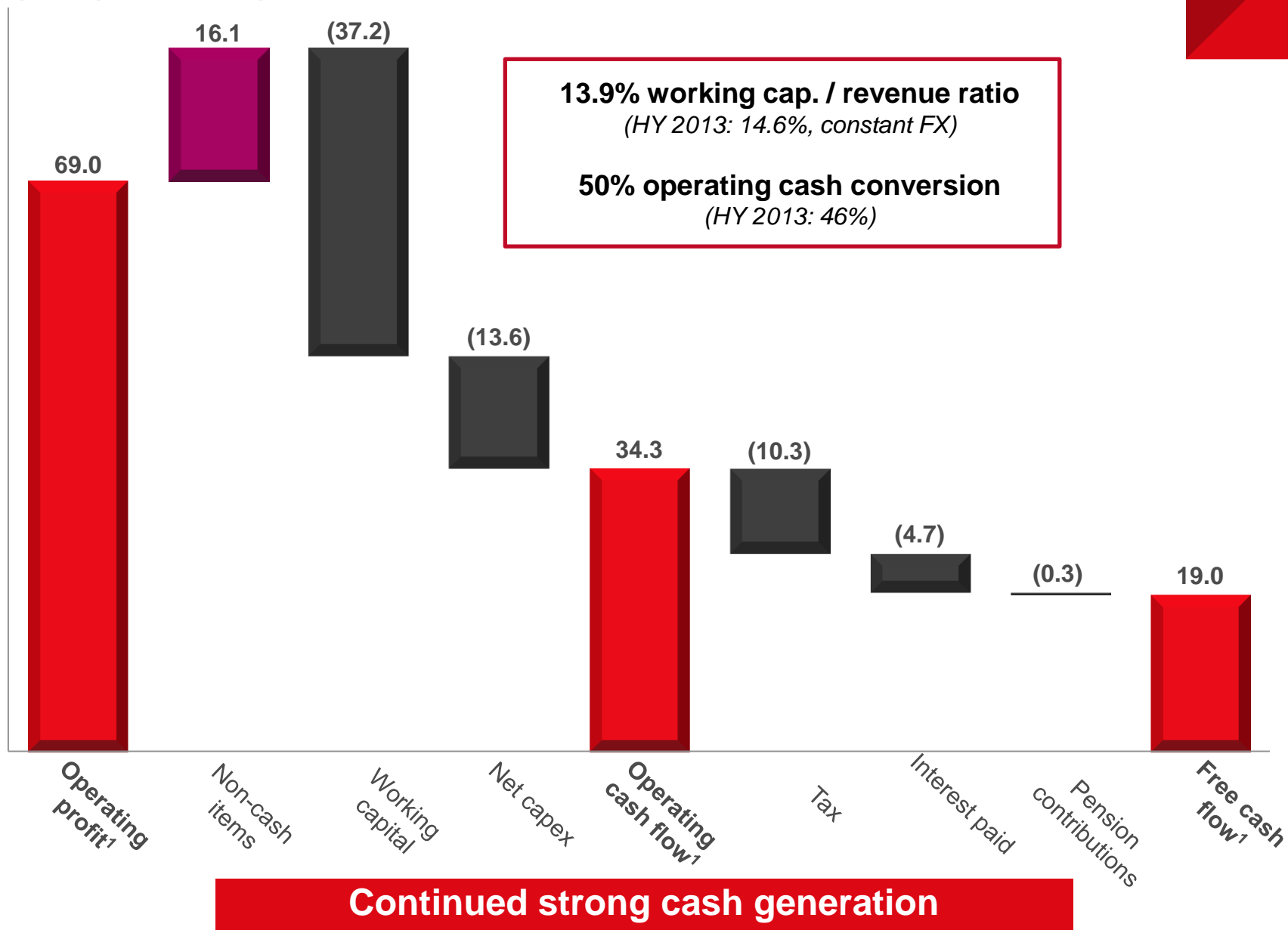
INCOME STATEMENT – CONTINUED



| | HY 14 | Growth | | |
|--------------------------------------|--------|--------------|----------------|----------------------------|
| | £m | Actual FX | Constant FX | |
| Operating profit ¹ | 69.0 | +6% | +14% | |
| Net finance charge | (4.8) | (2)% | (4)% | → Reducing finance cost |
| Profit before tax ¹ | 64.2 | +6% | +16% | |
| Taxation | (16.3) | | | |
| - <i>Underlying tax rate</i> | 25.4% | | | → Tax rate down 200bps |
| Net income ¹ | 47.9 | +9% | +20% | |
| Adjusted earnings ¹ | 47.5 | +10% | +20% | |
| EPS - adjusted ¹ | 20.3p | +5% | +15% | |
| EPS – diluted, adjusted ¹ | 19.9p | +6% | +16% | |

¹ Adjusted to exclude intangible amortisation of £8.7m and an exceptional pre-tax charge of £6.3m

CASH FLOW¹



¹Adjusted to exclude intangible amortisation and exceptional operating items

NET DEBT RECONCILIATION

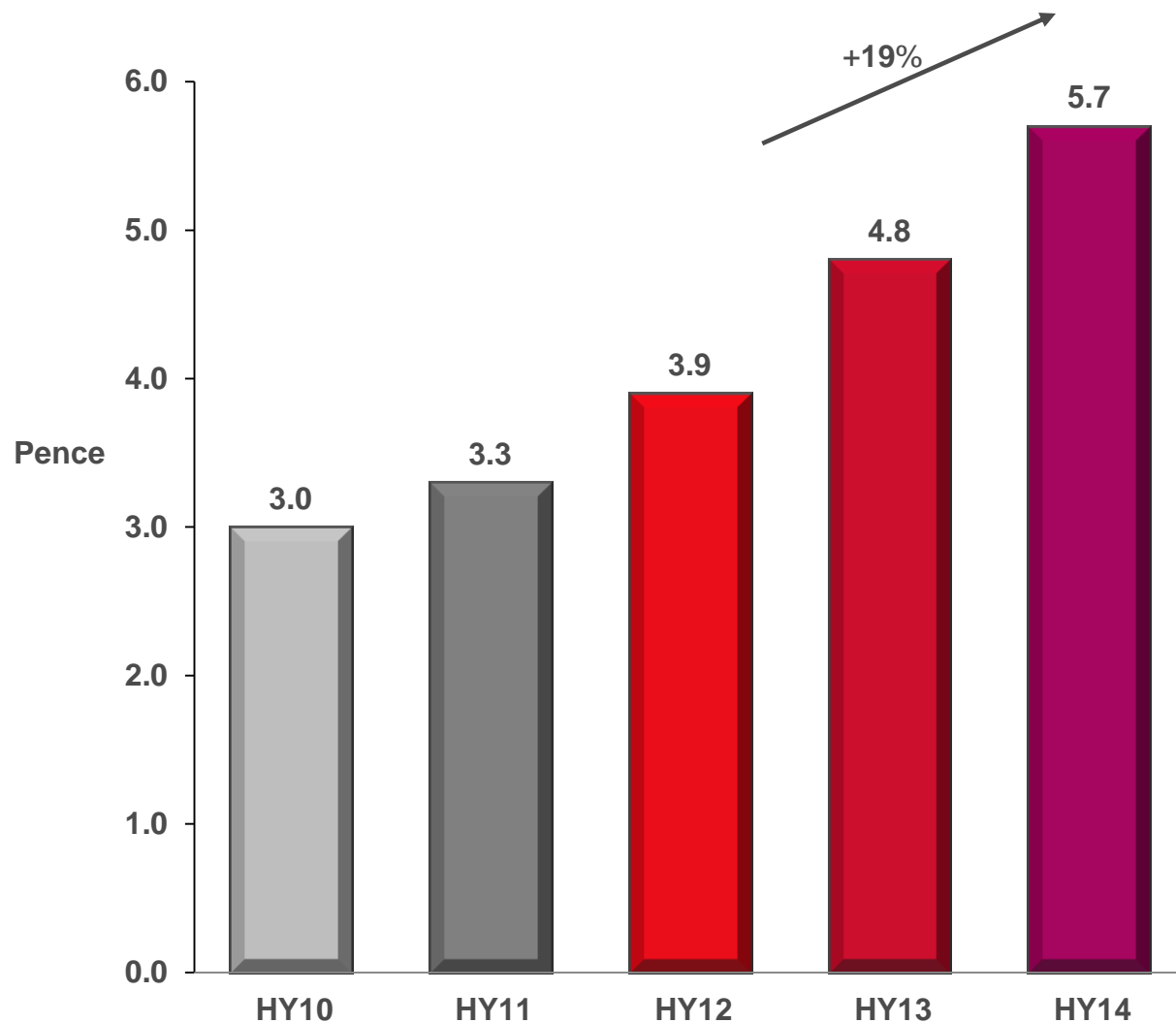


| | £m |
|------------------------------------|-----------|
| As at 1 January 2014 | 217 |
| FX | (5) |
| As at 30 June 2014 | 224 |
| Change in net debt after FX | 12 |
| Of which: | |
| Free cash flow | (19) |
| Acquisitions | 3 |
| Dividends | 25 |
| Other | 3 |
| | 12 |

Net debt / EBITDA ratio of 1.4x

NOTE:
Negative numbers denote a cash inflow, positive numbers a cash outflow

DIVIDEND



Progressive dividend

BANK FACILITIES



- Successful refinancing of main bank facilities on 1 July 2014
- Key features:
 - £390m facility
 - £ and €
 - 5-year tenure
- More competitive terms
 - Larger facility, but lower fees
 - Lower margin offset by fee amortisation
- Facilities are in addition to US\$160m USPP loan notes
- £70m additional headroom for M&A

Even greater flexibility to pursue potential strategic opportunities

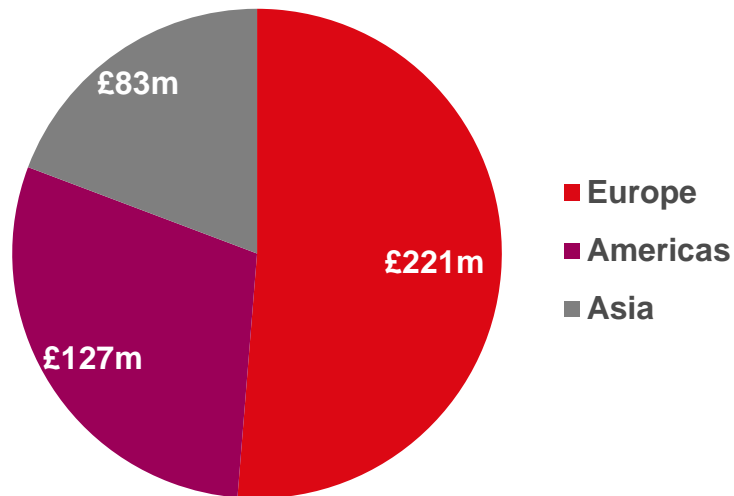
2014 OUTLOOK

Colin Day
Chief Executive

REGIONALISATION – PROGRESS TO DATE

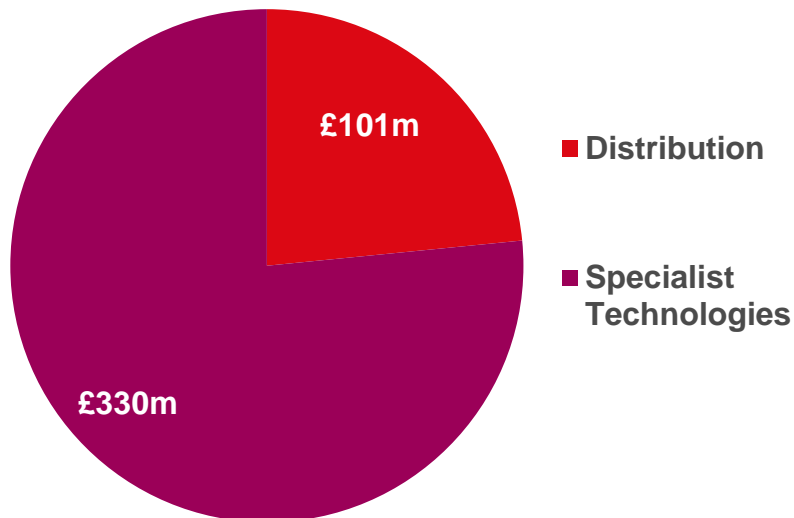


HY 2014 revenue by region*



* Revenue by origin

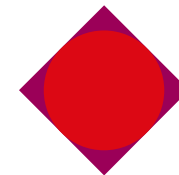
HY 2014 revenue by SBU



- Transition ahead of expectations
 - Regional structure up and running
 - All businesses integrated into new SBUs, excepting Filter Products (Q4)
 - Vast majority of roles successfully filled
- Incremental growth opportunities already being exploited
 - Eg, cleanroom wipes & speciality tapes through Distribution channel
 - Elevating dialogue with customers
- Greater insight into regional dynamics & requirements of targeted end-markets
 - No “one size fits all” mentality
- Better leverage of site footprint
 - Eg, expanded product range in Brazil, non-Filters manufacturing investment in Paraguay
- Gateway for geographic expansion
 - More meaningful targeting of new markets

Already facilitating broader thinking and better transfer of skills

2014: SUMMARY



- Accelerating revenue and profit momentum into H2
 - Return to growth in Porous Technologies post destocking
 - Improved performance in tobacco packaging
 - Continued leverage of new business wins
 - Savings benefit from:
 - Cost reduction and efficiency initiatives
 - Filters site closure in Italy
 - Refinancing of bank facilities
- Complete transition to new organisational structure, to support future growth opportunities
- Successful integration of recent acquisitions and further pipeline development
- Continued strong cash flow generation

Delivery of Vision 2015 objectives:

> mid single-digit LFL revenue growth and double-digit adj. EPS growth¹

¹ At constant exchange rates

APPENDICES

INCOME STATEMENT – REPORTED BASIS



| | HY 14 | Growth | |
|------------------------------|--------------|----------------------|------------------------|
| | £m | Actual FX | Constant FX |
| Adjusted operating profit | 69.0 | +6% | +14% |
| Intangible amortisation | (8.7) | | |
| Exceptional operating items | (6.3) | | |
| Reported operating profit | 54.0 | +7% | +18% |
| Net finance charge | (4.8) | | |
| Profit before tax | 49.2 | +8% | +21% |
| Taxation | (13.4) | | |
| - <i>Underlying tax rate</i> | 25.4% | | |
| Net income | 35.8 | +13% | +28% |
| EPS | 15.2p | +9% | +23% |
| EPS - diluted | 14.8p | +10% | +23% |

EXCEPTIONAL OPERATING ITEMS



| | HY 14 £m |
|--|---------------------------|
| Acquisition fees | 0.2 |
| Acquisition integration & restructuring costs | 6.1 |
| Total exceptional operating items | 6.3 |

EXCHANGE RATES

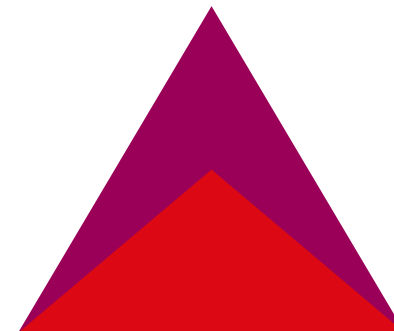


| Six months ending 30 June 2014 | Average | Closing |
|--------------------------------|---------|---------|
| US \$/£ | 1.67 | 1.71 |
| Euro €/£ | 1.22 | 1.25 |

| Impact of a one cent change per annum | Op. Profit (£m) |
|---------------------------------------|-----------------|
| US \$/£ | 0.3 |
| Euro €/£ | 0.2 |

| Six months ending 30 June 2013 | Average | Closing |
|--------------------------------|---------|---------|
| US \$/£ | 1.55 | 1.52 |
| Euro €/£ | 1.18 | 1.17 |

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ESSENTRA

INVESTOR PRESENTATION

Half Year 2014 Results

31 JULY 2014

