

ESSENTRA PLC*A leading global provider of essential components and solutions***Q3 2018 INTERIM MANAGEMENT STATEMENT****Current trading**

Trading in Q3 2018 reflected the benefits of the strategic actions taken and the increasing stability across the Company. Like-for-like (“LFL”) revenue was unchanged (+1.5%, adjusting for the closure of the Newport cartons site), with the Packaging division returning to growth. The outlook for the full year (“FY 2018”) remains as previously communicated.

Components delivered a robust organic result, with total revenue growth boosted by the ongoing successful integration of Micro Plastics and an early contribution from the acquisition of Nolato Hertila in July 2018. The FY 2018 outlook is for further revenue growth and a stable margin versus FY 2017.

The Packaging division reached an inflection point and returned to underlying growth (ie, adjusting for the closure of Newport cartons) in excess of 4% during the period, with a meaningful improvement in both Europe & Asia and North America. The FY 2018 outlook is for an improved year-on-year trend in revenue and margin.

In Filters, good strategic progress is being made on each of the three potential “game changers”, however project volatility (particularly in Europe) resulted in an underlying revenue decline in Q3. The FY 2018 outlook is for a moderate decline in year-on-year revenue and a stable margin.

Specialist Components saw a modest decline in sales, largely due to the continued poor performance of Tear Tapes where a strategic improvement plan is being implemented. FY 2018 year-on-year revenue is expected to be stable, but with the margin below 2017.

Site footprint update

In September, the Company announced the intended closure of the commercial print / consumer packaging site in Largo, US., as well as consultation processes at each of its commercial print facility in Kilmarnock, UK and at its Nottingham, UK site regarding the production of Speciality Tapes.

The Largo facility is expected to close by the end of 2018 and, if the proposals in the UK are confirmed, the Kilmarnock site would close and Speciality Tapes cease production in Nottingham by the same date. Regarding the latter, neither the Tear Tapes business based at Nottingham, nor the vast majority of the Speciality Tapes activities which are located in the US, are affected by the proposal.

For the nine months ended 30 September 2018, these businesses generated combined revenue of c. £16m and an operating loss of approximately £(1)m: the closures would result in an exceptional charge in H2 2018 of c. £12m. The cash element of this charge (c. £4m) is expected to be offset by the anticipated proceeds realised from the disposal of the assets and freehold property in Largo, such that the total cash flow impact of the site closures will be at least neutral.

Commenting on the period, Paul Forman, Chief Executive said:

“I am pleased with both the improved stability that we are continuing to drive throughout the organisation, as well as the solid progress we are making on our strategic objectives. The return to growth across our Packaging division is particularly gratifying and, being well underpinned, is set to continue. Accordingly, we remain confident that we are on track to deliver an improvement in both revenue and operating margin for the Company.”

Enquiries

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Notes to Editors

About Essentra plc

Essentra plc is a FTSE 250 company and a leading global provider of essential components and solutions. Organised into four divisions from the start of 2018 - reflecting the Company's strategic review - 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.

Essentra Components

Essentra Components is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded and metal items. Operating in 27 countries worldwide, ten manufacturing facilities and 24 logistics centres serve more than 90,000 customers with a rapid supply of low cost but essential products for a variety of applications in industries such as equipment manufacturing, automotive, fabrication, electronics and construction.

Essentra Packaging

Essentra Packaging is one of only two multi-continental suppliers of a full secondary packaging range to the health and personal care sectors, with 25 facilities across four geographic regions. The division's innovative products include cartons, leaflets, self-adhesive labels and printed foils used in blister packs, which help customers to meet the rapidly-changing requirements of these end-markets and can also be combined with Essentra's authentication solutions to help the fight against counterfeiting.

Essentra Filters

Essentra Filters is 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 sector. 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 for ingredient measurement to the industry: Essentra's offering also includes e-cigarette and Heat Not Burn solutions to the rapidly evolving market for Next Generation Products.

Essentra Specialist Components

Essentra Specialist Components comprises the Company's six smaller businesses. These activities largely have strong positions in the markets in which they operate, although they have little overlap with each other or with Essentra's larger three global divisions.

The Extrusion business 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, Essentra is now one of Europe's most advanced suppliers of co-extrusion and tri-extrusion to all branches of industry.

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

The *Speciality Tapes* business has expertise in coating multiple adhesive systems in numerous technologies, with close to 3,000 tape products available for same-day shipping and predominantly for point of purchase and white goods applications.

The *Tear Tapes* business is globally recognised as the leading manufacturer and supplier of pressure-sensitive tear tapes, which are largely used in the tobacco, food and drink and specialist packaging sectors.

The *Industrial Supply* business provides a wide range of branded hardware supplies to a broad base of industrial customers, largely located in the US Mid-West.

The Card Solutions business is a leading European provider of ID card printers, systems and accessories to direct and trade customers.

Headquartered in the United Kingdom, Essentra's global network extends to 33 countries and includes c. 8,000 employees, 50 principal manufacturing facilities, 66 sales & distribution operations and 4 research & development centres. For further information, please visit www.essentraplc.com.