



23 January 2017

ESSENTRA

ESSENTRA PLC

A leading global provider of essential components and solutions

POST-CLOSE TRADING UPDATE

Essentra plc (“Essentra” or “the Company”) today announces the following post-close trading update in respect of its financial year ended 31 December 2016 (“FY 2016”).

Trading update

Trading in both the Component Solutions and Filtration Products Strategic Business Units (“SBUs”) has been broadly consistent with the Company’s update of 21 November 2016.

However, the performance of the Health & Personal Care Packaging SBU has been more challenging than previously anticipated and, as a result of continuing operational issues, there has been a further significant decline in both revenue and profitability during the last two months of the year - nor is there currently an expectation of a near-term improvement as the Company moves into 2017. This SBU will be receiving specific short-term focus and remedial attention from Paul Forman, Chief Executive, and other senior management.

As a result, and while the detailed year-end close and audit is ongoing, the Board expects adjusted operating profit to be at, or modestly below, the bottom end of the Company’s previously communicated guidance of £137 – 142m.

Paul Forman has recently commenced a strategic review of the Company, and an update will be provided at the time of Essentra’s H1 2017 results on 28 July 2017.

Financial position

The Company’s draft management accounts indicate net debt as at 31 December 2016 of approximately £380m (2015: £374m) at the closing exchange rates of US\$1.24 / £ and €1.17 / £, better than expectations and partly driven by improvements in the Company’s working capital position. This is again before detailed year-end close reviews and is unaudited.

Subject to completion of the detailed year-end testing of asset carrying values, it is anticipated that the FY 2016 results will reflect an impairment with respect to the Health & Personal Care Packaging SBU.

The Company confirms that it expects to complete the divestment of its Porous Technologies business during Q1 2017. As previously communicated, the net proceeds from the transaction are anticipated to be in the region of £185 – 190m (taking into account tax leakage and costs pertaining to the divestment / necessary re-organisation of the Company), which is expected to result in a significant exceptional gain on disposal in the financial year ending 31 December 2017. The proceeds from the disposal of the Porous Technologies business will be used to repay existing debt facilities.



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Other information

Essentra will announce its FY 2016 results on 17 February 2017.

Conference call

A conference call to discuss today's announcement with investors and analysts will start at 07:45 (UK time), which can be accessed using the following details:

Dial in, using the following details:

Dial-in number:	+44 (0)20 3427 1904 (UK / international participants) +1 646 254 3360 (US participants)
Toll-free number:	0800 279 4977 (UK participants) +1 877 280 2342 (US participants)
PIN code:	8913687

A replay of the call 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:	8913687
Replay available:	For 7 days

Market Abuse Regulation Statement

This announcement contains inside information.

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. 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.

Component Solutions

The Components business is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded and metal items. Operating units in 29 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 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.

The Security business has access to a wide 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. The business focuses on delivering value-adding innovation, quality and service through the provision of a wide range of printed products and solutions, including cartons, tapes, leaflets, foils, labels and authentication solutions.

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.



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Filtration Products

Essentra Filter Products 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 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 for ingredient measurement to the industry.

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.

Headquartered in the United Kingdom, Essentra's global network extends to 33 countries and includes c. 9,000 employees, 53 principal manufacturing facilities, 64 sales & distribution operations and 5 research & development centres. For further information, please visit www.essentraplc.com.