

EUROPAC'S PROFIT UP BY 56% IN 2011

- Net profit was 41.25 million euros versus 26.42 million euros the previous year
- Consolidated EBITDA grew by 26% and EBIT rose by 33% after posting 119.63 and 72.67 million euros, respectively
- Aggregate sales amounted to 948.88 million euros, 18% more than in 2010
- The company has announced that on March 12th 2012 it will pay an interim dividend for 2011 of €0.12 per share
- Recently signed Forward Start Facility to the tune of €253M improves debt maturity profile by extending syndicated loan to 2017, due date of 50% of the total amount

Units (millions of €)	2011	2010	% 2011 / 2010
Aggregate sales	948.88	806.86	18%
Consolidated EBITDA	119.63	95.25	26%
Recurring EBITDA	105.76	99.04	7%
EBIT	72.67	54.76	33%
Net Profit	41.25	26.42	56%

Madrid, 29 February 2012.- Europac Group's Board of Directors has approved the results for 2011, which reached their highest level since the company's listing on the securities market. Profit for 2011 was 41.25 million euros, up by 56% on the previous year. Also, sales between January and December 2011 amounted to 948.88 million euros, 18% more than in 2010.

Meanwhile, consolidated EBITDA grew by 26%, after posting a figure of 119.63 million euros, while EBIT rose to 72.67 million euros, 33% up on 2010. If we eliminate the effects of the acquisition of Europac Cartonnerie Val de Seine (France), which joined the Group in January 2011, EBITDA would have been 105.76 million euros, 7% higher than the previous year.

Enrique Isidro, CEO of the Europac Group, highlighted that: *"Comparatively speaking, the overall result for the year is good, the biggest in the Company's history in a difficult year which became more difficult as the period went on"*.

According to Enrique Isidro, *"The Company's results have significant room for improvement under normalised market conditions because in 2011, of the five business areas, only kraftliner paper, energy and waste management performed well, although the latter's impact on the bottom line is still marginal"*.

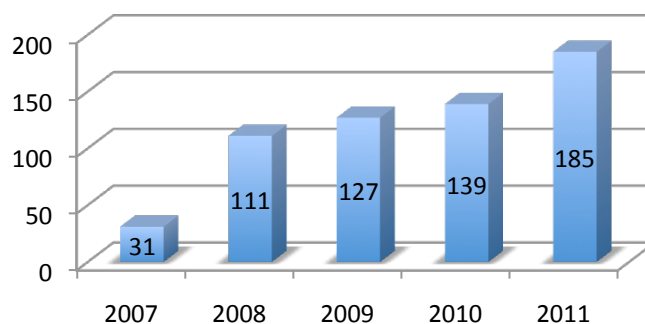
Which is why he says, “we cannot be satisfied because there is still significant room for improvement in the recycled paper and cardboard business areas”.

In the same session, Europac Group’s Board of Directors approved the distribution of an interim dividend for 2011 of €0.12 per share on March 12th 2012. The Board will propose to the General Meeting of Shareholders (GMS) the payment of a final dividend in continuation of the pay-out policy established in the previous GMS.

Waste management

In 2011, this activity was characterised by an increase in turnover due to organic and corporate growth. The new centres at Figueira da Foz (Portugal) and Valladolid, and the new confidential information destruction facility, also in Valladolid, together with the good performance of other units already belonging to the company, meant that the Group was supplied with 27% of its recycled paper requirements in 2011.

TREND IN WASTE MANAGEMENT 07-11 (THOUS. OF TPY)



Paper production

Despite the price rises announced in 2011, the recycled and kraftliner paper business line was negatively affected by rising raw material prices and slipping sale prices, especially in the last quarter of the year.

In this context, turnover fell due to shutdowns of the machines at Viana do Castelo (Portugal) for maintenance and at Rouen (France) due to a 40,000 TPA increase in production, the positive impact of which will be fully reflected on 2012’s income statement.

Energy

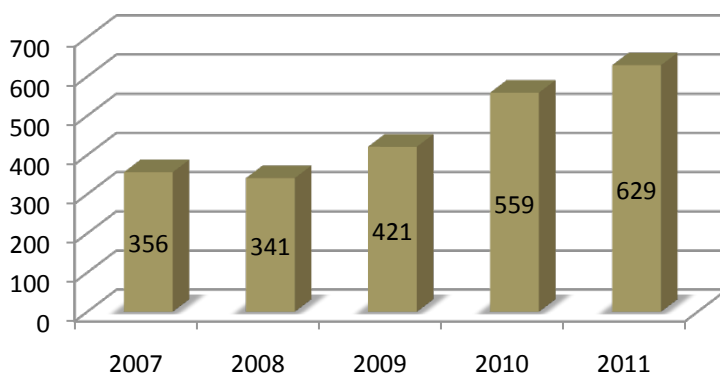
The energy business’s contribution to Europac’s EBITDA rose to 31% versus 24% in 2010 after the first full year of operation of the new facilities at Dueñas and Viana do Castelo, which have shown a high level of efficiency. The commissioning of these two facilities in 2010 has almost doubled the company’s installed capacity to 153 MW.

Cardboard

The cardboard sheet and box production business was negatively affected by rising raw material prices during the first nine months of the year in a business environment characterised by economic difficulties.

Finally, rising sale prices led to a slight recovery in the Cardboard Division's trading margin, which became apparent in the last quarter of the year.

TREND IN CARDBOARD PRODUCTION 2007-2011 (MILLIONS OF SQM)



More information:

TANIA NIETO



Tlf: 91 490 21 60

apalencia@europac.es