Financial Results – Q1 2013

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Most of the tables are shown in € million for transparency reasons. This may give rise to rounding differences.

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Reclassification



A small number of customers have been reclassified to a different division in 2013, in line with the account and sales management. To allow for relevant comparisons, the 2012 sales by division have been restated

A bridge reconciliation is provided below:

In €m	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012
Healthcare	(0.5)	(0.6)	(0.4)	(0.4)	(1.9)
Retails	0.3	0.4	0.3	0.3	1.3
Turkey	0.2	0.2	0.1	0.1	0.6
Total	-	-	-	-	-



Overview


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Continued Growth in Sales and Investments in Q1 2013



- **Total sales at €340.5 million, a 2.1% increase compared to Q1 2012**
  - Sales up 2.7% at constant currency year-on-year
- **Adjusted EBITDA at €38.0 million, down 6.2% compared to Q1 2012**
  - Favourable impact from additional volume and cost savings initiatives were offset negatively by currency fluctuations and increased raw material costs
  - Further increases in investment in new markets help to drive sales but depress short term profitability
- **Free Cash Flow at €14.2 million versus €10.0 million in Q1 2012**
  - Working capital consumption of €6.1 million compared to €23.2 million in Q1 2012
  - Spend on Capex at €16.2 million compared to €7.9 million
- **Net Debt at €797.8 million as of March 31, 2013**

Principle Macro Effects



Sales

- Continued growth in emerging countries
  - In particular baby and incontinence product groups
- Western Europe situation varies by country but generally slightly more positive outlook than Q1 2012

FX and Raw Materials

- Raw material costs slightly higher than Q4 2012 and Q1 2012 as anticipated
- Adverse currency impact primarily from GBP

Key Projects on Track



- **Closure of Recklinghausen largely completed**
  - Production stopped in March with remaining inventory being sold out
  - Severance compensation paid largely in April
  - Redeployment of existing equipment to other group sites in progress
- **Integration of Serenity underway**
  - Deal closed on April 4
  - All carve-out and operational aspects progressing well, no change to expected synergies
  - Trading in line with expectations
  - €30.0 million of the RCF has been drawn as of April 2013, pending closing of the Serenity factoring agreements

Market Dynamics Evolving Post K-C Exit



- **Kimberly-Clark UK plant closed in March 2013; Spanish plant expected to close in May**
  - K-C stockpiling (primarily of private label products) due to previous delivery commitments expected to unwind from H2 onwards
- **Huggies market share becomes available as the brand is withdrawn**
  - Retailers driving shelf allocation based on commercial aspirations leading to significantly increased private label volumes in some Western European countries
- **Opportunity from Kimberly-Clark's private label market developing more slowly than anticipated**
  - A number of private label contracts have been secured
  - In some instances retailers' price expectations are not realistic
  - Stockpiling by K-C is delaying the transfer process

Financials

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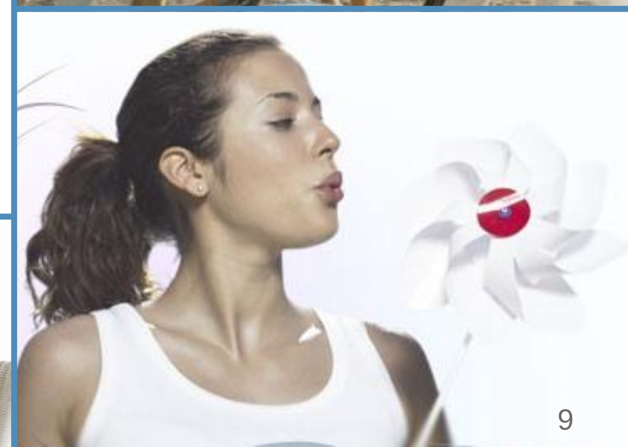

Q1 2013 Financial Highlights (1/2)



In €m	Q1 2013	Q1 2012	%
Revenues	340.5	333.4	2.1%
Revenues at constant currency	*342.4*	*333.4*	*2.7%*
Cost of sales	(253.6)	(251.8)	0.7%
Gross profit	86.9	81.6	6.5%
Opex[1]	(56.5)	(48.6)	16.3%
Adjusted EBITDA[2]	38.0	40.5	(6.2)%
Adjusted EBITDA[2] at constant currency	*41.5*	*40.5*	*2.5%*

Opex Increase from Q1 2012 mostly driven by:

- **Sales & Marketing**
  - Investment in developing markets
  - Unusually low Q1 2012 spend
- **Logistics**
  - Increase reflects higher volume particularly in export markets and also price increases during 2012
- **Currency effects**

1: Defined as the sum of distribution expenses, sales and marketing expenses, general and administrative expenses, other operating income but excluding non-recurring expenses

2: For definition and reconciliation of Adjusted EBITDA please see Ontex Financial Report for Q1 2013

Q1 2013 Financial Highlights (2/2)



In €m	Q1 2013	Q1 2012	%
Adjusted EBITDA[1]	38.0	40.5	(6.2)%
Non recurring expenses[2]	(2.1)	(2.7)	(22.2)%
Reported EBITDA	35.9	37.8	(5.0)%
Depreciation & Amortization	(7.9)	(7.7)	2.6%
Operating profit	28.0	30.1	(7.0)%

1: For definition and reconciliation of Adjusted EBITDA please see Ontex Financial Report for Q1 2013
2: Non-recurring expenses excluding amortization

Q1 2013 Revenues Details



In €m	Q1 2013	Q1 2012[1]	% as reported	% at constant currency
Per division				
Retail	221.7	226.8	(2.2)%	(1.8)%
Healthcare	67.3	65.6	2.6%	3.2%
Turkey Region	51.5	41.0	25.6%	27.1%
Per product group				
Baby	191.2	188.3	1.5%	2.3%
Femcare	48.2	48.3	(0.2)%	0.0%
Incontinence	97.3	92.1	5.6%	6.0%
Other	3.8	4.7	(19.1)%	(17.8)%
Per geographic area				
Western Europe	218.9	226.7	(3.4)%	(3.0)%
Eastern Europe	47.2	44.1	7.0%	6.9%
Rest of the world	74.4	62.6	18.8%	20.4%

1: Sales by division restated in 2013 due to customer reclassification.

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Free Cash Flow Generation Improves as WC Consumption Decreases



In €m	Q1 2013	Q1 2012
Adjusted EBITDA	38.0	40.5
Changes in WC	(6.1)	(23.2)
Cash taxes paid	(1.5)	0.6
Capex	(16.2)	(7.9)
Free Cash Flow	14.2	10.0

- **Working capital management in line with plan**
  - Inventory levels increased as Recklinghausen production continued through most of Q1 2013
- **Capex in line with expectations with higher proportion of investment in the first half of 2013 (different phasing compared with 2012)**
- **Higher cash taxes**
  - Q1 2012 was impacted by a significant refund of German taxes

Temporary Drawdown of RCF Facility Post Q1 2013



In €m	As of March 31, 2013
Cash & Cash Equivalents	43.0
Credit Lines (of which drawn: €0.0 million)	75.0
Available Liquidity	118.0

In €m	Pro-Forma as of March 31, 2013
Available liquidity	118.0
Bond Issue in Escrow	77.4
Serenity Payment at Closing	(73.2)
Working Capital Ramp Up	(33.8)
Available Liquidity	88.4

- **RCF draw down of €30.0 million in April 2013 pending closing of factoring agreement for Serenity**
- **On-going negotiations on multiple factoring agreements with different parties**
- **Part of facility confirmed in May**

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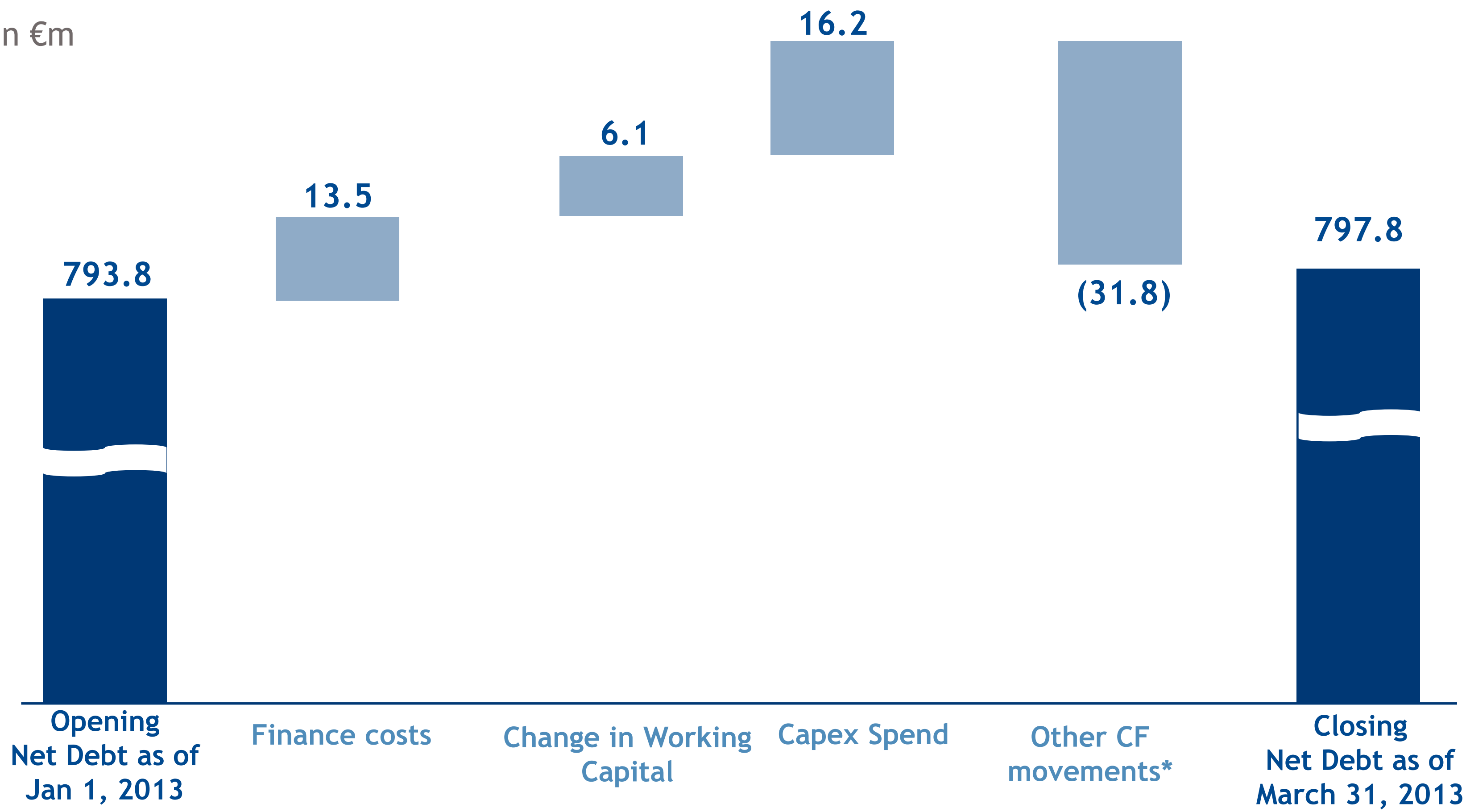
Net Debt Bridge



In €m



* *Including cash taxes as well as other cash inflow and outflow related to operating and investing activities*

Outlook / Progressing into 2013

- **Serenity Update:**
  - Serenity will be consolidated from April 4 into the Healthcare division for the Q2 results
  - Progress to date on trading, integration and synergies has been encouraging
- **Raw Material outlook for the next two quarters**
  - Raw material environment is stable
  - Q2 2013 raw materials in line with Q1 2013
  - Initial indications for Q3 2013 suggest no material changes from Q2 2013



Q&A – Q1 2013

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