



3rd Quarter 2011
Financial Results
Analysts Conference Call

Europe /
Middle East



North
America



Russia /
E. Europe



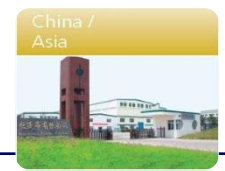
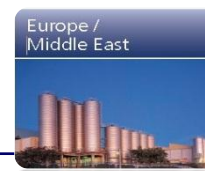
China /
Asia



November 2011

AVGOL
Nonwovens

Q3 2011 Financial Results Analysts Conference Call



This presentation is based on the Company financial reports.

There is no data in this presentation that isn't presented in the public financial reports.

If there is any discrepancy between this presentation and the data in the financial report that was issued to the Israeli SEC and the TASE, the valid data is the one which appears in the formal reports.

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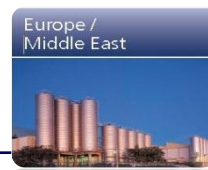
Agenda



- Key Highlights
- Financial highlights
- Revenue Breakdown
- COGS Breakdown
- Cash Flow
- Balance Sheet



Analysts Conference Call Presentation Team



Mr. Shlomo Liran

CEO

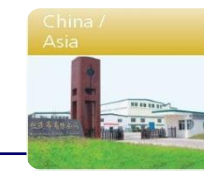
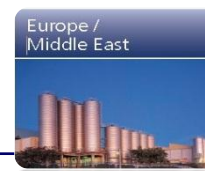


Mr. Shachar Rachim

CFO

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Financial Highlights



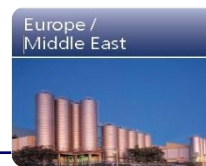
USD Million	By quarter					9m			FY
	Q3/10	%	Q3/11	Q2/11	%	2010	2011	%	2010
Revenue, Net	75.2	12.8%	84.8	81.9	4%	205.1	249.5	21.6%	277.5
Gross Profit	19.4	-7.9%	17.9	14.6	22%	43.9	50.6	15.3%	60.2
	25.8%		21.1%	17.8%		21.4%	20.3%		21.7%
EBIT	12.9	-16.3%	10.8	7.7	41%	25.9	29.4	13.7%	35.5
	17.2%		12.8%	9.4%		12.6%	11.8%		12.8%
EBITDA	17.1	-10.8%	15.2	12.4	23%	37.1	42.8	15.1%	52.1
	22.7%		18.0%	15.2%		18.1%	17.1%		18.8%
Net Profit*	8.4	-21.3%	6.6	5.0	32%	15.1	18.7	23.8%	21.0
	11.2%		7.8%	6.1%		7.4%	7.5%		7.6%
	30/09/2010	%	30/09/2011	30/06/2011	%				31/12/10
Total Assets	348.0	4%	358.1	363.3	-1%				346.4
Net Debt	120.0	18%	149.7	142.0	5%				134.0
% Net Debt/Total Assets	34.5%		41.8%	39.1%					38.7%
Net Debt/EBITDA**	3.11		2.65	2.43					2.57

* Company's Net Profit before allocation to majority and minority shareholders.

** Last Twelve Months EBITDA.

Source: Company Financial Reports

Key Highlights



Financial Highlights – *continued YOY growth during the first 9 months of 2011:*

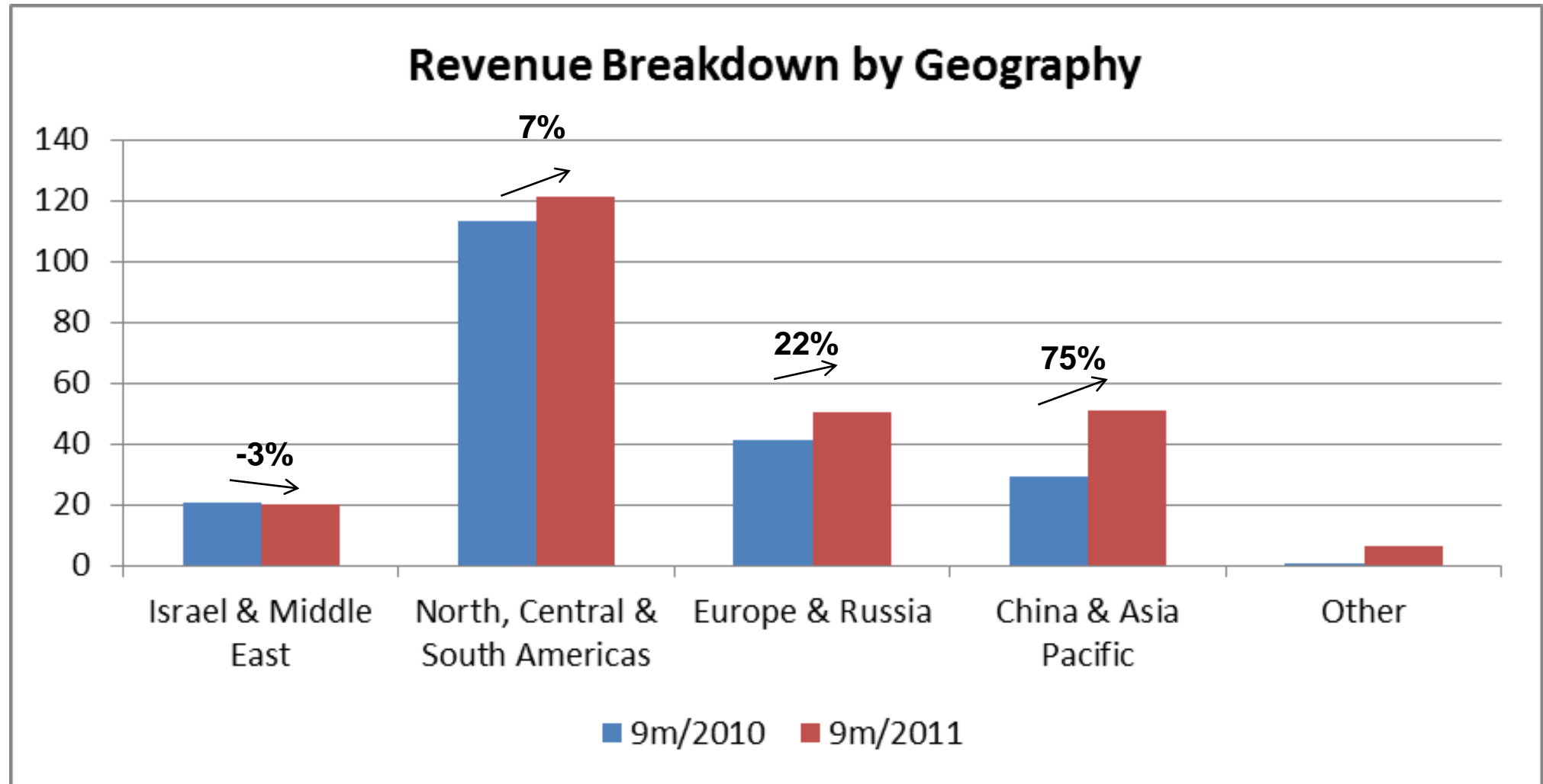
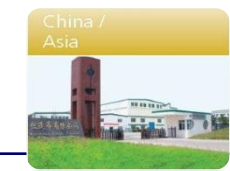
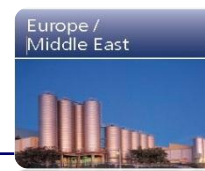
- 21.6% growth in Revenues to USD 249.4 million.
- 15.3% growth in Gross Profit to USD 50.6 million.
- 13.7% growth in EBIT to USD 29.4 million.
- 15.1% growth in EBITDA to USD 42.8 million.
- 23.8% growth in Net Profit to USD 18.7 million.
- Net Debt/EBITDA 2.65 in Q3/2011 (2.57 in FY/2010).
- Net debt - USD 149.7 Million compare to USD 134 million to the end of 2010.

Market & Business

- During the 3rd quarter the Polypropylene prices slightly decreased.
- The company proceed on schedule with its investment in two line in USA and China, which accumulated to approximately USD 32 million.

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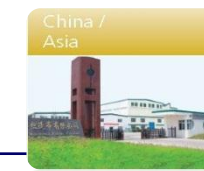
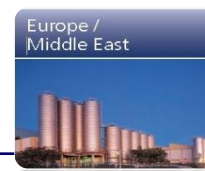
Revenue Breakdown



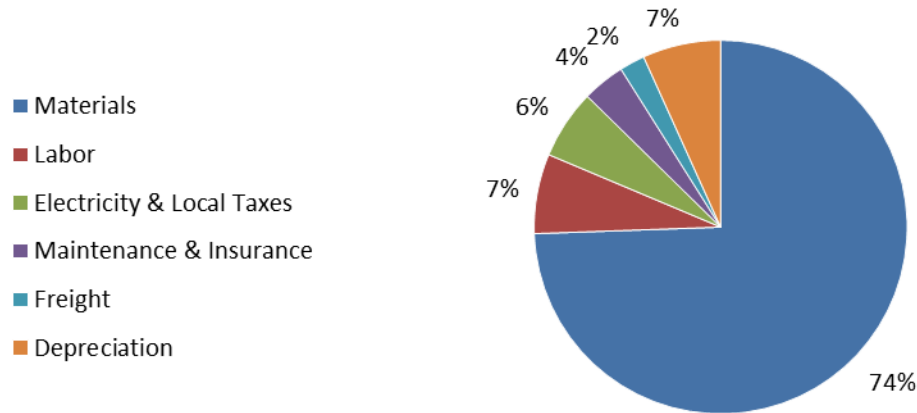
- **Company continue fast growth in all markets. Israel & middle-east stable**

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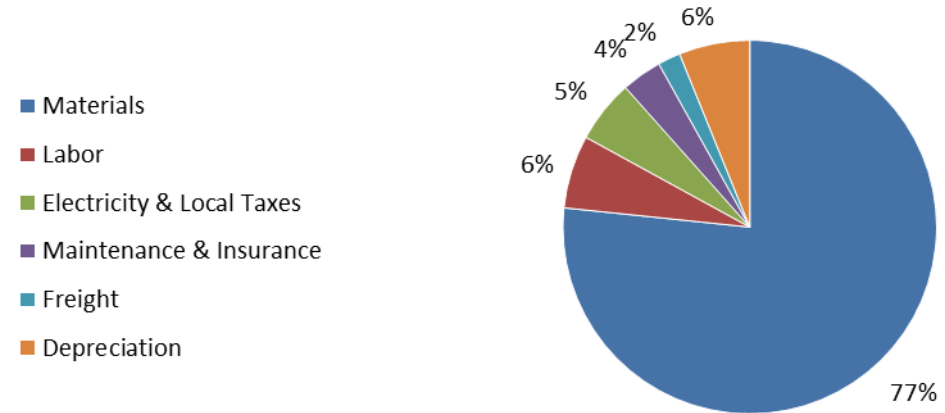
Cost of Goods Sold (COGS)



2010 COGS Breakdown



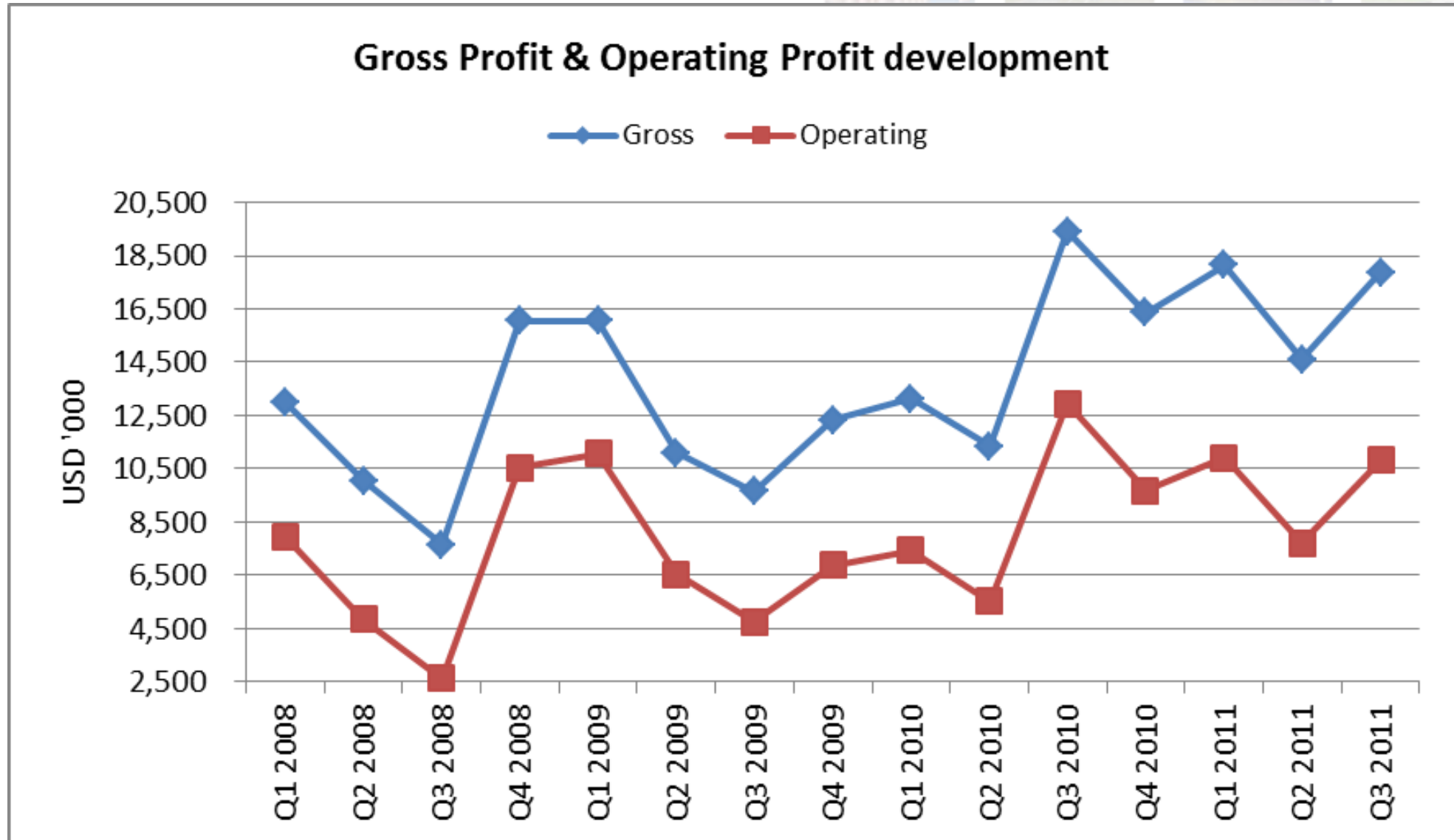
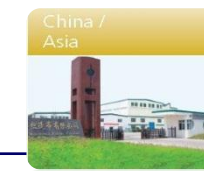
9m/2011 COGS Breakdown



The rise in Polypropylene prices during the beginning of 2011, increased the materials portion from the total COGS expenses in 9m 2011 compared to 2010.

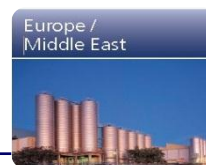
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Profit Development



Source: Company Financial Reports

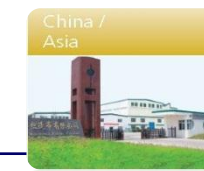
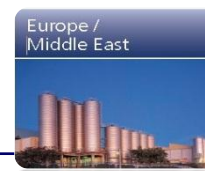
Cash Flow



USD Million	Q3		FY 2010
	2010	2011	
<i>Current Operations</i>			
Net Income	8.4	6.6	21.2
Depreciation/Amortization	4.2	4.4	16.7
Other non-CF income/expenes	3.5	1.5	4.4
Change in Working Capital	-2.4	-7.4	-6.5
Net CF from Current Operations	13.6	5.2	35.8
<i>Investments Activities</i>			
CAPEX	-2.2	-11.0	-35.1
Purchase of Intangible assets	-	-	-1.5
Other	-	-	-
Net CF from Investments Activities	-2.2	-11.0	-36.6
<i>Financing Activities</i>			
Increase (decrease) in ST Bank Loans	-1.5	10.9	4.7
Repayment of LT Bank Loans & Bonds	-4.1	-3.2	-33.9
Receipt of LT Bank Loans & Bonds	30.0	-	45.0
Purchase of Minority Intrests	-	-	-2.9
Dividend Paid	-	-	-8.0
Net CF from Financing Activities	24.4	7.7	4.9
Increase in Cash & Cash equivalents	35.8	1.9	4.1
Closing Balance	41.9	7.6	17.0

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Balance Sheet Highlights

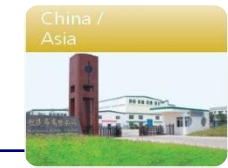
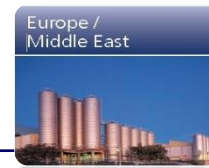


USD Million	31/12/10	<i>FY/10>Q3/11 % Change</i>	30/09/10	30/09/11	<i>Q3/10>Q3/11 % Change</i>
<u>Assets</u>					
Cash & Cash equivalents	17.0	-55%	41.9	7.6	-82%
Inventory	35.6	21%	28.5	43.2	52%
Trade Receivables	40.7	26%	42.8	51.1	19%
Derivatives	19.3	-13%	19.0	16.8	-12%
Fixed Assets, Net	214.3	2%	201.7	217.9	8%
<u>Liabilities & Equity</u>					
Bank Loans & Bonds	170.4	2%	181.0	173.6	-4%
Trade payables	37.5	-13%	36.5	32.8	-10%
Tax Liabilities	22.9	-3%	21.1	22.3	6%
Equity	109.2	10%	93.0	119.9	29%

Source: Company Financial Reports

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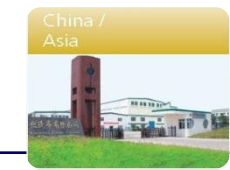
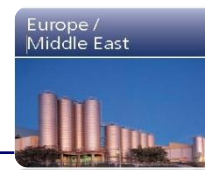
Share price – one year



אבגול x ת"א-25 x ת"א-75



Source: Globes website



Thank You