



Europe /
Middle East



North
America



Russia /
E. Europe



China /
Asia



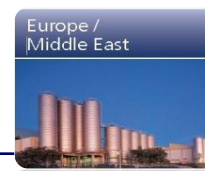
1st Quarter 2011 Financial Results

Analysts Conference Call

May 2011

AVGOL
Nonwovens

Q1 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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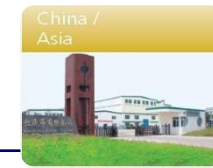
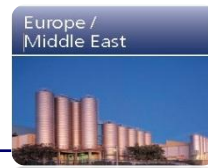
Agenda



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



Analysts Conference Call Presentation Team



Mr. Shlomo Liran

CEO

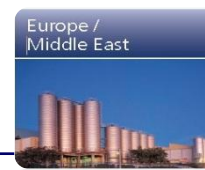


Mr. Shachar Rachim

CFO

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Financial Highlights



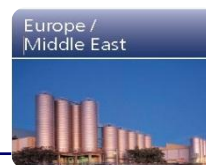
| USD Million | Q1 | | | FY |
|--------------------------------|----------------------|----------------------|-----|----------------------|
| | 2010 | 2011 | % | 2010 |
| Revenue, Net | 63.8 | 82.8 | 30% | 277.5 |
| Gross Profit | 13.1 <i>20.6%</i> | 18.1 <i>21.9%</i> | 38% | 60.2 <i>21.7%</i> |
| EBIT | 7.4 <i>11.6%</i> | 10.9 <i>13.2%</i> | 47% | 35.5 <i>12.8%</i> |
| EBITDA | 11.0 <i>17.3%</i> | 15.2 <i>18.3%</i> | 38% | 52.1 <i>18.8%</i> |
| Net Profit* | 3.6 <i>5.6%</i> | 7.1 <i>8.6%</i> | 97% | 21.0 <i>7.6%</i> |
| | 31/03/10 | 31/03/11 | % | 31/12/10 |
| Total Assets | 304.2 | 363.3 | 19% | 346.4 |
| Net Debt | 125.8 | 137.7 | 9% | 134.0 |
| <i>% Net Debt/Total Assets</i> | <i>41.4%</i> | <i>37.9%</i> | | <i>38.7%</i> |
| <i>Net Debt/EBITDA**</i> | <i>2.85</i> | <i>2.27</i> | | <i>2.57</i> |

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

** Annualized EBITDA

Source: Company Financial Reports for Q1/2011 and FY/2010

Key Highlights



Financial*

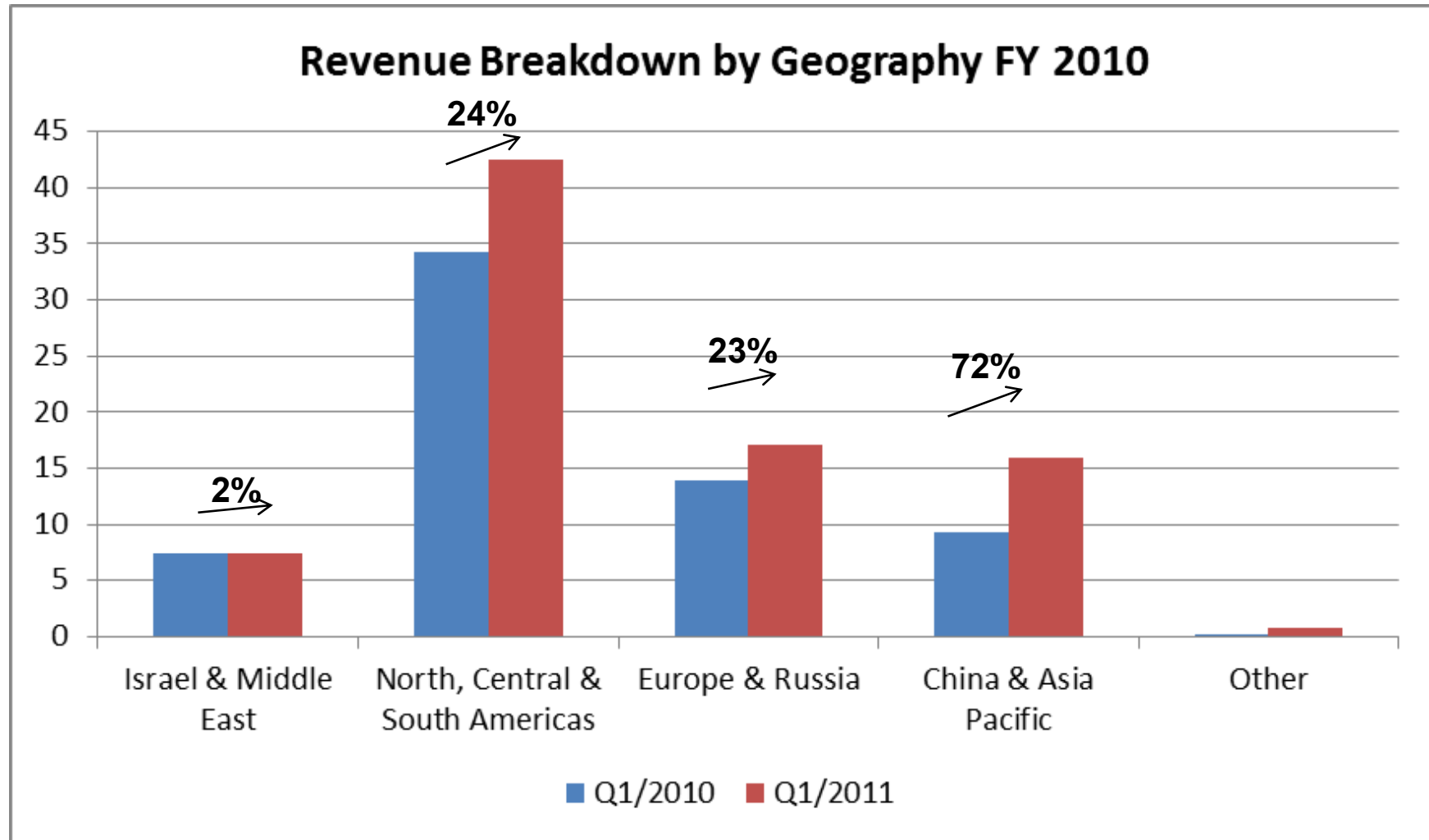
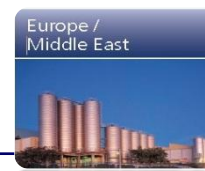
- Q1 2011 revenues USD 82.8 million, up by 30% YoY due to an increase in the production and higher polymer prices.
- Q1 2011 EBITDA USD 15.2 million, up by 38% YoY.
- FY 2010 Net Profit USD 7.1 million, up by 97% YoY.
- Net Debt/EBITDA decreased from 2.85 in Q1/2009 to 2.27 in Q1/2010 (2.57 in FY/2010).
- Net debt - USD 137.7 Million compare to USD134 million to the end of 2010.

Market & Business

- The Polypropylene prices increased in the quarter and are continuing to rise in April and May.

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Revenue Breakdown



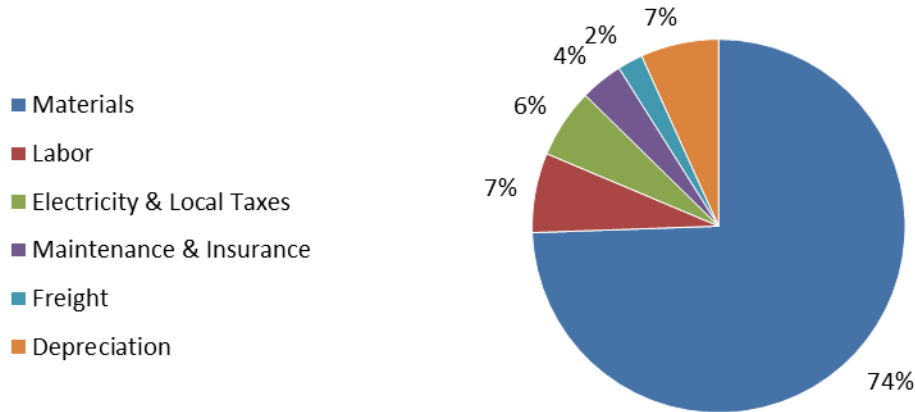
- **Company continue fast growth in all markets. Israel & mideast stable**

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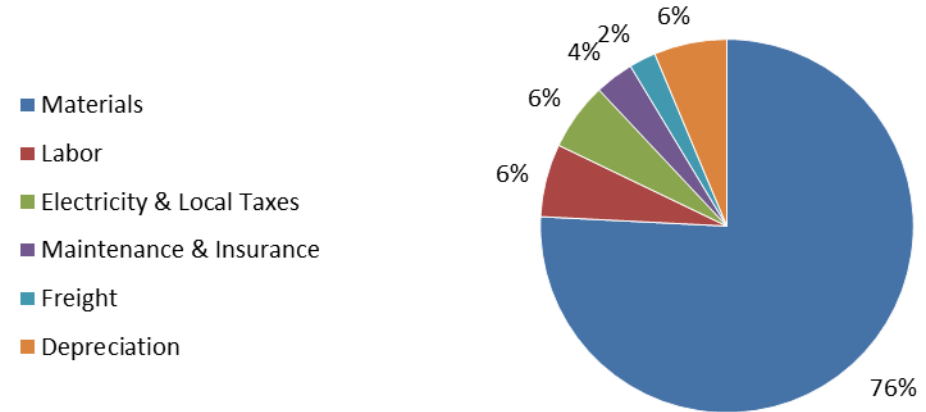
Cost of Goods Sold (COGS)



2010 COGS Breakdown



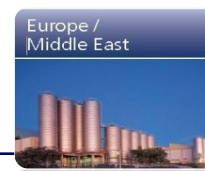
Q1/2011 COGS Breakdown



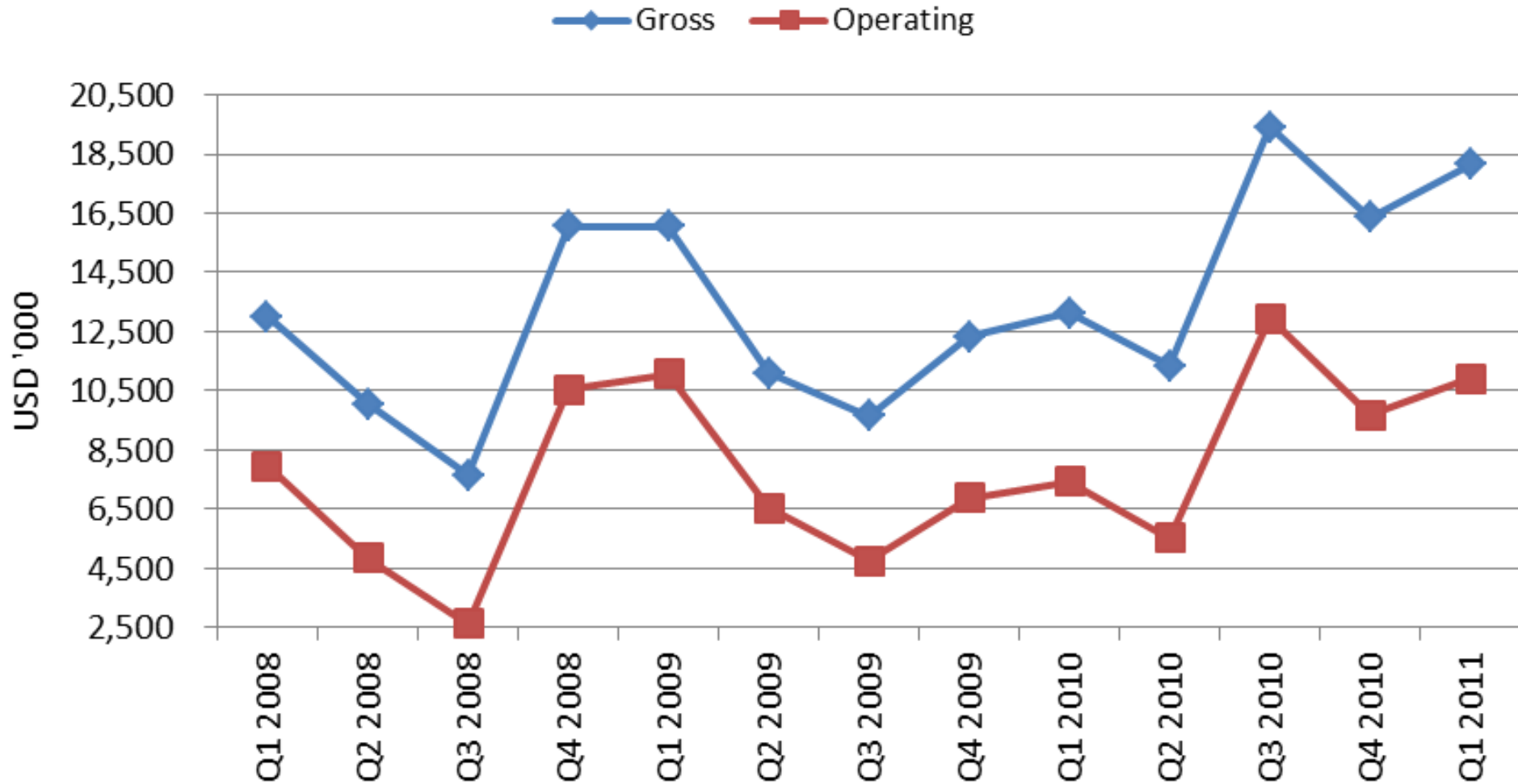
The rise in Polypropylene prices during the quarter, increased the materials portion from the total COGS expenses in Q1/2011 compared to 2010.

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Profit Development

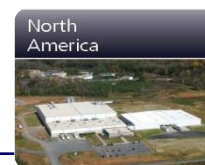
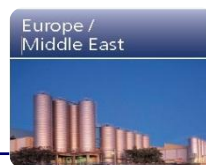


Gross Profit & Operating Profit development



Source: Company Financial Reports FY 2008, FY 2009, FY2010 & Q1 2011

Cash Flow



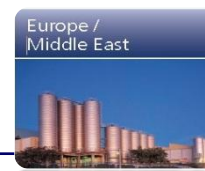
| USD Million | Q1 | | % Change | FY 2010 |
|--|--------------|-------------|--------------|--------------|
| | 2010 | 2011 | | |
| <u>Current Operations</u> | | | | |
| Net Income | 3.6 | 7.1 | 97% | 21.2 |
| Depreciation/Amortization | 3.6 | 4.3 | 18% | 16.7 |
| Other non-CF income/expenes | 3.2 | 2.4 | -26% | 4.4 |
| Change in Working Capital | -1.5 | -1.1 | | -6.5 |
| Net CF from Current Operations | 9.0 | 12.7 | 41% | 35.8 |
| <u>Investments Activities</u> | | | | |
| CAPEX | -14.4 | -6.6 | -54% | -35.1 |
| Purchase of Intangible assets | - | - | | -1.5 |
| Other | - | 0.0 | | - |
| Net CF from Investments Activities | -14.4 | -6.5 | -55% | -36.6 |
| <u>Financing Activities</u> | | | | |
| Increase (decrease) in ST Bank Loans | 2.9 | -1.2 | | 4.7 |
| Repayment of LT Bank Loans & Bonds | -2.8 | -3.8 | 35% | -33.9 |
| Receipt of LT Bank Loans & Bonds | - | 10.0 | | 45.0 |
| Purchase of Minority Intrests | - | - | | -2.9 |
| Dividend Paid | - | -10.0 | | -8.0 |
| Other | - | - | | - |
| Net CF from Financing Activities | 0.1 | -5.0 | | 4.9 |
| Increase in Cash & Cash equivalents | -5.3 | 1.1 | -121% | 4.1 |
| Closing Balance | 7.8 | 18.0 | 130% | 17.0 |

Source: Company Financial Reports for Q1/2011 and FY/2010

ST = Short Term; LT = Long Term

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Balance Sheet Highlights

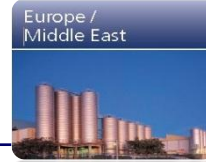


| USD Million | 31/12/10 | FY/10>Q1/11 % Change | 31/03/10 | 31/03/11 | Q1/10>Q1/11 % Change |
|---------------------------------|---------------|-------------------------|----------|----------|-------------------------|
| | Assets | | | | |
| Cash & Cash equivalents | 17.0 | 6% | 7.8 | 18.0 | 130% |
| Inventory | 35.6 | 5% | 27.5 | 37.5 | 36% |
| Trade Receivables | 40.7 | 19% | 36.5 | 48.6 | 33% |
| Derivatives | 19.3 | 16% | 17.0 | 22.4 | 32% |
| Fixed Assets, Net | 214.3 | 1% | 200.9 | 216.8 | 8% |
| Liabilities & Equity | | | | | |
| Bank Loans & Bonds | 170.4 | 5% | 150.7 | 178.0 | 18% |
| Trade payables | 37.5 | 21% | 27.0 | 45.4 | 68% |
| Tax Liabilities | 22.9 | 6% | 18.3 | 24.3 | 33% |
| Equity | 109.2 | -2% | 92.0 | 107.2 | 17% |

Source: Company Financial Reports for Q1/2011 and FY/2010

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Share price – one year



גרף השוואתי

נתונים **גרף**

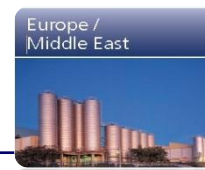


רזולוציה **נתונים טכניים** סוגי גרפים

אבגול **ת"א-75** **ת"א-25**



שנתי **שלוש שנים** מקסימלי **שנתי** חצי שנתי רבעוני חודשי שבועי יומי 23/05/10 - 23/05/11



Thank You