

# **GCL Holdings Group**

## **Company presentation 9M 2015 results**

November 27, 2015

# Forward-looking Statements

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This presentation may include, and the Company and its representatives may from time to time make, written or verbal statements which constitute “forward – looking statements”, including but not limited to all statements other than statements of historical facts, including statements regarding our intentions, belief or expectations concerning our future financial condition and performance, results of operations, strategy, prospects, and future developments in the markets in which we operate and plan to operate.

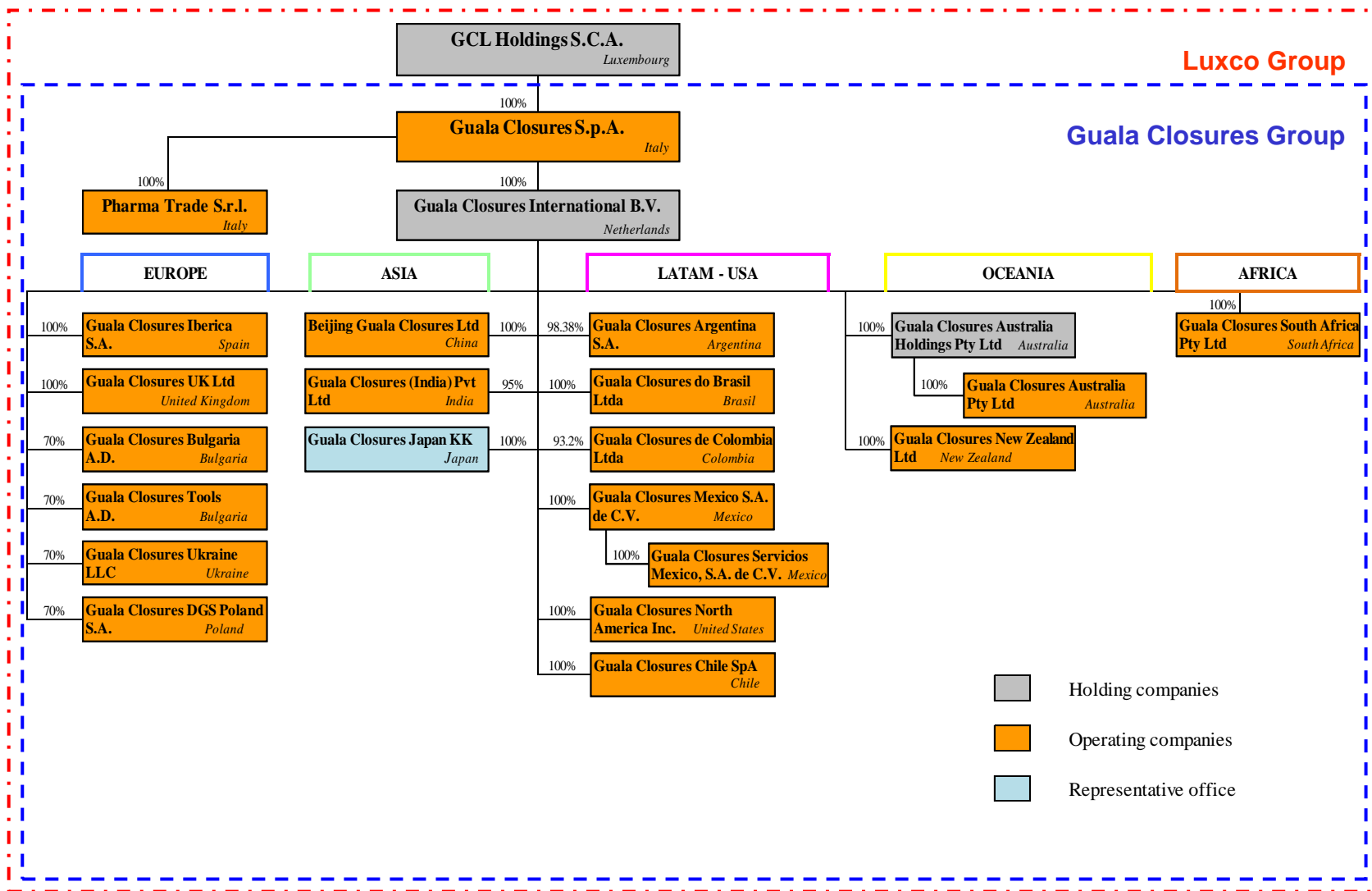
By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future.

We caution you that forward – looking statements are not guarantees of future performance and that our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this presentation.

In addition even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods.

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# Group chart as at September 30, 2015




# 2015 Key financial events

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## **FEB**

-  Merger between Guala Closures International B.V. and Guala Closures China B.V., with retroactive effects from January 1, 2015

## **JUN**

-  Merger between Guala Closures International B.V. and Guala Closures Patents B.V., with retroactive effects from January 1, 2015.

## **SEP**

-  Incorporation of Guala Closures Chile SpA.

# Key trends: group currencies

Exchange rate trend (1 € = x FC) P&L	Average 9M14	Average 9M15	Var % vs 9M14
US Dollar	1.3554	1.1145	(17.8%)
GB Pounds	0.8122	0.7274	(10.4%)
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	15.1404	24.0212	58.7%
Poland Zloty	4.1755	4.1559	(0.5%)
China Renmimbi	8.3579	6.9647	(16.7%)
Indian Rupia	82.3003	70.8406	(13.9%)
Argentinian Peso	10.8219	9.9872	(7.7%)
Brazilian Real	3.1043	3.5183	13.3%
Colombian Peso	2634.44	2939.59	11.6%
Mexican Peso	17.7799	17.3513	(2.4%)
Australian Dollar	1.4766	1.4619	(1.0%)
New Zealand Dollar	1.6010	1.5732	(1.7%)
South Africa Rand	14.5397	13.6867	(5.9%)
Japan Yen	139.2546	134.7383	(3.2%)
Chilean Peso	n.a.	775.0160	n.a.

LEGEND: Var % + EUR revaluation vs other group currencies; Var % - EUR devaluation vs other group currencies



Devaluation of euro vs main group currencies compared to 9M 2014 (except UAH, BRL and COP)

# Key trends: group currencies

Exchange rate trend (1 € = x FC) BS	Dec 31, 2014	Sep 30, 2015	Var % vs Dec 14
US Dollar	1.2141	1.1203	(7.7%)
GB Pounds	0.7789	0.7385	(5.2%)
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	19.2060	23.8127	24.0%
Poland Zloty	4.2732	4.2448	(0.7%)
China Renmimbi	7.5358	7.1206	(5.5%)
Indian Rupia	76.7190	73.4805	(4.2%)
Argentinian Peso	10.2755	10.5482	2.7%
Brazilian Real	3.2207	4.4808	39.1%
Colombian Peso	2892.26	3473.08	20.1%
Mexican Peso	17.8679	18.9768	6.2%
Australian Dollar	1.4829	1.5939	7.5%
New Zealand Dollar	1.5525	1.7568	13.2%
South Africa Rand	14.0353	15.4984	10.4%
Japan Yen	145.2300	134.6900	(7.3%)
Chilean Peso	n.a.	783.2429	n.a.

LEGEND: Var % + EUR revaluation vs other group currencies; Var % - EUR devaluation vs other group currencies

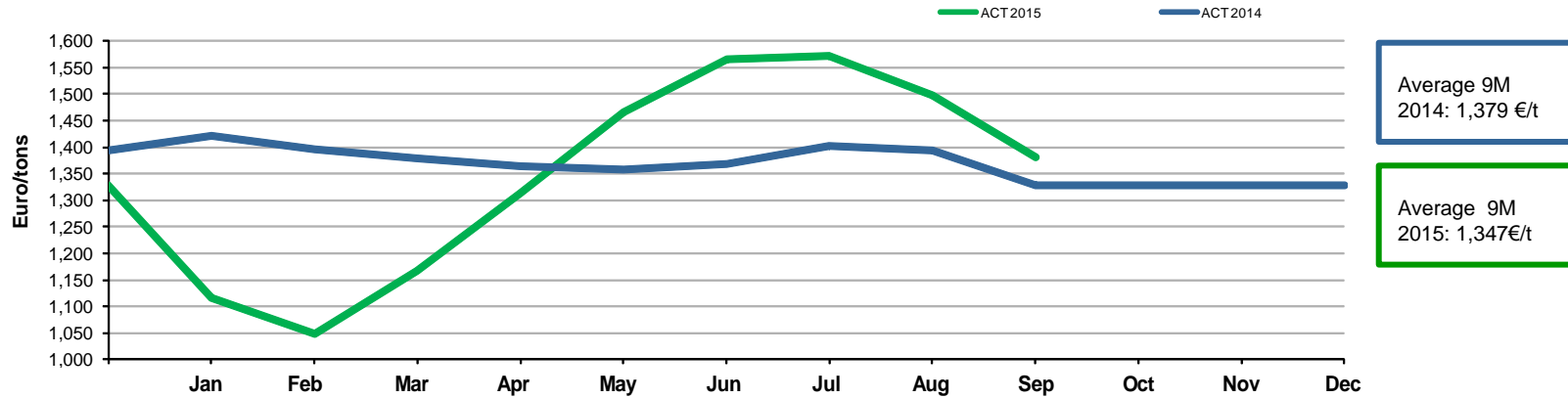


Revaluation of euro vs main group currencies compared to 2014 (except USD, GBP, PLN, RMB, INR, and JPY)

# Key trends: raw materials – plastics – Europe

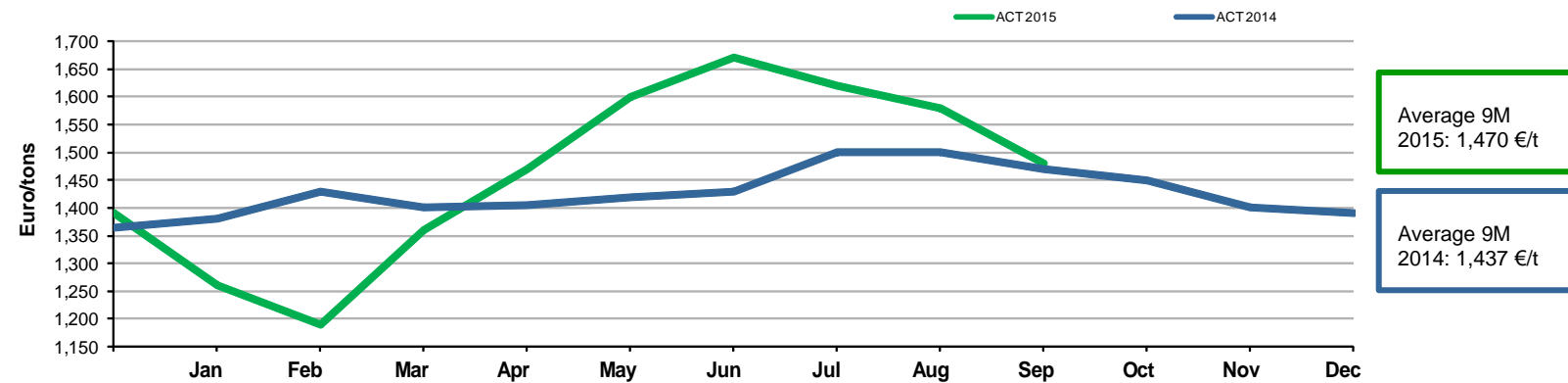
## Plastic price trend - High density polyethylene

HDPE Var % vs 9M 2014: (2.3%)



## Plastic price trend – Polypropylene, homopolymer

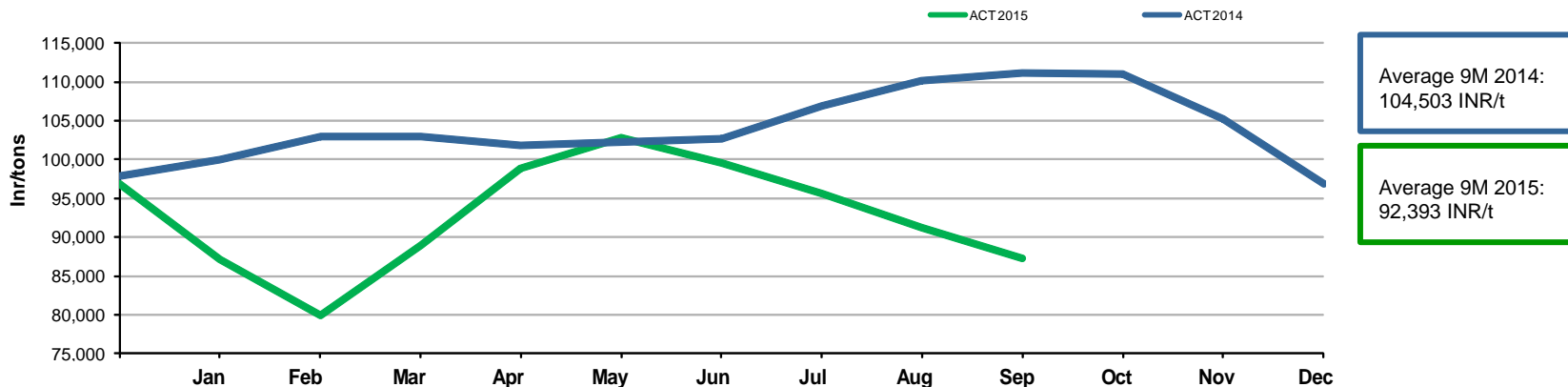
PP Var % vs 9M 2014: 2.3%



# Key trends: raw materials – plastics - India

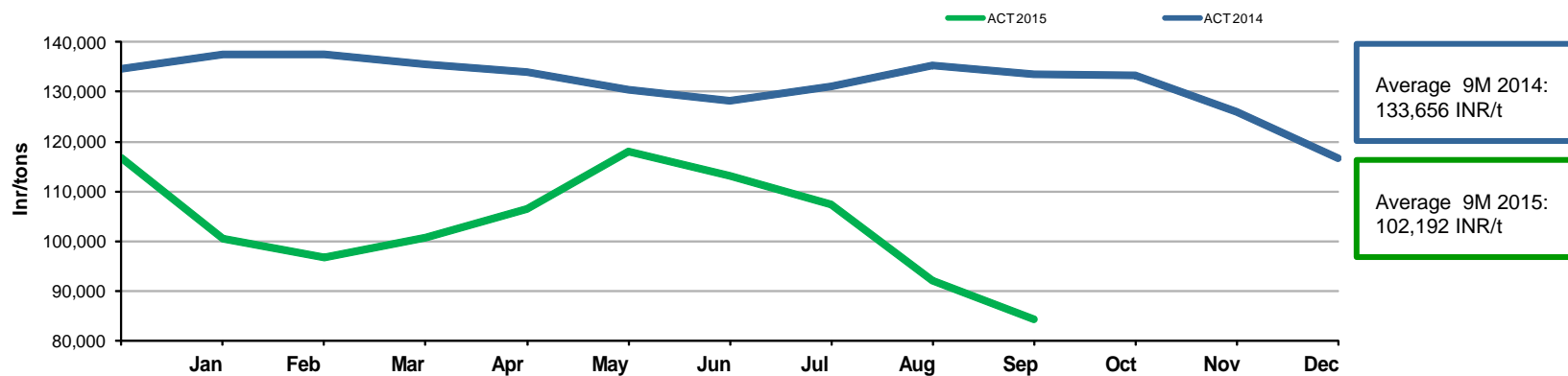
Plastic price trend - High density polyethylene

HDPE Var % vs 9M 2014: (11.6%)



Plastic price trend – Polystyrene

PS Var % vs 9M 2014: (23.5%)

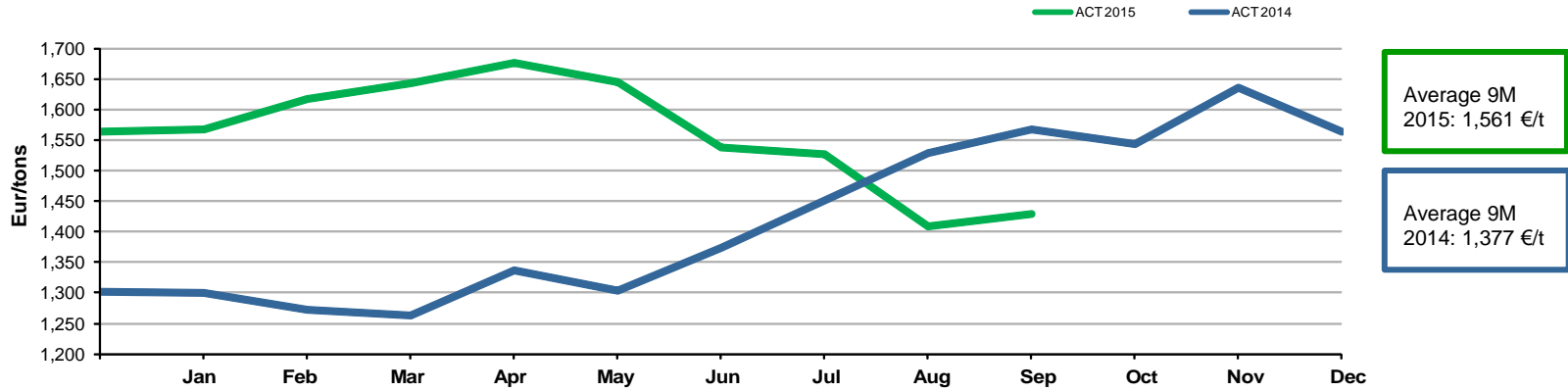




# Key trends: raw materials - aluminum

Aluminum price trend (LME €/tons)

LME Var % vs 9M 2014: 13.3%



# 9M 2015 – Financial snapshot

€ / ml	1Q 14	2Q 14	3Q 14	9M 14	1Q 15	2Q 15	3Q 15	9M 15	Var % 9M 15 vs 9M 14
Revenues	105.9	116.1	132.6	354.7	119.7	128.1	139.0	386.8	9.1%
EBITDA	17.5	22.0	23.2	62.6	24.2	24.6	29.5	78.3	25.0%
% margin	16.5%	18.9%	17.5%	17.7%	20.2%	19.2%	21.2%	20.2%	
Adjusted EBITDA	17.8	22.4	27.2	67.4	24.5	24.9	31.0	80.4	19.3%
% margin	16.8%	19.3%	20.5%	19.0%	20.4%	19.4%	22.3%	20.8%	
EBIT	8.2	11.9	13.7	33.9	14.9	15.0	20.4	50.3	48.5%
% margin	7.8%	10.3%	10.3%	9.5%	12.4%	11.7%	14.7%	13.0%	
Net result	(6.1)	(1.9)	0.2	(7.8)	2.4	(2.9)	(0.1)	(0.5)	93.5%
% margin	(5.8%)	(1.6%)	0.2%	(2.2%)	2.0%	(2.2%)	(0.0%)	(0.1%)	

€ / ml	As at Dec 31, 2013	As at Mar 31, 2014	As at Jun 30, 2014	As at Sep 30, 2014
NWC	97.8	111.6	125.6	132.7
NWC days	65	95	97	90
Net debt	481.0	510.5	525.8	530.8

€ / ml	As at Mar 31, 2015	As at Jun 30, 2015	As at Sep 30, 2015
NWC	112.5	118.8	119.9
NWC days	85	83	78
Net debt	518.0	523.9	526.0

# 9M 2015 – Operating and financial review

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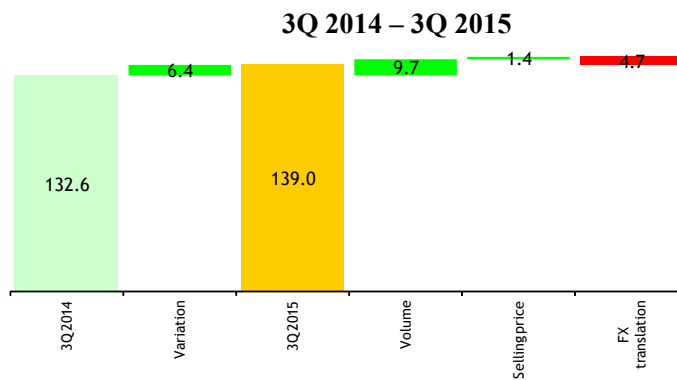
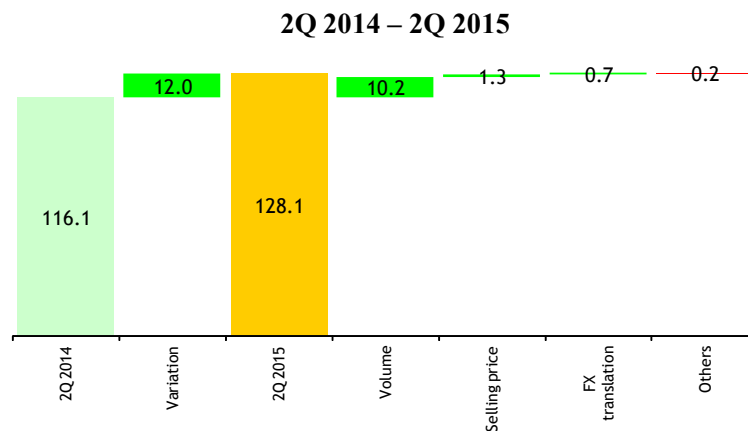
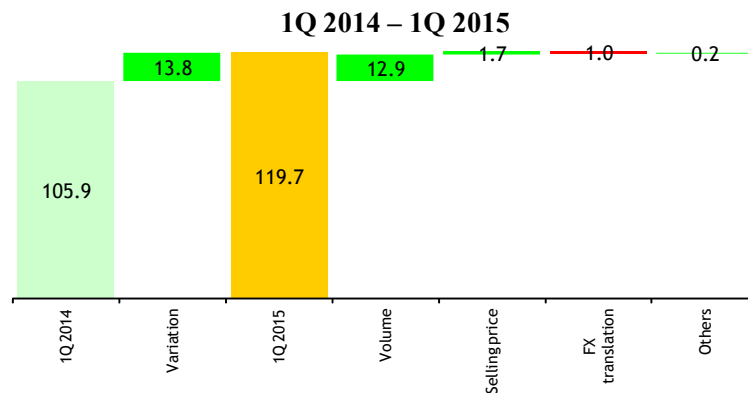
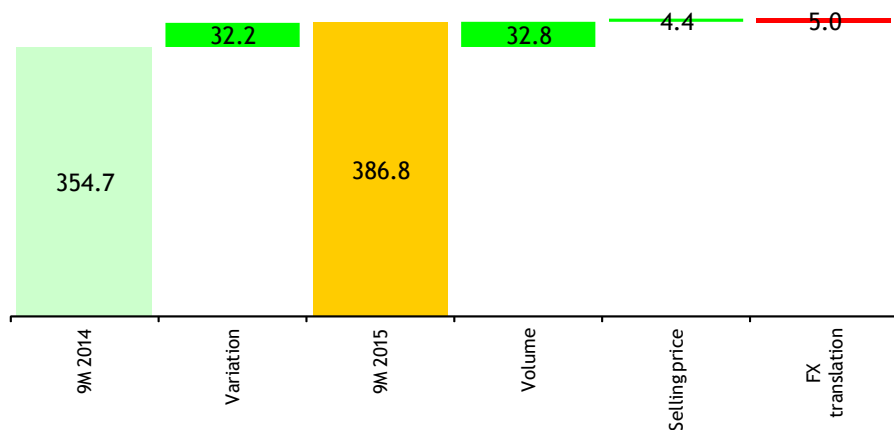
## NET REVENUE

- 🌐 Net revenue up €32.2 million (+9.1%) vs 9M 2014, despite €5.0 ml negative translation impact
- 🌐 At constant FX rates, net revenue up €37.2 million (+10.5%) vs 9M 2014
- 🌐 Increase in sales volumes/selling price mainly in Ukraine, Mexico, Argentina, Spain, South Africa and Australia

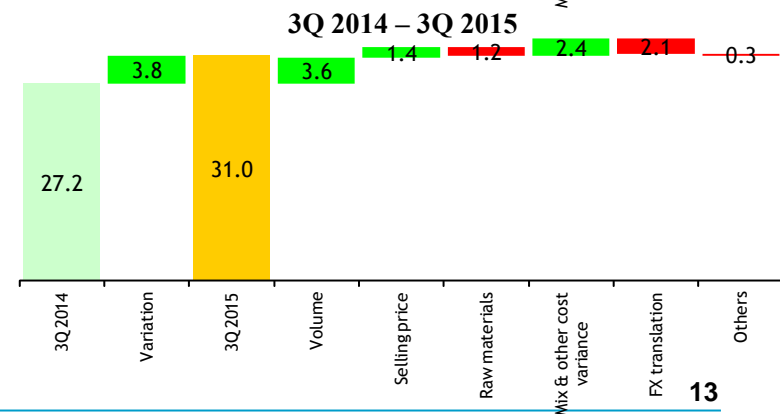
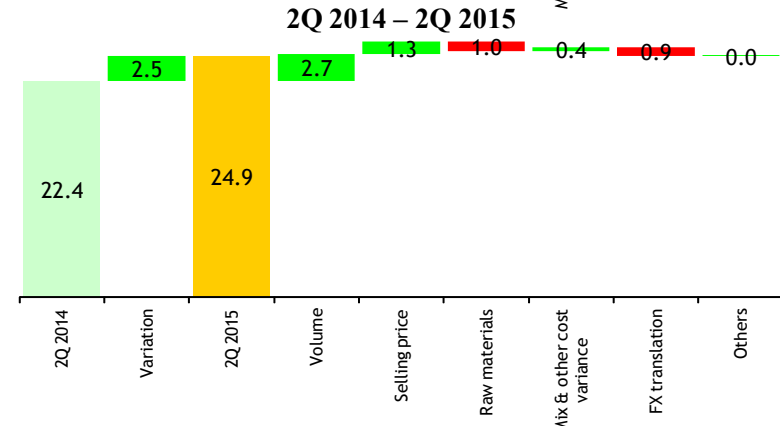
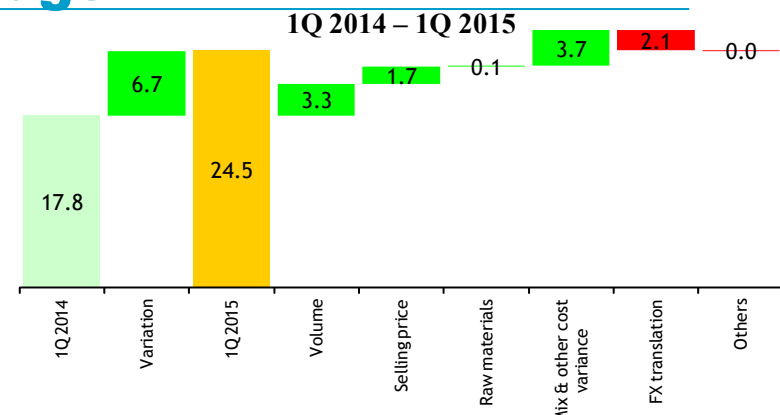
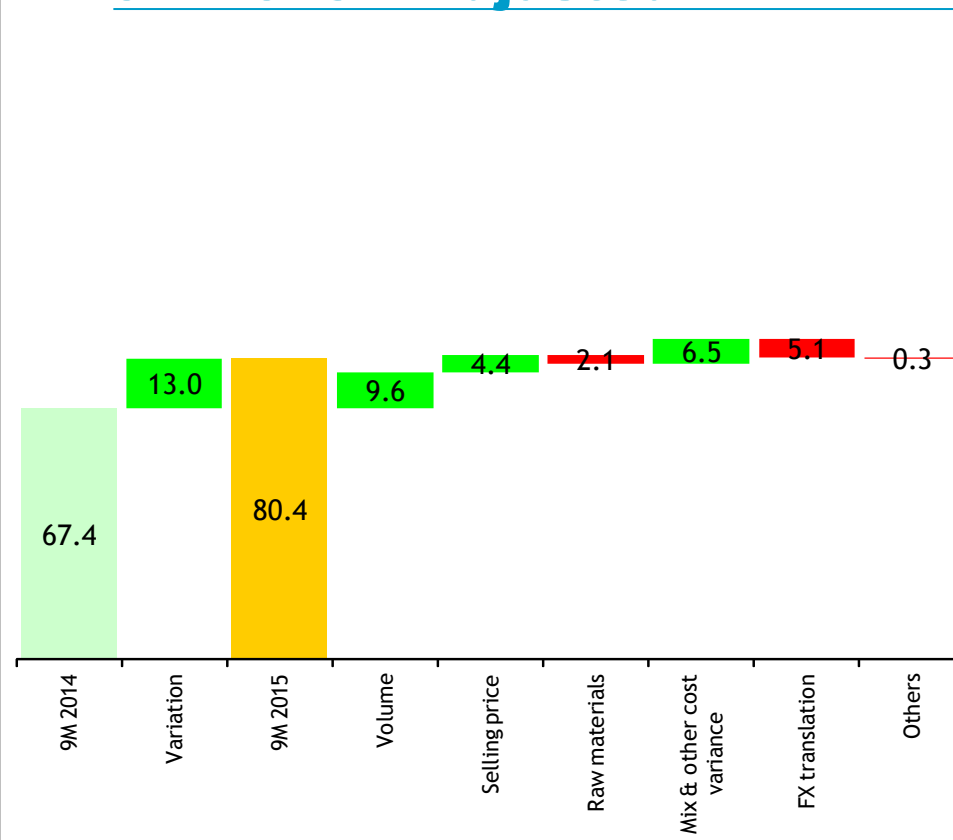
## ADJUSTED EBITDA

- 🌐 Adjusted EBITDA up €13.0 million (+19.3%) vs 9M 2014, despite €5.1 million negative translation impact
- 🌐 At constant FX rates, Adjusted EBITDA up €18.1 million (+26.8%) vs 9M 2014
- 🌐 EBITDA 9M 2015 adjusted by €2.1 million for rationalization and other costs
- 🌐 Adjusted EBITDA margin at 20.8% (19.0% in 9M 2014)
- 🌐 9M 2015: positive impact from sales volume growth, selling price renegotiation and R&R impact.

# 9M 2015 - Sales Bridges



# 9M 2015 – Adjusted EBITDA Bridge



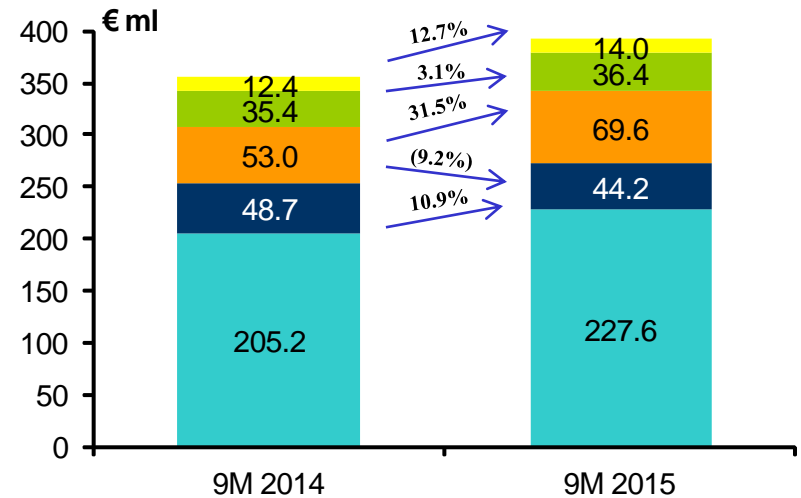
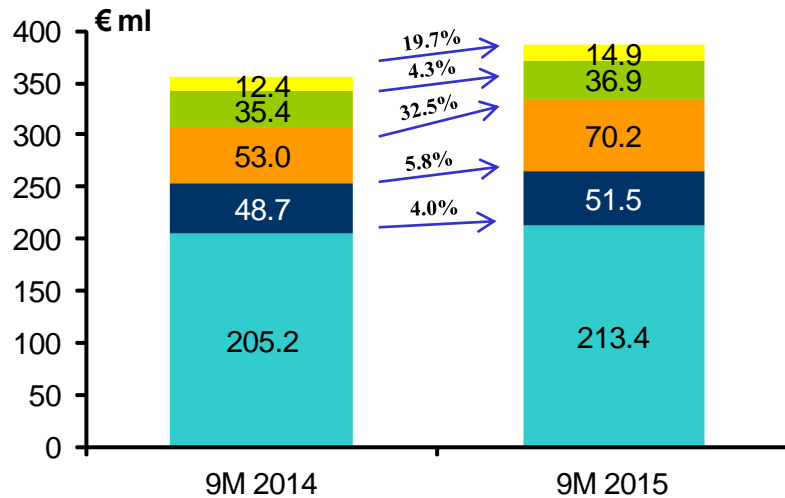
# Net revenue by geographic area

REPORTED

AT COSTANT FX RATE 2014

354.7 **+9.1%** 386.8




354.7 **+10.5%** 391.9



■ Europe 
 ■ Asia 
 ■ Latin and North America 
 ■ Oceania 
 ■ South Africa

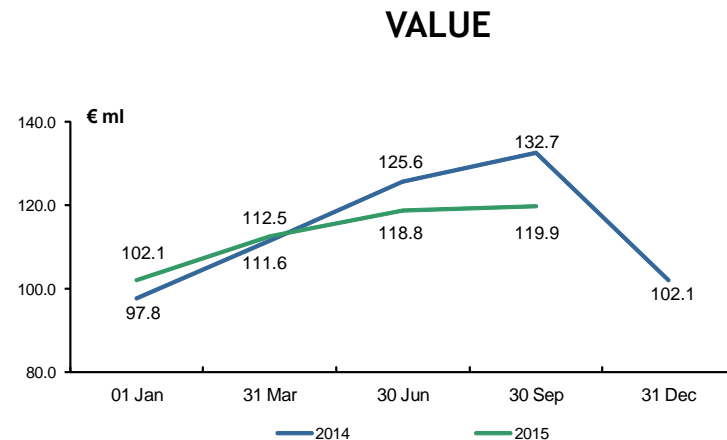
# Cash Flow – sources and uses of funds

€ / mln	1Q	2Q	3Q	9M	1Q	2Q	3Q	9M
	2014	2014	2014	2014	2015	2015	2015	2015
<b>Opening cash and cash equivalents</b>	<b>41.2</b>	<b>31.2</b>	<b>20.4</b>	<b>41.2</b>	<b>35.3</b>	<b>34.3</b>	<b>28.0</b>	<b>35.3</b>
Cash flows generated by/(used in) operating activities	(6.9)	9.4	14.7	17.3	8.9	10.7	15.6	35.3
Cash flows used in investing activities	(11.6)	(9.0)	(8.4)	(29.0)	(8.1)	(5.1)	(4.7)	(17.9)
Cash flows generated by/(used in) financing activities	8.2	(11.0)	(6.0)	(8.8)	(1.8)	(12.0)	(4.5)	(18.2)
<b>Net cash flows for the period</b>	<b>(10.3)</b>	<b>(10.6)</b>	<b>0.4</b>	<b>(20.5)</b>	<b>(1.0)</b>	<b>(6.3)</b>	<b>6.5</b>	<b>(0.9)</b>
Effect of exchange rate fluctuation on cash held	0.3	(0.3)	(0.2)	(0.1)	0.0	0.1	(0.2)	(0.1)
<b>Closing cash and cash equivalents</b>	<b>31.2</b>	<b>20.4</b>	<b>20.6</b>	<b>20.6</b>	<b>34.3</b>	<b>28.0</b>	<b>34.3</b>	<b>34.3</b>

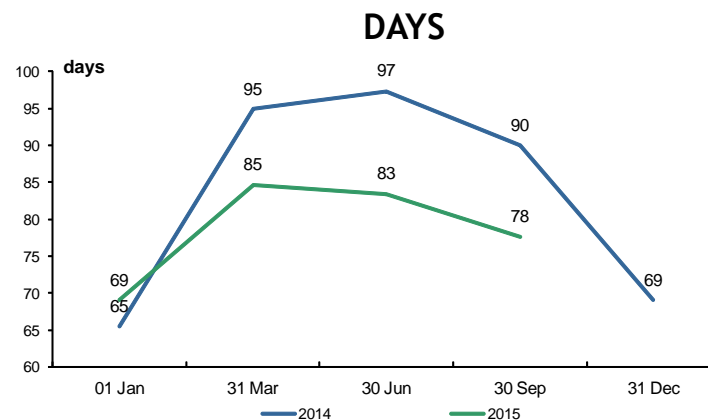
-  **CF operating:** +€18.0 million vs 9M 2014 mainly due to higher EBITDA generated in 9M 2015 (€15.7 million) and to the lower absorption from the variation in net working capital (€ 12.2 million), partly compensated by non-recurring higher cash flow for taxes and for other operating items
-  **CF investing:** +11.1 million due to lower investments compared to 9M 2014.
-  **CF Financing:** -€9.4 million vs 9M 2014 mainly due to lower proceeds from new borrowings (net of repayment of borrowings) for € 11.0 million, partly compensated by lower dividends paid to non-controlling interest (€ 1.3 million).

# Net Working Capital

€ / ml	VALUE				
	As at 31/12/13	As at 30/09/14	As at 31/12/14	As at 30/06/15	As at 30/09/15
Trade receivables	93.1	110.4	92.1	102.7	104.9
Inventories	71.5	82.3	64.3	83.4	79.5
Trade payables	(66.8)	(60.0)	(54.3)	(67.2)	(64.5)
<b>NWC value</b>	<b>97.8</b>	<b>132.7</b>	<b>102.1</b>	<b>118.8</b>	<b>119.9</b>

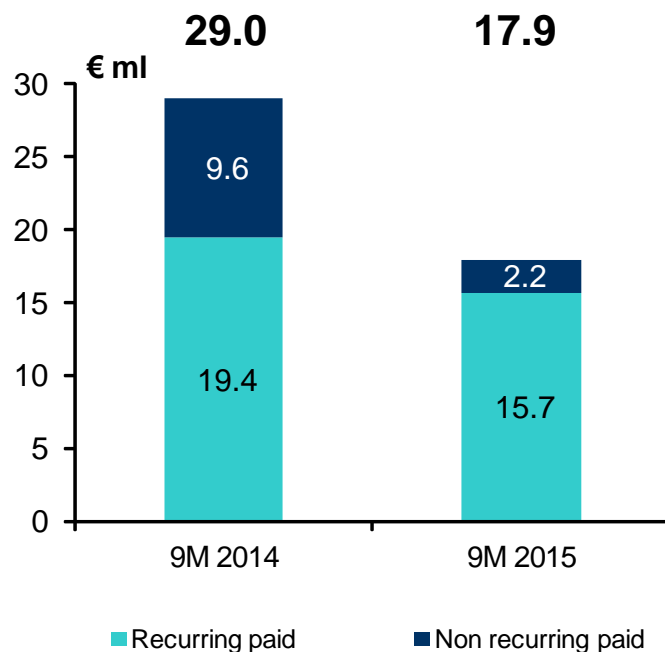


	DAYS				
	As at 31/12/13	As at 30/09/14	As at 31/12/14	As at 30/06/15	As at 30/09/15
Trade receivables	62	75	62	72	68
Inventories	48	56	43	59	51
Trade payables	(45)	(41)	(37)	(47)	(42)
<b>NWC days</b>	<b>65</b>	<b>90</b>	<b>69</b>	<b>83</b>	<b>78</b>





# 9M 2015 - Net Capex paid



## NON RECURRING 2014:

🌐 New product: Brasil (Super DeLuxe + Wave)	€ 2.6 ml
🌐 New building: Poland	€ 2.1 ml
🌐 New technology: Sputtering (Italy, Uk, Ukraine, Mexico):	€ 2.0 ml
🌐 New technology: Ukraine (T.E. Cork)	€ 1.6 ml
🌐 New technology: North America (Design Studio)	€ 0.6 ml
🌐 New technology: Colombia (Bi-inj):	€ 0.5 ml
🌐 New building: Mexico	€ 0.2 ml
🌐 Other:	€ 0.1 ml

## NON RECURRING 2015:

🌐 New technology: Sputtering (Mexico, Italy)	€ 0.9 ml
🌐 New technology: Italy (BPA project)	€ 0.5 ml
🌐 New building: Mexico	€ 0.2 ml
🌐 New building: Poland	€ 0.1 ml
🌐 New technology: Ukraine (T.E. Cork)	€ 0.1 ml
🌐 Other:	€ 0.4 ml

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# Appendix

# P&L – 9M 2015

Thousands of €	1Q 2014	2Q 2014	3Q 2014	9M 2014	4Q 2014	12M 2014	1Q 2015	2Q 2015	3Q 2015	9M 2015
<b>Net revenue</b>	105,883	116,148	132,647	354,677	133,117	487,794	119,680	128,146	139,010	386,836
Change in invent. of finish. and semi-fin. products	9,210	5,734	(5,519)	9,425	(8,402)	1,023	5,465	4,546	(1,652)	8,358
Other operating income	2,508	2,851	1,795	7,154	2,820	9,974	3,165	1,949	2,157	7,271
Costs for raw materials	(53,014)	(55,554)	(56,545)	(165,113)	(54,069)	(219,182)	(56,355)	(60,394)	(60,381)	(177,131)
Costs for services	(21,978)	(21,801)	(21,392)	(65,171)	(20,982)	(86,152)	(22,257)	(23,467)	(22,927)	(68,651)
Personnel expense	(22,837)	(22,868)	(22,748)	(68,453)	(22,266)	(90,719)	(23,059)	(23,717)	(23,229)	(70,005)
Other operating expense	(2,318)	(2,535)	(5,044)	(9,897)	(2,398)	(12,295)	(2,447)	(2,429)	(3,502)	(8,378)
<b>Gross operating profit (EBITDA)</b>	<b>17,455</b>	<b>21,974</b>	<b>23,193</b>	<b>62,622</b>	<b>27,820</b>	<b>90,442</b>	<b>24,191</b>	<b>24,633</b>	<b>29,475</b>	<b>78,300</b>
Amortization, depreciation and impairment losses	(9,218)	(10,027)	(9,511)	(28,756)	(10,640)	(39,396)	(9,293)	(9,628)	(9,078)	(27,999)
<b>Operating profit</b>	<b>8,237</b>	<b>11,947</b>	<b>13,682</b>	<b>33,866</b>	<b>17,180</b>	<b>51,046</b>	<b>14,898</b>	<b>15,005</b>	<b>20,397</b>	<b>50,300</b>
Exchange rate	(709)	1,495	209	995	(2,135)	(1,140)	2,808	(1,956)	(5,619)	(4,767)
Derivatives and other financial items	566	(706)	1,502	1,362	(2,785)	(1,423)	725	(662)	327	390
Net interest expenses	(10,614)	(10,970)	(10,889)	(32,473)	(11,020)	(43,493)	(10,622)	(10,653)	(10,483)	(31,757)
<b>Profit (loss) before taxation</b>	<b>(2,521)</b>	<b>1,766</b>	<b>4,505</b>	<b>3,750</b>	<b>1,239</b>	<b>4,990</b>	<b>7,810</b>	<b>1,734</b>	<b>4,622</b>	<b>14,166</b>
Income taxes	(3,603)	(3,663)	(4,277)	(11,542)	(10,899)	(22,441)	(5,375)	(4,606)	(4,691)	(14,671)
<b>Profit (loss) for the period</b>	<b>(6,124)</b>	<b>(1,896)</b>	<b>228</b>	<b>(7,792)</b>	<b>(9,659)</b>	<b>(17,452)</b>	<b>2,435</b>	<b>(2,871)</b>	<b>(69)</b>	<b>(505)</b>
<b>Gross operating profit (EBITDA) - ADJUSTED</b>	<b>17,806</b>	<b>22,392</b>	<b>27,153</b>	<b>67,351</b>	<b>28,403</b>	<b>95,754</b>	<b>24,472</b>	<b>24,922</b>	<b>30,977</b>	<b>80,370</b>
<i>EBITDA ADJUSTED % on Net revenue</i>	16.8%	19.3%	20.5%	19.0%	21.3%	19.6%	20.4%	19.4%	22.3%	20.8%

# Balance Sheet – as at September 30, 2015

Thousands of €	As at December 31, 2013	As at September 30, 2014	As at December 31, 2014	As at September 30, 2015
Intangible assets	397,418	389,138	385,554	379,364
Property, plant and equipment	205,878	208,961	202,825	187,370
Net working capital	97,775	132,665	102,070	119,933
Net financial derivative liabilities	(4,982)	(2,329)	(2,970)	(1,285)
Employee benefits	(6,835)	(7,501)	(7,318)	(7,155)
Other assets/liabilities	(32,548)	(36,014)	(36,435)	(29,669)
<b>Net invested capital</b>	<b>656,705</b>	<b>684,920</b>	<b>643,727</b>	<b>648,557</b>
<i>Financed by:</i>				
Net financial liabilities	522,168	551,366	542,931	560,230
Cash and cash equivalents	(41,197)	(20,599)	(35,273)	(34,265)
<b>Net financial indebtedness</b>	<b>480,972</b>	<b>530,766</b>	<b>507,658</b>	<b>525,965</b>
<b>Consolidated equity</b>	<b>175,734</b>	<b>154,154</b>	<b>136,069</b>	<b>122,591</b>
<b>Sources of financing</b>	<b>656,705</b>	<b>684,920</b>	<b>643,727</b>	<b>648,557</b>

# Cash Flow – 9M 2015

Thousands of €	1Q 2014	2Q 2014	3Q 2014	9M 2014	4Q 2014	12M 2014	1Q 2015	2Q 2015	3Q 2015	9M 2015
<b>Opening cash and cash equivalents</b>	<b>41,197</b>	<b>31,221</b>	<b>20,373</b>	<b>41,197</b>	<b>20,599</b>	<b>41,197</b>	<b>35,273</b>	<b>34,250</b>	<b>28,049</b>	<b>35,273</b>
<b>A) Cash flows generated by operating activities</b>										
Profit (loss) before taxation	(2,521)	1,766	4,505	3,750	1,239	4,990	7,810	1,734	4,622	14,166
Amortization, depreciation and impairment	9,218	10,027	9,511	28,756	10,640	39,396	9,293	9,628	9,078	27,999
Net finance costs	10,757	10,182	9,176	30,115	15,941	46,056	7,089	13,270	15,776	36,135
Change in:										
Receivables, payables and inventory	(17,032)	(12,860)	(5,442)	(35,334)	25,789	(9,544)	(7,872)	(8,708)	(6,509)	(23,088)
Other	(1,234)	3,468	2,683	4,917	(5,085)	(169)	540	777	(337)	980
VAT and indirect tax assets/liabilities	(1,425)	1,145	(450)	(730)	2,347	1,616	(1,756)	259	(1,785)	(3,282)
Income taxes paid	(4,630)	(4,312)	(5,256)	(14,199)	(7,008)	(21,207)	(6,217)	(6,230)	(5,211)	(17,657)
<b>TOTAL A)</b>	<b>(6,867)</b>	<b>9,416</b>	<b>14,726</b>	<b>17,276</b>	<b>43,863</b>	<b>61,138</b>	<b>8,887</b>	<b>10,732</b>	<b>15,634</b>	<b>35,253</b>
<b>B) Cash flows used in investing activities</b>										
Acquisitions of property, plant and equipment and intangible assets	(11,837)	(8,807)	(8,477)	(29,122)	(4,726)	(33,848)	(8,128)	(5,075)	(4,767)	(17,971)
Proceeds from sale of property, plant and equipment and intangibles	189	(183)	120	126	223	350	6	23	39	67
Change in non-current assets classified as held for sale		8	-	8	-	8		-	-	-
<b>TOTAL B)</b>	<b>(11,648)</b>	<b>(8,982)</b>	<b>(8,357)</b>	<b>(28,987)</b>	<b>(4,503)</b>	<b>(33,490)</b>	<b>(8,123)</b>	<b>(5,053)</b>	<b>(4,729)</b>	<b>(17,904)</b>
<b>C) Cash flows generated by/used in financing activities</b>										
Acquisition of non-controlling interest in Guala Closures China					(224)	(224)	-	-		
Acquisition of non-controlling interest in Guala Closures Argentina		(81)	(341)	(421)	(609)	(1,030)	-	(319)	(371)	(689)
Financial income and expense	(5,916)	(14,301)	(6,259)	(26,477)	(14,595)	(41,072)	(5,893)	(14,018)	(5,684)	(25,595)
Other financial items	(384)	(351)	317	(418)	542	123	57	(189)	(572)	(703)
Dividends paid	(454)	(2,925)	(563)	(3,941)	(2,614)	(6,555)	(206)	(519)	(1,906)	(2,632)
Proceeds from new borrowings	16,242	7,845	2,156	26,242	9,078	35,320	5,889	4,781	5,083	15,753
Repayment of borrowings	(1,251)	(1,179)	(1,335)	(3,764)	(16,513)	(20,277)	(1,680)	(1,565)	(994)	(4,240)
Change in financial assets	(5)	(10)	42	27	36	63	44	(170)	(7)	(134)
<b>TOTAL C)</b>	<b>8,232</b>	<b>(11,001)</b>	<b>(5,983)</b>	<b>(8,753)</b>	<b>(24,900)</b>	<b>(33,653)</b>	<b>(1,789)</b>	<b>(11,999)</b>	<b>(4,452)</b>	<b>(18,241)</b>
<b>D) Net cash flows for the period (A+B+C)</b>	<b>(10,283)</b>	<b>(10,567)</b>	<b>385</b>	<b>(20,465)</b>	<b>14,460</b>	<b>(6,005)</b>	<b>(1,025)</b>	<b>(6,320)</b>	<b>6,453</b>	<b>(892)</b>
Effect of exchange rate fluctuation on cash held	307	(281)	(159)	(133)	214	81	2	119	(237)	(115)
<b>Closing cash and cash equivalents</b>	<b>31,221</b>	<b>20,373</b>	<b>20,599</b>	<b>20,599</b>	<b>35,273</b>	<b>35,273</b>	<b>34,250</b>	<b>28,049</b>	<b>34,265</b>	<b>34,265</b>