

GCL Holdings Group

Company presentation 1H 2013 results

Alessandria, September 13, 2013

Forward-looking statements

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.

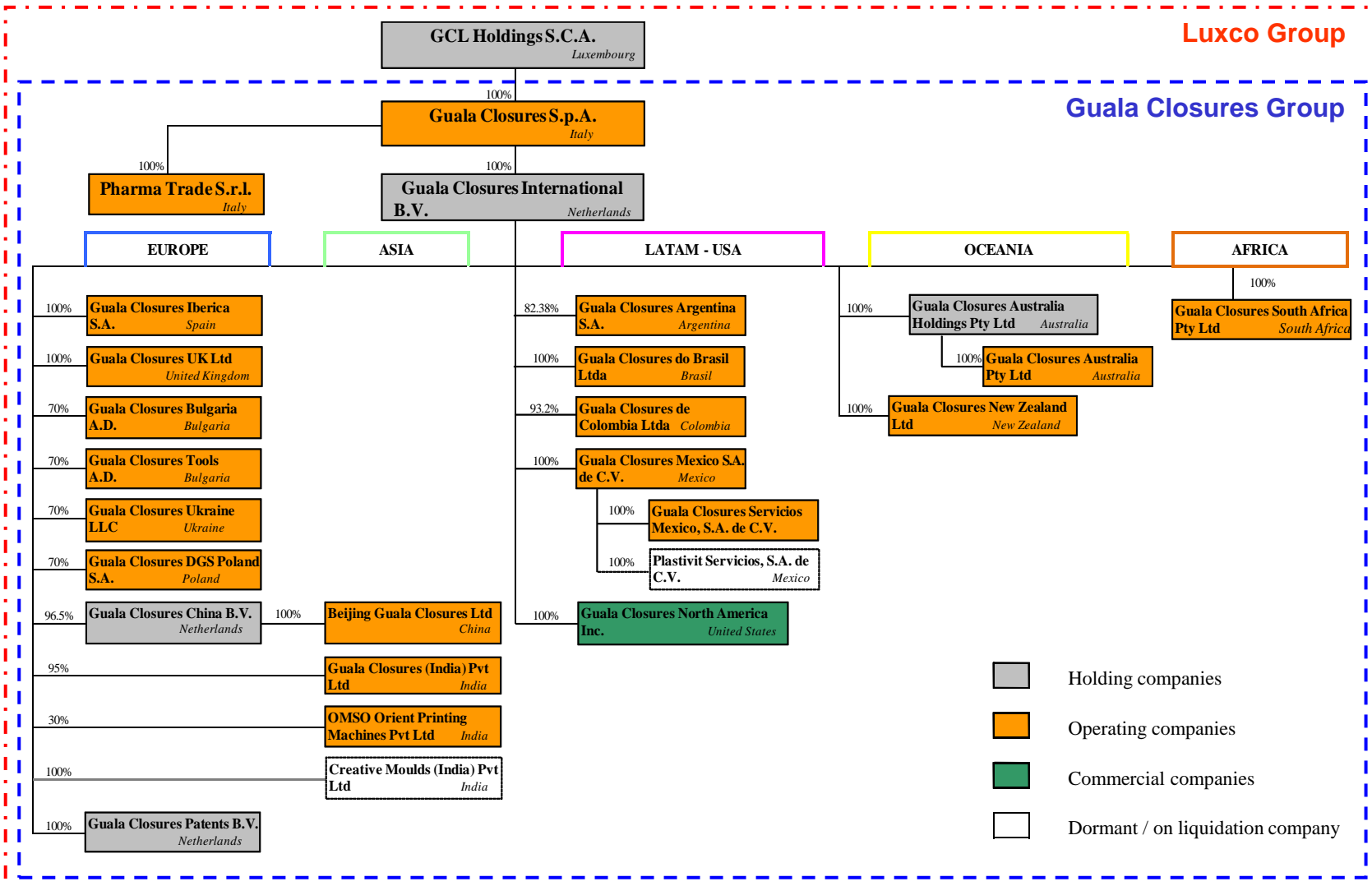
By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future.

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.

The Company undertakes no obligation to publicly update or publicly revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written or verbal forward-looking statements attributable to the Company or to persons acting on the Company’s behalf are qualified in their entirety by the cautionary statements referred to above.


Group chart as at June 30, 2013



Key trends: group currencies

Exchange rate trend (1 € = x FC) P&L	Average 1H12	Average 1H13	Var % vs 1H12
US Dollar	1.2968	1.3135	1.3%
GB Pounds	0.8225	0.8512	3.5%
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	10.4061	10.6177	2.0%
Poland Zloty	4.2443	4.1781	(1.6%)
China Renmimbi	8.1918	8.1294	(0.8%)
Indian Rupia	67.6101	72.3070	6.9%
Argentinian Peso	5.6929	6.7326	18.3%
Brazilian Real	2.4151	2.6688	10.5%
Colombian Peso	2324.57	2400.12	3.3%
Mexican Peso	17.1867	16.5057	(4.0%)
Australian Dollar	1.2560	1.2966	3.2%
New Zealand Dollar	1.6129	1.5878	(1.6%)
South Africa Rand	n.a.	12.1233	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 2012 (except PLN, CNY, MXP and NZD)

Key trends: group currencies

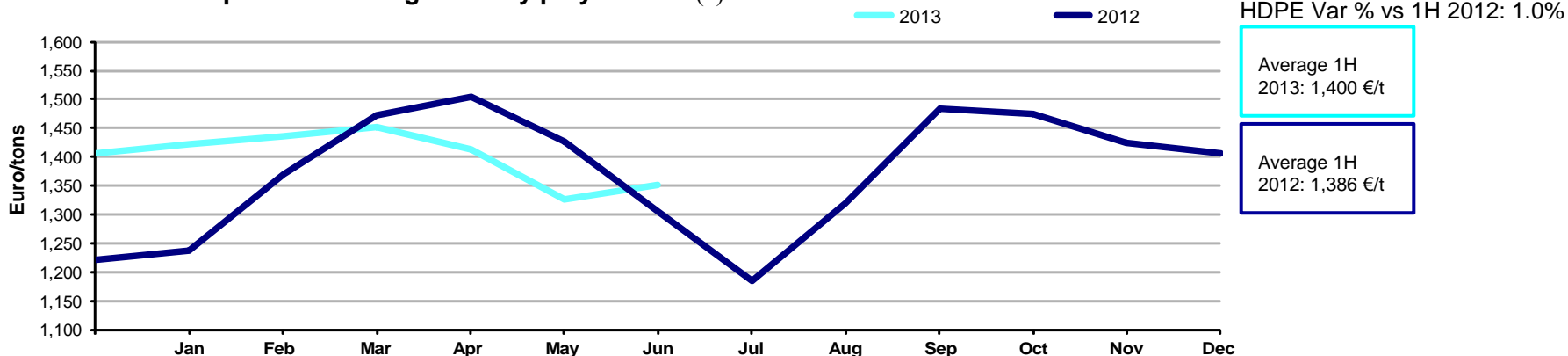
Exchange rate trend (1 € = x FC) BS	Dec 31, 2012	Jun 30, 2013	Var % vs Dec 12
US Dollar	1.3194	1.3080	(0.9%)
GB Pounds	0.8161	0.8572	5.0%
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	10.5836	10.5599	(0.2%)
Poland Zloty	4.0740	4.3376	6.5%
China Renmimbi	8.2207	8.0280	(2.3%)
Indian Rupia	72.5600	77.7210	7.1%
Argentinian Peso	6.4864	7.0403	8.5%
Brazilian Real	2.7036	2.8899	6.9%
Colombian Peso	2331.23	2522.88	8.2%
Mexican Peso	17.1845	17.0413	(0.8%)
Australian Dollar	1.2712	1.4171	11.5%
New Zealand Dollar	1.6045	1.6792	4.7%
South Africa Rand	11.1727	13.0704	17.0%

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

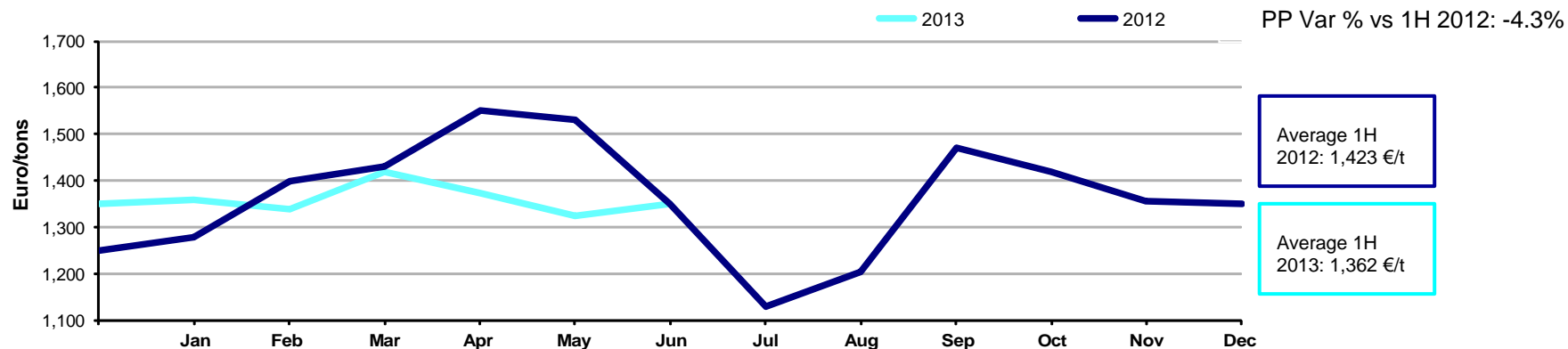
 Revaluation of euro vs main group currencies compared to 2012 (except USD, UAH, CNY and MXP)

Key trends: raw materials – plastics

Plastic price trend - High density polyethylene (*)

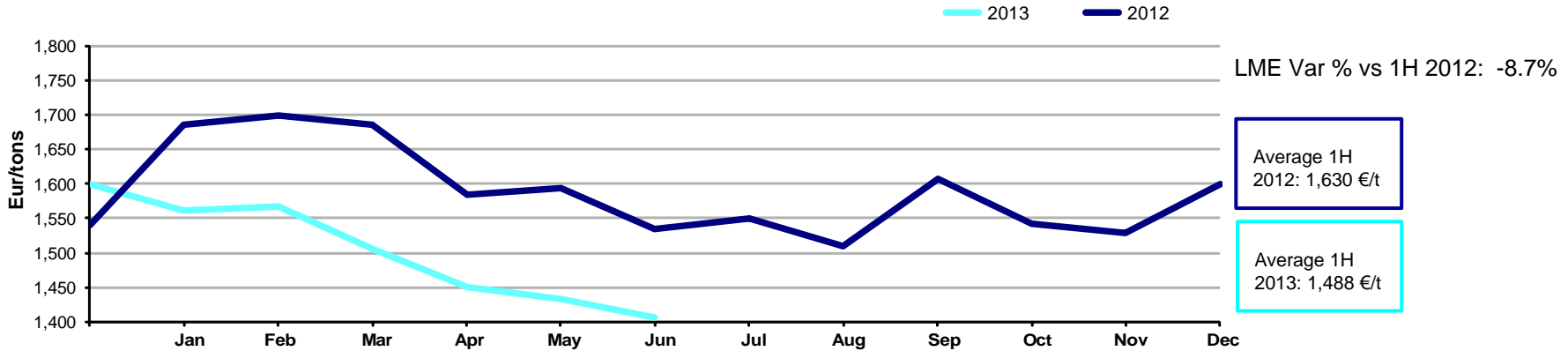


Plastic price trend – Polypropylene, homopolymer (*)



Key trends: raw materials - aluminum

Aluminum price trend (LME €/tons)



1H 2013 – Financial snapshot

€ / ml	1Q 12 (*)	2Q 12 (°)	1H 12 (°)		1Q 13	2Q 13	1H 13	Var % 1H 13 vs 1H 12
Revenues	111.7	119.5	231.2		110.6	120.6	231.2	0.03%
EBITDA	16.0	21.8	37.7		18.1	23.5	41.6	10.3%
% margin	14.3%	18.2%	16.3%		16.4%	19.5%	18.0%	
Adjusted EBITDA	19.4	22.7	42.1		18.4	23.5	41.9	(0.5%)
% margin	17.4%	19.0%	18.2%		16.6%	19.5%	18.1%	
EBIT	6.7	12.2	18.9		8.0	13.3	21.4	13.0%
% margin	6.0%	10.2%	8.2%		7.3%	11.1%	9.2%	
Net result	(4.5)	(7.1)	(11.6)		(5.8)	(6.8)	(12.6)	(8.5%)
% margin	(4.0%)	(5.9%)	(5.0%)		(5.2%)	(5.7%)	(5.4%)	

€ / ml	As at Dec 31, 2011	As at Mar 31, 2012	As at Jun 30, 2012		As at Dec 31, 2012	As at Mar 31, 2013	As at Jun 30, 2013
NWC	92.3	103.6	96.1		101.0	103.9	105.8
NWC days	67	83	72		65	85	79
Net debt	439.4	458.3	451.2		460.8	471.5	488.1

(*) The 1Q 12 figures have been restated on Jun 2012 to reflect the adjustments to provisional fair values originally recognized for the acquisition of Guala Closures DGS Poland S.A.

(°) Following the retrospective application of the amendment to IAS 19 from January 1, 2013, the figures reported for the 2Q and 1H 2012 have been restated for comparative purposes as required by IAS 1

1H 2013 – Operating and financial review

NET REVENUE

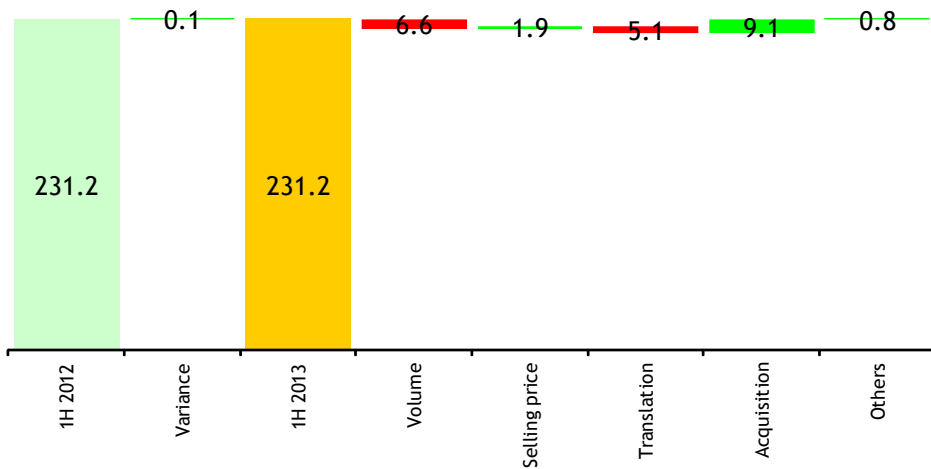
- 🌐 Net revenue stable on 1H 2012
- 🌐 At constant FX rates, net revenue up €5.1 million (+2.2%) vs 1H 2012, of which:
 - 1.7% organic
 - +3.9% from acquisitions (South Africa business)
- 🌐 Unfavorable volume impact, mainly due to China market (impacting production in Europe and China)
- 🌐 Increase in sales selling price driven by Argentina, India and Colombia

ADJUSTED EBITDA

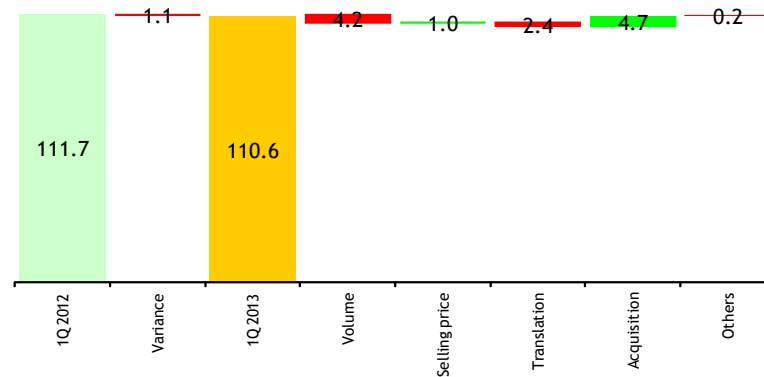
- 🌐 Adjusted EBITDA down €0.2 million (-0.5 %) vs 1H 2012
- 🌐 At constant FX rates, Adjusted EBITDA up € 1.0 million
- 🌐 Adjusted EBITDA 1H 2013 in line with previous period thanks to positive impact of selling price and from change in perimeter
- 🌐 EBITDA 2013 adjusted by €0.3 million (rationalization and other costs)

1H 2013 - Sales Bridges

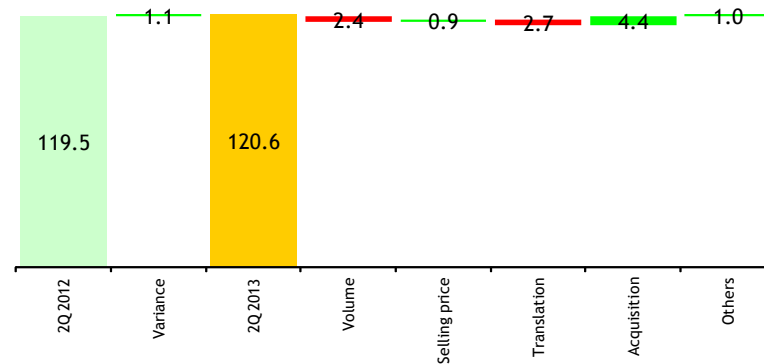
1H 2012 – 1H 2013



1Q 2012 – 1Q 2013

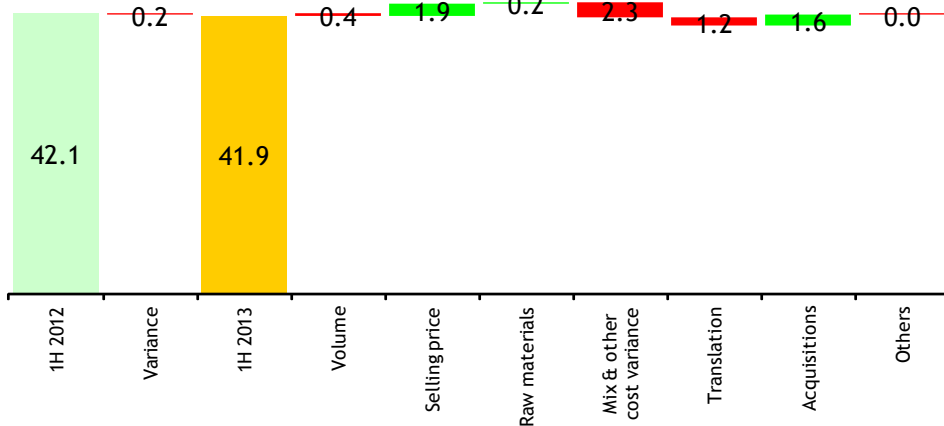


2Q 2012 – 2Q 2013

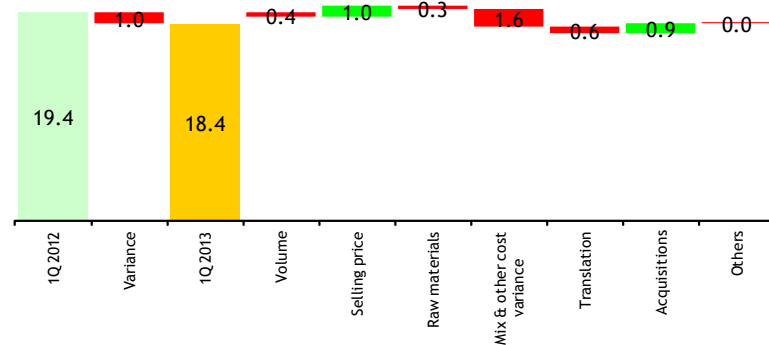


1H 2013 – Adjusted EBITDA Bridge

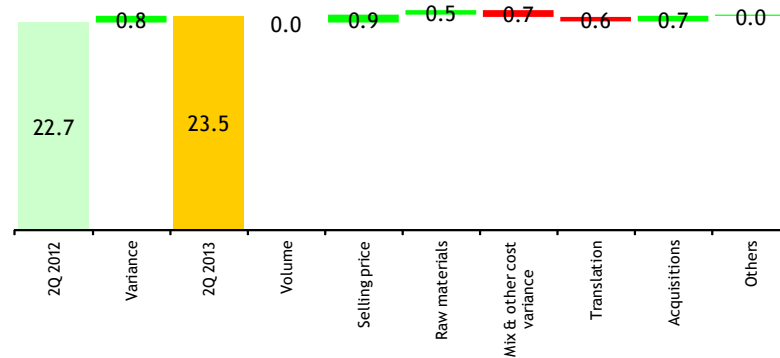
1H 2012 – 1H 2013



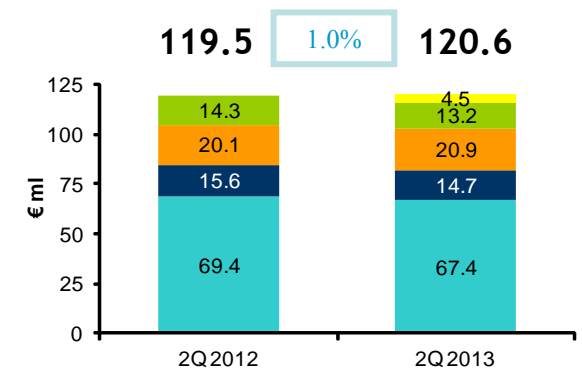
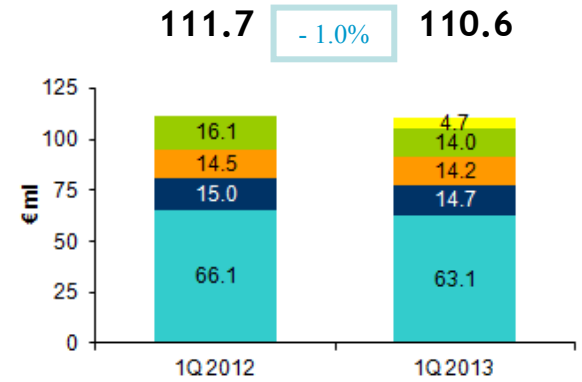
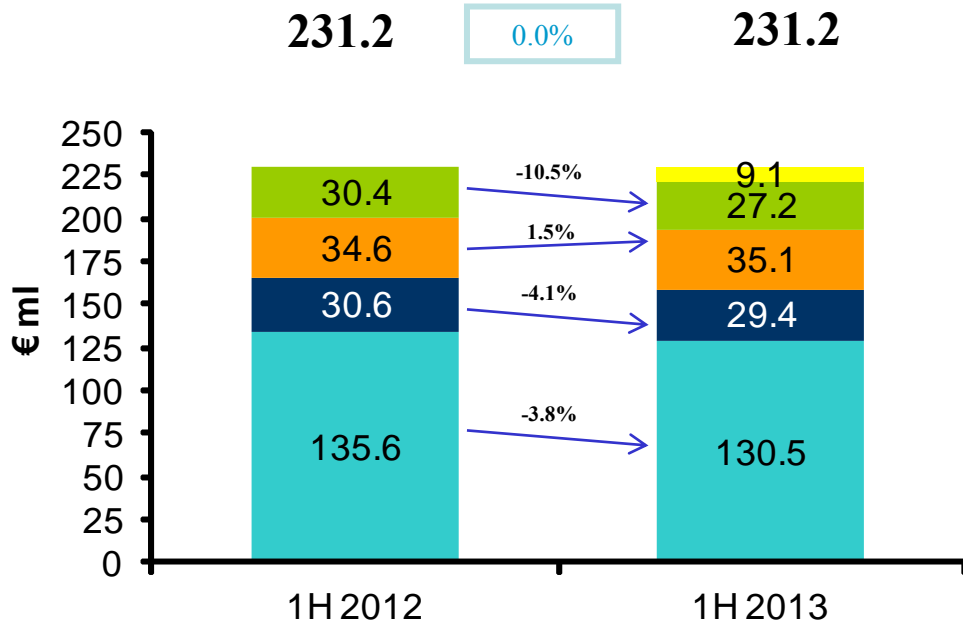
1Q 2012 – 1Q 2013



2Q 2012 – 2Q 2013






Net revenue by geographic area



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

Cash Flow – sources and uses of funds

€ / mln	1Q	2Q	1H	1Q	2Q	1H
	2012	2012	2012	2013	2012	2013
Opening cash and cash equivalents	65.5	48.1	65.5	58.5	53.7	58.5
Cash flow generated by operating activities	(2.6)	28.0	25.5	8.4	9.8	18.2
Cash flow used in investing activities	(8.2)	(3.0)	(11.2)	(7.0)	(7.9)	(14.9)
Cash flow generated by/(used in) financing activities	(7.3)	(19.0)	(26.3)	(6.8)	(22.0)	(28.8)
Net cash flows for the period	(18.1)	6.1	(12.0)	(5.4)	(20.1)	(25.5)
Effect of exchange rate fluctuation on cash held	0.7	(0.4)	0.3	0.6	(1.7)	(1.1)
Closing cash and cash equivalents	48.1	53.7	53.7	53.7	31.9	31.9

-  CF operating: -€7.3 million vs 1H 2012 mainly due to the fact that the higher EBITDA has been absorbed from higher change in net working capital.
-  CF investing: -€3.7 million vs 1H 2012 mainly due to the investments made for new technologies in Italy, the United Kingdom, Ukraine and Colombia. The cash flow used in investing activities benefited from the € 1.2 million collection of the income tax reimbursement in Poland that has to be refund to the previous owner of DGS in the next months.
-  CF financing: -€2.5 million vs 1H 2012 mainly due to higher dividends paid in 1H 2013 (€ 3.8 million) and higher payment of transaction costs on bond (€3.1 million), partially compensated by lower new repayment of borrowings (€ 1.5 million).

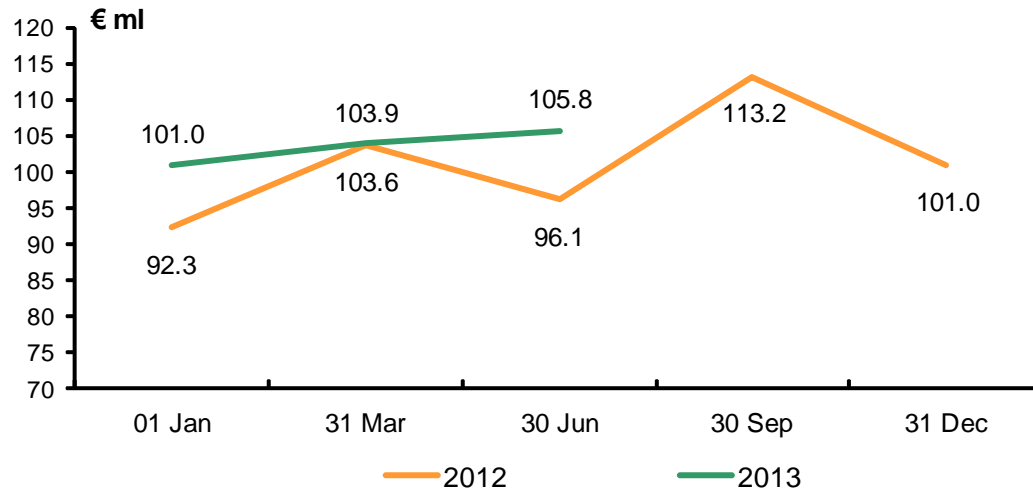
Net Working Capital

€ / ml	VALUE				
	As at 31/12/11	As at 30/06/12	As at 31/12/12	As at 31/03/13	As at 30/06/13
Trade receivables	96.0	100.9	99.6	94.2	96.6
Inventories	58.0	64.1	63.6	73.2	76.0
Trade payables	(61.7)	(68.9)	(62.3)	(63.5)	(66.8)
NWC value	92.3	96.1	101.0	103.9	105.8

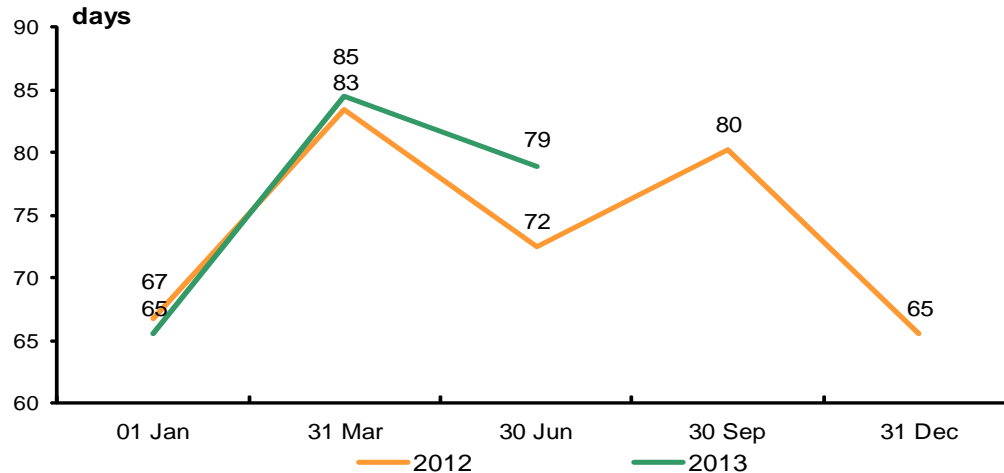
	DAYS				
	As at 31/12/11	As at 30/06/12	As at 31/12/12	As at 31/03/13	As at 30/06/13
Trade receivables	69	76	65	77	72
Inventories	42	48	41	60	57
Trade payables	(45)	(52)	(40)	(52)	(50)
NWC days	67	72	65	85	79

Net Working Capital trend

VALUE



DAYS



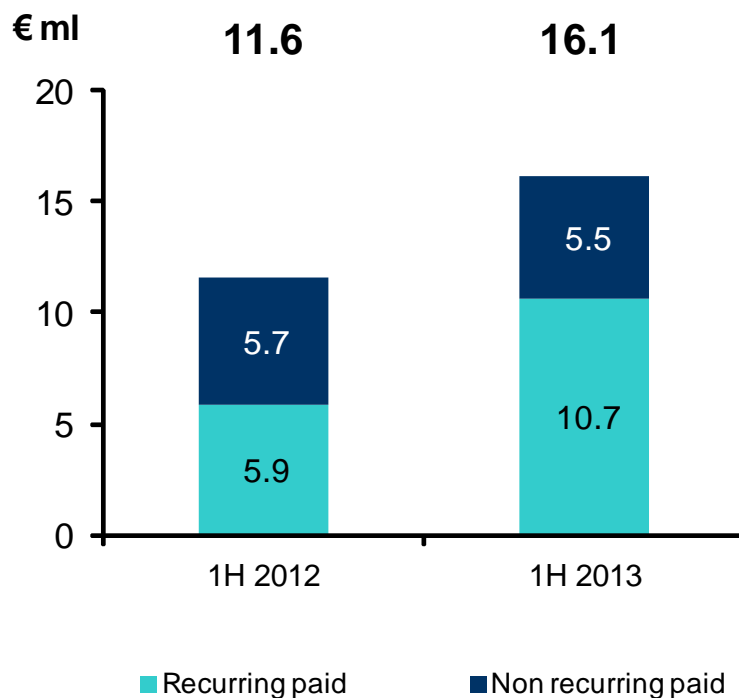
1H 2013 - Net Capex paid

NON RECURRING 2012:

🌐	Magenta:	€ 2.4 ml
🌐	India:	€ 0.8 ml
🌐	Ukraine :	€ 0.4 ml
🌐	ASA Australia :	€ 1.6 ml
🌐	Other:	€ 0.5 ml

NON RECURRING 2013:

🌐	Sputtering Tecn.:	€ 2.5 ml
🌐	Colombia (Bi-inj) :	€ 1.0 ml
🌐	Mexico (build exp):	€ 0.4 ml
🌐	Ukraine:	€ 0.2 ml
🌐	India:	€ 0.1 ml
🌐	Other:	€ 1.2 ml



Appendix

P&L – 1H 2013

Thousands of €	1Q 2012 (*)	2Q 2012 (°)	1H 2012 (°)	1Q 2013	2Q 2013	1H 2013
Net revenue	111,714	119,469	231,183	110,635	120,609	231,244
Change in inventories of finished and semi-finished products	3,600	1,125	4,725	4,146	4,205	8,351
Other operating income	1,422	1,724	3,146	1,835	1,972	3,807
Costs for raw materials	(51,075)	(52,047)	(103,122)	(49,017)	(53,877)	(102,894)
Costs for services	(22,311)	(23,295)	(45,607)	(23,989)	(24,072)	(48,061)
Personnel expense	(21,668)	(22,141)	(43,809)	(22,996)	(23,273)	(46,269)
Other operating expense	(5,707)	(3,076)	(8,784)	(2,510)	(2,045)	(4,555)
Gross operating profit (EBITDA)	15,974	21,758	37,732	18,104	23,519	41,624
Amortization, depreciation and impairment losses	(9,274)	(9,543)	(18,817)	(10,069)	(10,191)	(20,259)
Operating profit	6,700	12,214	18,915	8,036	13,329	21,364
Exchange rate	1,970	(4,259)	(2,289)	(161)	(6,076)	(6,237)
Derivatives and other financial items	(15)	(993)	(1,007)	469	(1,097)	(628)
Net interest expenses	(9,466)	(9,806)	(19,272)	(10,419)	(10,551)	(20,970)
Profit (loss) before taxation	(811)	(2,843)	(3,654)	(2,076)	(4,395)	(6,471)
Income taxes	(3,689)	(4,260)	(7,949)	(3,697)	(2,424)	(6,121)
Profit (loss) for the period	(4,501)	(7,103)	(11,604)	(5,773)	(6,819)	(12,592)
Gross operating profit (EBITDA) - ADJUSTED	19,405	22,674	42,080	18,393	23,481	41,875
<i>EBITDA ADJUSTED % on Net revenue</i>	17.4%	19.0%	18.2%	16.6%	19.5%	18.1%

(*) The consolidated figures for the 1Q 2012 have been restated on Jun 2012 to reflect the adjustments to provisional fair values originally recognized for the acquisition of Guala Closures DGS Poland S.A.

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Balance Sheet – as at June 30, 2013

Thousands of €	As at Dec 31, 2011 (*)	As at March 31, 2012 (*)	As at June 30, 2012	As at Dec 31, 2012	As at June 30, 2013
Intangible assets	405,453	402,467	403,822	405,927	400,001
Property, plant and equipment	212,185	213,362	210,013	219,467	214,114
Net working capital	92,253	103,634	96,119	100,965	105,760
Net financial derivative liabilities	(4,892)	(5,026)	(6,635)	(6,393)	(5,677)
Employee benefits	(6,965)	(6,984)	(7,684)	(8,429)	(7,381)
Other assets/liabilities	(28,672)	(24,220)	(27,996)	(43,333)	(38,358)
Net invested capital	669,363	683,233	667,638	668,203	668,458
Financed by:					
Net financial liabilities	504,846	506,378	504,930	519,257	520,004
Cash and cash equivalents	(65,479)	(48,059)	(53,716)	(58,474)	(31,903)
Net financial indebtedness	439,367	458,319	451,215	460,784	488,102
Consolidated equity	229,996	228,031	216,424	207,420	180,357
Sources of financing	669,363	686,350	667,638	668,203	668,458

(*) The consolidated figures for the Dec 2011 and Mar 2012 have been restated on Jun 2012 to reflect the adjustments to provisional fair values originally recognized for the acquisition of Guala Closures DGS Poland S.A.

Cash Flow – 1H 2013

Thousands of €	1Q 2012 (*)	2Q 2012 (*)	1H 2012 (*)	1Q 2013	2Q 2013	1H 2013
Opening cash and cash equivalents	65,479	48,058	65,479	58,474	53,669	58,474
A) Cash flows generated by operating activities						
Profit (loss) before taxation	(811)	(2,843)	(3,654)	(2,076)	(4,395)	(6,471)
Amortization, depreciation and impairment	9,274	9,543	18,817	10,069	10,191	20,259
Net finance costs	7,512	15,058	22,569	10,111	17,724	27,835
Change in:						
Receivables, payables and inventory	(10,410)	8,911	(1,499)	(1,728)	(8,154)	(9,882)
Other	(877)	581	(296)	(1,755)	(810)	(2,564)
VAT and indirect tax assets/liabilities	(1,860)	87	(1,773)	(2,145)	53	(2,092)
Income taxes paid	(5,399)	(3,304)	(8,702)	(4,100)	(4,787)	(8,886)
TOTAL A)	(2,571)	28,033	25,462	8,377	9,822	18,199
B) Cash flows used in investing activities						
Acquisitions of property, plant and equipment and intangible assets	(9,189)	(3,031)	(12,220)	(7,001)	(9,117)	(16,118)
Proceeds from sale of property, plant and equipment and intangibles	623	42	665	(3)	6	3
Change in non-current assets classified as held for sale	0	0	0	-	-	-
Disposal Aereosol business	325	(0)	325	-	-	-
Acquisition of South Africa	-	-	-	-	-	-
Subsequent measurement DGS acquisition	-	-	-	-	1,177	1,177
TOTAL B)	(8,241)	(2,989)	(11,230)	(7,004)	(7,934)	(14,938)
C) Cash flows generated by/used in financing activities						
Financial income and expense	(8,060)	(10,163)	(18,223)	(5,483)	(14,360)	(19,843)
Payment of transaction cost on Bond	-	-	-	(1,786)	(1,401)	(3,187)
Other financial items	12	(755)	(743)	109	(207)	(98)
Dividends paid	(1,223)	(86)	(1,310)	(499)	(4,579)	(5,078)
Proceeds from issue of share capital	122	(0)	122	-	-	-
Proceeds from new borrowings	3,500	-	3,500	2,161	(161)	2,000
Repayment of borrowings	(1,625)	(8,011)	(9,635)	(1,243)	(1,340)	(2,583)
Change in financial assets	(8)	28	20	(29)	53	24
TOTAL C)	(7,283)	(18,987)	(26,270)	(6,771)	(21,994)	(28,765)
D) Net cash flow for the period (A+B+C)	(18,096)	6,058	(12,038)	(5,398)	(20,106)	(25,504)
Effect of exchange rate fluctuation on cash held	674	(399)	275	594	(1,660)	(1,067)
Closing cash and cash equivalents	48,058	53,716	53,716	53,669	31,903	31,903

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