

GCL Holdings Group

Company presentation 1Q 2015 results

May 29, 2015

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.

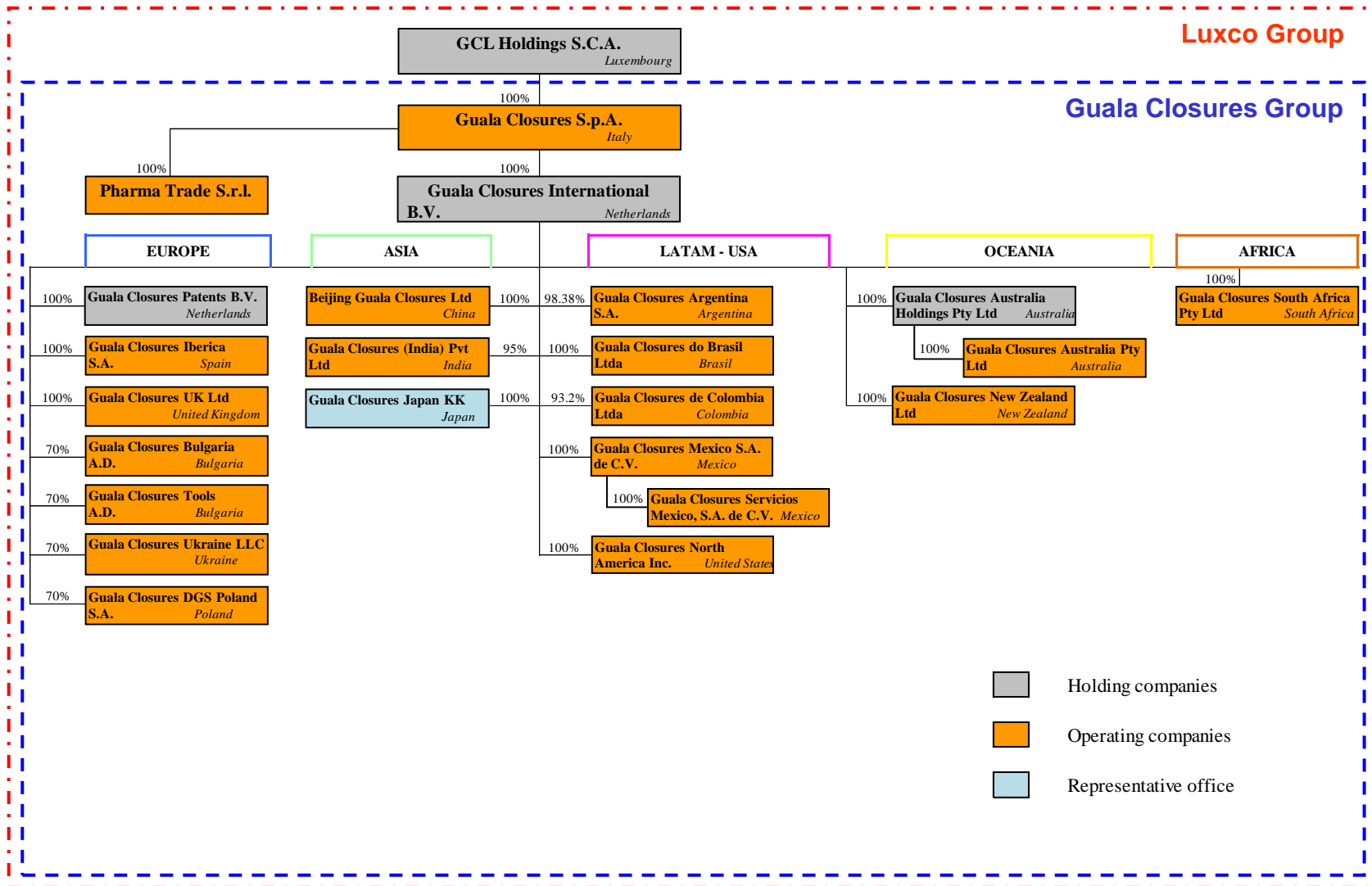
By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future.

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.


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Group chart as at March 31, 2015



2015 Key financial events

FEB

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

Key trends: group currencies

Exchange rate trend (1 € = x FC) P&L	Average 1Q14	Average 1Q15	Var % vs 1Q14
US Dollar	1.3697	1.1270	(17.7%)
GB Pounds	0.8278	0.7436	(10.2%)
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	12.5384	23.9846	91.3%
Poland Zloty	4.1842	4.1934	0.2%
China Renmimbi	8.3587	7.0284	(15.9%)
Indian Rupia	84.5864	70.1295	(17.1%)
Argentinian Peso	10.4366	9.7857	(6.2%)
Brazilian Real	3.2402	3.2204	(0.6%)
Colombian Peso	2749.45	2780.69	1.1%
Mexican Peso	18.1324	16.8344	(7.2%)
Australian Dollar	1.5272	1.4322	(6.2%)
New Zealand Dollar	1.6372	1.4985	(8.5%)
South Africa Rand	14.8892	13.2295	(11.1%)
Japan Yen	141.4800	134.1887	(5.2%)

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



Devaluation of euro vs main group currencies compared to 1Q 2014 (except UAH, PLN and COP)

Key trends: group currencies

Exchange rate trend (1 € = x FC) BS	Dec 31, 2014	Mar 31, 2015	Var % vs Dec 14
US Dollar	1.2141	1.0759	(11.4%)
GB Pounds	0.7789	0.7273	(6.6%)
Lev Bulgaria	1.9558	1.9558	-
Ukraine Hryvnia	19.2060	25.2501	31.5%
Poland Zloty	4.2732	4.0854	(4.4%)
China Renmimbi	7.5358	6.6710	(11.5%)
Indian Rupia	76.7190	67.2738	(12.3%)
Argentinian Peso	10.2755	9.4845	(7.7%)
Brazilian Real	3.2207	3.4958	8.5%
Colombian Peso	2892.26	2771.71	(4.2%)
Mexican Peso	17.8679	16.5124	(7.6%)
Australian Dollar	1.4829	1.4154	(4.6%)
New Zealand Dollar	1.5525	1.4388	(7.3%)
South Africa Rand	14.0353	13.1324	(6.4%)
Japan Yen	145.2300	128.9500	(11.2%)

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

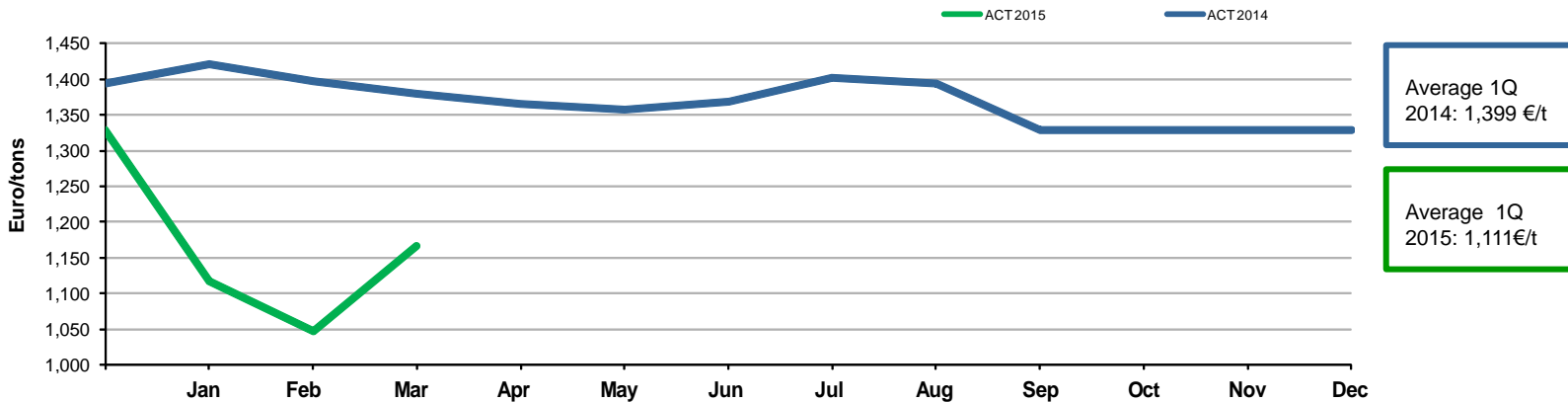


Devaluation of euro vs main group currencies compared to 2014 (except UAH and BRL)

Key trends: raw materials – plastics – Europe

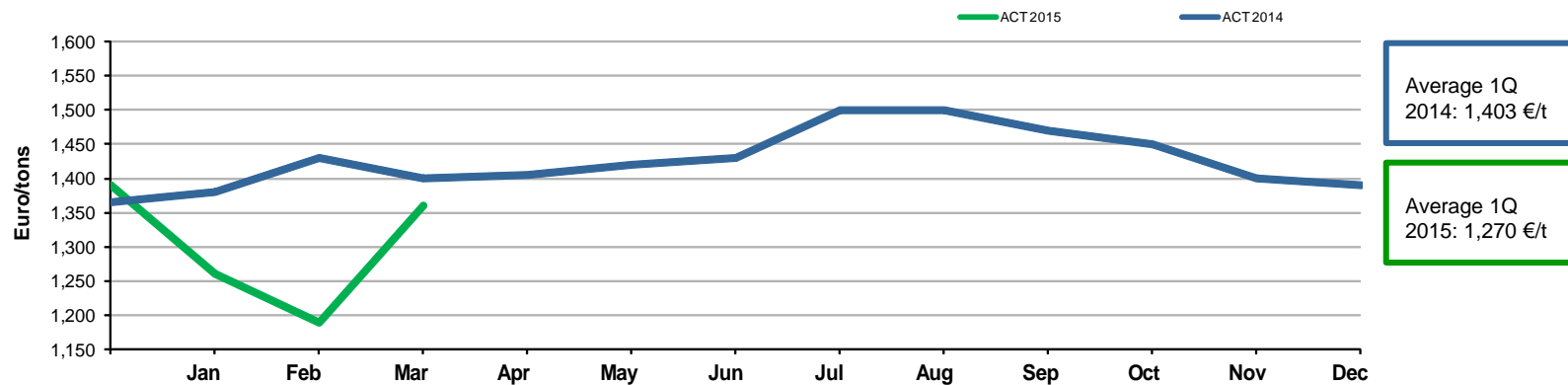
Plastic price trend - High density polyethylene

HDPE Var % vs 1Q 2014: (20.6%)



Plastic price trend – Polypropylene, homopolymer

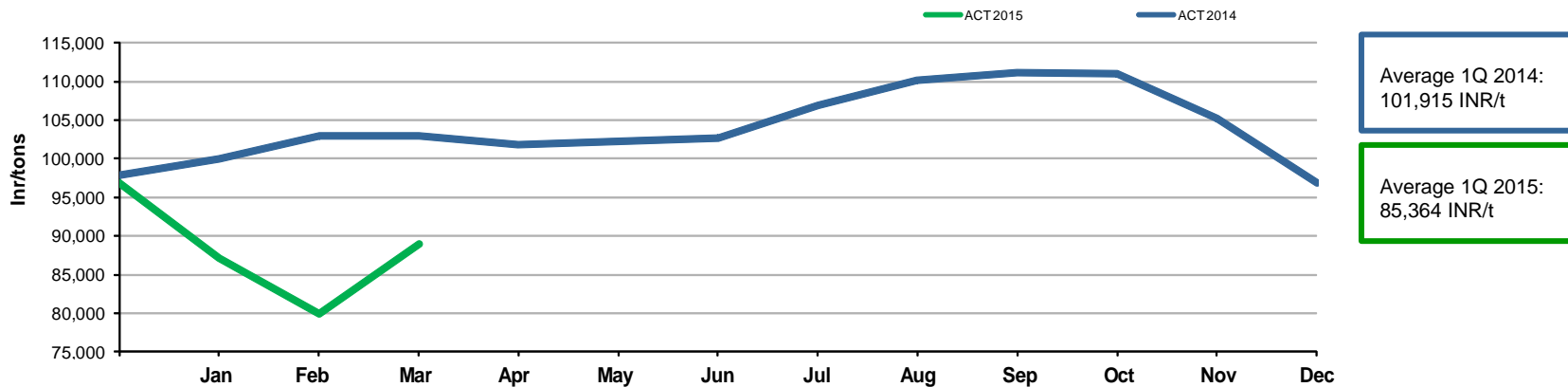
PP Var % vs 1Q 2014: (9.5%)



Key trends: raw materials – plastics - India

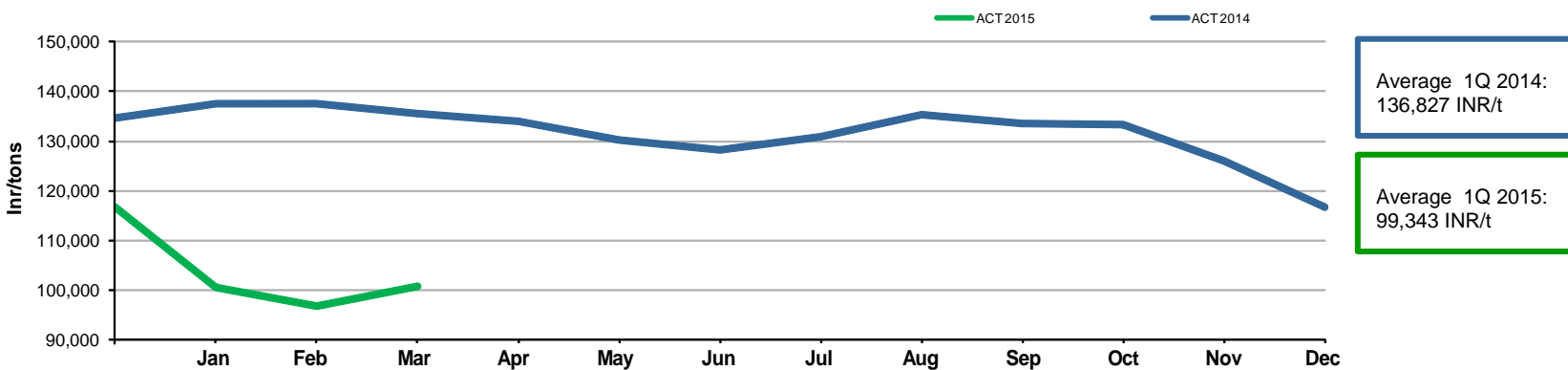
Plastic price trend - High density polyethylene

HDPE Var % vs 1Q 2014: (16.2%)



Plastic price trend – Polystyrene

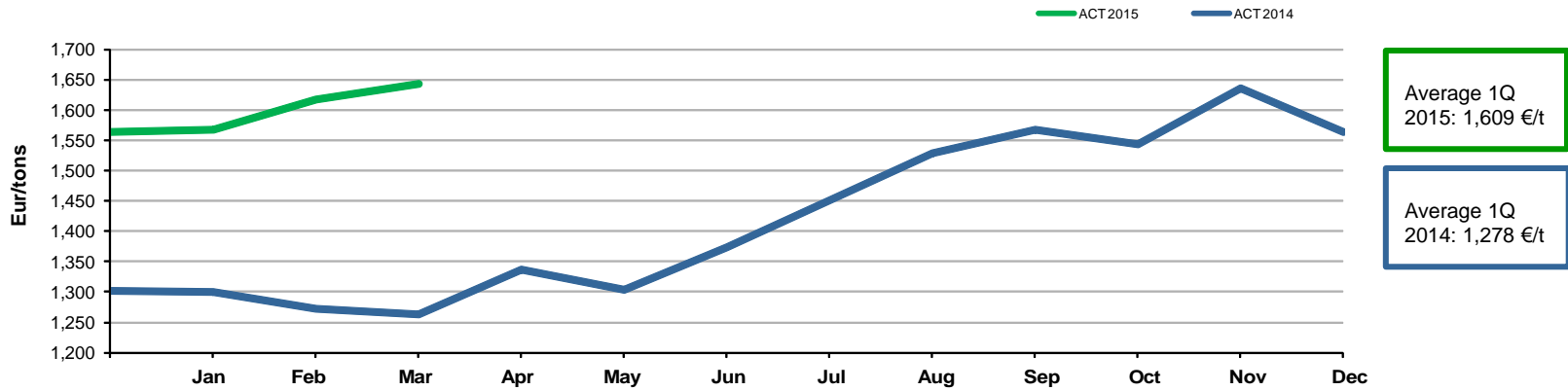
PS Var % vs 1Q 2014: (27.4%)



Key trends: raw materials - aluminum

Aluminum price trend (LME €/tons)

LME Var % vs 1Q 2014: 25.9%



1Q 2015 – Financial snapshot

€ / ml	1Q 14	2Q 14	3Q 14	4Q 14	12M 14	1Q 15	Var % 1Q 15 vs 1Q 14
Revenues	105.9	116.1	132.6	133.1	487.8	119.7	13.0%
EBITDA	17.5	22.0	23.2	27.8	90.4	24.2	38.6%
<i>% margin</i>	16.5%	18.9%	17.5%	20.9%	18.5%	20.2%	
Adjusted EBITDA	17.8	22.4	27.2	28.4	95.8	24.5	37.4%
<i>% margin</i>	16.8%	19.3%	20.5%	21.3%	19.6%	20.4%	
EBIT	8.2	11.9	13.7	17.2	51.0	14.9	80.9%
<i>% margin</i>	7.8%	10.3%	10.3%	12.9%	10.5%	12.4%	
Net result	(6.1)	(1.9)	0.2	(9.7)	(17.5)	2.4	139.8%
<i>% margin</i>	(5.8%)	(1.6%)	0.2%	(7.3%)	(3.6%)	2.0%	

€ / ml	As at Dec 31, 2013	As at Mar 31, 2014	As at Jun 30, 2014	As at Sep 30, 2014	As at Dec 31, 2014	As at Mar 31, 2015
NWC	97.8	111.6	125.6	132.7	102.1	112.5
<i>NWC days</i>	65	95	97	90	69	85
Net debt	481.0	510.5	525.8	530.8	507.7	518.0

1Q 2015 – Operating and financial review

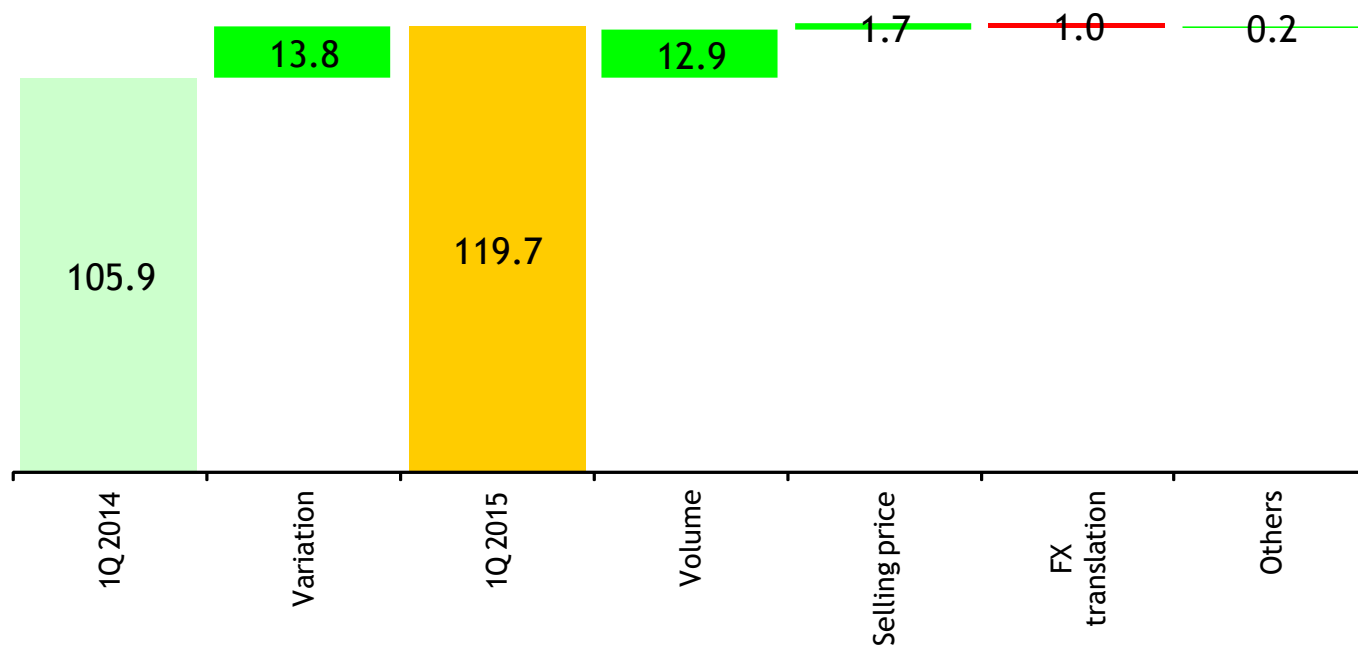
NET REVENUE

- 🌐 Net revenue up €13.8 million (+13.0%) vs 1Q 2014, despite €1.0 ml negative translation impact
- 🌐 At constant FX rates, net revenue up €14.8 million (+14.0%) vs 1Q 2014
- 🌐 Increase in sales volumes/selling price mainly in Ukraine, Mexico, India, Brazil and UK

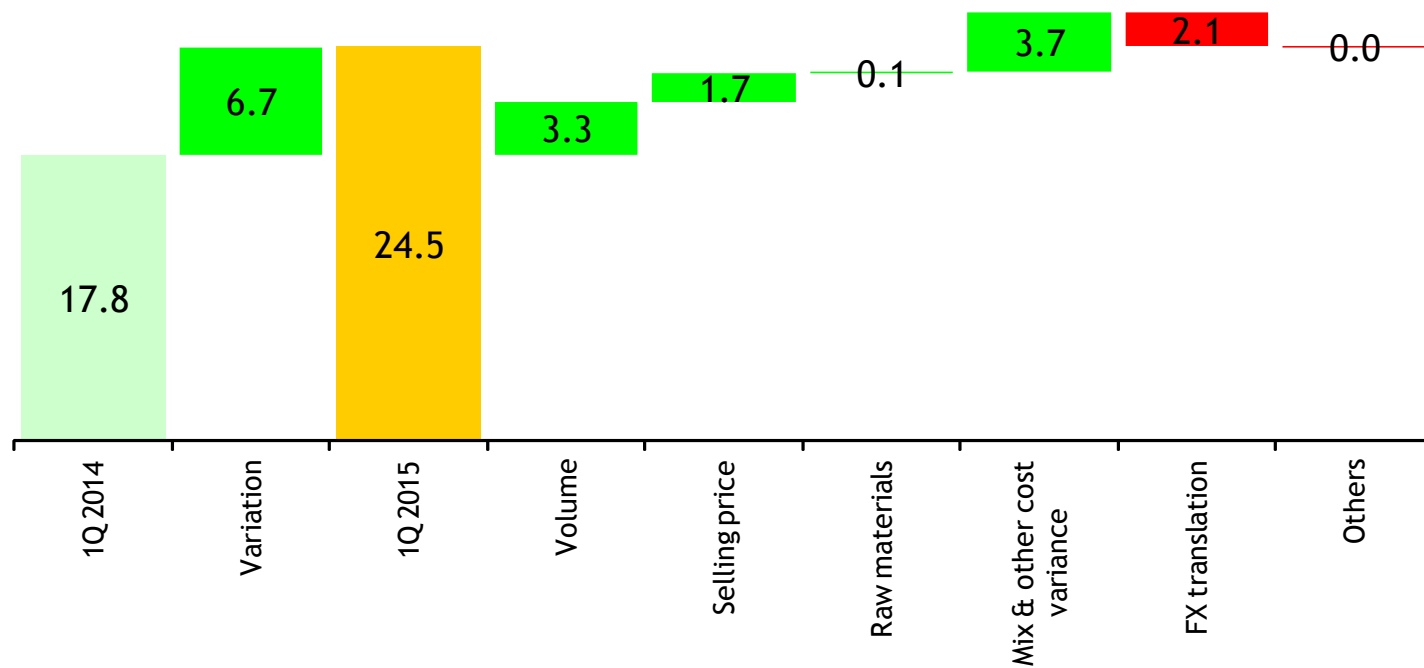
ADJUSTED EBITDA

- 🌐 Adjusted EBITDA up €6.7 million (+37.4%) vs 1Q 2014, despite €2.1 million negative translation impact
- 🌐 At constant FX rates, Adjusted EBITDA up €8.8 million (+49.3%) vs 1Q 2014
- 🌐 EBITDA 1Q 2015 adjusted by €0.3 million for rationalization and other costs
- 🌐 Adjusted EBITDA margin at 20.4% (16.8% in 1Q 2014)
- 🌐 1Q 2015: positive impact from sales volume growth, selling price renegotiation and R&R impact.

1Q 2015 - Sales Bridges



1Q 2015 – Adjusted EBITDA Bridge



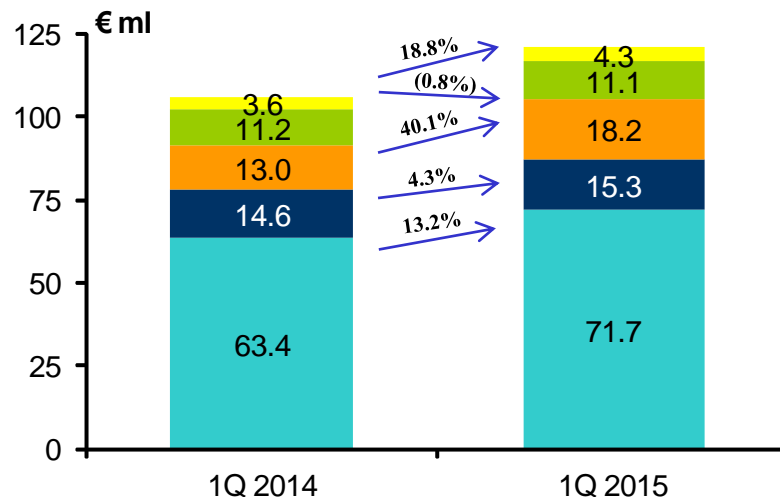
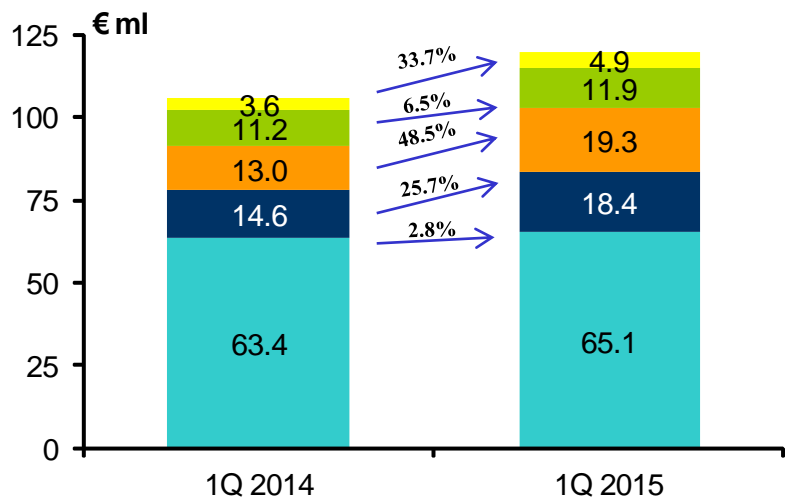
Net revenue by geographic area

REPORTED

AT COSTANT FX RATE 2014

105.9 **+13.0%** 119.7

105.9 **+14.0%** 120.7



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

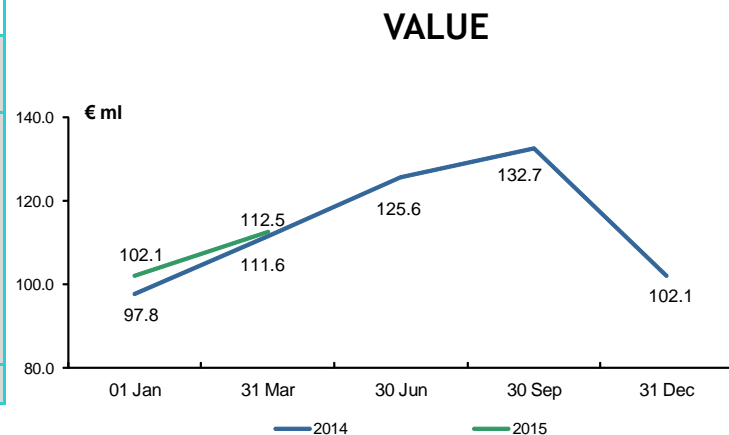
Cash Flow – sources and uses of funds

€ / mln	1Q 2014	2Q 2014	3Q 2014	4Q 2014	12M 2014	1Q 2015
Opening cash and cash equivalents	41.2	31.2	20.4	20.6	41.2	35.3
Cash flow generated by/(used in) operating activities	(6.9)	9.4	14.7	43.9	61.1	8.9
Cash flow used in investing activities	(11.6)	(9.0)	(8.4)	(4.5)	(33.5)	(8.1)
Cash flow generated by/(used in) financing activities	8.2	(11.0)	(6.0)	(24.9)	(33.7)	(1.8)
Net cash flows for the period	(10.3)	(10.6)	0.4	14.5	(6.0)	(1.0)
Effect of exchange rate fluctuation on cash held	0.3	(0.3)	(0.2)	0.2	0.1	0.0
Closing cash and cash equivalents	31.2	20.4	20.6	35.3	35.3	34.3

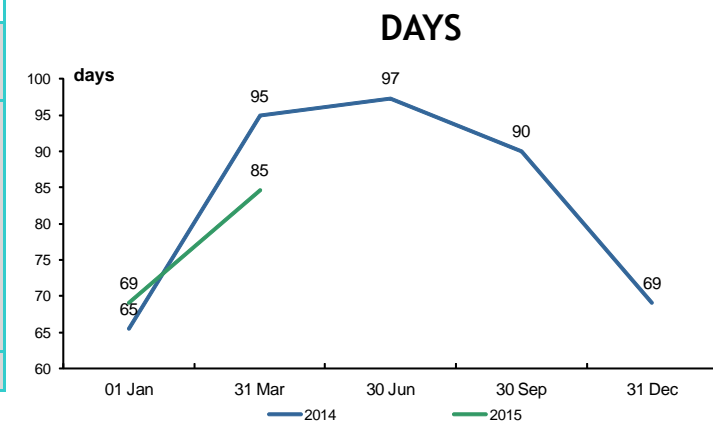
- CF operating: +€15.8 million vs 1Q 2014 mainly due to higher EBITDA generated in 1Q 2015 (€6.7 million) and to the lower absorption from the variation in net working capital (€ 9.2 million).
- CF investing: +3.5 million due to lower investments compared to 1Q 2014.
- CF Financing: -€10.0 million vs 1Q 2014 mainly due to lower proceeds from new borrowings (net of repayment of borrowings) for € 10.8 million.

Net Working Capital

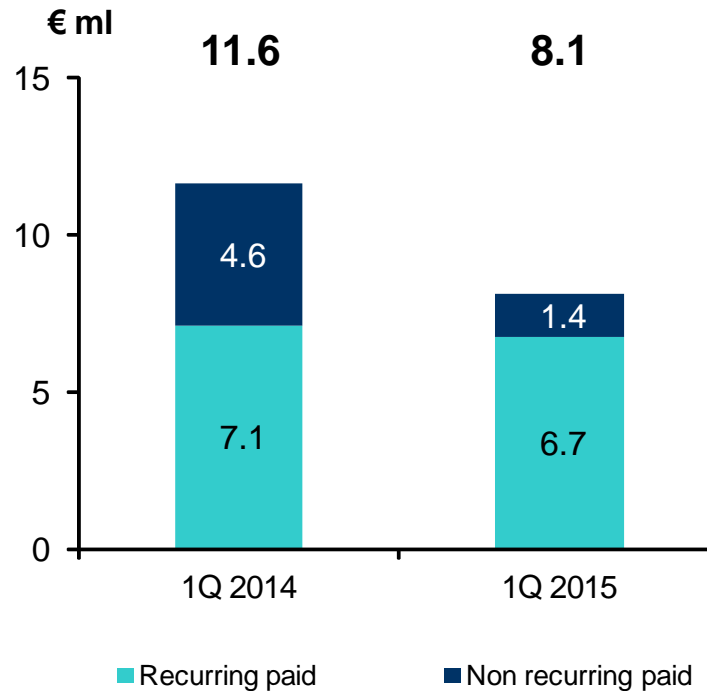
€ / ml	VALUE				
	As at 31/03/14	As at 30/06/14	As at 30/09/14	As at 31/12/14	As at 31/03/15
Trade receivables	90.1	100.9	110.4	92.1	98.7
Inventories	79.3	87.9	82.3	64.3	74.8
Trade payables	(57.7)	(63.2)	(60.0)	(54.3)	(61.0)
NWC value	111.6	125.6	132.7	102.1	112.5



	DAYS				
	As at 31/03/14	As at 30/06/14	As at 30/09/14	As at 31/12/14	As at 31/03/15
Trade receivables	77	78	75	62	74
Inventories	67	68	56	43	56
Trade payables	(49)	(49)	(41)	(37)	(46)
NWC days	95	97	90	69	85



1Q 2015 - Net Capex paid



NON RECURRING 2014:

🌐 New product: Brasil (Super DeLuxe + Wave)	€ 1.9 ml
🌐 New technology: Ukraine (T.E. Cork)	€ 1.0 ml
🌐 New technology: Sputtering (Uk, Ukraine):	€ 1.0 ml
🌐 New technology: Colombia (Bi-inj):	€ 0.5 ml
🌐 New building: Mexico	€ 0.1 ml
🌐 Other:	€ 0.1 ml

NON RECURRING 2015:

🌐 New technology: Sputtering (Mexico, Italy):	€ 0.6 ml
🌐 New technology: Italy (BPA project):	€ 0.3 ml
🌐 New building: Poland	€ 0.1 ml
🌐 New technology: Ukraine (T.E. Cork)	€ 0.1 ml
🌐 Other:	€ 0.3 ml

Appendix

P&L – 1Q 2015

Thousands of €	1Q 2014	2Q 2014	3Q 2014	4Q 2014	12M 2014	1Q 2015
Net revenue	105,883	116,148	132,647	133,117	487,794	119,680
Change in invent. of finish. and semi-fin. products	9,210	5,734	(5,519)	(8,402)	1,023	5,465
Other operating income	2,508	2,851	1,795	2,820	9,974	3,165
Costs for raw materials	(53,014)	(55,554)	(56,545)	(54,069)	(219,182)	(56,355)
Costs for services	(21,978)	(21,801)	(21,392)	(20,982)	(86,152)	(22,257)
Personnel expense	(22,837)	(22,868)	(22,748)	(22,266)	(90,719)	(23,059)
Other operating expense	(2,318)	(2,535)	(5,044)	(2,398)	(12,295)	(2,447)
Gross operating profit (EBITDA)	17,455	21,974	23,193	27,820	90,442	24,191
Amortization, depreciation and impairment losses	(9,218)	(10,027)	(9,511)	(10,640)	(39,396)	(9,293)
Operating profit	8,237	11,947	13,682	17,180	51,046	14,898
Exchange rate	(709)	1,495	209	(2,135)	(1,140)	2,808
Derivatives and other financial items	566	(706)	1,502	(2,785)	(1,423)	725
Net interest expenses	(10,614)	(10,970)	(10,889)	(11,020)	(43,493)	(10,622)
Profit (loss) before taxation	(2,521)	1,766	4,505	1,239	4,990	7,810
Income taxes	(3,603)	(3,663)	(4,277)	(10,899)	(22,441)	(5,375)
Profit (loss) for the period	(6,124)	(1,896)	228	(9,659)	(17,452)	2,435
Gross operating profit (EBITDA) - ADJUSTED	17,806	22,392	27,153	28,403	95,754	24,472
<i>EBITDA ADJUSTED % on Net revenue</i>	<i>16.8%</i>	<i>19.3%</i>	<i>20.5%</i>	<i>21.3%</i>	<i>19.6%</i>	<i>20.4%</i>

Balance Sheet – as at March 31, 2015

Thousands of €	As at December 31, 2013	As at March 31, 2014	As at December 31, 2014	As at March 31, 2015
Intangible assets	397,418	392,618	385,554	383,656
Property, plant and equipment	205,878	204,652	202,825	205,858
Net working capital	97,775	111,626	102,070	112,524
Net financial derivative liabilities	(4,982)	(4,030)	(2,970)	(2,262)
Employee benefits	(6,835)	(6,888)	(7,318)	(7,149)
Other assets/liabilities	(32,548)	(28,438)	(36,435)	(32,669)
Net invested capital	656,705	669,540	643,727	659,959
<i>Financed by:</i>				
Net financial liabilities	522,168	541,753	542,931	552,217
Cash and cash equivalents	(41,197)	(31,221)	(35,273)	(34,250)
Net financial indebtedness	480,972	510,532	507,658	517,967
Consolidated equity	175,734	159,008	136,069	141,992
Sources of financing	656,705	669,540	643,727	659,959

Cash Flow – 1Q 2015

Thousands of €	1Q 2014	2Q 2014	3Q 2014	4Q 2014	12M 2014	1Q 2015
Opening cash and cash equivalents	41,197	31,221	20,373	20,599	41,197	35,273
A) Cash flows generated by operating activities						
Profit (loss) before taxation	(2,521)	1,766	4,505	1,239	4,990	7,810
Amortization, depreciation and impairment	9,218	10,027	9,511	10,640	39,396	9,293
Net finance costs	10,757	10,182	9,176	15,941	46,056	7,089
Change in:						
Receivables, payables and inventory	(17,032)	(12,860)	(5,442)	25,789	(9,544)	(7,872)
Other	(1,234)	3,468	2,683	(5,085)	(169)	540
VAT and indirect tax assets/liabilities	(1,425)	1,145	(450)	2,347	1,616	(1,756)
Income taxes paid	(4,630)	(4,312)	(5,256)	(7,008)	(21,207)	(6,217)
TOTAL A)	(6,867)	9,416	14,726	43,863	61,138	8,887
B) Cash flows used in investing activities						
Acquisitions of property, plant and equipment and intangible assets	(11,837)	(8,807)	(8,477)	(4,726)	(33,848)	(8,128)
Proceeds from sale of property, plant and equipment and intangibles	189	(183)	120	223	350	6
Change in non-current assets classified as held for sale		8	-	-	8	
TOTAL B)	(11,648)	(8,982)	(8,357)	(4,503)	(33,490)	(8,123)
C) Cash flows generated by/used in financing activities						
Acquisition of non-controlling interest in Guala Closures China				(224)	(224)	-
Acquisition of non-controlling interest in Guala Closures Argentina		(81)	(341)	(609)	(1,030)	-
Financial income and expense	(5,916)	(14,301)	(6,259)	(14,595)	(41,072)	(5,893)
Other financial items	(384)	(351)	317	542	123	57
Dividends paid	(454)	(2,925)	(563)	(2,614)	(6,555)	(206)
Proceeds from new borrowings	16,242	7,845	2,156	9,078	35,320	5,889
Repayment of borrowings	(1,251)	(1,179)	(1,335)	(16,513)	(20,277)	(1,680)
Change in financial assets	(5)	(10)	42	36	63	44
TOTAL C)	8,232	(11,001)	(5,983)	(24,900)	(33,653)	(1,789)
D) Net cash flows for the period (A+B+C)	(10,283)	(10,567)	385	14,460	(6,005)	(1,025)
Effect of exchange rate fluctuation on cash held	307	(281)	(159)	214	81	2
Closing cash and cash equivalents	31,221	20,373	20,599	35,273	35,273	34,250