




GCL HOLDINGS S.C.A. and Subsidiaries

Unaudited condensed consolidated interim financial statements for the period ended March 31, 2017

Prepared and Delivered Pursuant to
Section 4.09(b) of the:

- Indenture Governing the Senior Secured Floating Rate Notes
due 2021 of Guala Closures S.p.A.

Luxembourg, May 29, 2017



Registered and administrative office:
8a, Rue Albert Borschette
L-1246 Luxembourg
Share capital € 141,217.50 fully paid-up
Register of Commerce & Companies of Luxembourg
section B, number 141 684

CONTENTS	PAGE
Forward-looking Statements	3
The Group structure	4
Selected financial information and other data	8
Unaudited condensed consolidated interim financial statements	21
✓ Unaudited condensed consolidated statement of financial position as at March 31, 2017	
✓ Unaudited condensed consolidated statement of profit or loss and other comprehensive income/(expense) for the three months ended March 31, 2017	
✓ Unaudited condensed consolidated statement of cash flows for the three months ended March 31, 2017	
✓ Unaudited condensed consolidated statement of changes in equity for the three months ended March 31, 2017	
✓ Notes to the unaudited condensed consolidated interim financial statements	
Material developments in the business of the Company and its Subsidiaries	37
Risk factors	38

Forward-looking Statements

This unaudited condensed consolidated interim financial statements 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 unaudited condensed consolidated interim financial statements.

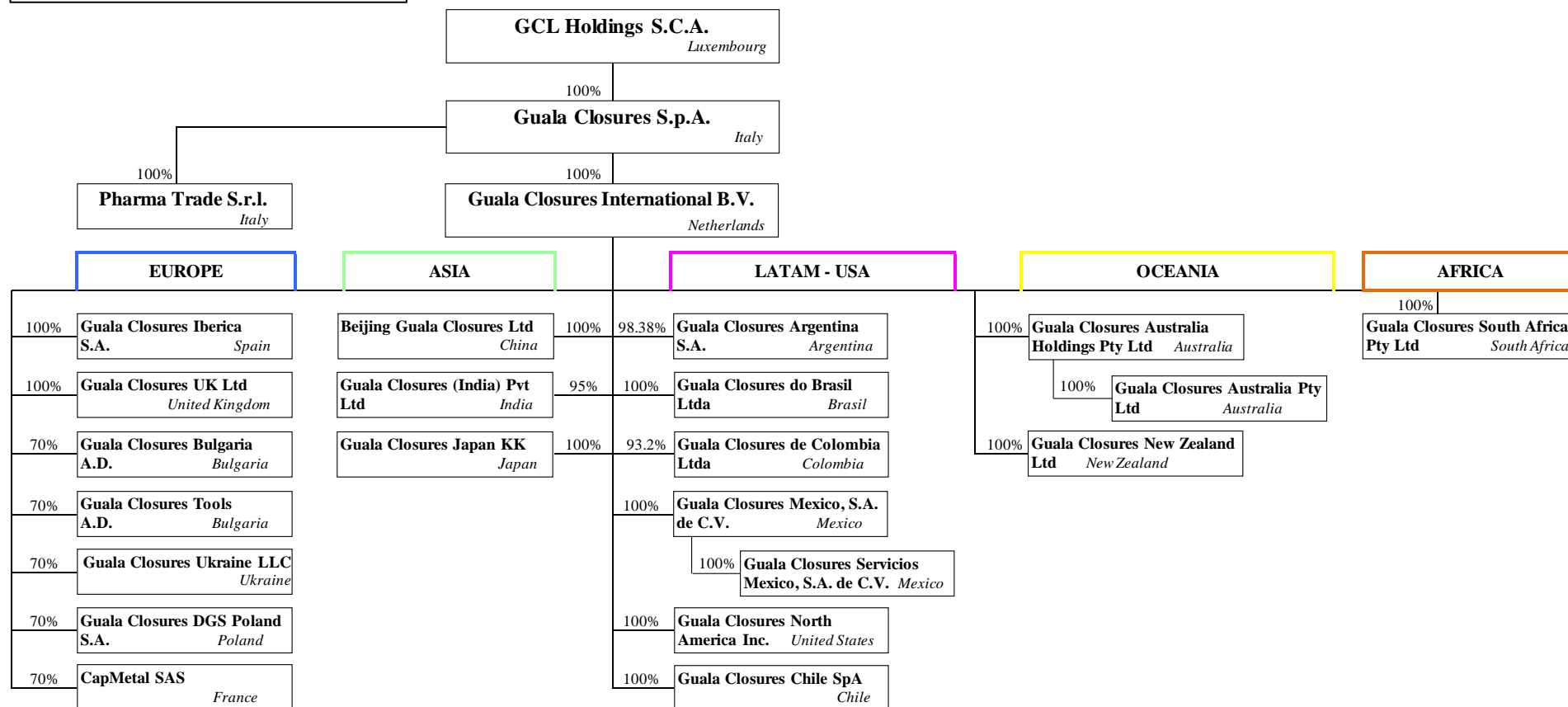
In addition even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this unaudited condensed consolidated interim financial statements, those results or developments 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.

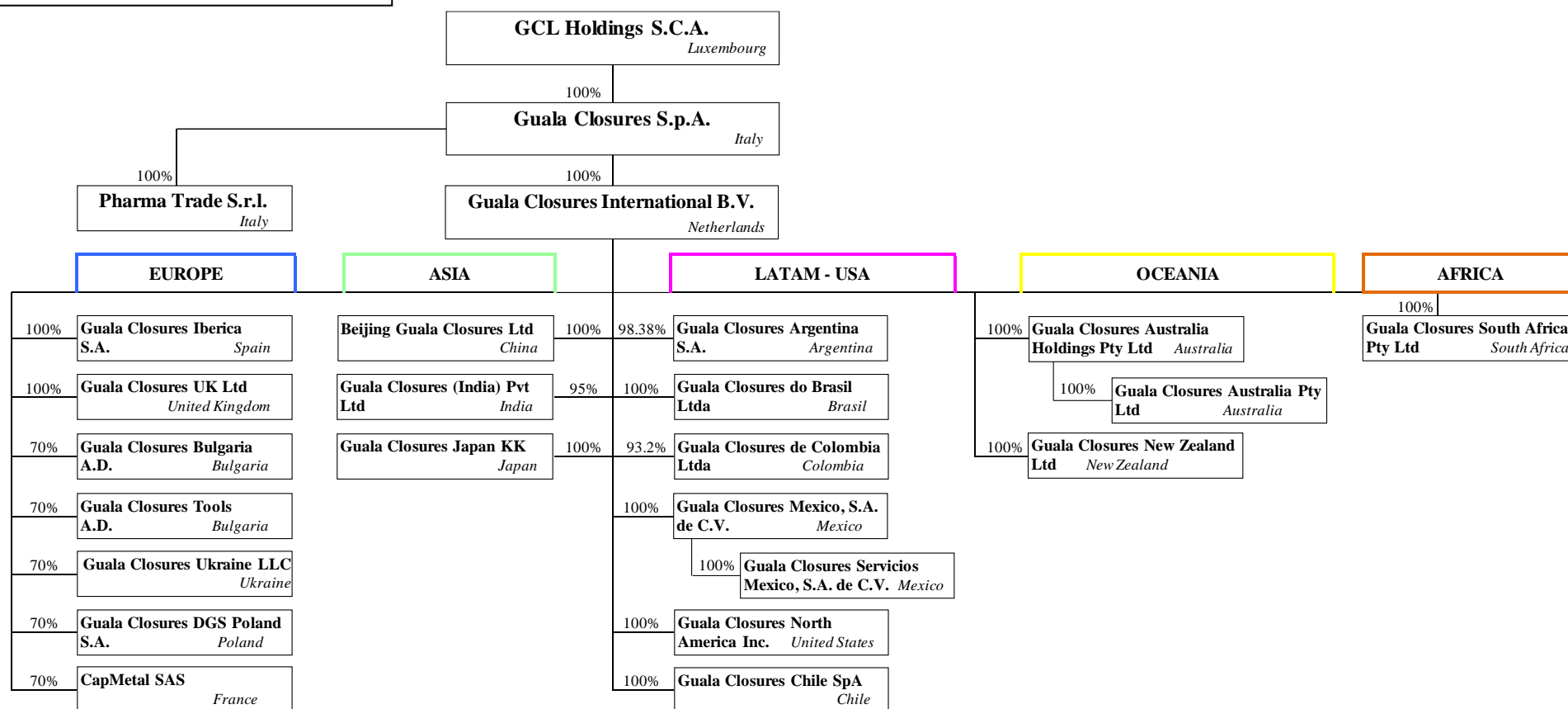
The structure of GCL Holdings S.C.A.
and Subsidiaries
(GCL Holdings Group)



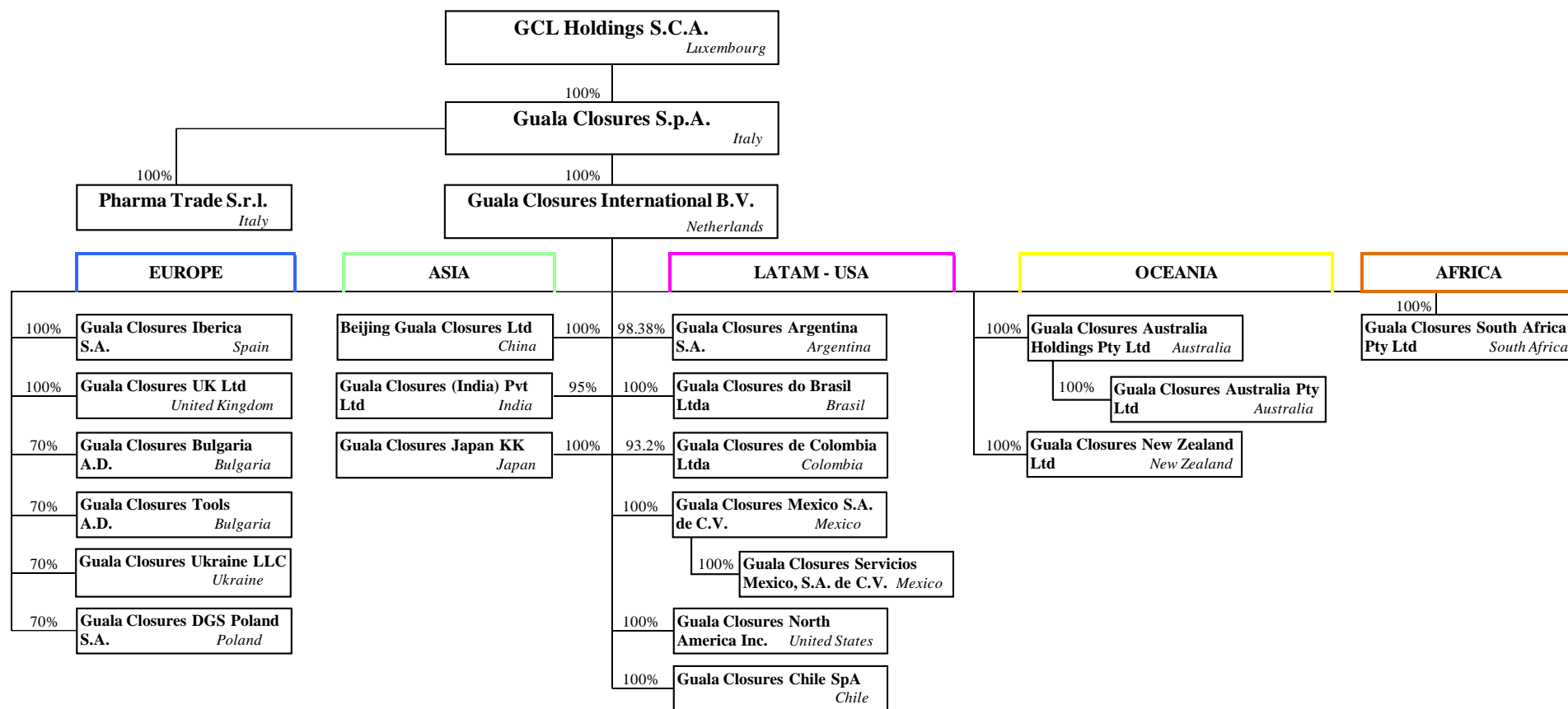
March 31, 2017



December 31, 2016



March 31, 2016



Selected financial information and other data



Selected financial information and other data

The following information should be read in conjunction with, and is qualified in its entirety by reference to the interim Group financial information and the related notes thereto included in this unaudited condensed consolidated interim financial statements.

Results of operations

The table below shows the reclassified unaudited condensed consolidated income statement:

Reclassified condensed consolidated income statement

<i>(Thousands of Euros)</i>	For the three months ended March 31,	
	2016 (*)	2017
Net revenue	112,734	122,172
Change in inventories of finished goods and semi-finished products	4,336	8,142
Other operating income	975	1,067
Work performed by the Group and capitalised	1,264	1,434
Costs for raw materials	(51,678)	(58,712)
Costs for services	(21,459)	(24,081)
Personnel expense	(23,397)	(25,480)
Other operating expense	(2,215)	(2,338)
Gross operating profit (EBITDA)	20,561	22,203
Amortization, depreciation and impairment losses	(8,594)	(7,689)
Operating profit	11,967	14,514
Financial income	2,874	3,064
Financial expense	(13,747)	(9,307)
Profit before taxation	1,094	8,271
Income taxes	(3,752)	(4,466)
Profit (loss) for the period	(2,658)	3,805
<i>Source: unaudited consolidated interim financial statements figures</i>		
Gross operating profit adjusted (Adjusted EBITDA)	20,677	22,554
<i>% on net revenue</i>	18.3%	18.5%

Note:

Reference should be made to the section “Performance indicators” on next page for information about the Group’s performance indicators, such as Adjusted gross operating profit (Adjusted EBITDA)

() 2016 figures were restated since capitalized development expenditure and extraordinary maintenance booked in 2016 as “Other operating income” have been reclassified to the caption “Work performed by the Group and capitalized”*

Performance indicators

In addition to the financial performance indicators required by IFRS, this Selected financial information and other data and the notes to the unaudited condensed consolidated interim financial statements include some additional indicators (EBITDA, Adjusted EBITDA and Net financial indebtedness) which are not required by IFRS, but are based on IFRS values.

These indicators are shown in order to provide a better understanding of the Group's economic and financial performance and should not be considered as substitutes of IFRS indicators.

Gross operating profit (EBITDA) is calculated as profit before amortization/depreciation and impairment losses of current and non-current assets, as reported in the above table of reclassified condensed consolidated statement of profit or loss.

Adjusted EBITDA is calculated in order to sterilize the impact of non-recurring items on EBITDA. Please make reference to the section on Gross operating profit (EBITDA) for the non-recurring items identified.

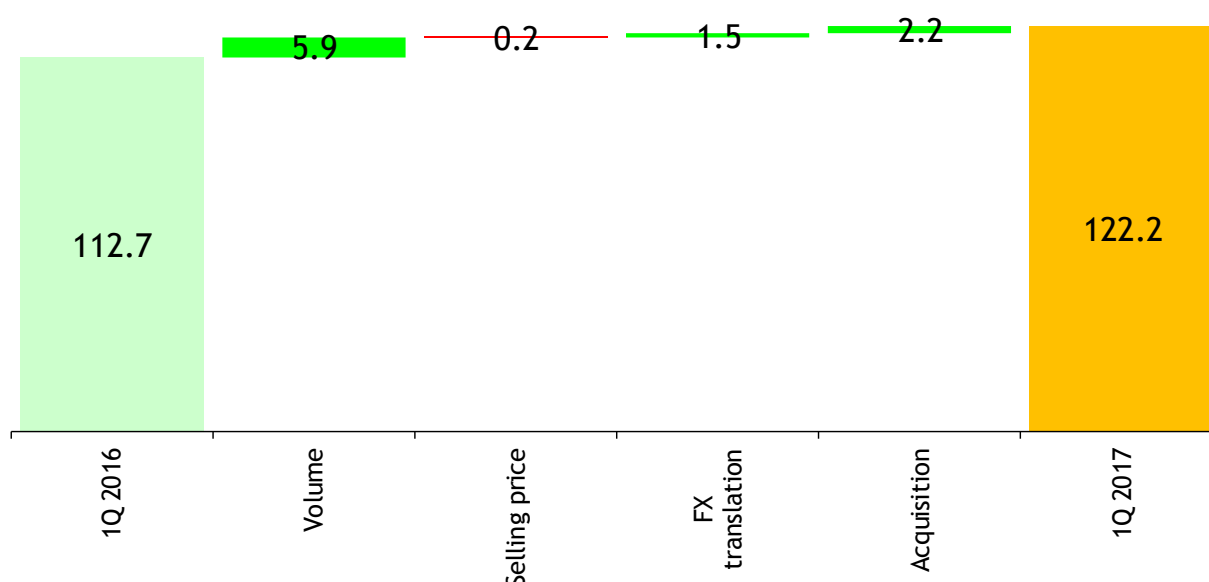
Net revenue

In the three months ended March 31, 2017 (1Q 2017) consolidated net revenue was € 122.2 million, up € 9.4 million or 8.4% on the three months ended March 31, 2016 (1Q 2016) mainly due to the increase in sale volumes (€ 5.9 million) in Ukraine, Italy, North America and to the effect of the acquisition of Capmetal SAS (€ 2.2 million).

1Q 2017 net revenue was also positively impacted by € 1.5 million of translation impact following the Euro's depreciation versus main currencies in which the Group operates.

At constant FX rates, net revenue was up € 7.9 million or 7.0% on 1Q 2016.

The graph below shows the difference between 1Q 2017 and 1Q 2016 net revenue:



Net revenue by division

The table below illustrates the net revenue by division:

Thousand of Euros	For the three months ended March 31,	
	2016	2017
Closures	112,011	121,078
PET	723	1,094
Total	112,734	122,172

The Closures division represents the Group's core business, specialized in the following product lines: safety closures, luxury (decorative) closures, winecaps closures, roll on (standard) closures, Pharma and other revenue.

The Closures division's revenue increased from € 112.0 million in 1Q 2016 to € 121.1 million in 1Q 2017, representing an increase of € 9.1 million (the incidence on net revenue decreased from 99.4% in 1Q 2016 to 99.1% in 1Q 2017).

The PET division mainly produces standard and custom moulds, PET bottles and miniatures. This division is no longer considered as a core business for the Group.

The PET division's revenue increased from € 0.7 million in 1Q 2016 to € 1.1 million in 1Q 2017 (the incidence on net revenue increased from 0.6% in 2016 to 0.9% in 2017). The PET division's revenue was solely generated by the PET operations in Spain.

Net revenue by geographical segment

The following table illustrates the geographic distribution of net revenue based on the geographical location from which the product is sold by the group companies:

Thousand of Euros	For the three months ended March 31,			
	2016		2017	
	Amount	%	Amount	%
Europe	62,099	55.1%	67,786	55.5%
Asia	17,658	15.7%	16,426	13.4%
Latin and North America	18,282	16.2%	20,644	16.9%
Oceania	11,297	10.0%	13,339	10.9%
Africa	3,398	3.0%	3,976	3.3%
Total	112,734	100.0%	122,172	100.0%

Net revenue from operations in Europe increased from € 62.1 million in 1Q 2016, or 55.1% of net revenue, to € 67.8 million in 1Q 2017, or 55.5%, representing an increase of € 5.7 million due to higher volume and for € 2.2 million to the consolidation of Capmetal SAS. Net revenue in this area was negatively impacted by € 1.3 million of translation differences following the Euro's appreciation versus the Pound sterling. At constant FX rates, net revenue was up € 7.0 million or 11.2% on 1Q 2016.

Net revenue from operations in Asia decreased from € 17.7 million in 1Q 2016, or 15.7% of net revenue, to € 16.4 million in 1Q 2017, or 13.4%, representing a decrease of € 1.2 million despite the positive translation impact (€ 0.6 million) following the Euro's depreciation versus the Indian rupee. At constant FX rates, net revenue decreased by € 1.8 million or 10.4% on 1Q 2016 due to the impact of demonetization policy in India which should be a temporary effect.

Net revenue from operations in Latin and North America increased from € 18.3 million in 1Q 2016, or 16.2% of net revenue, to € 20.6 million in 1Q 2017, or 16.9%, representing an increase of € 2.4 million of which € 0.2 million due to the positive translation impact. Excluding the FX impact, net revenue of this area increased by € 2.1 million or 11.6% on 1Q 2016.

Net revenue from operations in Oceania increased from € 11.3 million in 1Q 2016, or 10.0% of net revenue, to € 13.3 million in 1Q 2017, or 10.9%, representing an increase of € 2.0 million of which € 1.2 million due to the positive translation impact. At constant FX rates, net revenue increased by € 0.9 million or 7.8% on 1Q 2016.

Net revenue from operations in Africa increased from € 3.4 million in 1Q 2016, or 3.0% of net revenue, to € 4.0 million in 1Q 2017, or 3.3%, representing an increase of € 0.6 million. Net revenue in this area was positively impacted by € 0.8 million of translation differences following the Euro's depreciation versus the South African Rand. At constant FX rates, net revenue decreased by € 0.2 million or 5.6% on 1Q 2016.

The Group is not exposed to significant geographical risks other than normal business risks.

Other operating income

Other operating income increased from € 1.0 million in 1Q 2016 to € 1.1 million in 1Q 2017 (stable at 2.0% of net revenue), representing an increase of € 0.1 million.

Capitalized development expenditure and extraordinary maintenance booked in 2016 as “Other operating income” have been reclassified to the caption “Work performed by the Group and capitalized” to be consistent with 2017 classification.

Work performed by the Group and capitalised

Work performed by the Group and capitalised increased from € 1.3 million in 1Q 2016, or 1.1% of net revenue, to € 1.4 million in 1Q 2017, or 1.2%, representing an increase of € 0.1 million.

This income comprises capitalized development expenditure and extraordinary maintenance on property, plant and equipment.

Costs for raw materials

These costs increased from € 51.7 million in 1Q 2016, or 45.8% of net revenue, to € 58.7 million in 1Q 2017, or 48.1%, representing an increase of € 7.0 million. The incidence on the production value increased from 44.1% in 1Q 2016 to 45.1% in 1Q 2017.

Costs for services

Costs for services increased from € 21.5 million in 1Q 2016, or 19.0% of net revenue, to € 24.1 million in 1Q 2017, or 19.7%, representing an increase of € 2.6 million.

Personnel expense

Personnel expense increased from € 23.4 million in 1Q 2016, or 20.8% of net revenue, to € 25.5 million in 1Q 2017, or 20.9%, representing an increase of € 2.1 million.

Other operating expense

Other operating expense increased from € 2.2 million in 1Q 2016 to € 2.3 million in 1Q 2017, representing an increase of € 0.1 million (the incidence on net revenue remains almost stable at 1.9%).

Gross operating profit (EBITDA)

The Group's gross operating profit for 1Q 2017 was € 22.2 million, 18.2% of net revenue, up € 1.6 million or 8.0% on 1Q 2016.

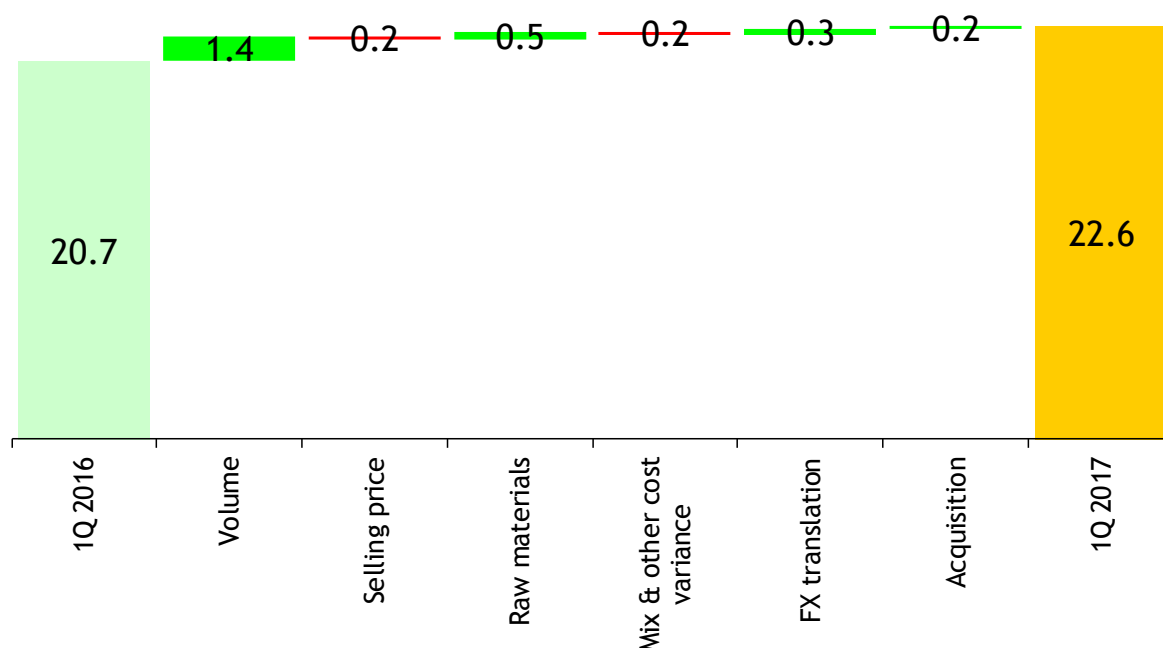
In 1Q 2017, EBITDA was impacted by € 0.4 million of non-recurring costs, of which € 0.1 million of M&A activities and € 0.3 million of other costs.

In 1Q 2016, EBITDA was impacted by € 0.1 million of non-recurring costs for the rationalization of the production structure and other costs.

Excluding the non-recurring items, the Group's gross operating profit (adjusted EBITDA) for 1Q 2017 would be € 22.6 million, showing a € 1.9 million increase on 1Q 2016.

Adjusted EBITDA in 1Q 2017 is equal to 18.5% of net revenue (18.3% on 1Q 2016).

The graph below shows the difference between 1Q 2017 and 1Q 2016 adjusted EBITDA:



Amortization, depreciation and impairment losses

Amortization, depreciation and impairment losses decreased from € 8.6 million in 1Q 2016, or 7.6% of net revenue, to € 7.7 million in 1Q 2017, or 6.3%, representing a decrease of € 0.9 million.

This decrease is mainly due for € 0.8 million to a reduction in amortization of the Group trademark adopted from 2016 based on an assessment of longer useful life estimate and for € 0.2 million to a reduction in depreciation rates for the Italian plants applied to some generic plant and equipment in 2016 based on an internal appraisal that support a longer useful life of certain fixed assets.

Financial income and expense

Net financial expense decreased from € 10.9 million for 1Q 2016 to € 6.2 million for 1Q 2017.

The following table breaks down financial income and expense by nature for the two periods:

Thousands of Euros	For the three months ended March 31,	
	2016	2017
Net exchange rate gains/(losses)	(1,028)	1,187
Fair value gains (losses) on derivatives	(291)	-
Net interest expense	(9,403)	(7,126)
Net other financial expense	(152)	(304)
Net financial expense	(10,873)	(6,243)

Source: unaudited condensed consolidated interim financial statements figures

Net financial expense in 1Q 2017 is € 4.6 million lower than the previous period, mainly due to:

- 1) positive effect on Net exchange rate, improved by € 2.2 million on 1Q 2016;
- 2) reduction of € 2.3 million versus 1Q 2016 on Net interest expense following the Group's Refinancing occurred on last November 11, 2016 that reduced significantly the interests rate on debt.

Income taxes

Income taxes increased from €-3.8 million in 1Q 2016, or 3.3% of net revenue, to €-4.5 million in 1Q 2017, or 3.7%, representing an increase of € 0.7 million.

Profit (loss) for the period

The profit for the period improved by € 6.5 million from a loss of € 2.7 million in 1Q 2016 to a profit of € 3.8 million in 1Q 2017, mainly due to the higher EBITDA, lower amortization, depreciation and impairment losses and lower net financial expense.

Reclassified consolidated statement of financial position

The table below presents the key figures of the reclassified consolidated statement of financial position.

	December 31, 2016	March 31, 2017
Thousands of Euros		
Intangible assets	373,990	374,526
Property, plant and equipment	189,932	195,880
Net working capital	90,768	102,306
Net financial derivative liabilities	100	348
Employee benefits	(6,246)	(6,356)
Other assets/liabilities	(30,242)	(22,602)
Net invested capital	618,303	644,101
Financed by:		
Net financial liabilities	553,602	553,188
Financial liabilities to non-controlling investors	15,900	15,900
Cash and cash equivalents	(54,703)	(35,625)
Net financial indebtedness	514,799	533,463
Consolidated equity	103,504	110,638
Sources of financing	618,303	644,101

Source: unaudited condensed consolidated interim financial statements figures

Intangible assets

Intangible assets increased from € 374.0 million at the end of 2016 to € 374.5 million at the end of March 2017, representing an increase of € 0.5 million.

Property, plant and equipment

Property, plant and equipment increased from € 189.9 million at the end of 2016 to € 195.9 million at the end of March 2017, representing an increase of € 6.0 million. This increase is due to net investments of the period (€ 9.0 million, mainly in India, Poland, Ukraine and Italy) and to the positive exchange rate differences (€ 3.9 million), partly compensated by amortization, depreciation and impairment losses (€ 6.9 million).

Net working capital

The table below provides a breakdown of net working capital.

	December 31, 2016	March 31, 2017
Thousands of Euros		
Inventories	67,883	83,179
Trade receivables	89,134	92,457
Trade payables	(66,249)	(73,330)
Net working capital (*)	90,768	102,306

(*) The amounts set forth herein do not match the amounts used to calculate the change in working capital in the consolidated statement of cash flows for the applicable period as those amounts have been adjusted to reflect changes in exchange rates on the opening balance and impairment losses on receivables.

The table below analyses net working capital days, calculated on the last quarter revenue of the period.

	December 31, 2016	March 31, 2017
Days		
Inventories	46	61
Trade receivables	61	68
Trade payables	(45)	(54)
Net working capital days	62	75

Net working capital increased from € 90.8 million at December 31, 2016 to € 102.3 million at March 31, 2017, representing an increase in net working capital days from 62 to 75 days. The increase is attributable to the business seasonality.

Net financial indebtedness

The table below gives a breakdown of net financial indebtedness.

	December 31, 2016	March 31, 2017
Thousands of Euros		
Net financial liabilities - third parties	553,602	553,188
Financial liabilities vs non-controlling investors	15,900	15,900
Cash and cash equivalents	(54,703)	(35,625)
Net financial indebtedness	514,799	533,463

Net financial indebtedness increased from € 514.8 million at December 31, 2016 to € 533.5 million at March 31, 2017, representing an increase of € 18.7 million.

This increase is mainly due to the fact that the € 2.6 million cash flow generated by operating activities has been absorbed by about € 10.4 million cash flow used for investments and by € 10.8 million used for net interests and other financial items.

Cash and cash equivalents decreased from € 54.7 million at December 31, 2016 to € 35.6 million at March 31, 2017 mainly as a consequence of the business seasonality.

Equity

The table below shows a breakdown of equity:

	December 31, 2016	March 31, 2017
Thousands of Euros		
Equity attributable to the owners of the parent	78,166	84,522
Equity attributable to non-controlling interests	25,338	26,117
Consolidated equity	103,504	110,638

Equity attributable to the owners of the parent increased by € 6.4 million, mainly due to € 4.4 million positive translation impact and € 1.9 million for the profit for the period.

Equity attributable to non-controlling interests increased by € 0.8 million, mainly due to € 1.9 million profit for the period and € 0.5 million positive translation impact, compensated by € 1.7 million of dividend distribution.

Consolidated statement of cash flows

The table below shows the reclassified consolidated statement of cash flows as change in the cash and cash equivalents in the period:

Thousand of Euros	For the three months ended March 31,	
	2016	2017
Opening cash and cash equivalents	61,944	54,703
Cash flows generated by operating activities	(257)	2,581
Cash flows used in investing activities	(8,394)	(10,403)
Cash flows used in financing activities	(9,270)	(11,721)
Net cash flows for the period	(17,921)	(19,543)
Effect of exchange rate fluctuation on cash held	(1,588)	466
Closing cash and cash equivalents	42,436	35,625

Source: unaudited condensed consolidated interim financial statements figures

Cash flows generated by operating activities

The cash flow generated by operating activities increased from € -0.3 million in 1Q 2016 to € 2.6 million in 1Q 2017.

The increase of € 2.8 million was mainly due to the higher EBITDA generated in 1Q 2017 (€ 1.6 million) and to the lower absorption from the variation in net working capital (€ 3.2 million), partly compensated by higher cash out for taxes (€ 1.6 million).

Cash flows used in investing activities

The cash flow used in investing activities increased from € -8.4 million in 1Q 2016 to € -10.4 million in 1Q 2017.

Cash flows used in financing activities

The cash flow used in financing activities increased from € -9.3 million in 1Q 2016 to € -11.7 million in 1Q 2017, mainly due to higher net interests expenses (€ 2.9 million) due to different timing, to the payment of residual transaction costs on Refinancing occurred in 2016 (€ 3.1 million) and higher dividends paid to non-controlling interest (€ 0.4 million), partly compensated by lower repayment of borrowings (net of proceeds from new borrowings) for € 3.0 million and by a capital increase received from the minority shareholder of Capmental (€ 0.8 million).









Net cash flows

The net cash out flows of the period increased from € -17.9 million in 1Q 2016 to € -19.5 million in 1Q 2017 due to higher cash flows used in investing and financing activities, partly compensated by higher cash flows generated by operating activities.

Transactions between affiliates

During the three months ended March 31, 2017 several transactions between affiliates occurred. The effects of such transactions have been written-off for consolidation purposes.

The material transactions between affiliates relate to:

-  Sales of raw materials / semi-finished/finished products
-  Services
-  Technical assistance
-  R&D services
-  Personnel cost recharge
-  Royalties contracts
-  Distribution of dividends
-  Financing contracts

**GCL HOLDINGS GROUP
GCL HOLDINGS S.C.A.
and Subsidiaries**



**Unaudited condensed consolidated
interim financial statements**

Condensed consolidated statement of financial position as at March 31, 2017

ASSETS

<i>(Thousands of Euros)</i>	December 31, 2016	March 31, 2017	Note
ASSETS			
Current assets			
Cash and cash equivalents	54,703	35,625	4.2
Current financial assets	104	114	
Trade receivables	89,134	92,457	
Inventories	67,883	83,179	
Current direct tax assets	3,264	3,962	
Current indirect tax assets	6,367	9,596	
Financial derivative assets	533	716	
Other current assets	4,493	4,874	
Total current assets	226,481	230,523	
Non-current assets			
Non-current financial assets	598	599	
Property, plant and equipment	189,932	195,880	
Intangible assets	373,990	374,526	
Deferred tax assets	7,293	7,304	
Other non-current assets	712	656	
Total non-current assets	572,525	578,964	
TOTAL ASSETS	799,006	809,487	

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these unaudited condensed consolidated interim financial statements.

Condensed consolidated statement of financial position as at March 31, 2017

LIABILITIES AND EQUITY

<i>(Thousands of Euros)</i>	December 31, 2016	March 31, 2017	Note
LIABILITIES AND EQUITY			
<i>Current liabilities</i>			
Current financial liabilities	12,446	13,216	4.1
Trade payables	66,249	73,330	
Current direct tax liabilities	4,487	5,352	
Current indirect tax liabilities	4,556	3,004	
Current provisions	1,176	820	
Financial derivative liabilities	433	368	
Other current liabilities	26,629	23,964	
Total current liabilities	115,976	120,053	
<i>Non-current liabilities</i>			
Non-current financial liabilities	557,758	556,584	4.1
Employee benefits	6,246	6,356	
Deferred tax liabilities	15,329	15,668	
Non-current provisions	151	149	
Other non-current liabilities	43	37	
Total non-current liabilities	579,526	578,796	
Total liabilities	695,502	698,849	
Share capital and reserves attributable to non-controlling interests	17,024	24,229	
Profit for the period attributable to non-controlling interests	8,314	1,887	
Equity attributable to non-controlling interests	25,338	26,117	
<i>Equity attributable to the owners of the parent</i>			
Share capital	141	141	
Share premium and other similar reserves	295,228	295,228	
Translation reserve	(46,302)	(41,908)	
Hedging reserve	(796)	(748)	
Losses carried forward and other reserves	(158,136)	(170,109)	
Profit (Loss) for the period	(11,969)	1,917	
Equity attributable to the owners of the parent	78,166	84,522	
Total equity	103,504	110,638	
TOTAL LIABILITIES AND EQUITY	799,006	809,487	

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these unaudited condensed consolidated interim financial statements.

Condensed consolidated statement of profit or loss and other comprehensive income/(expense) for the three months ended March 31, 2017

(Thousands of Euros)	For the three months ended March 31,		
	2016 (*)	2017	Note
Net revenue	112,734	122,172	
Change in inventories of finished goods and semi-finished products	4,336	8,142	
Other operating income	975	1,067	
Work performed by the Group and capitalised	1,264	1,434	
Costs for raw materials	(51,678)	(58,712)	
Costs for services	(21,459)	(24,081)	
Personnel expense	(23,397)	(25,480)	
Other operating expense	(2,215)	(2,338)	
Amortization, depreciation and impairment losses	(8,594)	(7,689)	
Operating profit	11,967	14,514	
Financial income	2,874	3,064	5
Financial expense	(13,747)	(9,307)	6
Net finance costs	(10,873)	(6,243)	
Profit before taxation	1,094	8,271	
Income taxes	(3,752)	(4,466)	
Profit (loss) for the period	(2,658)	3,805	

Other comprehensive income/(expense)

Items that will never be reclassified to profit or loss:			
Actuarial gains/(losses) on the defined benefit liability (asset)	(4)	(5)	
	(4)	(5)	
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations	(6,610)	4,938	
Effective portion of fair value gains (losses) of cash flows hedges	(29)	3	
Net change in fair value of cash flows hedges reclassified to profit or loss	70	60	
Income taxes on other comprehensive income	(11)	(15)	
	(6,581)	4,986	
Total comprehensive income/(expense) for the period, net of tax	(6,585)	4,981	
Total comprehensive income/(expense) for the period	(9,243)	8,786	
Profit (loss) attributable to:			
owners of the parent	(4,367)	1,917	
non-controlling interests	1,709	1,887	
Total comprehensive income/(expenses) attributable to:			
owners of the parent	(9,883)	6,355	
non-controlling interests	640	2,431	

(*) 2016 figures were restated since capitalized development expenditure and extraordinary maintenance booked in 2016 as "Other operating income" have been reclassified to the caption "Work performed by the Group and capitalized"

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these unaudited condensed consolidated interim financial statements.

Condensed consolidated statement of cash flows for the three months ended March 31, 2017

(Thousands of Euros)	For the three months ended March 31,		
	2016	2017	Note
Opening cash and cash equivalents	61,944	54,703	4
A) Cash flows generated by operating activities			
Profit before taxation	1,094	8,271	
Amortization, depreciation and impairment losses	8,594	7,689	
Net finance costs	10,873	6,243	
Change in:			
Receivables, payables and inventory	(12,954)	(9,773)	
Other	(621)	(975)	
VAT and indirect tax assets/liabilities	(2,709)	(4,807)	
Income taxes paid	(4,534)	(4,068)	
TOTAL	(257)	2,581	
B) Cash flows used in investing activities			
Acquisitions of property, plant and equipment and intangibles	(8,400)	(10,441)	
Proceeds from sale of property, plant and equipment and intangibles	6	39	
TOTAL	(8,394)	(10,403)	
C) Cash flows used in financing activities			
Interest income	484	298	5
Interest expense	(4,709)	(7,447)	6
Payment of transaction costs on Bonds and Revolving Credit Facility	-	(3,056)	
Other financial items	(376)	(243)	
Dividends paid to non-controlling interest	(799)	(1,185)	
Proceeds from minority for Capmetal SAS capital increase	-	824	
Proceeds from new borrowings	8,081	1,941	
Repayment of borrowings	(11,473)	(2,354)	
Repayment of finance leases	(494)	(490)	
Change in financial assets	16	(11)	
TOTAL	(9,270)	(11,721)	
D) Net cash flows for the period (A+B+C)	(17,921)	(19,543)	
Effect of exchange rate fluctuations on cash held	(1,588)	466	
Closing cash and cash equivalents	42,436	35,625	4

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these unaudited condensed consolidated interim financial statements.

Condensed consolidated statement of changes in equity for the three months ended March 31, 2017											
(Thousands of €)	Attributable to owners of the Company							Non-controlling interests			Total equity
	Share capital	Share premium and other similar reserves	Translation reserve	Hedging reserve	Losses carried forward and other reserves	Result for the period	Equity attributable to the owners of the Company	Share capital and reserves attributable to non-controlling interests	Profit for the period attributable to non-controlling interests	Equity attributable to non-controlling interests	
January 1, 2016	141	295,228	(46,077)	(974)	(145,874)	(12,100)	90,344	17,302	7,397	24,699	115,043
Allocation of 2015 profit (loss)					(12,100)	12,100	-	7,397	(7,397)	-	-
Profit (loss) for the period ended March 31, 2016						(4,367)	(4,367)		1,709	1,709	(2,658)
Other comprehensive expense			(5,541)	30	(4)	-	(5,515)	(1,069)	-	(1,069)	(6,585)
Total comprehensive income/(expense) of the period	-	-	(5,541)	30	(12,104)	7,733	(9,883)	6,328	(5,688)	640	(9,243)
Dividends to non-controlling interests							-	(285)		(285)	(285)
Total distributions to owners of the Company	-	-	-	-	-	-	-	(285)	-	(285)	(285)
March 31, 2016	141	295,228	(51,618)	(944)	(157,978)	(4,367)	80,461	23,344	1,709	25,053	105,515
January 1, 2017	141	295,228	(46,302)	(796)	(158,136)	(11,969)	78,166	17,024	8,314	25,338	103,504
Allocation of 2016 profit (loss)					(11,969)	11,969	-	8,314	(8,314)	-	-
Profit (loss) for the period ended March 31, 2017						1,917	1,917		1,887	1,887	3,805
Other comprehensive income			4,394	48	(5)		4,437	544		544	4,981
Total comprehensive income/(expense) of the period	-	-	4,394	48	(11,974)	13,886	6,355	8,858	(6,427)	2,431	8,786
Dividends to non-controlling interests (declared)							-	(1,653)		(1,653)	(1,653)
Total distributions to owners of the Company	-	-	-	-	-	-	-	(1,653)	-	(1,653)	(1,653)
March 31, 2017	141	295,228	(41,908)	(748)	(170,109)	1,917	84,522	24,229	1,887	26,117	110,638

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these unaudited condensed consolidated interim financial statements.

Notes to the unaudited condensed consolidated interim financial statements as at March 31, 2017

(1) General information

GCL Holdings S.C.A. is a company domiciled in Luxembourg. The unaudited condensed consolidated interim financial report of GCL Holdings S.C.A. as at and for the three months ended March 31, 2017 comprises the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and jointly controlled entities.

GCL Holdings S.C.A. is the owner of Guala Closures S.p.A. and its subsidiaries from September 2008 pursuant to a voluntary public tender offer.

The Group’s main activities involve the design and manufacturing of closures for spirits, wine and non-alcoholic drinks such as water, olive oil and vinegar, as well as pharma to be sold on the domestic and international markets.

The Group is also active in the field of production of PET plastic preforms and bottles.

The Group structure is reported at page 5 of this Report.

(2) Basis of preparation

This unaudited condensed consolidated interim financial statements contains unaudited condensed consolidated interim financial statements of GCL Holdings S.C.A. and its subsidiaries for the three month period ended March 31, 2016 and March 31, 2017 (“the interim financial statements”).

Although the financial information presented in this interim financial statements has been prepared in accordance with international accounting standard (“IAS”), this interim financial information is not required to be prepared in accordance with International Accounting Standard IAS 34, “Interim Financial Reporting” and consequently has not been prepared in accordance with IAS 34. They should be read in conjunction with the annual consolidated financial statements and the notes thereto in the Company annual report for the year ended December 31, 2016 which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by E.U.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2016. These unaudited condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with IFRS as adopted by E.U. Preparing these unaudited condensed consolidated interim financial statements require Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this unaudited condensed consolidated interim financial report, significant judgements made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended December 31, 2016.

The unaudited condensed consolidated interim financial statements have been prepared in euros, rounding the amounts to the nearest thousand. Any discrepancies between financial statements balances and those on the tables of the notes to the unaudited condensed consolidated interim financial statements are due exclusively to the rounding and do not alter their reliability or substance.

GCL Holdings S.C.A.’s Board of Directors approved the unaudited condensed consolidated interim financial statements on May 29, 2017.

The following exchange rates are applied to translate those financial statements presented in currencies that are not legal tender in Luxembourg:

Statement of financial position

1 Euro = x foreign currency	March 31, 2016	December 31, 2016	March 31, 2017
Pound sterling	0.79155	0.85618	0.85553
US dollar	1.13850	1.05410	1.06910
Indian rupee	75.42980	71.59350	69.39650
Mexican peso	19.59030	21.77190	20.01750
Colombian peso	3,419.23582	3,169.49219	3,088.45204
Brazilian real	4.11740	3.43050	3.38000
Chinese renminbi	7.35140	7.32020	7.36420
Argentinean peso	16.61701	16.74881	16.45887
Polish zloty	4.25760	4.41030	4.22650
New Zealand dollar	1.64110	1.51580	1.53090
Australian dollar	1.48070	1.45960	1.39820
Ukrainian hryvnia	29.84397	28.73860	28.92091
Bulgarian lev	1.95580	1.95580	1.95580
South African Rand	16.78660	14.45700	14.2404
Japanese Yen	127.90000	123.40000	119.5500
Chilean peso	763.85632	704.94519	711.4796

Statement of profit or loss

1 Euro = x foreign currency	March 31, 2016	March 31, 2017
Pound sterling	0.77012	0.85978
US dollar	1.10175	1.06473
Indian rupee	74.40753	71.29897
Mexican peso	19.89360	21.63120
Colombian peso	3,590.18667	3,109.97667
Brazilian real	4.30561	3.34550
Chinese renminbi	7.20903	7.33412
Argentinean peso	15.91353	16.69023
Polish zloty	4.36585	4.32077
New Zealand dollar	1.66224	1.49705
Australian dollar	1.52961	1.40519
Ukrainian hryvnia	28.31883	28.83463
Bulgarian lev	1.95580	1.95580
South African Rand	17.46003	14.0842
Japanese Yen	127.01833	120.9933
Chilean peso	773.34433	697.5890

(3) Accounting policies

The accounting policies applied by the Group in these unaudited condensed consolidated interim financial statements are consistent with those used by the Group in its annual consolidated financial statements as at and for the year ended December 31, 2016. The same accounting policies are also expected to be reflected in the Group's annual consolidated financial statements as at and for the year ending December 31, 2017.

Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended December 31, 2016.

(4) Net financial indebtedness

The net financial indebtedness is composed as follows:

Thousands of Euros	As at December 31, 2016	As at March 31, 2017
Financial liabilities	554,304	553,901
Financial liabilities vs Ukrainian minority	15,900	15,900
Financial assets	(702)	(713)
Cash and cash equivalents	(54,703)	(35,625)
Net financial indebtedness	514,799	533,463

The liability to the Ukrainian non-controlling investors relates to recognition of these investors' right to exercise a put option if certain conditions are met. It represents the discounted estimated value of the put option at its estimated time of exercise. The estimate of the value of this option is performed six-monthly only, therefore the liability at March 31, 2017 is unchanged compared to previous year end.

(4.1) Financial liabilities

Financial liabilities at December 31, 2016 and March 31, 2017 are shown below:

Thousands of Euros	December 31, 2016	March 31, 2017
Current financial liabilities		
Bonds	3,365	2,961
Bank loans and borrowings	6,299	8,149
Other financial liabilities	2,782	2,106
	<u>12,446</u>	<u>13,216</u>
Non-current financial liabilities		
Bonds	499,698	500,230
Bank loans and borrowings	34,346	33,189
Other financial liabilities	23,714	23,166
	<u>557,758</u>	<u>556,584</u>
Total	570,204	569,801

The terms and expiry dates of the financial liabilities at December 31, 2016 and March 31, 2017 are shown below:

Thousands of Euros	Nominal amount					
	Total December 31, 2016	Within one year	From one to five years	After five years	Current	Non- current
BONDS:						
Floating Rate Senior Secured Notes due in 2021 issued by Guala Closures S.p.A.	510,000	-	510,000	-	-	510,000
Accrued interest - Guala Closures S.p.A.	3,365	3,365	-	-	3,365	-
Transaction costs	(10,302)	-	(10,302)	-	-	(10,302)
TOTAL FRSSN 2021 Guala Closures S.p.A.	503,063	3,365	499,698	-	3,365	499,698
BANK LOANS AND BORROWINGS:						
Senior Revolving Facility	34,000	-	34,000	-	-	34,000
Transaction costs	(1,487)	-	(1,487)	-	-	(1,487)
Total Senior Revolving Facility	32,513	-	32,513	-	-	32,513
Accrued interest and expense - Guala Closures S.p.A.	(4)	(4)	-	-	(4)	-
Handlowy S.A. / Millennium S.A. bank overdraft (Poland)	3,586	3,586	-	-	3,586	-
Bancolombia loan (Colombia)	287	221	66	-	221	66
Bradesco / ITAU loan (Brazil)	1,179	719	460	-	719	460
Advances on receivables and loans (Argentina)	1,434	1,022	411	-	1,022	411
Bancomer loan (Mexico)	1,652	756	896	-	756	896
TOTAL BANK LOANS AND BORROWINGS	40,645	6,299	34,346	-	6,299	34,346
OTHER FINANCIAL LIABILITIES:						
Guala Closures S.p.A. finance leases	9,821	2,034	7,787	-	2,034	7,787
Liability to the Ukrainian non-controlling investors	15,900	-	-	15,900	-	15,900
Other liabilities	775	748	27	-	748	27
TOTAL OTHER FINANCIAL LIABILITIES	26,496	2,782	7,814	15,900	2,782	23,714
TOTAL	570,204	12,446	541,858	15,900	12,446	557,758

Thousands of Euros	Nominal amount					
	Total March 31, 2017	Within one year	From one to five years	After five years	Current	Non- current
BONDS:						
Floating Rate Senior Secured Notes due in 2021 issued by Guala Closures S.p.A.	510,000	-	510,000	-	-	510,000
Accrued interest - Guala Closures S.p.A.	2,961	2,961	-	-	2,961	-
Transaction costs	(9,770)	-	(9,770)	-	-	(9,770)
TOTAL FRSSN 2021 Guala Closures S.p.A.	503,191	2,961	500,230	-	2,961	500,230
BANK LOANS AND BORROWINGS:						
Senior Revolving Facility	33,000	-	33,000	-	-	33,000
Transaction costs	(1,412)	-	(1,412)	-	-	(1,412)
Total Senior Revolving Facility	31,588	-	31,588	-	-	31,588
Accrued interest and expense - Guala Closures S.p.A.	(19)	(19)	-	-	(19)	-
Handlowy S.A. / Millennium S.A. bank overdraft (Poland)	4,207	4,207	-	-	4,207	-
Bancolombia loan (Colombia)	237	227	11	-	227	11
Bradesco / ITAU loan (Brazil)	1,045	578	467	-	578	467
Advances on receivables and loans (Argentina)	2,938	2,567	371	-	2,567	371
Bancomer loan (Mexico)	1,341	589	751	-	589	751
TOTAL BANK LOANS AND BORROWINGS	41,338	8,149	33,189	-	8,149	33,189
OTHER FINANCIAL LIABILITIES:						
Guala Closures S.p.A. finance leases	9,331	2,089	7,243	-	2,089	7,243
Put option on non-controlling interests	15,900	-	-	15,900	-	15,900
Other liabilities	41	18	23	-	18	23
TOTAL OTHER FINANCIAL LIABILITIES	25,272	2,106	7,266	15,900	2,106	23,166
TOTAL	569,801	13,216	540,684	15,900	13,216	556,584

The Group's main outstanding financing instruments as at March 31, 2017 are Guala Closures S.p.A.'s Floating Rate Senior Secured Notes due 2021 and Guala Closures S.p.A.'s Senior Revolving Facility.

Credit facility	Available amount (thousands of Euros)	Amount used at March 31, 2017	Residual available amount at March 31, 2017	Repayment date
Bond Guala Closures S.p.A. - Floating Rate Senior Secured Notes due 2021	510,000	510,000	-	final repayment 11/15/2021
Senior Revolving Facility due 2021	65,000	33,000	32,000	final repayment 08/15/2021
Total	575,000	543,000	32,000	

(4.2) Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the cash flow statement:

Thousands of Euros	December 31, 2016	March 31, 2017
Bank and postal accounts	43,690	24,196
Cash and cash equivalents	11,012	11,429
Total	54,703	35,625

(5) Financial income

This caption includes:

Thousands of Euros	For the three months ended March 31,	
	2016	2017
Exchange rate gains	2,389	2,767
Interest income	431	295
Other financial income	53	3
Total	2,874	3,064

(6) Financial expense

This caption includes:

Thousands of Euros	For the three months ended March 31,	
	2016	2017
Interest expense	9,833	7,420
Exchange rate losses	3,417	1,580
Fair value losses on aluminum derivatives	291	-
Other financial expense	206	307
Total	13,747	9,307

The interest rates and interest expense by facility for the three months ended March 31 are shown below:

Thousands of Euros	Currency	Nominal interest rate	Interest expense	
			For the three months ended March 31,	
			2016	2017
BONDS:				
HY BONDS - GCL Holdings S.C.A. - 20/04/11	EUR	9.375%	4,688	-
Amortisation of transaction costs	EUR	n.a.	301	-
Total HY BONDS - GCL Holdings S.C.A.			4,988	-
BONDS - Guala Closures S.p.A. - 13/11/12 - due 2019	EUR	euribor 3M + 5.375%	3,646	-
Amortisation of transaction costs	EUR	n.a.	239	-
BONDS - Guala Closures S.p.A. - 11/11/16 - due 2021	EUR	euribor 3M + 4.75%	-	6,058
Amortisation of transaction costs	EUR	n.a.	-	532
Total BONDS - Guala Closures S.p.A.			3,885	6,590
BANK LOAN AND BORROWINGS:				
Senior Revolving Facility due 2017	EUR	euribor 3M + 3.75%	525	-
Amortisation of transaction costs	EUR	n.a.	128	-
Senior Revolving Facility due 2021	EUR	euribor 3M + 4.00%	-	340
Amortisation of transaction costs	EUR	n.a.	-	75
Total Senior Revolving Facility			653	415
Other bank loans Guala Closures S.p.A.	EUR	n.a.	2	1
Commitment fees on RCF due 2017	EUR	n.a.	74	-
Commitment fees on RCF due 2021	EUR	n.a.	-	93
Loan Bancolombia (Colombia)	COP	n.a.	10	7
Advances on receivables and loans (Argentina)	AR\$	n.a.	55	131
Loan Bancomer (Mexico)	MXP	3.62%	16	19
Total other bank loans and borrowings			157	251
Other financial liabilities:				
Guala Closures S.p.A. finance leases	EUR	euribor + 1.5% (*)	40	29
IRS on Leasing	EUR	n.a.	70	60
Bulgarian companies finance leases	BGN	n.a.	1	-
Other liabilities		n.a.	39	76
Total other financial liabilities			150	165
TOTAL			9,833	7,420

(*) Nominal interest rate on the property finance lease.

(7) Related party transactions

Intragroup transactions and balances between consolidated group companies are eliminated on consolidation and, therefore, do not appear in the unaudited condensed consolidated interim financial statements figures and are not disclosed in this report.

Melville S.r.l. is considered a related party of the Group.

The relationships between Melville S.r.l. and the Group at March 31, 2017 are summarized below:

- at March 31, 2017, Melville S.r.l. has a representative on the board of directors and a representative on the board of statutory auditors of Guala Closures S.p.A.;
- at March 31, 2017, Melville S.r.l. has a representative on the board of directors of GCL Holdings S.C.A.;
- at March 31, 2017, Melville S.r.l. has a representative on the board of directors of GCL Holdings GP S.à r.l.;
- at March 31, 2017, Melville S.r.l. has a representative on the board of directors of GCL Holdings LP S.à r.l.;
- at March 31, 2017, Melville S.r.l. controls an ultimate beneficial voting interest of 19.6%, via an investment in GCL Holdings L.P. S.à r.l..
- transactions with Melville took place on an arm's length basis.

In addition, Merchant Banking Funds is considered to be a related party of the Group.

aPriori Capital Partners L.P. manages the Merchant Banking Funds.

The transactions and relationships between Merchant Banking Funds and the Group at March 31, 2017 are summarized below:

- at March 31, 2017, aPriori Capital Partners L.P. had five representatives on the board of directors of Guala Closures S.p.A.;
- at March 31, 2017, aPriori Capital Partners L.P. had seven representatives on the board of directors of GCL Holdings S.C.A.;
- at March 31, 2017, aPriori Capital Partners L.P. had four representatives on the board of directors of GCL Holdings GP S.à r.l.;
- at March 31, 2017, aPriori Capital Partners L.P. had two representatives on the board of directors of GCL Holdings LP S.à r.l.;
- at March 31, 2017, MB Overseas Partners IV, L.P., Merchant Banking Partners IV (Pacific), L.P., Offshore Partners IV, L.P., MBP IV Plan Investors, L.P. and MB Overseas IV AIV, L.P. were collectively the beneficial owners of 58% of GCL Holdings S.C.A. via their indirect ownership of 35.4% of GCL Holdings L.P. S.à r.l.;
- transactions with aPriori Capital Partners L.P. took place on an arm's length basis.

Related parties also include a pension fund for employees of the former Metal Closures Ltd. (now Guala Closures UK Ltd.) managed by Metal Closures Group Trustees Ltd.. Considering the performance of the pension fund, the English Company was not required to transfer funds thereto. Employees have paid their contributions. Reference should be made to note 18) "Employee benefits" to the 2016 consolidated financial statements for additional information.

Material developments in the business of the Company and its Subsidiaries

No material development in the Group's business as disclosed in the Consolidated financial statements as at December 31, 2016.

Risk factors

There have not been any material changes to the risk factors disclosed in the Consolidated financial statements as at December 31, 2016.

On behalf of the Board of Directors
Managing Director
Marco Giovannini



Luxembourg, May 29, 2017

