

PRESS RELEASE

Vetropack – first half of 2019: marked increase in net sales and consolidated profit

Bülach, 27 August 2019 – Vetropack Group grew net sales to CHF 361.2 million in the first half of the year under review. The increase amounted to a substantial 5.8% after adjusting for currency effects or 3.2% in nominal terms. The operating result (EBIT) improved to CHF 48.4 million, up 19.2% on the same period last year. Consolidated profit rose by an impressive 27.3% to CHF 38.2 million.

Consolidated net sales from goods and services increased to CHF 361.2 million (2018: CHF 350.0 million), up by 3.2% or 5.8% after adjusting for currency effects.

The trend for using glass as a packaging material for food and drink is here to stay because consumers are increasingly health-conscious and environmentally aware when they shop. This is continuing to boost demand. Vetropack had already responded to this development last year and begun expanding capacity. Output thus rose by 2.8% in the first half of 2019 to 730,000 tonnes (2018: 710,000 tonnes).

This supply deficit and a sales mix that offered higher margins have enabled Vetropack to significantly improve its performance. In this environment, consolidated EBIT rose by 19.2% to CHF 48.4 million (2018: CHF 40.6 million). The EBIT margin amounted to 13.4% (2018: 11.6%).

The consolidated semi-annual profit of CHF 38.2 million (2018: CHF 30.0 million) was up 27.3% on the previous year's figure. The profit margin amounted to a pleasing 10.6% (2018: 8.6%).

Cash flow was high at CHF 81.5 million (2018: CHF 71.6 million), while the cash flow margin increased to 22.6% of net sales (2018: 20.5%). Vetropack Group employed a workforce of 3,346 people during the period under review (2018: 3,304).

Outlook for the second half of 2019

Vetropack Group expects the market environment to remain consistently favourable over the coming six months and we therefore anticipate a year-on-year increase in net sales for the 2019 fiscal year. Although increased depreciation will have an adverse impact on the result in the second half of the year, we are anticipating a marked improvement in the operating result for 2019 as a whole.

Vetropack Group's 2019 Semi-Annual Report is available online:
<https://www.vetropack.com/en/vetropack/investor-relations/financial-reports/>

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