PRESS RELEASE

Vetropack Group 2018: Marked rise in net sales and new record for unit sales

Bülach, 19 March 2019 – Vetropack Group again increased both its net sales and its unit sales during the 2018 fiscal year. Net sales rose by 9.4% and unit sales by 1.8%. The Group invested CHF 117.9 million, primarily in extra plant capacity, to increase its output to the level this required.

Financial key figures for 2018:

- **Net sales:** CHF 690.7 million (2017: CHF 631.5 million)
- **EBIT:** CHF 78.4 million (2017: CHF 64.1 million)
- **EBIT margin:** 11.3% (2017: 10.1%)
- **Consolidated profit:** CHF 58.1 million (2017: CHF 57.0 million)
- **Net liquidity:** CHF 72.3 million (2017: CHF 68.3 million)
- **Cash flow:** CHF 135.7 million (2017: CHF 126.3 million)
- **Cash flow margin:** 19.6% (2017: 20.0%)
- **Equity ratio:** 75.1% (2017: 73.8%)

In a booming market environment, Vetropack Group increased its net sales from goods and services by 9.4% in the 2018 fiscal year, reaching CHF 690.7 million (2017: CHF 631.5 million). Unit sales rose over the same period by 1.8% to 5.16 billion units of glass packaging (2017: 5.07 billion units).

Significant rise in operating profitability

The Group's consolidated **EBIT** improved by 22.3% compared with the previous year, reaching CHF 78.4 million (2017: CHF 64.1 million). The **EBIT margin,** at 11.3% of net sales, was well above the previous year's figure of 10.1%. These pleasing trends were the result of ever-increasing production capacity, improved production efficiency and a market environment that remained consistently positive.

Consolidated profit grew by 1.9% to CHF 58.1 million (2017: CHF 57.0 million), putting the profit margin at 8.4% (2017: 9.0%). Exchange rate losses on euro-denominated credit balances eroded the consolidated profit in the reporting year.

Liquidity further improved

Cash flow from operating activities was strengthened further during the reporting year and amounted to CHF 135.6 million (2017: CHF 124.7 million), equating to 19.6% (2017: 19.7%) of net revenue. **Investments** in tangible and intangible assets rose significantly to CHF 115.6 million (2017: CHF 67.3 million), primarily due to the capacity increases mentioned previously. All investments were fully financed by the Group's own funds. These investments pushed **free cash flow** down to CHF 28.6 million (2017: CHF 60.0 million). Consequently, the Group's net liquidity rose only slightly to CHF 72.3 million (2017: CHF 68.3 million).

Despite the high level of investment, Vetropack Group increased its **equity ratio** to 75.1% (2017: 73.8%). The balance sheet is very stable.

At the end of the reporting year, Vetropack had 3,291 **employees** (31 December 2017: 3,257 employees).

Outlook for the 2019 fiscal year

The Board of Directors and Management Board are expecting that consumption and demand will increase again slightly in the 2019 fiscal year. Vetropack Group plans to utilise all its increased capacity to the full and grow unit and net sales. Investments will remain at an above-average level in the 2019 fiscal year, with two furnaces to be completely modernised and the service life of two further ones extended. Vetropack Group will also ramp up its investment in digitalisation and automation. The resulting increase in depreciation is expected to keep the operating result at the same level as the previous year.

Vetropack Group includes subsidiaries in Switzerland, Austria, the Czech Republic, Slovakia, Croatia, Ukraine and Italy.

Vetropack Holding Ltd

The Board of Directors will propose to the Annual General Assembly that an increased dividend of CHF 50.00 gross (2017: CHF 45.00) be paid per bearer share and CHF 10.00 gross (2017: CHF 9.00) per registered share.

The Annual General Assembly of Vetropack Holding Ltd will take place at 11.15 a.m. on Wednesday, 24 April 2019 in St-Prex.

The 2018 Annual Report for Vetropack Group is available online:
https://www.vetropack.com/en/vetropack/investor-relations/financial-reports/

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