

PRESS RELEASE

Vetropack Group 2019: Increase in net sales and consolidated profit

Bülach, 17 March 2020 – The Swiss Vetropack Group boosted its net sales by 3.5% to CHF 714.9 million in the 2019 fiscal year (2018: 690.7 million). Consolidated profit increased by 25.6% to CHF 73.0 million (2018: CHF 58.1 million).

In 2019, Vetropack Group achieved **net sales** of CHF 714.9 million, 3.5% more than in the previous year (2018: CHF 690.7 million). **Unit sales** matched the previous year at 5.16 billion glass packaging units (2018: 5.16 billion units). The high sales volume in 2018 was only made possible by selling off existing stock. As additional production capacities were available in 2019, however, unit sales in the reporting year were fully covered by ongoing production.

Financial key figures for 2019:

- **Net sales:** CHF 714.9 million (2018: CHF 690.7 million)
- **EBIT:** CHF 90.2 million (2018: CHF 78.4 million)
- **EBIT margin:** 12.6% (2018: 11.3%)
- **Consolidated profit:** CHF 73.0 million (2018: CHF 58.1 million)
- **Net liquidity:** CHF 81.4 million (2018: CHF 72.3 million)
- **Cash flow:** CHF 153.1 million (2018: CHF 135.7 million)
- **Cash flow margin:** 21.4% (2018: 19.6%)
- **Equity ratio:** 79.2% (2018: 75.1%)

Production capacities slightly expanded

2019 was characterised by several overhauls and modernisations, with the associated capacity increases only taking full effect in 2020. Nevertheless, Vetropack Group was able to produce 1.46 million tonnes (2018: 1.45 million tonnes), 1.0% more than in the previous year.

Profitability significantly improved

The Group's consolidated **EBIT** improved by 15.1% compared with the previous year, reaching CHF 90.2 million (2018: CHF 78.4 million). At 12.6% of net sales, the **EBIT margin** was well above the previous year's figure of 11.3%. This pleasing result was achieved thanks to the further improvement in production efficiency, stable production costs and increased demand for high-quality glass packaging.

Consolidated **annual profit** rose by 25.6% to CHF 73.0 million (2018: CHF 58.1 million) and the profit margin stood at 10.2% (2018: 8.4%).

Liquidity further improved

Cash flow reached CHF 153.1 million during the reporting year (2018: CHF 135.7 million), equating to 21.4% (2018: 19.6%) of net sales. As was the case in the previous year, Vetropack Group invested in expanding its capacities. Overall, CHF 123.7 million (2018: CHF: 115.6 million) was put into tangible and intangible assets. All investments were fully financed by the Group's own funds. At CHF 28.1 million (2018: CHF 28.6 million), the **free cash flow** only changed marginally. The Group's **net liquidity** increased to CHF 81.4 million (2018: CHF 72.3 million).

Shareholders' equity climbed to CHF 752.2 million (2018: CHF 711.6 million). The **equity ratio** improved to 79.2% (2018: 75.1%).

At the end of the reporting year, Vetropack had 3366 **employees** (31 December 2018: 3291 employees).

Outlook for the 2020 fiscal year

We expect that the sustained increase in demand for glass packaging will also continue in the future. The "pro glass" trend is unbroken, with health-conscious consumers increasingly opting for sustainable and fully recyclable glass packaging.

As Vetropack Group is planning a furnace repair in the 2020 fiscal year, specifically the complete reconstruction of a furnace and its systems at the Croatian glassworks, it will then have greater capacity at its disposal than in previous years. We are also intending to utilise all capacities to the full. In addition, we are planning to further improve

our operating result. The investment activities remain at an above-average level, which will lead to an increase in depreciation. A one-off book profit from the sale of land will have a positive effect on the annual profit.

The current worldwide spread of the coronavirus is likely to have a negative impact on global economic development in 2020. At this point it is impossible to determine what implications this will have for Vetropack Group.

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 65.00 gross (2018: CHF 50.00) be paid per bearer share and CHF 13.00 gross (2018: CHF 10.00) per registered share.

The Annual General Assembly of Vetropack Holding Ltd will take place at 11.15 a.m. on Wednesday 22 April 2020 in Bülach.

This year, Vetropack Group is publishing an integrated annual report for the first time. The 2019 report is available exclusively online with a download option. Please click here:



Or here: <https://www.vetropack.com/en/vetropack/investor-relations/financial-reports/>

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