

**VIDRALA, S.A.**  
**BUSINESS PERFORMANCE**  
**NINE MONTHS 2014**

**Main figures**

EUR m

|                         | NINE MONTHS<br>ENDED SEPTEMBER<br>2014 | NINE MONTHS<br>ENDED SEPTEMBER<br>2013 | CHANGE<br>% |
|-------------------------|--|--|-------------|
| Sales                   | <b>362.8</b>                           | 368.7                                  | -1.6%       |
| Operating profit (EBIT) | <b>54.3</b>                            | 56.3                                   | -3.6%       |
| Net profit              | <b>40.2</b>                            | 40.8                                   | -1.5%       |

- ✓ Sales for the first nine months amounted to EUR 362.8 million, 1.6% below the previous year.
- ✓ Operating profit, EBIT, was EUR 54.3 million equivalent to a margin over sales of 15.0%.
- ✓ Last twelve months free cash flow reached 14.4% of sales.

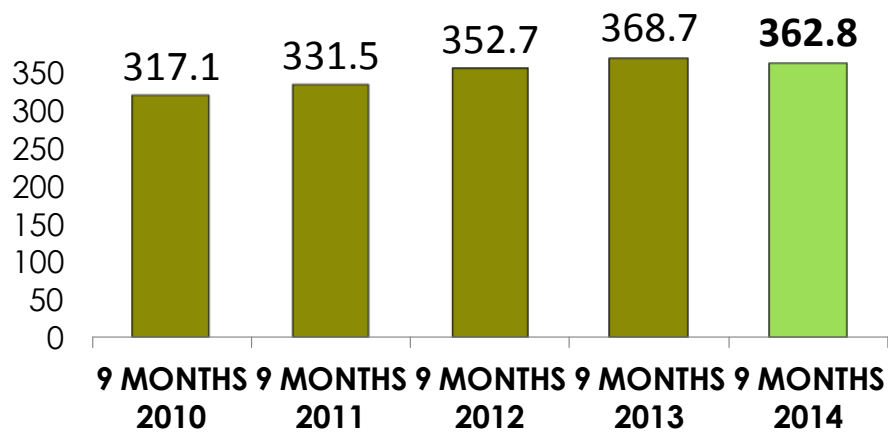


## Sales

Demand for glass containers throughout the European food and beverage markets shows moderate signs of stabilization.

Under this trading context, Vidrala's sales for the first nine months amounted to EUR 362.8 million, a decrease of 1.6% from the same period last year.

### SALES FIRST NINE MONTHS SINCE 2010 EUR m



## Operations

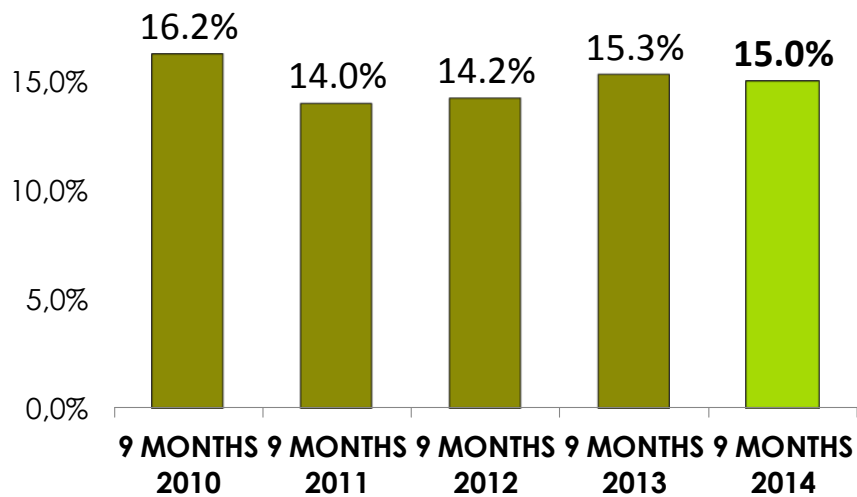
Prevailing pressure over sales prices, as a consequence of modest demand conditions, is affecting overall profitability levels within the European glass packaging industry.

Under this business context, Vidrala's operating margins remained supported by the benefits of internal actions focused on improving efficiency levels and optimizing the cost structure of the business.

As a result, operating profit, EBIT, for the first nine months amounted to EUR 54.3 million, representing a margin over sales of 15.0%.

### OPERATING MARGINS FIRST NINE MONTHS SINCE 2010

EBIT as a % of sales

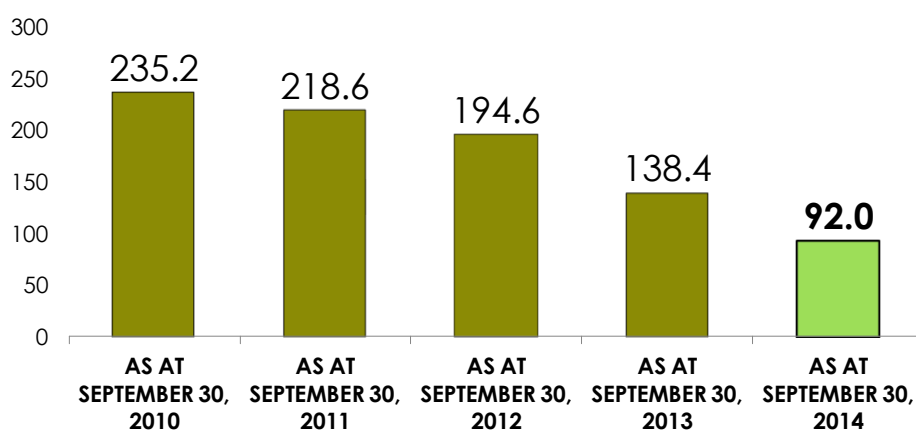


## Results

Net profit for the period reached EUR 40.2 million, 1.5% below the previous year.

Free cash flow over the period of the last twelve months amounted to EUR 67.2 million or 14.4% of sales. As a result, the financial position was strengthened through a debt reduction of 34% versus the same period last year.

**DEBT**  
**AS AT SEPTEMBER 30, SINCE 2010**  
EUR m



## Business outlook

Despite recent signs of recovery, the long standing period of demand weakness still limits sales visibility. Notwithstanding that, Vidrala's turnover should progress supported by the Group's proved solid market positioning.

Overall the glass packaging industry, modest demand conditions and persistent pressure over sales price are affecting margins intensifying competition. As a response to a more challenging business context, internal operational actions will keep focused on improving customer service, consolidating efficiency levels and guaranteeing a competitive cost structure. As a result, operating margins should perform stable during the last quarter of the year.

In any event, management priorities will remain firmly committed to improving cash generation and return on capital employed. As a result, free cash flow for the full year 2014 is expected to be higher than in 2013.



## Relevant information for shareholders

The Annual General Meeting of Vidrala, at its meeting held on May, approved to execute a free share capital increase in a proportion of one new share for every twenty existing shares to be freely allocated between all shareholders. All outstanding company shares, without distinction, will be fully granted for this bonus issue.

In order to proceed with this extraordinary shareholder remuneration process, every company's Shareholder will initially receive a free-of-charge subscription rights allocation for every Vidrala, S.A. share held on the date of publication of the announcement, expected the 29th October. These rights will be listed within the subscription period of fifteen calendar days period, starting the 30th October, finishing the 13th November, both inclusive. During this subscription period, shareholders will have the option to freely choose between: a. sell all or part of their rights on the Stock Exchange monetizing in cash the bonus share issue, b. preserve their stake maintaining their rights, or c. increase their stake buying new rights. Once this period is ended, the free-of-charge rights owned by the Holders will be converted into new shares in the proportion of 1 new share for every 20 rights.

Updated information about this bonus share issue will be accessible at the website of the company. Additionally, Vidrala shareholders' office is available for all interested.

More information at [www.vidrala.com](http://www.vidrala.com)  
VIDRALA S.A. SHAREHOLDERS' OFFICE  
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