

Press release

VIDRALA, S.A.
FIRST HALF 2014 RESULTS

Main figures
EUR

	SIX MONTHS ENDED JUNE, 30 2014	SIX MONTHS ENDED JUNE, 30 2013	Change %
Sales (m)	240.44	245.76	-2.2%
Operating profit - EBIT (m)	35.93	36.93	-2.7%
Earnings per share (EUR)	1.11	1.12	-0.9%

- ✓ Sales for the first half amounted to EUR 240.4 million, 2.2% below the previous year.
- ✓ Operating profit, EBIT, was EUR 35.9 million reaching a margin over sales of 14.9%.
- ✓ Earnings were EUR 1.11 per share, 0.9% lower compared to the first six months of 2013.
- ✓ Free cash flow during the last twelve months reached 12% of sales, allowing a debt reduction of 26% from the figure at June 2013.

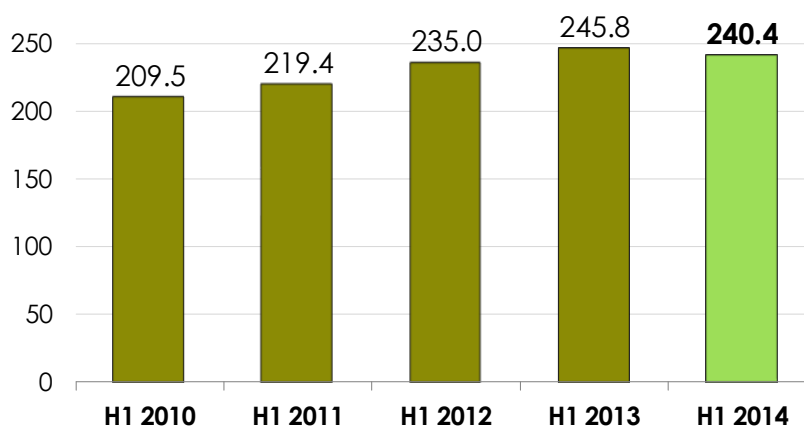


Sales

Overall demand of glass containers for food and beverage products in Europe remained weak during the start of the year, showing gradual trends of stabilization in line with macroeconomic conditions.

Under this market context, Group's revenues during the first half of the year decreased by 2.2% from the same period last year to EUR 240.4 million.

SALES FIRST HALF SINCE 2010 EUR in millions



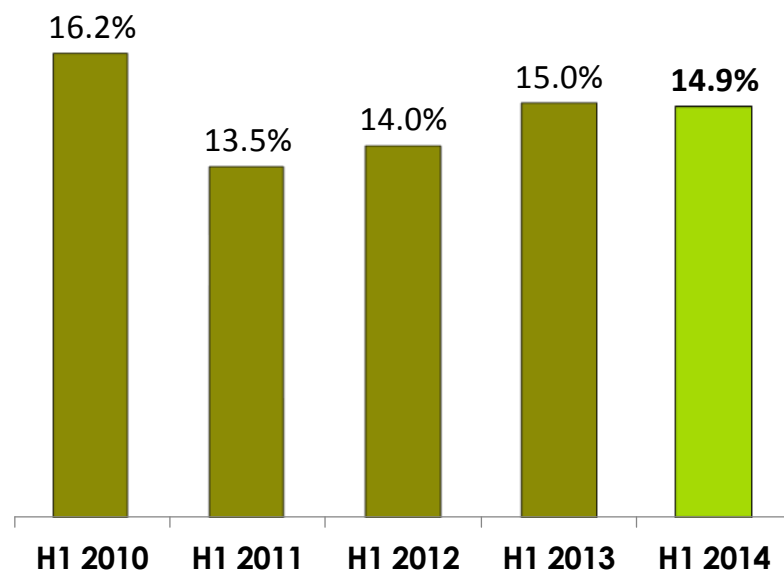
Operations

Modest demand conditions constraint sales prices along the European packaging industry limiting the recovery of margins.

Under this business conditions, the consolidation of Vidrala's operating margins remained supported on internal actions focused on improving the cost structure.

As a result, operating profit, EBIT, for the first six months amounted to EUR 35.9 million, representing a margin over sales of 14.9%.

OPERATING MARGINS FIRST HALF SINCE 2010 EBIT as a percentage of sales

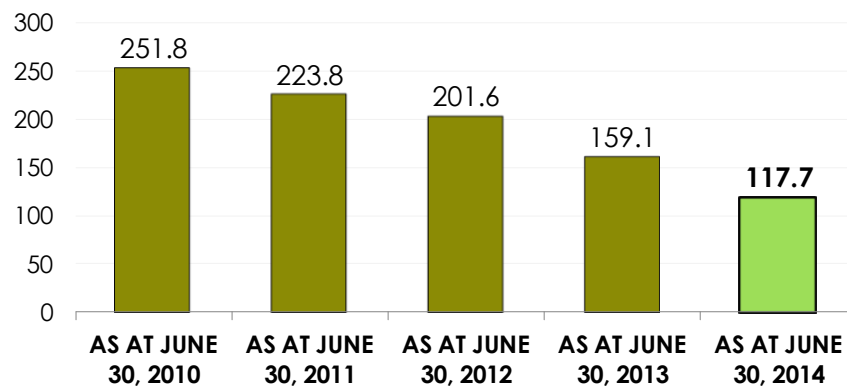


Results

Net profit for the first six months reached EUR 26.4 million. Earnings stood at EUR 1.11 per share, 0.9% below the previous year.

Debt was reduced by 26% versus the same period last year, down to EUR 117.7 million. The improvement of the financial position is a result of a free cash flow generation during the last twelve months of 12.0% of sales.

DEBT AS AT JUNE 30, SINCE 2010 EUR in millions



Business outlook

Glass packaging demand trends along main European markets shows gradual signs of stabilization. Under these conditions, Vidrala's turnover should advance benefited from the Group's proved solid market positioning.

Overall, operating margins within the European packaging industry remain affected by a period of weak demand and modest sales prices performance, intensifying competition. As a response to a more demanding business context, internal actions will keep focused on improving customer service and optimizing costs. Consequently, Group's operating margins should consolidate in the second half of the year.

In any case, management priorities will remain firmly committed to delivering solid cash generation and improving return on capital employed. These goals will be supported on a tight control of working capital and a disciplined implementation of the capex plan. As a result, free cash flow for the full year 2014 is expected to be higher than in 2013.



RELEVANT BUSINESS FIGURES

EUR in millions	AS AT JUNE 2014	AS AT JUNE 2013
SALES	240.4	245.8
OPERATING PROFIT (EBIT)	35.9	36.9
PROFIT BEFORE TAX	34.0	34.4
NET PROFIT	26.4	26.8
NON-CURRENT ASSETS	447.0	442.0
SHAREHOLDERS' EQUITY	398.2	361.4
DEBT	117.7	159.2
EBIT MARGIN	14.9%	15.0%
DEBT/EBITDA	1.1x	1.4x
GEARING	30%	44%
ROCE	10.7%	10.5%
EPS (EUR/share)	1.11	1.12



Relevant information for shareholders

The Annual General Meeting of Vidrala was held last May, 29. Among the resolutions therein adopted, fully available at the website of the company (www.vidrala.com), it should be highlighted the distribution of a complementary cash dividend from 2013 results of a gross amount of EUR 0.1748 per share, already paid last July 14.

This payment, which was complementary to the first interim dividend distributed on February, is coherent with the policy developed by the company focused on the sustained annual growth of the Shareholder remuneration.

Additionally, the Annual General Meeting approved a bonus share issue in the proportion of one new share for every twenty existing shares to be freely granted between all Shareholders. It is expected to execute the share issue during the last quarter of this year. Updated information on this matter will be available at the website of the company (www.vidrala.com).

