# VIDRALA, S.A.
## BUSINESS PERFORMANCE FIRST QUARTER 2014

### Main figures
EUR millions

| | THREE MONTHS ENDED MARCH 2014 | THREE MONTHS ENDED MARCH 2013 | Change % |
|---|---|---|---|
| Sales | **111.4** | 114.6 | -2.8% |
| Operating profit (EBIT) | **15.8** | 16.6 | -4.8% |
| Net profit | **11.5** | 11.9 | -3.4% |

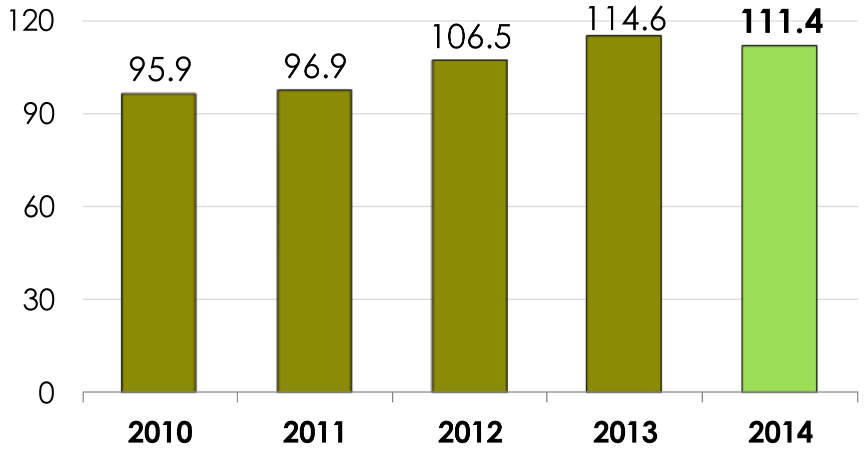
- **Sales for the first three months of the year declined 2.8% to EUR 111.4 million.**
- **Operating profit amounted to EUR 15.8 million, representing an operating margin of 14.2%.**
- **Sustained cash generation improved financial position as reflected in a 30% debt reduction from the previous year.**

## Sales

Demand conditions along main European food and beverage markets remain weak.

Under this context, sales during the first quarter amounted to EUR 111.4 million, decreasing 2.8% from the previous year.

**SALES**
**FIRST THREE MONTHS SINCE 2010**
EUR millions



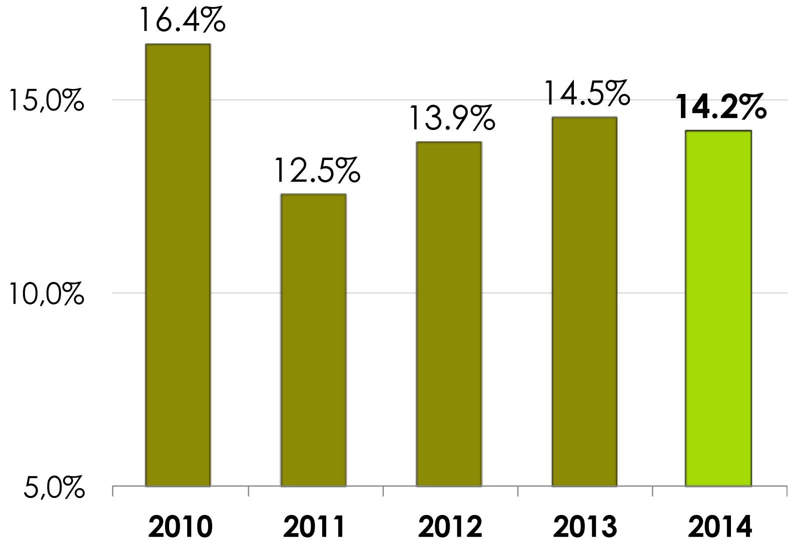
## Operations

Manufacturing activity during the first months of the year was affected by the refurbishment works executed at the plant in Albacete, Spain, planned in the Group's capex allocation programme.

Regarding recurrent operations, management actions along all the Group's facilities remained focused on guaranteeing high quality and service levels, further enhancing production efficiency ratios and benefiting from ongoing structural cost improvements.

As a result, operating profit for the first three months reached EUR 15.8 million that represents a margin of 14.2% over sales.

**OPERATING MARGINS**
**FIRST THREE MONTHS SINCE 2010**
EBIT as a percentage of sales

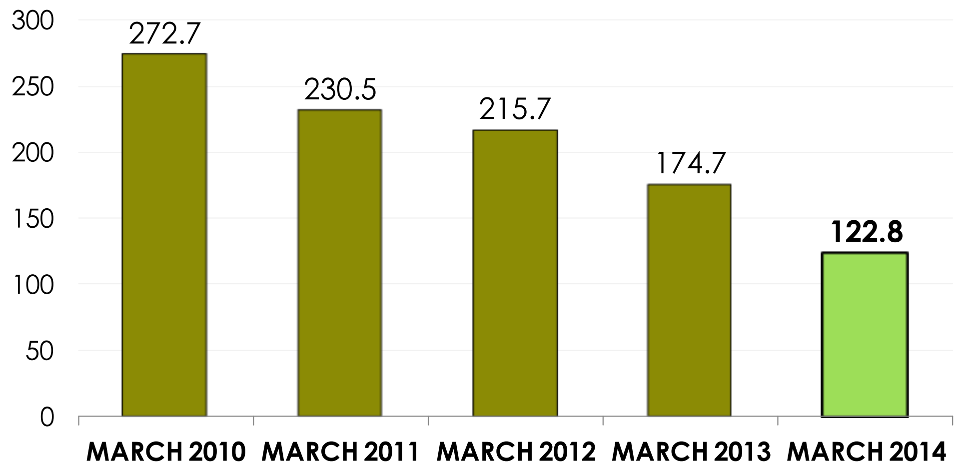


## Results

Net profit for the period amounted to EUR 11.5 million.

The described operational performance and the Company's disciplined approach to capital allocation, ensured free cash flow generation within defined targets. As a result, the capital structure of the business progressed, as reflected in return on capital employed, and the financial position improved, as proved in debt levels that were reduced by 30% from the previous year.

**DEBT**
**AS AT MARCH 31, SINCE 2010**
EUR millions



## Business outlook

Demand conditions remain weak limiting sales visibility. Notwithstanding that, the Company's turnover should perform supported by the proved solid market positioning.

Overall, margin deterioration along the packaging industry reflects a period of lower demand and cost inflation not adapted in sales prices. As a response to a more demanding business context, internal actions will stay focused on delivering the highest levels of quality and service for our customers and optimising the cost structure of the business. Consequently, operating margins should progressively improve throughout the year.

In any case, management will remain firmly committed to developing our long term targets, quality and service for our customers, cost competitiveness, cash generation and, consequently, return on capital employed.