

## VIDRALA, S.A. BUSINESS PERFORMANCE Q1 2020

### MAIN FIGURES (THREE MONTHS ENDED)

	March 2020	March 2019	Change	Change on constant currency basis
Sales (EUR million)	<b>243.7</b>	240.3	+1.4%	+1.1%
EBITDA (EUR million)	<b>59.9</b>	57.2	+4.7%	+4.4%
Earnings per share (EUR)	<b>1.10</b>	1.02	+7.9%	
Debt / EBITDA	<b>1.1x</b>	1.7x	-0.6x	

**Important:** In order to improve comparability, earnings per share has been adjusted for the effect of the bonus share issue carried out in December 2019.

- ✓ Sales during the first three months 2020 amounted to EUR 243.7 million, showing an organic growth of 1.1%.
- ✓ Operating profit, EBITDA, was EUR 59.9 million representing an operating margin of 24.6%.
- ✓ Net debt at March 31, 2020 stood at 1.1 times last twelve months EBITDA.



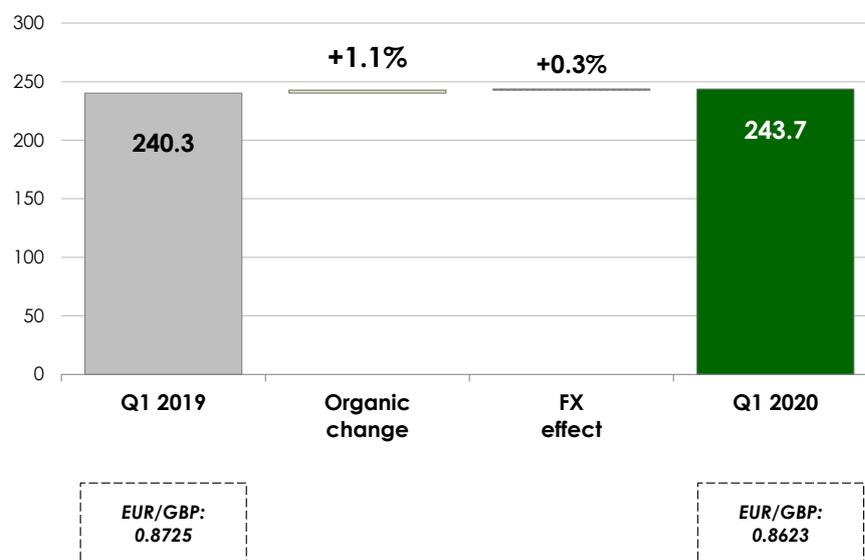
**Earnings performance**

**Sales**

Sales reported by Vidrala during the first three months 2020 amounted to EUR 243.7 million, an increase of 1.4% over the previous year. On a constant currency basis, sales reflected an organic growth of 1.1%.

**SALES  
YEAR OVER YEAR CHANGE**

EUR million



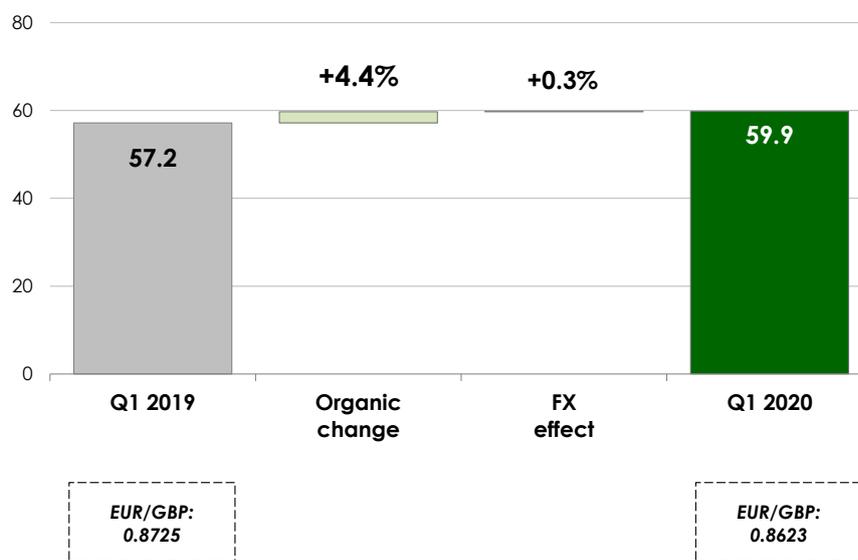
### Operating results

Operating profit –EBITDA– obtained in the first three months 2020 reached EUR 59.9 million, an increase of 4.7% over the figure reported last year. Organic growth, on a constant currency basis, was 4.4%.

Over sales, EBITDA margin stood at 24.6%.

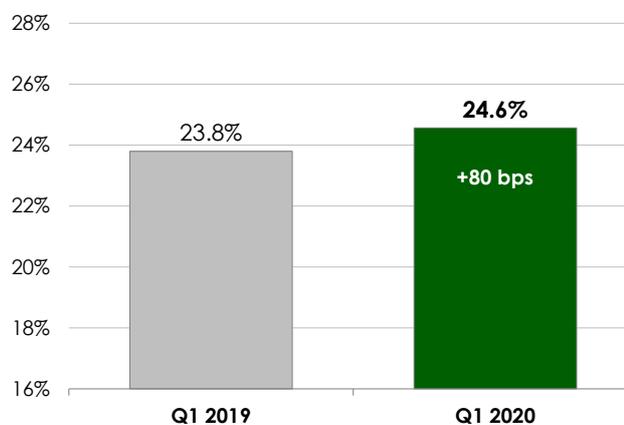
#### EBITDA YEAR OVER YEAR CHANGE

EUR million



#### OPERATING MARGINS EBITDA YEAR OVER YEAR CHANGE

As percentage of sales



## Results and financial position

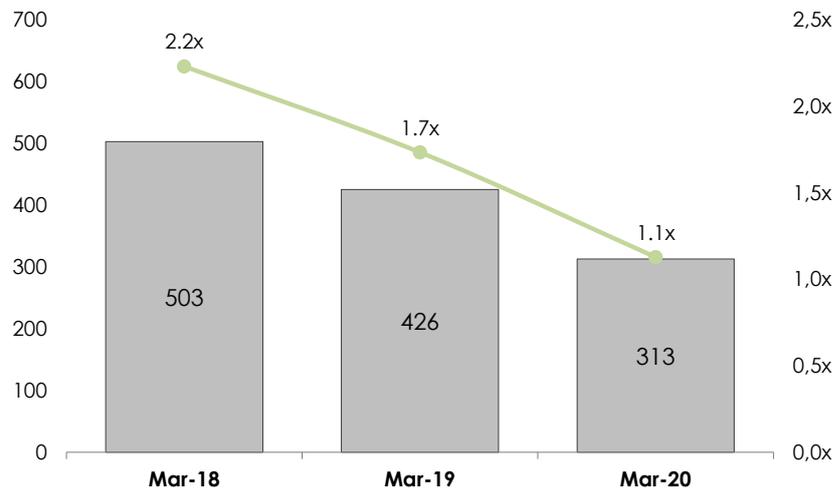
Net profit in the first quarter amounted to EUR 29.8 million. As a result, earnings reached EUR 1.10 per share, an increase of 7.9% over the previous year.

Net debt at March 31, 2020 stood at EUR 313.1 million, 27% below the prior year, reflecting a solid leverage ratio of 1.1 times last twelve months EBITDA.

At the date, the Group has a committed liquidity, immediately available undrawn financing facilities, of EUR 223 million and has no significant debt maturities before 2023.

### DEBT YEAR OVER YEAR EVOLUTION SINCE 2018

Debt in EUR million and times EBITDA



## Business outlook

### **Vidrala under the new CoVid-19 context**

Vidrala is a consumer packaging company. We make glass containers for food and beverages and offer a variety of packaging services that include logistic solutions and filling activities. Our products and services are part of the food and drinks value chain, contribute to maintain our customers' activities and support them to secure essential supplies to consumers around many different regions in the globe.

Today, more than ever, packaging is a crucial part of modern societies. It protects, preserves and enables efficient distribution of products connecting origins of production with end consumers. The consumption habits we experience today are possible, in part, thanks to the existence of a sustainable packaging supply chain.

Particularly during this difficult time, the packaging industry plays a critical role to make available food and beverages products for people affected by social distancing or quarantines. Albeit governments around our regions are adopting regulations to contain the pandemic that are restricting some businesses, glass container manufacturing has been widely recognised as an essential activity given its importance to support the food and beverages supply chain. In addition, as our people's health and safety is a priority amid CoVid-19, we in Vidrala have successfully implemented measures to protect all employees in alignment with the recommendations defined by the different health authorities. As a result, all our eight sites remain under operation.

Notwithstanding the above, the unprecedented measures to contain the pandemic will impact the economy, temporarily restrict some relevant leisure activities including the on-trade markets, and unavoidably affect demand.

Amid these changing market conditions, Vidrala will progressively adapt production capacity with discipline to protect the business. Having said that, the benefits of our reassured ambitious investment plan, defined with our customers and our industrial future in view, the effects from our recent footprint realignment and the operating action plans on track will contribute to enhance our competitiveness, further strengthening our market positioning and, at certain degree, mitigate impacts in our profitability.

In any case, the long-term strategic guidelines inside Vidrala will remain intact, firmly committed to our three priorities: customer, cost and capital. We will maintain a strict capital discipline, a solid financial position and focus on long term returns.

*During this time, glass packaging manufacturing is essential to support the food and drinks supply chain. However, it is also crucial we all continue to recycle so that glass does not become a waste and can be reused, over and over again. **Recycle glass.***

Stay **Strong**!  
vidrala!



## Annex I. Alternative Performance Measures (APM).

Vidrala publishes this information in order to promote comparability and interpretation of its financial information and in compliance with the Directive of the European Securities and Markets Authority (ESMA) on Alternative Performance Measures (APM).

See below, the alternative performance measures used by Vidrala, as well as its basis of calculation. For further detail, please check the reference document published on the corporate website ([link](#)).

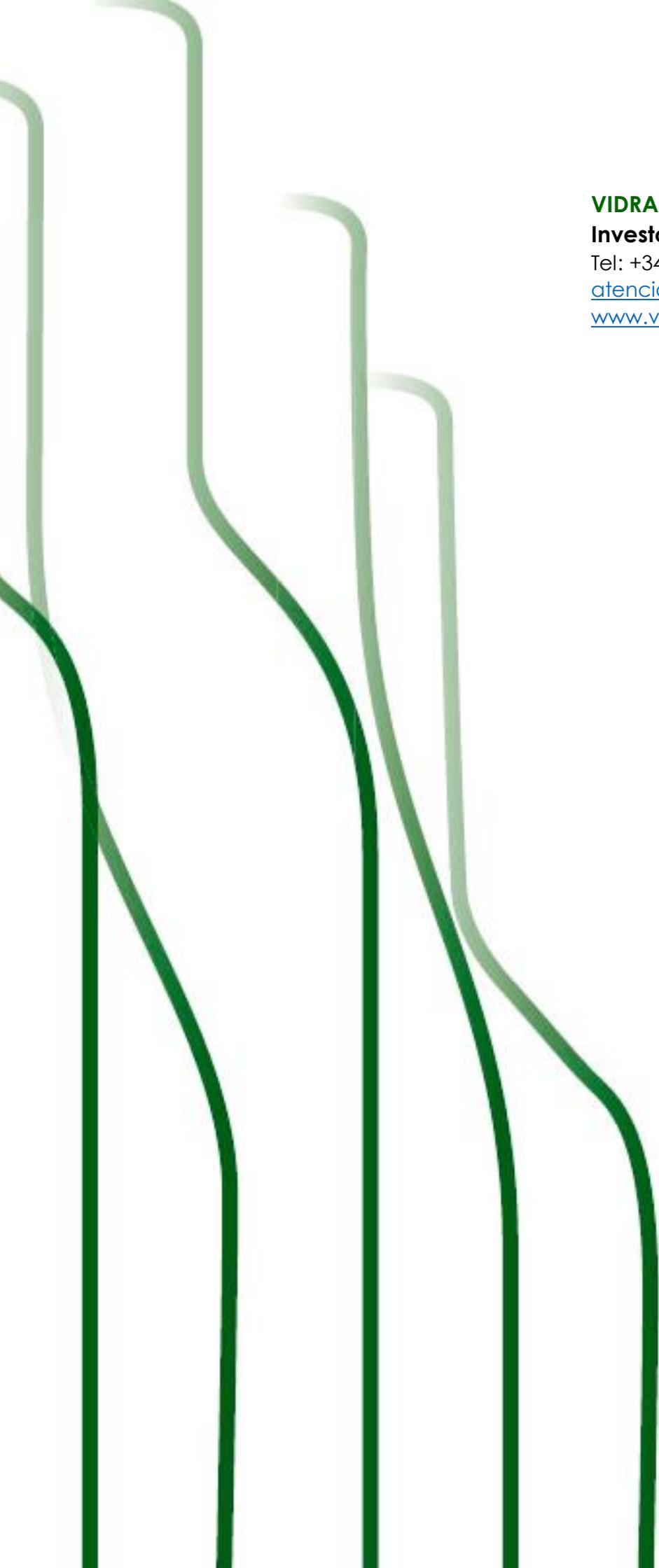
**EBITDA.** Vidrala calculates EBITDA as earnings before interest, taxes, depreciation and amortization (as reported in the consolidated income statement).

**Consolidated net debt.** Vidrala calculates consolidated net debt as the sum of all long-term liabilities and short-term obligations, and then subtracting cash and cash equivalents (as reported in the consolidated balance sheet).

**Free cash flow.** Vidrala calculates free cash flow by adding –to the real variation in net debt balances (as reported in the consolidated balance sheet)– payments during the period dedicated to dividends and net treasury stock purchases (as reported in the consolidated statement of cash flows).

*Other magnitudes referred to in this report:*

- **EBITDA margin** is calculated as accumulated EBITDA during the reported period divided by net sales.
- **Organic** refers to the variation on a like-for-like (comparable perimeter) and constant currency basis.
- **Debt/EBITDA** ratio is calculated as consolidated net debt at the end of the reported period divided by EBITDA obtained in the last 12 months.



**VIDRALA, S.A.**

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