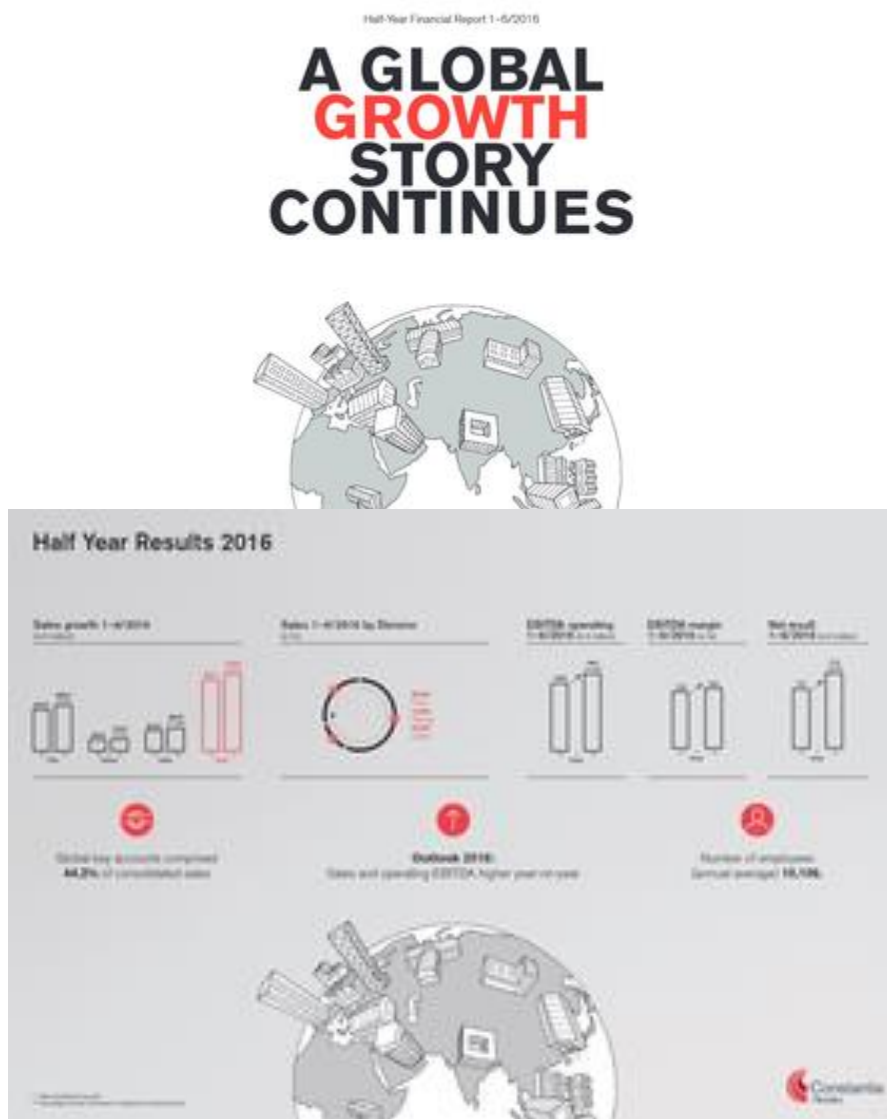




Constantia Flexibles continues on growth path

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Vienna, September 8, 2016 – Constantia Flexibles, one of the world’s leading manufacturers of flexible packaging products and labels, significantly improved sales and earnings in the first half of 2016 compared to the previous year as part of its global growth strategy.

Sales increased by 8.7% to just over €1 billion in the first six months. Afripack and Pemara, newly acquired corporate groups in growth markets, contributed €64.3 million to sales.

Adjusted for exchange rate effects and the two acquisitions, organic sales growth was 2.9% year-on-year. This growth was achieved in all markets and was generated by volume increases as well as improvements in the price/product mix. The America and Emerging Markets regions posted the strongest growth, primarily from the 2013 acquisitions of Globalpack in Mexico, Spear in the USA, and Parikh in India.

Adjusted EBITDA at the Group level was €149.1 million—an increase of 14.7% compared to the previous year. As a result, the EBITDA margin rose to 14.6% compared to 13.8% in the previous year. Earnings were improved through targeted savings projects and productivity increases. Furthermore, additional synergy effects from the integration of Afripack and Pemara will have positive impacts in the next two to three years.

The net result increased year-on-year by 26.3% to €17.3 million. The acquisitions increased the number of employees (annual average) to 10,106 as of the end of the first half of 2016.

“After a strong first half of the year, underlined in particular by our margin improvement, we are also optimistic about the rest of the year. We will surpass sales of two billion euros for the first time in the company’s history,” said Alexander Baumgartner, CEO of Constantia Flexibles. “We will push ahead with our global growth strategy, and in so doing, focus our broad range of packaging solutions even more on the most attractive customer markets and regions.”



Food

Division

Sales of the Food Division increased in the first half of the year by 8.1% to €598.3 million. Currency-adjusted organic growth was 1.8%. The Food Division's share of the Constantia Flexibles Group's total sales was 56.6%.

Growth in America in the first half of the year was especially encouraging for the Food Division. The business with plastic-based snack packaging posted significant sales increases.

Sales in Europe declined slightly, primarily due to lower raw materials prices. Sales volumes of packaging for dairy products and ready-made meals increased yet again. Furthermore, additional drivers of innovation, such as portion packs for coffee and tea, allowed new product developments to be rolled out and gain market share. In contrast, the development of confectionery packaging was stable compared to the previous year.

Sales increased in the Emerging Markets despite difficult market conditions in Turkey and Russia.

Pharma Division

The Pharma Division's sales increased by 2.1% in the first half of 2016 to €153 million. Adjusted for exchange rate effects, sales growth was 2.4%. The Division's share of Constantia Flexibles's total sales was 13.9%.

In addition to an increase in sales in the core European region, the share in the Emerging Markets was also increased further in the first half of 2016. This was attained through significantly higher exports of cold-form foils to our long-standing customers in the new, fast growing Asian markets. Volume growth in the American market in the first half of the year was dampened somewhat, primarily in the core pharmaceuticals business, following a very strong growth period in the previous year.



The Pharma Division will consolidate the acquisition of Oai Hung Co. Ltd., the Vietnamese manufacturer of pharmaceutical packaging, for the first time in the second half of the year. The company is headquartered in Ho Chi Minh City, has 240 employees, and posted sales of €25 million in 2015.

Labels Division

Division sales increased by 11.4% in the first half of 2016 to €304.5 million. The Labels Division's share of Constantia Flexibles's total sales was thus 29.5%. Currency-adjusted organic growth was 4.1%.

Market growth in the first half of 2016 was characterized by increasing demand for higher-value labels (primarily self-adhesive labels), particularly in the global beer market. The 2013 acquisition of the Spear Group, the market leader in self-adhesive labels, allowed Constantia Flexibles to accompany this market trend. An additional sales driver was increased global demand for plastic labels. Growth was also supported by the continuous expansion of existing business relationships and gaining new customers in Asia.

Outlook

The management of Constantia Flexibles continues to assess the company's prospects for 2016 as positive following the conclusion of the first half of the year. Sales and operating EBITDA will increase year-on-year, with a continuing focus on higher profitability and cash flow generation. The ongoing activities to improve production processes with respect to operating excellence will also increase the company's efficiency.

Global general economic conditions continue to be a major challenge however. The management of Constantia Flexibles is observing geopolitical developments very closely, in particular in Russia and Turkey. At the same time,



it is carefully watching the impacts from the referendum in the United Kingdom. Constantia Flexibles operates plants in all three countries that produce locally, but also supply its global network of customers. Any export possibilities from these markets will also be seized.

Continual targeted acquisitions will still represent an important element in Constantia Flexibles's global expansion strategy.

The sale of Aluprint Plegadizos, the folding carton segment located in Mexico, to the Mexican company Grupo Gondi will be completed by the end of the year as planned.

In EUR million	I–VI 2015 Adjusted Group	I–VI 2016 Adjusted Group	Change 2015/16
Sales	942.7	1024.3	+8.7%
Operating EBITDA	129.9	149.1	+14.7%
EBITDA margin	13.8%	14.6%	-
Net result	13.7	17.3	+26.3%

Note

All results published here refer to Constantia Flexibles Group GmbH and differ from those of Constantia LUX Parent S.A., whose level is published in the Wendel Group's consolidated results. The report on Constantia LUX Parent S.A. includes all business supporting costs also situated above the Group GmbH and the full loan liabilities from the Senior Facilities Agreement (SFA) related to the takeover of the Group by the Wendel Group.

The complete half-year report 2016 can be downloaded at

<http://www.cfex.com/investors/publications/>.



Constantia Flexibles is one of the world's leading manufacturers of flexible packaging products and labels. The Group supplies its products to numerous multinational corporations and local market leaders in the food, pet food, pharmaceuticals, and beverage industries. In total, Constantia Flexibles has over 3,000 customers and more than 10,000 employees worldwide. The company produces at 54 sites in 23 countries.

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