
SIG COMBIBLOC

Q1 2019

TRADING

STATEMENT



CEO ROLF STANGL
CFO SAMUEL SIGRIST

7 MAY, 2019



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In this presentation, we utilise certain alternative performance measures, including EBITDA, adjusted EBITDA, core revenue and adjusted net income that in each case are not recognized under International Financial Reporting Standards (“IFRS”). These non-IFRS measures are presented as we believe that they and similar measures are widely used in the markets in which we operate as a means of evaluating a company’s operating performance and financing structure. They may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS or other generally accepted accounting principles, nor should they be considered as substitutes for the information contained in the financial statements included in this presentation.

EBITDA, a measure used by our management to measure operating performance, is defined as profit (loss) before net finance expense, income tax expense, depreciation of property, plant and equipment and amortisation of intangible assets.

Adjusted EBITDA is defined as EBITDA adjusted to exclude certain non-cash transactions and items of a significant or unusual nature including, but not limited to, transaction- and acquisition-related costs, restructuring costs, unrealised gains or losses on derivatives, gains or losses on the sale of non-strategic assets, asset impairments and write-downs and share of result of joint ventures, net of cash distributed in the form of dividends.

Adjusted net income is defined as profit or loss adjusted to exclude certain items of significant or unusual nature, including, but not limited to, the non-cash foreign exchange impact of non-functional currency loans, amortization of transaction costs, the net change in fair value of financing-related derivatives, purchase price allocation depreciation and amortization, adjustments made to reconcile EBITDA to adjusted EBITDA and the estimated tax impact of the foregoing adjustments.

Adjusted EBITDA and adjusted net income are not performance measures under IFRS, are not measures of financial condition, liquidity or profitability and should not be considered as alternatives to profit (loss) for the period, operating profit or any other performance measures determined or derived in accordance with IFRS or operating cash flows determined in accordance with IFRS.

Additionally, adjusted EBITDA is not intended to be a measure of free cash flow for management’s discretionary use, as it does not take into account certain items such as interest and principal payments on our indebtedness, working capital needs and tax payments. We believe that the inclusion of adjusted EBITDA and adjusted net income in this presentation is appropriate to provide additional information to investors about our operating performance to provide a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. Because not all companies calculate adjusted EBITDA, core revenue and adjusted net income identically, the presentation of these non-IFRS performance measures may not be comparable to other similarly titled measures in other companies.

Please note that combismile is currently not available in Germany, Great Britain, France, Italy and Japan.

FIRST QUARTER 2019 HIGHLIGHTS

CONTINUED GROWTH
MOMENTUM

**TOTAL
REVENUE UP
+4.9%**

UP
+3.1%
AT CONSTANT
CURRENCY

**CORE
REVENUE UP
+7.3%**

UP
+5.4%
AT CONSTANT
CURRENCY

**ALL REGIONS
CONTRIBUTING
TO GROWTH**

**ADJUSTED
EBITDA
MARGIN
23.6%**
(Q1 2018: 24.7%)
IMPACT OF
LOWER
DIVIDEND FROM
MIDDLE EAST JV

**SIGNIFICANT
IMPROVEMENT
IN ADJUSTED
NET INCOME:**
DEBT REDUC-
TION AND
LOWER FINAN-
CING COSTS
POST-IPO

Comparisons are with Q1 2018

CORE REVENUE AND ADJUSTED EBITDA PROGRESSION

CURRENCIES TURN POSITIVE
AFTER 2018 HEADWIND

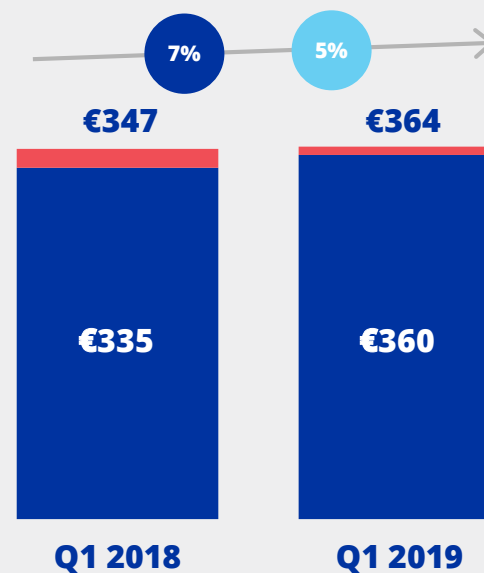
BUSINESS SEASONALITY:

REVENUE AND MARGIN TYPICALLY LOWER IN Q1

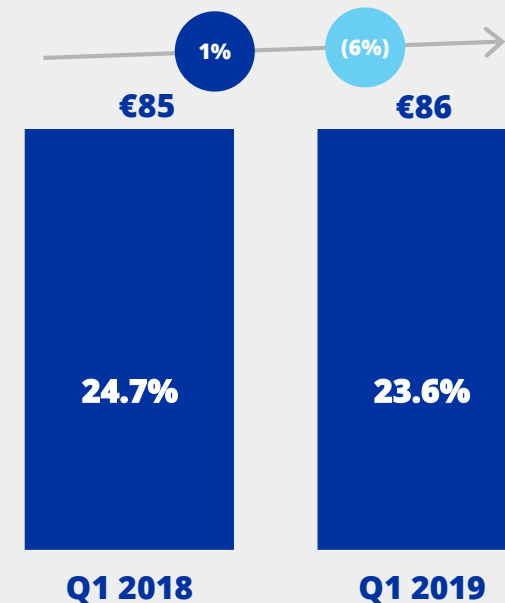
STRENGTHENING OF KEY CURRENCIES AGAINST THE EURO

NOTABLY:
USD, THB, CNY POSITIVE IMPACT ON REVENUE AND ADJUSTED EBITDA

Q1 CORE REVENUE* € MILLIONS



Q1 ADJUSTED EBITDA AND MARGIN € MILLIONS



FX impacts include translation and transaction

* Defined as total revenue less sales of folding box board to third parties



CORE REVENUE



TOTAL REVENUE



ACTUAL GROWTH



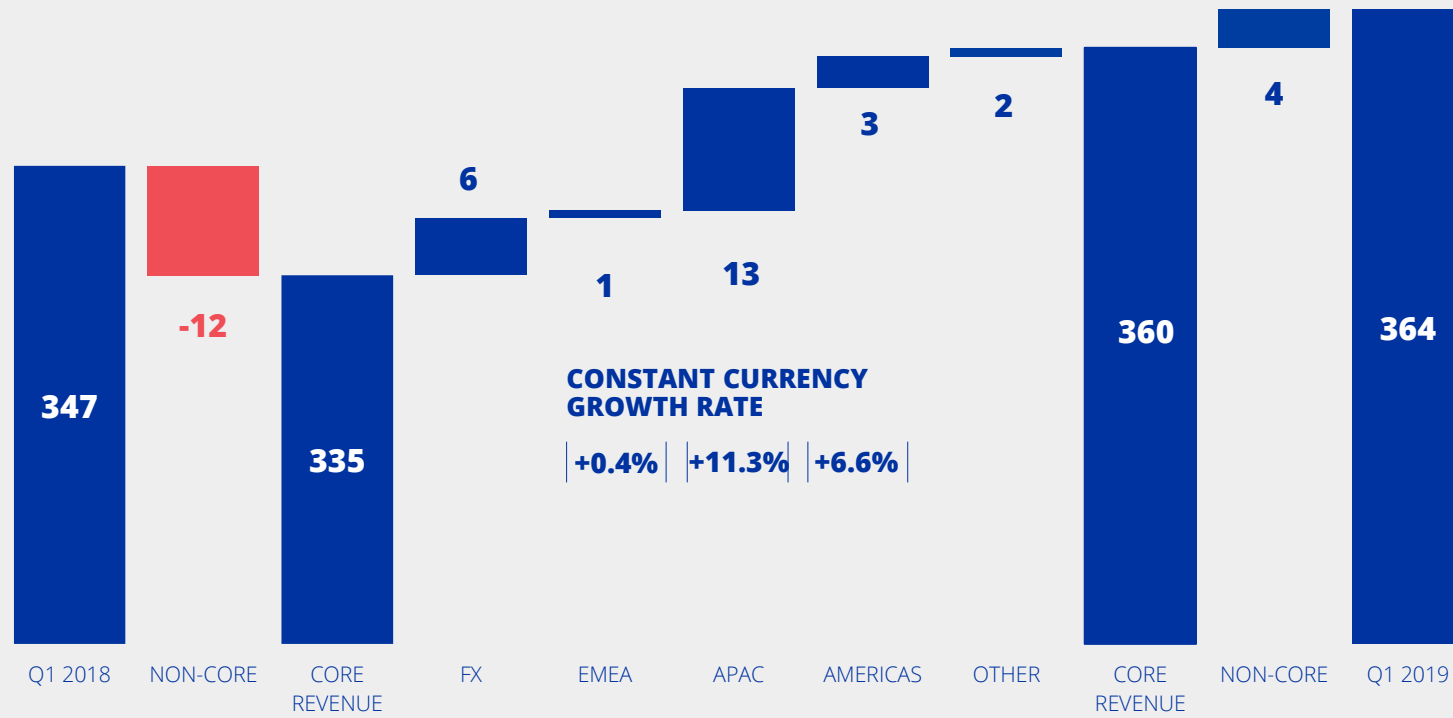
CONSTANT CURRENCY GROWTH

CORE REVENUE

ALL REGIONS CONTRIBUTING TO GROWTH

Q1 CORE REVENUE BRIDGE

€ MILLIONS



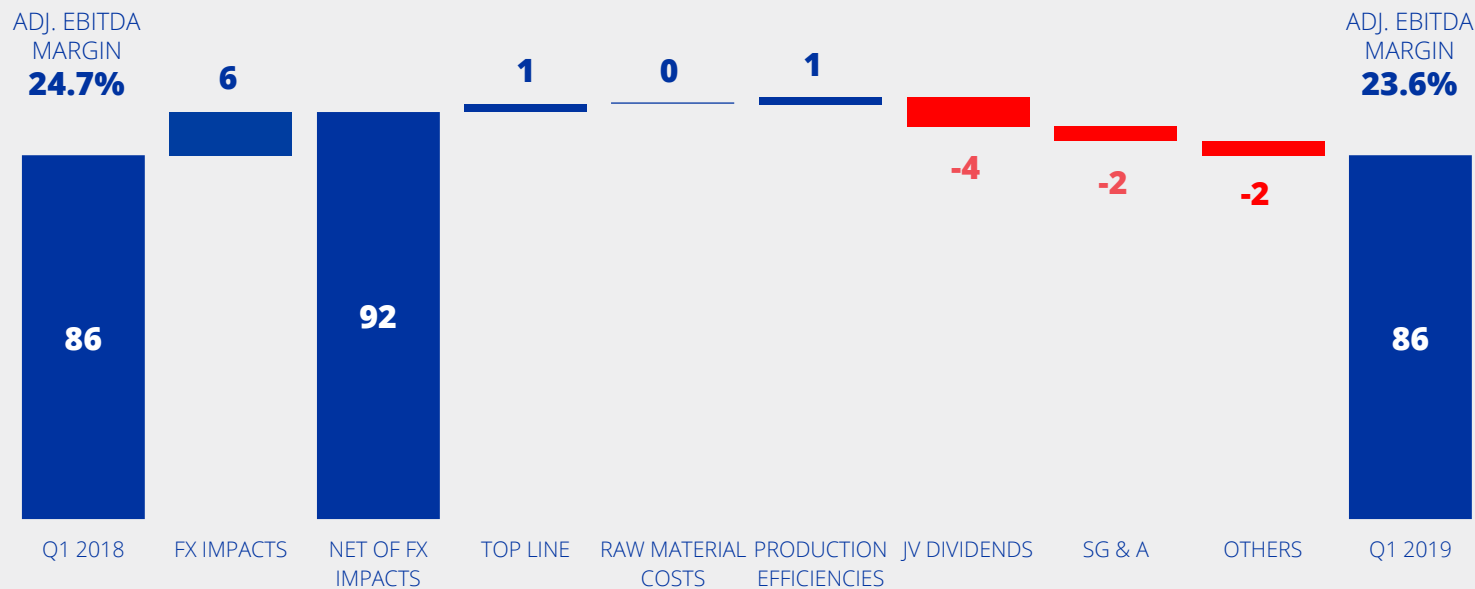
- EMEA: ongoing growth in Europe, lower contribution from Middle East joint venture
- Continuing momentum in Asia Pacific
- Americas: growth from key customers and recent filler placements in Brazil

ADJUSTED EBITDA

FULL YEAR ADJUSTED EBITDA MARGIN TARGET MAINTAINED

Q1 ADJUSTED EBITDA BRIDGE

€ MILLIONS



FX impacts include translation and transaction

- Lower dividend from Middle East joint venture
- Unfavourable Q1 mix effects not expected to continue
- Ramp-up costs relating to combismile expansion in North America

ADJUSTED NET INCOME

LOWER FINANCE
EXPENSE POST-IPO

€ MILLIONS

	Q1 2019	Q1 2018
PROFIT (LOSS) FOR THE PERIOD	5	(32)
Financing costs and exchange rate impacts	(2)	5
Depreciation and amortisation relating to Onex acquisition	35	35
Adjustments to EBITDA	(2)	12
OF WHICH:		
<i>Share of joint ventures net of dividends</i>	1	5
<i>Restructuring costs</i>	1	1
<i>Unrealised gains/losses on derivatives</i>	(5)	5
Tax effect on above items	(7)	(16)
ADJUSTED NET INCOME	29	4

BUSINESS OUTLOOK

STRONGLY POSITIONED
IN A GROWTH INDUSTRY

CONTINUED GROWTH MOMENTUM

FULL YEAR GUIDANCE OF
4 - 6% CORE REVENUE
GROWTH AT CONSTANT
CURRENCY UNCHANGED

**FULL YEAR ADJUSTED
EBITDA** MARGIN GUIDANCE:
27 - 28%

FOCUS ON BUSINESS
QUALITY, INNOVATION, COST
EFFICIENCY

WELL-INVESTED FOOTPRINT

FURTHER INVESTMENTS
WITHIN 8 - 10% NET
CAPEX/REVENUE RANGE

ATTRACTIVE DIVIDEND
POLICY TARGETING PAYOUT OF
50 - 60% OF ADJUSTED NET
INCOME

SCOPE FOR FURTHER DE-
LEVERAGING MID TERM

THANK YOU

CEO ROLF STANGL
CFO SAMUEL SIGRIST

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