MEDIA RELEASE

30 July 2019
SIG Combibloc Group ("SIG")

Strong performance in growth markets

First half year 2019 highlights

- Core revenue up 6.9% as reported: up 5.1% at constant exchange rates
- Adjusted EBITDA up 3.9%; adjusted EBITDA margin 25.6% (H1 2018: 25.9%)
- Significant increase in adjusted net income to €80.5 million (H1 2018: €48.4 million) reflecting higher profits from operating activities and lower financing costs post-IPO
- Full year guidance unchanged
- Expansion of demand in APAC: new plant to be constructed in China

Key performance indicators:[1] H1 2019

(In € million or %)	**Six months ended 30 June 2019**	**Six months ended 30 June 2018**	**Change** Reported currency	**Change** Constant currency
Core revenue[2]	794.5	743.5	6.9%	5.1%
Adjusted EBITDA	205.5	197.8	3.9%	
Adjusted EBITDA margin[3]	25.6%	25.9%		
Adjusted EBITDA less net capex margin	18.0%	14.4%		
Adjusted net income	80.5	48.4		
Free cash flow	36.8	2.0		
Cash conversion	70%	55%		

Reported Measures:[1] H1 2019

(In € million or %)	**Six months ended 30 June 2019**	**Six months ended 30 June 2018**	**Change** Reported currency	**Change** Constant currency
Total revenue	802.2	763.4	5.1%	3.4%
EBITDA	202.0	173.4	16.5%	
Net income	25.2	(47.6)		

[1] For additional information about alternative performance measures used by management that are not defined in IFRS, including definitions and reconciliations to measures defined in IFRS, refer to the SIG 2019 Interim Report.
[2] Core revenue represents revenue to external customers and excludes sales of folding box board to third parties.
[3] Adjusted EBITDA as a percentage of total revenue.

Key performance indicators[1]: Q2 2019

(In € million or %)	Three months ended 30 June 2019	Three months ended 30 June 2018	Change	
			Reported currency	Constant currency
Core revenue[2]	434.8	408.3	6.5%	4.9%
Adjusted EBITDA	119.6	112.3	6.4%	
Adjusted EBITDA margin[3]	27.3%	27.0%		
Adjusted net income	51.4	44.4		

Reported measures[1]: Q2 2019

(In € million or %)	Three months ended 30 June 2019	Three months ended 30 June 2018	Change	
			Reported currency	Constant currency
Total revenue	438.5	416.7	5.2%	3.7%
EBITDA	113.7	99.9	13.8%	
Net income	20.5	(15.5)		

[1] For additional information about alternative performance measures used by management that are not defined in IFRS, including definitions and reconciliations to measures defined in IFRS, refer to the SIG 2019 Interim Report.
[2] Core revenue represents revenue to external customers and excludes sales of folding box board to third parties.
[3] Adjusted EBITDA as a percentage of total revenue.

Rolf Stangl, CEO of SIG, said: "In the first half of 2019, we saw good top line growth driven in particular by the growth markets in Asia Pacific and the Americas, which have been the focus of our investment in recent years. Core revenue growth at constant currency of 5.1% is within our target range for the full year of 4-6%. Profitability improved in the second quarter and the H1 adjusted EBITDA margin was only slightly below the H1 2018 level, despite a reduction in the dividend from our Middle East joint venture.

Growth in Asia Pacific has been driven by robust demand for liquid dairy products, augmented in many South East Asian countries by consumption of non-carbonated soft drinks. In order to meet growing demand for our packs we will construct a new plant at the Suzhou Industrial Park in China, close to our existing facilities. The investment will be partly lease-financed and does not change our guidance for net capital expenditure. Following on from the opening of our new SIG Tech Centre in Suzhou in Q4 2018, the new plant will further expand our footprint and our ability to win share in Asia Pacific, the world's largest growth region for aseptic carton packaging."

Revenue by region: H1 2019

(In € million or %)	Six months ended 30 June 2019	Six months ended 30 June 2018	Change	
			Reported currency	Constant currency
EMEA	358.2	356.6	0.4%	0.3%
APAC	284.1	254.0	11.9%	7.7%
Americas	144.5	128.8	12.1%	10.7%
Group Functions	7.7	4.1		
Core revenue from transactions with external customers	794.5	743.5	6.9%	5.1%
Revenue from sales of folding box board	7.7	19.9		
Total revenue	802.2	763.4	5.1%	3.4%

Growth momentum was sustained in the second quarter of 2019 and for the first half core revenue increased by 5.1% at constant currency, within the target range for the full year of 4 - 6%. This progression reflects a continuing strong performance in growth markets, including both APAC and the Americas. Sales in EMEA were slightly higher at constant exchange rates.

Revenue by region: Q2 2019

(In € million or %)	Three months ended 30 June 2019	Three months ended 30 June 2018	Change	
			Reported currency	Constant currency
EMEA	183.0	182.3	0.4%	0.2%
APAC	157.2	145.0	8.4%	5.1%
Americas	91.1	79.4	14.5%	13.3%
Group Functions	3.5	1.6		
Core revenue from transactions with external customers	434.8	408.3	6.5%	4.9%
Revenue from sales of folding box board	3.7	8.4		
Total revenue	438.5	416.7	5.2%	3.7%

EBITDA and adjusted EBITDA

	Six months ended 30 June 2019		Six months ended 30 June 2018		
(In € million or %)	Adjusted EBITDA margin[1]	Adjusted EBITDA	Adjusted EBITDA margin[1]	Adjusted EBITDA	Reported currency change
EMEA	29.9%	107.2	32.8%	116.8	(8.3%)
APAC	31.5%	92.0	28.5%	78.0	18.0%
Americas	24.8%	35.8	25.3%	32.6	9.9%
Group Functions		(29.5)		(29.6)	
Total	25.6%	205.5	25.9%	197.8	3.9%

[1] Adjusted EBITDA divided by revenue from transactions with external customers.

Adjusted EBITDA increased by 3.9% to €205.5 million despite the impact from the Middle East joint venture dividend, which was €4m lower than in H1 2018. The adjusted EBITDA margin was 25.6% (H1 2018: 25.9%), Revenue growth and currencies made a positive contribution to EBITDA, offsetting higher SG&A costs which include investments in growth markets and additional costs as a result of being a listed company.

EBITDA increased by 16.5% to €202.0 million. The increase compared with adjusted EBITDA was largely due to an unrealised gain on derivatives, compared with a loss in H1 2018, and to lower transaction-related costs.

Net income and adjusted net income

Adjusted net income increased to €80.5 million compared with €48.4 million in H1 2018. The increase reflected an improvement in net income, which moved from a loss of €47.6 million in H1 2018 to a profit of €25.2 million in H1 2019. The improvement is a consequence of higher profit from operating activities and lower net finance expense following the reduction and re-financing of debt in connection with the IPO.[1]

Capital expenditure

Gross capital expenditure was €86.7 million in H1 2019 (H1 2018: €112.9 million). Net capital expenditure (net capex), after deduction of upfront cash for fillers received from customers, was €61.2 million compared with €88.1 million in H1 2018.

[1] The positive impact of lower net finance expense on adjusted net income has been highlighted with the publication of pro forma adjusted net income on 26 February 2019 (Annual Report p. 20 and Full Year Results Media Release) and in the Q1 2019 Trading Statement.

Capacity expansion

In the light of strong demand in Asia Pacific, SIG has decided to expand its production network in the region with the construction of a new plant located at the Suzhou Industrial Park in China. The plant will benefit from operational and overhead synergies with SIG's existing factory in Suzhou and is expected to achieve world class environmental and safety performance and productivity. A total investment of €180 million will be partly lease-financed with a Chinese partner. The project will benefit from government subsidies. Guidance for net capex of 8-10% of revenue in 2019 and over the mid-term is unchanged. The plant is expected to come onstream early in 2021.

Free cash flow

(In € million)	**Six months ended 30 June 2019**	**Six months ended 30 June 2018**
Net cash from operating activities	**120.8**	**105.1**
Dividends received from joint ventures	6.7	10.7
Acquisition of PP&E and intangible assets	(86.7)	(112.9)
Payment of lease liabilities	(4.0)	(0.9)
Free cash flow	**36.8**	**2.0**

Free cash flow increased from €2.0 million in H1 2018 to €36.8 million in H1 2019, reflecting higher profits from operating activities, lower financing costs and lower capital expenditure, partially offset by higher working capital.

The Company generates most of its free cash flow in the second half of the year due to business seasonality.

Net debt and leverage

(In € million)	**As of 30 June 2019**	**As of 31 Dec. 2018**
Gross total debt	1,621.7	1,618.7
Cash and cash equivalents[1]	78.6	157.1
Net total debt	1,543.1	1,461.6
Total net leverage ratio (last twelve months)	3.3x	3.2x

[1] Includes restricted cash

Cash and cash equivalents were lower at 30 June 2019 compared with 31 December 2018 owing to the payment of the dividend in April 2019 for a total amount of €99 million. This has resulted in a slight increase in leverage at 30 June 2019 which is expected to reverse in the second half with the higher level of cash generation.

Full year outlook

Full year 2019 guidance of core revenue growth of 4 - 6% at constant currency and an adjusted EBITDA margin of 27 - 28% is unchanged.

Investor contact:

Jennifer Gough +41 52 674 6508
Director Investor Relations
SIG Combibloc Group AG
Neuhausen am Rheinfall, Switzerland
jennifer.gough@sig.biz

Media contact:

Lemongrass Communications
Andreas Hildenbrand +41 44 202 5238
andreas.hildenbrand@lemongrass.agency

About SIG

SIG is a leading systems and solutions provider for aseptic carton packaging. We work in partnership with our customers to bring food and beverage products to consumers around the world in a safe, sustainable and affordable way. Our unique technology and outstanding innovation capacity enable us to provide our customers with end-to-end solutions for differentiated products, smarter factories and connected packs, all to address the ever-changing needs of consumers.

Founded 1853, SIG is headquartered in Neuhausen, Switzerland. The skills and experience of our approximately 5,000 employees worldwide enable us to respond quickly and effectively to the needs of our customers in over 60 countries. In 2018, SIG produced more than 35 billion carton packs and generated €1.7 billion in revenue. For more information, visit www.sig.biz.

In this media release, we utilise certain alternative performance measures, including core revenue, EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted EBITDA margin less net capex margin, net capex, adjusted net income, free cash flow, cash conversion and net leverage ratio that in each case are not defined in International Financial Reporting Standards ("IFRS"). These 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. Our definition of and method of calculating the alternative performance measures stated above may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS or other generally accepted accounting principles, are not measures of financial condition, liquidity or profitability and should not be considered as an alternative to profit from operations for the period or operating cash flows determined in accordance with IFRS, nor should they be considered as substitutes for the information contained in our consolidated financial statements. You are cautioned not to place undue reliance on any alternative performance measures and ratios not defined in IFRS included in this media release. Refer to the section "Financial review" and the consolidated interim financial statements in the 2019 Interim Report for SIG's definitions of the above alternative performance measures not defined in IFRS and reconciliations to measures defined in IFRS.