



Schoeller Allibert



May, 2017
Strictly Private & Confidential

Investor Presentation

Q1 2017

Disclaimer

- THIS REPORT (THE “REPORT”) IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES. BY READING THIS REPORT, ATTENDING ANY PRESENTATION OF THIS REPORT (THE “PRESENTATION”) AND/OR READING ANY SLIDES USED FOR ANY SUCH PRESENTATION (THE “PRESENTATION SLIDES”) YOU AGREE TO BE BOUND AS FOLLOWS:
- The information contained in this Report, any Presentation and/or any Presentation Slides (the “Information”) has not been subject to any independent audit or review. A portion of the Information, including all market data and trend information, is based on estimates or expectations of Schoeller Allibert Group B.V. (together with its subsidiaries and affiliates, the “Group”), prepared by us based on certain assumptions, or by third party sources. We have not independently verified such data or sought to verify that the data remains accurate as of the date of this Report, any Presentation and/or any Presentation Slides. There can be no assurance that these estimates or expectations are or will prove to be accurate.
- In addition, past performance of the Group is not indicative of future performance. The future performance of the Group will depend on numerous factors which are subject to uncertainty. Furthermore, the Information contained in this report is subject to change without notice. No representation or warranty, express or implied, is made as to the fairness, accuracy, reasonableness or completeness of the information contained herein and no reliance should be placed on it.
- Certain statements contained in this Report, any Presentation and/or any Presentation Slides that are not statements of historical fact, including, without limitation, any statements preceded by, followed by or including the words “targets,” “believes,” “expects,” “aims,” “intends,” “may,” “anticipates,” “would,” “could” or similar expressions or the negative thereof, constitute forward-looking statements, notwithstanding that such statements are not specifically identified. In addition, certain statements may be contained in press releases and in oral and written statements made by or with the Group’s approval that are not statements of historical fact and constitute forward-looking statements. Examples of forward-looking statements include, but are not limited to: (i) statements about the benefits of any contemplated offering of securities, including future financial and operating results; (ii) statements of strategic objectives, business prospects, future financial condition, budgets, projected levels of production, projected costs and project levels of revenues and profits of the Group or its management or boards of directors; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements.
- By their nature, forward-looking statements involve risk and uncertainty and may, and often do, differ materially from actual results. Any forward-looking statement speaks only as of the date on which it is made and reflects the Group’s current view with respect to future events. Forward-looking statements are not guarantees of future performance, and the actual results, performance, achievements or industry results of the Group’s operations, results of operations, financial position and the development of the markets and the industry in which the Groups operates or is likely to operate may differ materially from those described in, or suggested by, the forward-looking statements contained in this Report, any Presentation and/or any Presentation Slides. New factors will emerge in the future, and it is not possible for the Group to predict which factors they will be. In addition, we cannot assess the impact of each factor on the Group’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements.
- The Group presents financial information herein that is prepared in accordance with IFRS and may present any other generally accepted accounting principles, such as EBITDA, Adjusted EBITDA and other financial measures. These non-IFRS financial measures, as defined by the Group, may not be comparable to similarly-titled measures as presented by other companies, nor should they be considered as an alternative to the historical financial results or other indicators of the performance based on IFRS.

Introduction to the Schoeller Allibert Team

Ian Robinson

Chief Executive Officer



Ian Degan

Chief Financial Officer



Q1 2017 Summary

- Revenue trend has stabilised and shows growth at constant FX
- Good Ebitda performance: improvement versus Q1 2016
- We continue to work on New Product Development (NPD) and have seen NPD sales almost 50% up versus Q1 2016
- Our Lean manufacturing programme continues to make progress across our factories
- Adj. Free Cash outflow of €8.6m for the Quarter and in line with seasonality

Q1 2017 Update on Strategic Objectives

1

Grow Revenues Through Product Innovation

Q1 2017 NPD revenue of € 6.9m
(Q1 2016: € 4.2m)

39 new projects realised by 2016
41 projects planned for 2017/18, of which the majority has started

First new Intermediate Bulk Container (IBC) moulds will arrive end of year

Belgium Big Box mould will be delivered in Q2 and machine will arrive in Q3

2

Enhance Market Position by Focusing on Improving Sales of Key Products Across Key End-markets

Beverage picked up slightly in Q1, and pipeline for 2017 is interesting

Automotive remains challenging

Pooling shows volatility

UK retail improved significantly in Q1 2017

Good order book, up year-on-year for Q2 2017 on base business

3

Continue to Streamline Operations and Improve Productivity

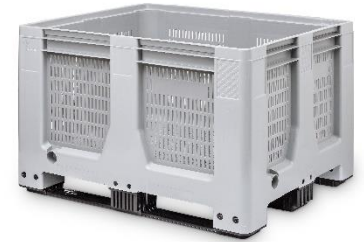
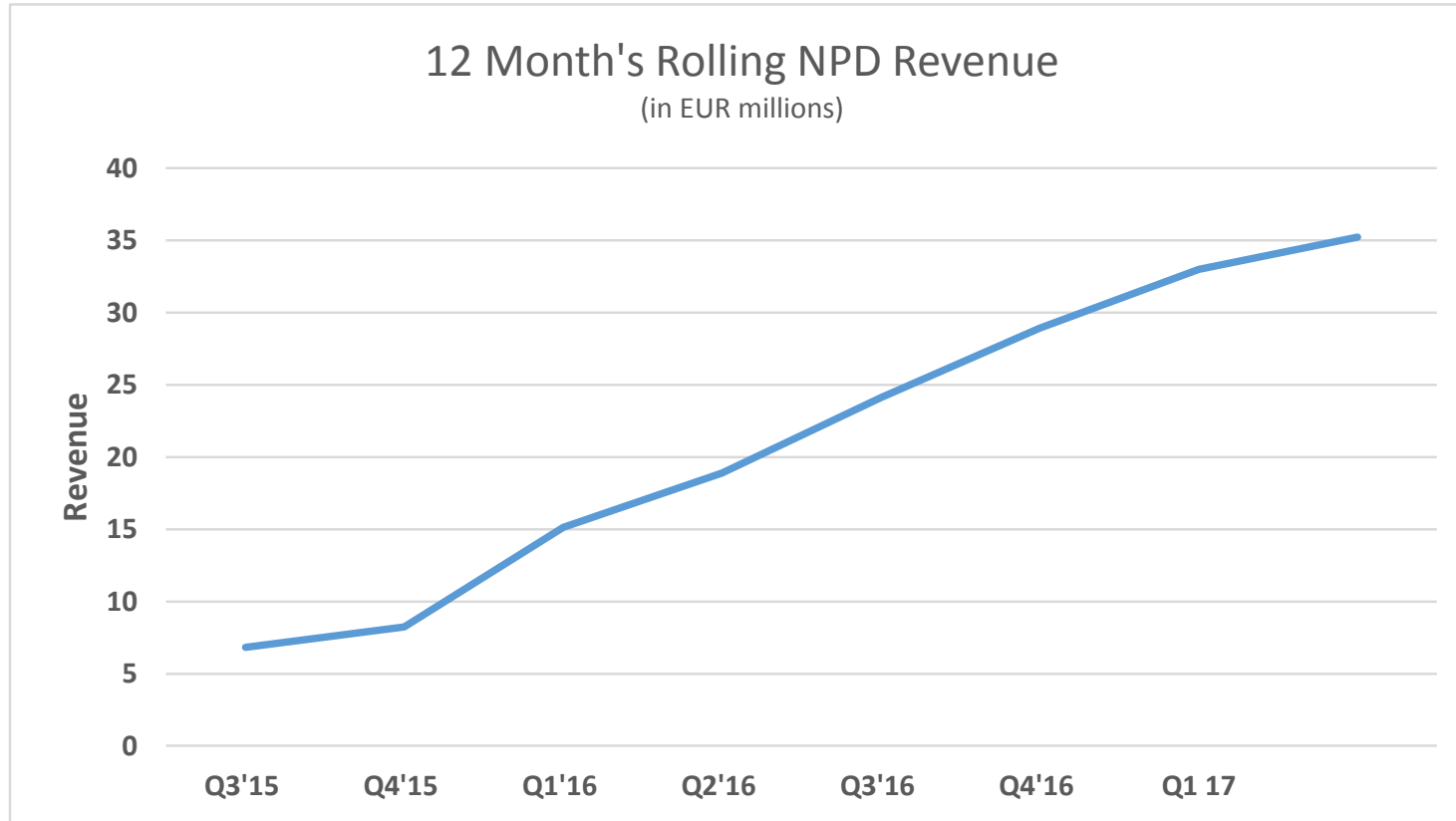
Lean manufacturing making good progress across our factories

UK Single Site project is in execution phase

Construction of new factory in Belgium is on schedule

3 new injection moulding machines have been installed during Q1 2017

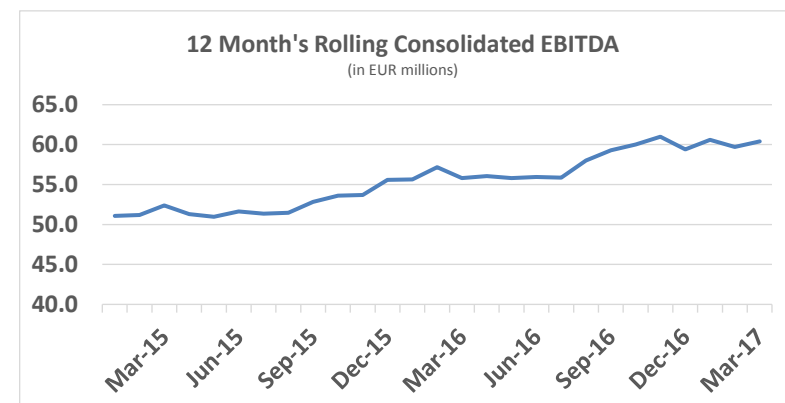
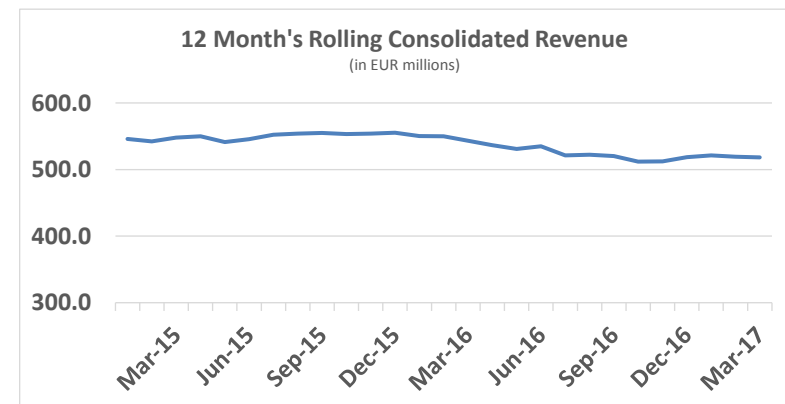
New Product Development (NPD)



Financial Performance

	Q1 2017	Q1 2016	FY 2016	FY 2015
Revenues	114.1	114.5	518.8	555.4
% growth y-o-y	-0.3%		-6.6%	
Adjusted EBITDA	10.5	9.5	59.4	55.6
% sales	9.2%	8.3%	11.5%	10.0%

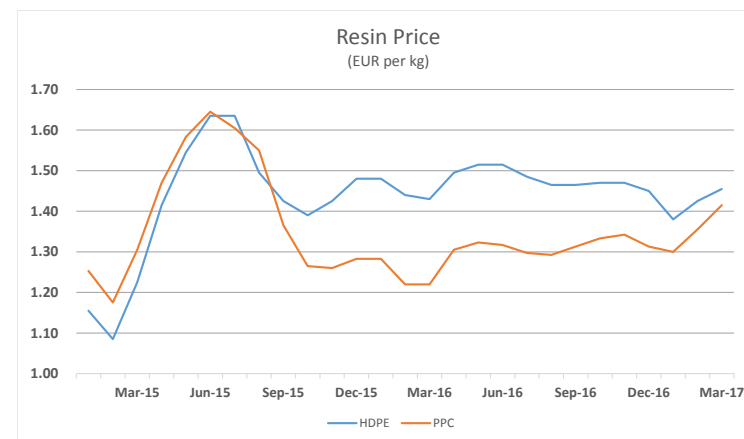
- Q1 Revenue is 0.3% behind Q1 2016
- EBITDA is 10.5% higher than Q1 2016, despite the negative FX impact
- EBITDA % margin trend has continued to improve
 - Positive impact of lean manufacturing, cost control and mix



Financial Performance

- Revenues at constant FX increased by 1.2%; the impact is mainly GBP-related and partially offset by USD.
- Resin prices increased during Q1; the pass through resulted in revenues being 1.5% higher than Q1 2016
- The FX impact is almost completely offset by higher resin prices with volumes at the same level as previous year.
- The UK is showing improvement year on year due to higher sales to Retail, which is partially offset by the currency impact.

<i>Constant FX results</i>	Q1 2017	Q1 2016
Revenues	115.9	114.5
% growth y-o-y	1.2%	
Adjusted EBITDA	10.7	9.5
% sales	9.2%	8.3%



Cash Flow

(EUR in millions)

	Q1 2017	Q1 2016	FY 2016	FY 2015
Adjusted EBITDA	10.5	9.5	59.4	55.6
Change in Working Capital	(12.0)	(3.7)	2.2	0.4
Operating Cash Flow	(1.5)	5.8	61.6	56.0
Interest	(0.8)	(3.3)	(13.0)	(16.1)
Taxes	(1.4)	(0.8)	(3.1)	(2.1)
Capex	(3.9)	(2.0)	(16.4)	(22.7)
Disposal proceeds / other	(0.3)	-	2.6	(0.2)
Free Cash Flow	(7.9)	(0.4)	31.7	14.9
Investment in Moulds for Future Growth	(0.7)	(2.9)	(10.5)	(9.7)
Adj. Free Cash Flow	(8.6)	(3.3)	21.2	5.2
Breakthrough projects	(1.5)	-	(6.9)	(0.6)
New finance leases	2.5	2.9	11.6	5.4
Finance lease repayments	(0.9)	(0.9)	(3.0)	(2.8)
Debt repayment and proceeds	(0.1)	(0.1)	22.3	(5.2)
Refinancing	(0.2)	-	(9.6)	(8.3)
Adjusting items	(0.8)	(0.6)	(5.3)	(5.8)
Net Free Cash Flow	(10.1)	(2.0)	30.3	(12.1)

- Adj. Free Cash Flow for Q1 of €8.6m outflow
- Working capital negative for Q1 by €12.0m, with seasonal inventory build up
- Higher Capex relates mainly to new machines in UK
- The low investment in new moulds in Q1 is timing of expenditure

Debt & Liquidity Overview

(EUR in millions)

	Q1 2017	FY 2016
Cash at bank and in hand	(42.7)	(53.3)
8% Senior Secured Indebtedness due 1 Oct. 2021	210.0	210.0
Finance Leases	16.8	15.1
Bank Loans	4.9	5.0
Cash pool Overdraft	-	0.5
Total Debt	231.7	230.6
Total Net Debt	189.0	177.3
Consolidated Net Leverage Ratio	3.1x	3.0x
Total Headroom (Cash at bank and in hand + Senior Credit Facilities + Cash pool overdraft)	68.7	76.9

- Net debt is higher than at the end of Q4 2016 due to the seasonality of working capital movement
- Higher Finance Leases relate to new injection moulding machines in UK

Other Updates

No changes since last quarter on the following topics:

- During Q4 2016, we completed a vendor due diligence exercise to support an eventual exit process by JP Morgan.
- Late in Q4 2016, it became apparent that a customer in the Pooling sector had a different understanding about the scope and extent of a 2015 settlement that they had previously agreed with us. To facilitate a resolution, we have agreed to enter binding arbitration during 2017.
- The appeal against the historic Swedish Tax Assessment is still on-going. We expect to conclude this in the coming months.

Conclusion & Current Trading Update

- Revenue trend is showing growth based on constant FX rates
- Ebitda performance continues to show good progress year on year
- Cash performance impacted by seasonality in Q1
- We are gaining positive momentum in the strategy of delivering growth through New Products
- Trading so far in Q2 is satisfactory and in line with our expectations.

QUESTIONS?



Schoeller Allibert

Appendix: Capex Summary

(EUR in millions)	Q1 2017	Q1 2016	FY 2016	FY 2015
Operations Maintenance	1.0	1.2	9.1	5.5
IMM Replacement	1.6	-	1.1	4.8
Operations Expansion	-	-	0.0	3.8
Breakthrough projects	1.5	-	6.9	0.6
Moulds for Sales Initiatives	0.7	2.9	10.5	9.7
Pooling expenditures	-	0.1	2.4	5.0
Other	1.4	0.5	3.8	4.7
Total Capital Expenditures	6.2	4.7	33.8	34.1

- Operations Maintenance capex relates to many small investment projects in our plants
- Breakthrough projects this year relates to IBC and Belgian Big Box and in 2016 to the new factory in Poland
- Other capex Q1 2017 partly relates to IT projects

Appendix: Adjusted EBITDA Bridge

(EUR in millions)

	Q1 2017	Q1 2016	FY 2016	FY 2015
Reported EBITDA	9.7	8.4	52.5	42.4
<u>Adjusting Items</u>				
<i>Restructuring ⁽¹⁾</i>	<i>0.7</i>	<i>0.4</i>	<i>1.2</i>	<i>4.3</i>
<i>Due Diligence</i>	-	-	<i>3.3</i>	<i>0.0</i>
<i>Refinancing</i>	-	-	<i>0.0</i>	<i>5.4</i>
<i>Litigation & claims</i>	<i>0.1</i>	<i>0.2</i>	<i>1.0</i>	<i>1.5</i>
EBITDA before adjusting items ⁽²⁾	10.5	9.0	57.9	53.6
Accrued Management Fees ⁽³⁾	-	0.5	1.5	2.0
Adjusted EBITDA	10.5	9.5	59.4	55.6

(1) Includes disposal proceeds, post-merger cost reduction programs and severance/employee benefit expense

(2) Represents the adjusted EBITDA as reported in the Financial Statements.

(3) Represents accrued and unpaid management fees payable to our shareholders under consultancy, support and fee agreements

INNOVATING YOUR LOGISTICS FOR A BETTER WORLD



Schoeller Allibert