



Schoeller Allibert



August, 2017

Investor Presentation Q2 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



Summary

- Strong revenue growth in Europe in Q2 was offset by lower sales in the Pooling sector.
- Q2 Ebitda was lower than in Q2 2016 due to the lower Pooling customer volumes, which was partially offset by strong Ebitda improvement in Europe.
- We continue to make progress on New Product Development (NPD) pipeline, with H1 2017 NPD sales of € 16m (H1 2016 € 13m).
- Adjusted Free Cash inflow of € 13.3m for the Quarter, helped by positive timing of working capital.



Q2 2017 Update on Strategic Objectives

1

Grow Revenues Through Product Innovation

H1 2017 NPD sales of € 16m (H1 2016 € 13m), though some project delays in Q2 which we expect to resolve in Q3.

New Intermediate Bulk Container (IBC) pilot has been successful – prototype samples have been produced.

Belgium Big Box mould has been delivered in Q2 and already used for production. It will be finally installed in Belgium in August.

2

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

In Q2 we saw strong growth in the Retail, Beverage and Automotive sectors.

Pooling continues to be volatile with lower volumes in Q2 2017 compared to Q2 2016.

Good order book, up year-on-year for Q2 2017 on base business with interesting Beverage projects for remainder 2017 and 2018.

3

Continue to Streamline Operations and Improve Productivity

Construction of new factory in Belgium is on schedule – production started last week.

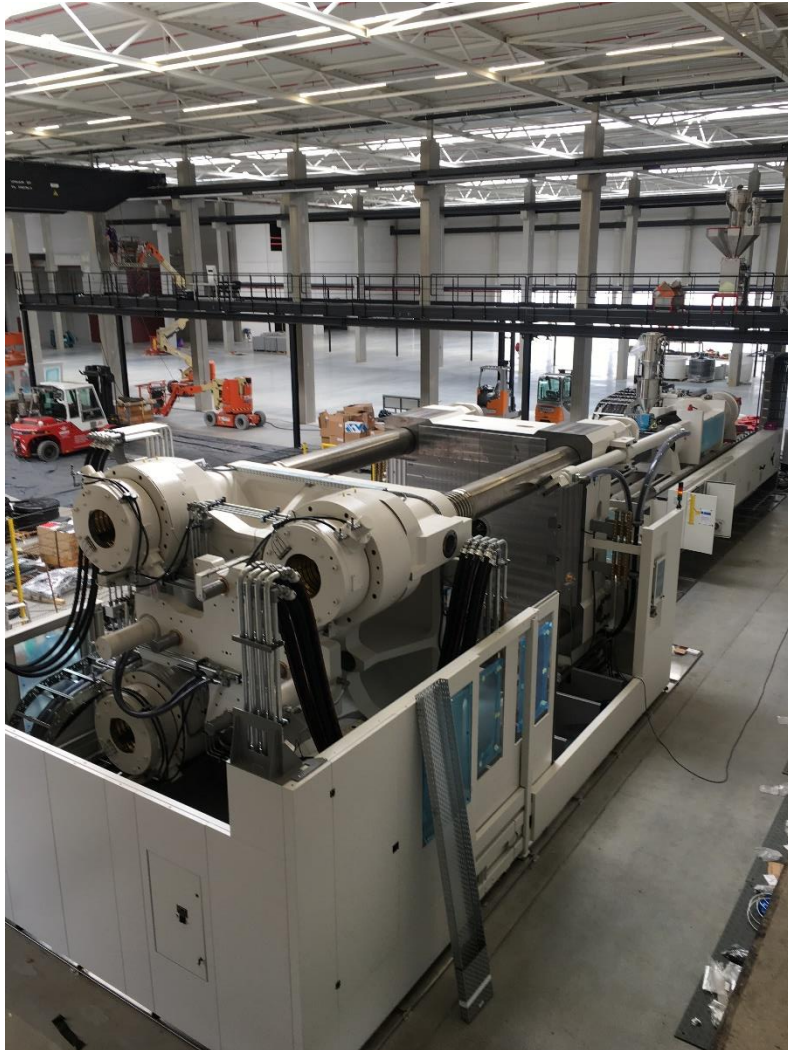
The UK single site project is progressing well.

2 new injection moulding machines have been purchased during Q2 2017.

We are testing a Chinese injection moulding machine in one of our factories.



New Product Development (NPD): Belgium Big Box

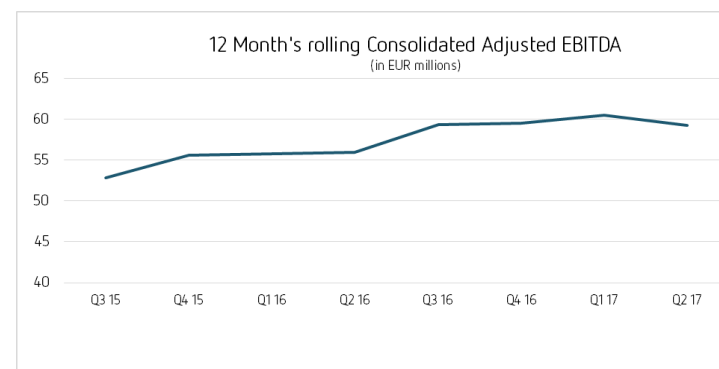
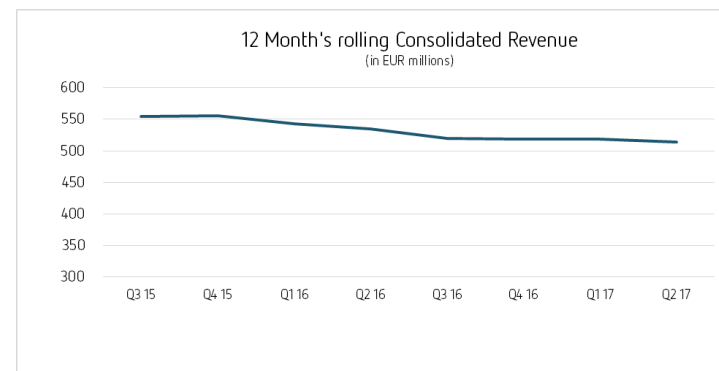


- Building has been completed by the landlord.
- Large injection moulding machine has been installed.
- Production started August 2017
- Expect to ramp up towards full production over 2017 and 2018.



Financial Performance

in EUR million	Q2 2017	Q2 2016	H1 2017	H1 2016
Adjusted revenue	130.8	135.2	244.9	249.6
% growth y-o-y	-3.3%	-	-1.9%	-
Adjusted EBITDA	14.9	16.2	25.5	25.7
% sales	11.4%	12.0%	10.4%	10.3%



- Q2 Revenue is 3.3% behind Q2 2016. LTM revenue is stable with lower Pooling volumes offsetting higher European growth.
- Q2 Ebitda is € 1.3m lower than in Q2 2016. The impact of the lower volumes in the Pooling sector was not offset by the strong growth in Europe.
- The Ebitda % margin at 11.4% remains strong though a little lower than Q2 2016.

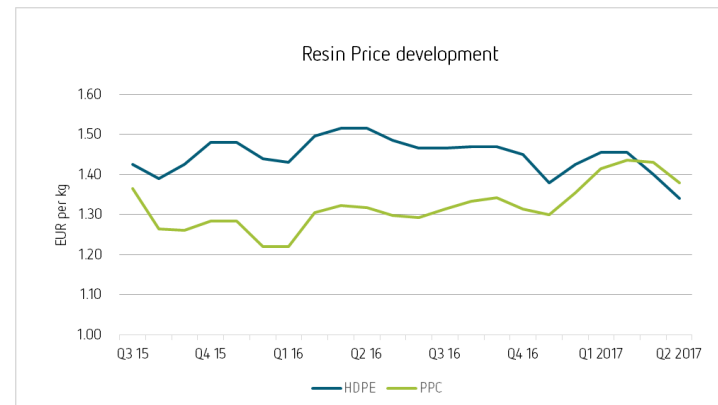


Financial Performance

At constant FX rates:

in EUR million	Q2 2017*	Q2 2016	H1 2017*	H1 2016
Adjusted revenue	132.1	135.2	248.0	249.6
% growth y-o-y	-2.3%	-	-0.7%	-
Adjusted EBITDA	15.2	16.2	25.9	25.7
% sales	11.5%	12.0%	10.4%	10.3%

* Reported at constant currency



- Of the 3.3% decline in revenues Q2, 1.0% is due to the FX rate movements, mostly GBP. At constant currency, revenue decline is ca. 2.3%.
- Resin prices, in particular PPc, increased in Q2 2017. We estimate that most of this increase was passed through to customers, and would have resulted in an associated increase in revenue of 1-2%. However, there was an offsetting impact of approximately the same amount, as we had higher amounts of lower cost regrind material in the same period.



Cash Flow

in EUR million	Q2 2017	Q2 2016	H1 2017	H1 2016
Adjusted EBITDA	15.0	16.2	25.5	25.7
Change in the working capital	14.0	(4.5)	2.0	(8.2)
Operating Cash Flow	29.0	11.7	27.4	17.4
Interest	(9.0)	(2.8)	(9.7)	(6.2)
Taxes	(0.9)	(0.7)	(2.3)	(1.5)
Capex	(4.5)	(1.9)	(8.5)	(4.0)
Proceeds from disposals	1.0	0.2	0.7	0.3
Free Cash Flow	15.5	6.4	7.7	6.1
Investment in Moulds for Future Growth	(2.2)	(1.6)	(2.9)	(4.6)
Adjusted Free Cash Flow	13.3	4.8	4.7	1.5
Breakthrough projects	(0.6)	(6.4)	(2.1)	(6.4)
New finance leases	1.3	5.2	3.8	8.1
Finance lease repayments	(0.7)	(0.8)	(1.6)	(1.7)
Debt repayment and proceeds	(0.7)	(0.8)	(0.9)	(0.9)
Adjusting items	(2.5)	(1.4)	(3.3)	(2.0)
Refinancing	(0.0)	(1.2)	(0.2)	(1.1)
Other/ Related parties	(0.6)	0.2	(1.1)	0.2
Net Cash Flow	9.5	(0.4)	(0.7)	(2.4)

- Adj. Free Cash Flow for Q2 of € 13.3m inflow.
- In Q2 we focussed on reducing working capital and also had favourable timing differences.
- Interest includes the € 8.4m half yearly payment for the bond.
- Breakthrough projects are the investments in the IBC and Belgium Big Box that were financed from the bond proceeds.



Debt & Liquidity Overview

in EUR million	Q2 2017	FY 2016
Cash at bank and in hand	(51.7)	(53.3)
8% Senior Secured Indebtedness due 1 Oct. 2021	210.0	210.0
Finance Leases	16.6	15.1
Bank Loans	4.7	5.0
Cash pool Overdraft	-	0.5
Total Debt	231.3	230.6
Total Net Debt	179.6	177.3
Total Headroom (Cash at bank and in hand + Senior Credit Facilities + Cash pool overdraft)	77.0	76.9

- Cash has reduced by € 1.6m during H1 2017.
- The € 1.5m increase in finance leases, relates to new injection moulding machines in the UK and Spain.
- Total headroom has increased by € 0.8m during H1.



Other Updates

- In June 2017, following successful settlement discussions with a customer, we agreed not to proceed with an arbitration process and we will make a payment of \$ 11m to the customer in October 2017.
- Also in June 2017, we lost our long running tax appeal in Sweden. As a result, we will incur an approximate cash tax outflow including penalties and interest of SEK 129.3m (€ 13.5m). We have agreed to pay the tax by installments over the next 2 years. We are also filing a request to appeal the case in front of the Supreme Court of Sweden.



Conclusion & Current Trading Update

- Strong revenue growth in Europe in Q2 was offset by lower sales in the Pooling sector.
- Ebitda was satisfactory but we need to continue to improve in H2.
- Very strong cash performance in Q2 and strong liquidity position.
- Good order book, up year-on-year for Q2 2017 on base business with interesting Beverage projects for remainder 2017 and 2018.
- Trading so far in Q3 is satisfactory and in line with our expectations.



QUESTIONS?



Appendix: Capex Summary

in EUR million	Q2 2017	Q2 2016	H1 2017	H1 2016
Operations Maintenance	1.4	1.2	2.4	2.4
IMM Replacement	1.3	0.0	2.9	0.0
Operations Expansion	0.5	0.0	0.5	0.0
Breakthrough projects	0.6	6.4	2.1	6.4
Moulds for Sales Initiatives	2.2	1.7	2.9	4.6
Pooling expenditures	0.2	0.5	0.2	0.6
Other	1.0	0.4	2.4	0.9
Total Capital Expenditures	7.3	10.2	13.5	14.9

- IMM replacement relates to new injection moulding machines in the UK and Spain.
- Breakthrough projects this year relates to IBC and Belgian Big Box and in 2016 to the new factory in Poland.



Appendix: Adjusted EBITDA Bridge

in EUR million	Q2 2017	Q2 2016	H1 2017	H1 2016
Reported EBITDA	1.7	14.3	11.4	22.7
Adjusting Items				
Customer settlement (pooling)	10.7	-	10.7	-
Restructuring ⁽¹⁾	1.8	1.2	2.5	1.6
Due diligence	0.7	-	0.7	-
Refinancing	-	0.1	-	0.1
Litigation & claims	(0.0)	0.2	0.1	0.4
EBITDA before adjusting items ⁽²⁾	14.9	15.7	25.5	24.7
Accrued Management Fees ⁽³⁾	-	0.5	-	1.0
Adjusted EBITDA	14.9	16.2	25.5	25.7

(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

