

**PRESS RELEASE**

In accordance with Consob Resolution 11971/99 and subsequent amendments and supplements

**ZIGNAGO VETRO S.P.A.**

**Board of Directors of Zignago Vetro S.p.A.  
approves 2019 Third Quarter Report**

**Excellent Q3 results further boost Zignago Vetro Group earnings and revenues growth for the first nine months of 2019.**

**9M 2019 Group Highlights**

- **Revenues of Euro 315.4 million (+13.4% on 2018), of which exports account for 35.9% (+9.3%).**
- **EBITDA of Euro 87.7 million (27.8% margin, +15.7%).**
- **EBIT of Euro 48.8 million (15.5% margin, + 15.8%).**
- **Group Profit of Euro 35.6 million (11.3% margin, +14.1%).**

**Cash generation, before investments, of Euro 57.6 million.**

**Net debt of Euro 263.1 million (Euro 275.7 million at 30 June 2019).**

## Zignago Vetro Group 9M Key Financial Highlights (\*)

	<b>9M 2019</b> <i>(in Euro millions)</i>	<b>9M 2018</b> <i>(in Euro millions)</i> <i>restated (**)</i>	<b>Cge.%</b>
<b>Revenues</b>	<b>315.4</b>	<b>278.1</b>	<b>+ 13.4%</b>
<b>EBITDA</b>	<b>87.7</b>	<b>75.8</b>	<b>+ 15.7%</b>
<b>EBIT</b>	<b>48.8</b>	<b>42.1</b>	<b>+ 15.8%</b>
<b>Operating Profit</b>	<b>49.0</b>	<b>43.9</b>	<b>+ 11.5%</b>
<b>Profit before taxes</b>	<b>46.3</b>	<b>40.8</b>	<b>+ 13.4%</b>
<b>Group Profit</b>	<b>35.6</b>	<b>31.2</b>	<b>+ 14.1%</b>

	<b>9M 2019</b> <i>(in Euro millions)</i>	<b>9M 2018</b> <i>(in Euro millions)</i> <i>restated(**)</i>
<b>Free cash flow (before investments)</b>	<b>57.6</b>	<b>67.5</b>
<b>Payments on fixed assets</b>	<b>(71.5)</b>	<b>(44.3)</b>
<b>Free cash flow net</b> <i>(see pages 4 &amp; 5)</i>	<b>(13.9)</b>	<b>23.2</b>

	<b>30.09.2019</b> <i>(in Euro millions)</i>	<b>30.09.2018</b> <i>(in Euro millions)</i> <i>restated (**)</i>
<b>Financial debt</b>	<b>(302.2)</b>	<b>(248.1)</b>
<b>Liquidity</b>	<b>39.1</b>	<b>52.0</b>
<b>Net financial debt</b>	<b>(263.1)</b>	<b>(196.1)</b>

## Zignago Vetro Group Q3 Key Financial Highlights (\*)

	<b>Q3 2019</b> <i>(in Euro millions)</i>	<b>Q3 2018</b> <i>(in Euro millions)</i>	<b>Cge.</b> <b>%</b>
<b>Revenues</b>	<b>105.8</b>	<b>88.2</b>	<b>+ 20.0%</b>
<b>EBITDA</b>	<b>31.4</b>	<b>24.4</b>	<b>+ 28.8%</b>
<b>EBIT</b>	<b>18.0</b>	<b>13.3</b>	<b>+ 36.0%</b>
<b>Operating Profit</b>	<b>18.1</b>	<b>13.3</b>	<b>+ 35.6%</b>
<b>Profit before taxes</b>	<b>16.6</b>	<b>14.0</b>	<b>+ 18.8%</b>
<b>Group Profit</b>	<b>13.2</b>	<b>11.2</b>	<b>+ 17.7%</b>

(\*) The figures and the subsequent comments concerning the consolidated figures were based on the management view of the Group business, which provides for the proportional consolidation of the joint venture, in continuity with the accounting policies adopted until 31 December 2013. Following the entry into force of the new “IFRS 11 – Joint Arrangements” and “IAS 28 – Interests in associates and joint ventures” the accounting policies changed for the consolidation of the joint ventures of the Zignago Vetro Group. In particular, from 1 January 2014 the joint ventures in Vetri Speciali SpA and Vetreco Srl may not be consolidated under the proportional method and should be recognised in the consolidated financial statements at equity.

The income statement, the statement of comprehensive income, the statement of financial position and the statement of cash flows of the Zignago Vetro Group at 30 September 2019 and 2018 and at 31 December 2018, prepared according to international accounting standards in force from 1 January 2014, are reported respectively at attachments 3, 4, 5 and 6 of the present press release.

*Fossalta di Portogruaro, 8 November 2019* – The Board of Directors of **Zignago Vetro S.p.A** – a company listed on the STAR segment of the Italian Stock Exchange - in a meeting held today chaired by Paolo Giacobbo, approved the Interim Report at 30 September 2019.

### Company profile

The **Zignago Vetro Group** companies produce high quality glass containers for the Food and Beverage, Cosmetics and Perfumery industries and Speciality Glass bottles for wines and spirits, for the domestic and international markets.

### 9M 2019 Zignago Vetro Group Operating Performance

The markets on which the Group companies operate have generally experienced favourable demand levels.

Specifically, glass Beverage and Food container demand has been particularly buoyant, with growth on all segments - both in Italy and more widely across Europe. End-consumption growth, particularly for more export-focused finished product

sectors, appears to be the main factor behind this movement, with a greater appreciation among consumers for glass packaging also evident.

The global Perfumery markets also generally performed well, thanks mainly to emerging country demand, although the more specialised categories saw a slowdown due to supply chain stock levels. Cosmetic container demand was up, driven mainly by the emerging countries, with the exception of nail varnish containers, which remains weak, although with expectations of recovery.

Consolidated **Revenues** in the first nine months of 2019 amounted to Euro 315.4 million compared to Euro 278.1 million in the same period of the previous year (+13.4%). Export sales in the January-September 2019 period amounted to Euro 113.2 million, 35.9% of revenues (up 9.3% on Euro 103.5 million in the first nine months of 2018: 37.2% of revenues).

Consolidated **EBITDA** in 9M 2019 amounted to Euro 87.7 million, up 15.7% on 9M 2018 (Euro 75.8 million), with a margin of 27.8% (27.3% in 9M 2018).

Consolidated **EBIT** in the first nine months was Euro 48.8 million (up 15.8% compared to Euro 42.1 million in 2018), with a margin of 15.5% (15.1% in 9M 2018).

The **Group profit** in the first nine months of 2019 was Euro 35.6 million, compared to Euro 31.2 million in the first nine months of 2018 (+14.1%) – a margin of 11.3% (11.2% in 9M 2018).

### **Zignago Vetro Group statement of financial position at 30 September 2019**

**Net capital expenditure** in the first nine months 2019 by Group companies totalled Euro 45.8 million (Euro 51.3 million in 9M 2018). Payments on fixed assets totalled Euro 71.5 million in 9M 2019, compared to Euro 44.3 million in 9M 2018.

The Group generated **Free cash flow** in the period, before payments on fixed assets, of Euro 57.6 million (Euro 67.5 million in the first nine months of 2018); after payments on fixed assets for Euro 71.5 million and dividends of Euro 31.6 million, the free cash flow was -Euro 13.9 million, compared to +Euro 23.2 million at 30 September 2018.

The Group **net financial debt** at 30 September 2019 was Euro 263.1 million, compared to Euro 217.1 million at 31 December 2018 (Euro 196.1 million at 30 September 2018). The net debt reduced Euro 12.6 million in the third quarter of 2019.

Group liquidity at 30 September 2019 was Euro 39.1 million, compared to Euro 52.0 million at 30 September 2018 and Euro 36.3 million at 31 December 2018. Liquidity improved Euro 8.2 million in the third quarter of 2019.

## **Q3 2019 Zignago Vetro Group Operating Performance**

Consolidated **revenues** in the third quarter of 2019 amounted to Euro 105.8 million compared to Euro 88.2 million in the same period of the previous year (+20.0%). Export sales amounted to Euro 37.9 million (Euro 33.4 million in 2018: +13.5%).

Consolidated **EBITDA** in the third quarter of 2019 totalled Euro 31.4 million, improving 28.8% compared to the same period of the previous year (Euro 24.4 million). The EBITDA margin was 29.7% (27.7% in the third quarter of 2018).

Consolidated **EBIT** amounted to Euro 18.0 million (+36.0% compared to Euro 13.3 million in the third quarter of 2018), with a margin of 17.1% (15.0% in Q3 2018).

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### **Outlook**

Based on the information available, demand in the sectors in which the Group operates is again in the coming months expected to remain at a good level.

No other significant events after 30 September 2019 occurred.

There were no atypical and/or unusual transactions for the period ended 30 September 2019 as defined by Consob Communication DEM/6064293.

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### **Declaration**

The Executive Responsible for Financial Reporting, Mr. Roberto Celot, declares in accordance with Article 154 *bis*, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the underlying accounting documents, records and accounting entries.

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Interim Financial Report at 30 September 2019

The Interim Financial Report at 30 September 2019 will be made available to the public as soon as available and in accordance with law at the registered office of the company and on the company website [www.gruppozignagovetro.com](http://www.gruppozignagovetro.com)

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This press release is available on the website: [www.gruppozignagovetro.com](http://www.gruppozignagovetro.com)

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All the figures in the Consolidated Reclassified Income Statement and Statement of Financial Position (attachments 1, 2 and 3) reported below were prepared on the basis of management's view which considers the proportional consolidation of joint ventures appropriate, in line with the approach taken until 31 December 2013. Following the entry into force of the new "IFRS 11 – Joint Arrangements" and "IAS 28 – Interests in associates and joint ventures" the accounting policies changed for the consolidation of the joint ventures of the Zignago Vetro Group. In particular, from 1 January 2014 the joint ventures in Vetri Speciali SpA and Vetreco Srl may not be consolidated under the proportional method and should be recognised in the consolidated financial statements at equity.

The statement of financial position, the income statement, the statement of comprehensive income and the statement of cash flows of the Zignago Vetro Group at 30 September 2019 and 31 December and 30 September 2018 and the statement of changes in Equity, prepared in accordance with the accounting standards in force from 1 January 2014, are reported respectively in the subsequent attachments 3, 4, 5, 6 and 7.

### ATTACHMENT 1

## **Zignago Vetro Group** **Reclassified Consolidated Income Statement (\*)**

(Management's view based on the accounting standards in force from 31 December 2013)

	9M 2019		9M 2018		Change
	Euro thou.	%	Euro thou.	%	%
<b>Revenues</b>	315,449	100.0%	278,074	100.0%	13.4%
Changes in finished and semi-finished products and work in progress	11,218	3.6%	2,036	0.7%	451.0%
Internal production of fixed assets	1,675	0.5%	3,359	1.2%	(50.1%)
<b>Value of production</b>	328,342	104.1%	283,469	101.9%	15.8%
Cost of goods and services	(171,367)	(54.3%)	(143,106)	(51.5%)	19.7%
<b>Value added</b>	156,975	49.8%	140,363	50.5%	11.8%
Personnel expense	(69,248)	(22.0%)	(64,526)	(23.2%)	7.3%
<b>EBITDA</b>	87,727	27.8%	75,837	27.3%	15.7%
Amortisation & Depreciation	(38,032)	(12.1%)	(31,920)	(11.5%)	19.1%
Accruals to provisions	(935)	(0.3%)	(1,816)	(0.7%)	(48.5%)
<b>EBIT</b>	48,760	15.5%	42,101	15.1%	15.8%
Net recurring non-operating income	223	(0.0%)	1,817	0.7%	(87.7%)
<b>Operating Profit/ (loss)</b>	48,983	15.5%	43,918	15.8%	11.5%
Net financial expense	(2,075)	(0.7%)	(1,979)	(0.7%)	4.9%
Exchange rate gains/(losses)	(621)	(0.3%)	(1,116)	---	n.a.
<b>Profit before taxes</b>	46,287	14.7%	40,823	14.7%	13.4%
Income taxes	(10,776)	(3.4%)	(10,420)	(3.7%)	3.4%
<i>(Tax-rate 9M 2019: 23.3%)</i>					
<i>(Tax-rate 9M 2018: 25.5%)</i>					
<b>(Profit) Loss non-con. int.</b>	123	n.a.	833	n.a.	n.a.
<b>Profit for the period</b>	35,634	11.3%	31,236	11.2%	14.1%

(\*) Data not audited

**Zignago Vetro Group****Reclassified Consolidated Income Statement (\*)**

(Management's view based on the accounting standards in force from 31 December 2013)

	Q3 2019		Q3 2018		Change
	Euro thou.	%	Euro thou.	%	%
<b>Revenues</b>	105,760	100.0%	88,162	100.0%	20.0%
Changes in finished and semi-finished products and work in progress	5,113	4.8%	5,297	6.0%	-3.5%
Internal production of fixed assets	144	0.1%	1,105	1.3%	-87.0%
<b>Value of production</b>	111,017	105.0%	94,564	107.3%	17.4%
Cost of goods and services	(57,685)	(54.5%)	(49,384)	(56.0%)	16.8%
<b>Value added</b>	53,332	50.4%	45,180	51.2%	18.0%
Personnel expense	(21,898)	(20.7%)	(20,781)	(23.6%)	5.4%
<b>EBITDA</b>	31,434	29.7%	24,399	27.7%	28.8%
Amortisation & Depreciation	(13,054)	(12.3%)	(10,977)	(12.5%)	18.9%
Accruals to provisions	(343)	(0.3%)	(155)	(0.2%)	121.3%
<b>EBIT</b>	18,037	17.1%	13,267	15.0%	36.0%
Net recurring non-operating income	55	0.1%	71	0.1%	-22.5%
<b>Operating Profit</b>	18,092	17.1%	13,338	15.1%	35.6%
Net financial expense	(460)	(0.4%)	(244)	(0.3%)	88.5%
Exchange rate gains/(losses)	(1,004)	(0.9%)	906	1.0%	(210.8%)
<b>Profit before taxes</b>	16,628	15.7%	14,000	15.9%	18.8%
Income taxes	(3,327)	(3.1%)	(3,070)	(3.5%)	8.4%
<i>(Tax-rate Q3 2019: 20.0%)</i>					
<i>(Tax-rate Q3 2018: 21.6%)</i>					
<b>(Profit) Loss non-con. int.</b>	(99)	n.a.	286	n.a.	n.a.
<b>Profit for the period</b>	13,202	12.5%	11,216	12.7%	17.7%

(\*) Data not audited



***Zignago Vetro Group***

***Reclassified Consolidated Statement of Financial Position(\*)***

(Management's view based on the accounting standards in force from 31 December 2013)

	30.09.2019		30.06.2019		31.12.2018		30.09.2018	
	Euro thou.	%	Euro thou.	%	Euro thou.	%	Euro thou.	%
Trade receivables	99,867		107,578		81,207		87,124	
Other receivables	18,734		19,346		25,075		13,333	
Inventories	109,909		104,641		99,241		98,768	
Current non-financial payables	(95,749)		(97,347)		(92,573)		(89,951)	
Payables on fixed assets	(6,134)		(13,010)		(25,640)		(17,027)	
<b>A) Working capital</b>	<b>126,627</b>	<b>27.1%</b>	<b>121,208</b>	<b>26.0%</b>	<b>87,310</b>	<b>20.9%</b>	<b>92,247</b>	<b>24.2%</b>
Net tangible and intangible assets	308,623		314,267		294,681		258,854	
Goodwill	43,208		43,230		43,184		42,784	
Other equity investments & non-current assets	4,460		4,363		8,169		6,103	
Non-current provisions and non-financial payables	(16,170)		(16,259)		(16,124)		(18,157)	
<b>B) Net fixed capital</b>	<b>340,121</b>	<b>72.9%</b>	<b>345,601</b>	<b>74.0%</b>	<b>329,910</b>	<b>79.1%</b>	<b>289,584</b>	<b>75.8%</b>
<b>A+B= Net capital employed</b>	<b>466,748</b>	<b>100.0%</b>	<b>466,809</b>	<b>100.0%</b>	<b>417,220</b>	<b>100.0%</b>	<b>381,831</b>	<b>100.0%</b>
<i>Financed by:</i>								
Current loans and borrowings	168,170		175,187		108,534		93,768	
Cash and cash equivalents	(39,116)		(30,886)		(36,253)		(52,062)	
Current net debt	129,054	27.6%	144,301	30.9%	72,281	17.3%	41,706	10.9%
Non-current loans and borrowings	134,023	28.7%	131,401	28.1%	144,798	34.7%	154,355	40.4%
<b>C) Net financial debt</b>	<b>263,077</b>	<b>56.4%</b>	<b>275,702</b>	<b>59.1%</b>	<b>217,079</b>	<b>52.0%</b>	<b>196,061</b>	<b>51.3%</b>
Opening equity	200,132		200,132		177,497		177,470	
Dividends	(31,569)		(31,569)		(28,061)		(28,061)	
Other equity changes	(412)		325		5,676		5,719	
Cash Flow Hedge reserve			---		---			
Profit for the period	35,634		22,432		45,020		31,236	
<b>D) Closing equity</b>	<b>203,785</b>	<b>43.7%</b>	<b>191,320</b>	<b>41.0%</b>	<b>200,132</b>	<b>48.0%</b>	<b>186,364</b>	<b>48.8%</b>
<b>E) Non-controlling interest equity</b>	<b>(114)</b>	<b>0.1%</b>	<b>(213)</b>	<b>(0.0%)</b>	<b>9</b>	<b>0.0%</b>	<b>(594)</b>	
<b>C+D+E = Total financial debt &amp; equity</b>	<b>466,748</b>	<b>100.0%</b>	<b>466,809</b>	<b>100.0%</b>	<b>417,220</b>	<b>100.0%</b>	<b>381,831</b>	<b>100.0%</b>

(\*) Data not audited

**Zignago Vetro Group****Consolidated Income Statement (\*)**

(based on IAS in force from January 1, 2014)

	Q3 2019	Q3 2018	9M 2019	9M 2018
(Euro thousands)				
<b>Revenues</b>	<b>81,842</b>	<b>70,100</b>	<b>242,074</b>	<b>217,075</b>
Raw material, ancillary, consumables and goods	(13,700)	(12,517)	(41,522)	(44,625)
Service costs	(27,039)	(22,775)	(82,133)	(63,909)
Personnel expense	(16,901)	(16,106)	(53,499)	(50,254)
Amortisation & Depreciation		(8,702)	(31,420)	(26,102)
Other operating costs	(1,036)	(1,189)	(3,480)	(4,182)
Other operating income	258	492	920	1,386
Measurement of interests in Joint Ventures using equity method	4,007	3,011	13,490	11,076
<b>Operating Profit</b>	<b>27,431</b>	<b>12,314</b>	<b>44,430</b>	<b>40,465</b>
Financial income	107	25	180	73
Financial expense	(463)	(75)	(1,910)	(1,742)
Net exchange rate gains/(losses)	(1,013)	865	(631)	(1,102)
<b>Profit before taxes</b>	<b>26,062</b>	<b>13,129</b>	<b>42,069</b>	<b>37,694</b>
Income taxes	(1,989)	(2,199)	(6,558)	(7,291)
<b>Profit for the period</b>	<b>24,073</b>	<b>10,930</b>	<b>35,511</b>	<b>30,403</b>
<b>Non-controlling interests profit (loss)</b>	<b>(99)</b>	<b>286</b>	<b>123</b>	<b>833</b>
<b>Owners of the parent profit</b>	<b>23,974</b>	<b>11,216</b>	<b>35,634</b>	<b>31,236</b>
<b>Earnings per share:</b>				
<b>Basic (and diluted) earnings per share</b>	<b>0.281</b>	<b>0.132</b>	<b>0.418</b>	<b>0.367</b>

(\*) Data not audited

**Zignago Vetro Group**

**Consolidated Statement of Comprehensive Income (\*)**

(based on IAS in force from January 1, 2014)

	Q3 2019	Q3 2018	9M 2019	9M 2018
(Euro thousands)				
<b>Profit for the period</b>	<b>13,301</b>	<b>10,930</b>	<b>35,511</b>	<b>30,403</b>
<i>Items that will be subsequently reclassified to profit or loss</i>				
Translation difference for foreign operations	(199)	389	(412)	(487)
Tax effect				---
	<u>(199)</u>	<u>389</u>	<u>(412)</u>	<u>(487)</u>
<b>Total items that will be subsequently reclassified to profit or loss</b>	<b>(199)</b>	<b>389</b>	<b>(412)</b>	<b>(487)</b>
<i>Items that will not be subsequently reclassified to profit or loss</i>				
Actuarial gains/(losses) on defined benefit plans	---	---	---	---
Tax effect	---	---	---	---
	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>Total items that will not be subsequently reclassified to profit or loss</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Other comprehensive income (expense) for the period, net of taxes</b>	<b>(199)</b>	<b>389</b>	<b>(412)</b>	<b>(487)</b>
<b>Total comprehensive income for the period</b>	<b>13,102</b>	<b>11,319</b>	<b>35,099</b>	<b>29,916</b>
<b>Attributable to:</b>				
Owners of the parent	13,102	11,319	35,099	29,916
Non-controlling interests (Loss)	(99)	(286)	123	(833)
	<u>13,003</u>	<u>11,033</u>	<u>35,222</u>	<u>29,083</u>

(\*) Data not audited

***Zignago Vetro Group***

***Consolidated Statement of Financial Position (\*)***

(based on IAS in force from 1 January 2014)

(Euro thousands)	30.09.2019	30.06.2019	31.12.2018	30.09.2018
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	241,692	247,185	229,391	195,995
Goodwill	2,718	2,740	2,694	2,698
Intangible assets	263	173	176	299
Equity-accounted Joint Ventures	78,533	74,526	74,757	70,351
Equity investments	389	389	391	392
Other non-current assets	259	279	1,175	740
Deferred tax assets	3,116	3,050	4,078	2,920
<b>Total non-current assets</b>	<b>326,970</b>	<b>328,342</b>	<b>312,662</b>	<b>273,395</b>
<b>Current assets</b>				
Inventories	88,857	84,907	79,183	79,435
Trade receivables	81,654	84,036	64,903	72,245
Other current assets	14,621	16,889	16,830	8,523
Tax Assets	5,949	6,507	3,773	3,673
Cash and cash equivalents	31,954	26,718	32,338	45,938
<b>Total current assets</b>	<b>223,035</b>	<b>219,057</b>	<b>197,027</b>	<b>209,814</b>
<b>TOTAL ASSETS</b>	<b>550,005</b>	<b>547,399</b>	<b>509,689</b>	<b>483,209</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>EQUITY</b>				
Share capital	8,800	8,800	8,800	8,800
Reserves	39,890	39,991	41,765	41,408
Treasury shares	(1,093)	(1,093)	(1,093)	(1,093)
Retained earnings and profit for the period	120,554	121,190	105,640	138,386
Other equity items	35,634	22,432	45,020	(1,137)
<b>TOTAL EQUITY OWNERS OF THE PARENT</b>	<b>203,785</b>	<b>191,320</b>	<b>200,132</b>	<b>186,364</b>
<b>NON-CONTROLLING INT. EQUITY</b>	<b>(114)</b>	<b>(213)</b>	<b>9</b>	<b>(594)</b>
<b>TOTAL EQUITY</b>	<b>203,671</b>	<b>191,107</b>	<b>200,141</b>	<b>185,770</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Provisions for risks and charges	4,462	4,441	4,257	5,653
Post-employment benefits	4,245	4,561	4,529	4,960
Non-current loans and borrowings	107,850	103,832	117,768	125,501
Other non-current liabilities	2,145	2,145	2,415	2,553
Deferred tax liabilities	2,079	2,084	2,090	2,233
<b>Total non-current liabilities</b>	<b>120,781</b>	<b>117,063</b>	<b>131,059</b>	<b>140,900</b>
<b>Current liabilities</b>				
Bank loans and borrowings current portion	141,144	145,816	81,948	68,419
Trade and other payables	60,500	70,664	72,748	63,327
Other current liabilities	19,413	19,556	19,927	20,406
Current income taxes	4,496	3,193	3,866	4,387
<b>Total current liabilities</b>	<b>225,553</b>	<b>239,229</b>	<b>178,489</b>	<b>156,539</b>
<b>TOTAL LIABILITIES</b>	<b>346,334</b>	<b>356,292</b>	<b>309,548</b>	<b>297,439</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>550,005</b>	<b>547,399</b>	<b>509,689</b>	<b>483,209</b>

(\*) Data not audited

**Zignago Vetro Group**  
**Consolidated Statement of Cash Flows (\*)**

(based on IAS in force from January 1, 2014)

(Euro thousands)	9M 2019	H1 2019	12 months 2018	9M 2018
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
<b>Profit before taxes</b>	<b>42,069</b>	<b>26,779</b>	<b>53,753</b>	<b>37,694</b>
<b>Adjustments to reconcile net profit with cash flow generated from operating activities:</b>				
Amortisation & Depreciation	31,158	20,475	31,133	26,116
Losses/(gains) on sale of property, plant & equipment	---	---	52	---
Accrual to allowance for impairment	466	466	72	165
Net changes to post-employment benefits	(284)	32	(876)	(445)
Net changes to other provisions	205	184	(120)	1,276
Change in asset items due to translation effect	887	(596)	---	1,178
Financial income and exchange gains	451	(455)	2,699	1,029
Financial expenses and exchange losses	2,541	1,065	4,343	2,844
Income taxes paid in the period	(7,152)	(6,953)	(6,703)	(2,373)
Equity-accounted joint ventures	(13,490)	(9,483)	(15,454)	(11,076)
Dividends distributed by equity-accounted joint ventures	10,213	10,213	9,962	9,962
<b>Changes in operating assets and liabilities:</b>				
Decrease/(increase) in trade receivables	(17,217)	(19,599)	2,518	(4,917)
Decrease/(increase) in other current assets	2,209	(59)	(3,555)	4,752
Decrease/(increase) in inventories	(9,674)	(5,724)	(2,974)	(5,345)
Increase/(decrease) in trade & other payables	6,816	9,405	(1,519)	1,162
Increase/(decrease) in other current liabilities	(514)	(371)	1,180	1,659
Change in other non-current assets and liabilities	646	621	(910)	(474)
<b>Total adjustments and changes</b>	<b>7,261</b>	<b>(779)</b>	<b>19,848</b>	<b>25,513</b>
<b>Net Cash Flows from operating activities</b>	<b>(A) 49,330</b>	<b>26,000</b>	<b>73,601</b>	<b>63,207</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Gross investments in intangible assets	(138)	(55)	(85)	186
Gross investments in property, plant and equipment	(39,173)	(31,824)	(78,848)	(40,212)
Increase/(decrease) in payables for purchases of non-current assets	(19,087)	(11,489)	17,497	7,514
Equity investments	---	---	(4)	(5)
Sales price of securities	---	---	6,275	6,275
Sales price of property, plant and equipment	93	93	86	47
<b>Net cash flow used in investing activities</b>	<b>(B) (58,305)</b>	<b>(43,275)</b>	<b>(55,079)</b>	<b>(26,195)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Interest paid in the period, incl. currency effects	(2,367)	(1,081)	(4,359)	(2,844)
Interest received in the year	(241)	69	(1,159)	(1,029)
Net increase (decrease) of short-term bank payables	59,306	63,978	11,139	(2,809)
Net change non-current loans and borrowings	(16,216)	(20,234)	3,724	11,876
Distribution of dividends	(31,569)	(31,569)	(28,061)	(28,061)
Other changes	114	213	---	594
<b>Net cash flow used in financing activities</b>	<b>(C) 9,027</b>	<b>11,376</b>	<b>(18,716)</b>	<b>(22,273)</b>
<b>Change in equity due to currency conversion effect</b>	<b>(D) (436)</b>	<b>279</b>	<b>(615)</b>	<b>(487)</b>
<b>Net change in cash and cash equivalents</b>	<b>+B+C+D) (384)</b>	<b>(5,620)</b>	<b>(809)</b>	<b>14,252</b>
<b>Vetro Revet cash and cash equivalents</b>			<b>1,461</b>	
<b>Cash &amp; cash equivalents at beginning of period</b>	<b>32,338</b>	<b>32,338</b>	<b>31,686</b>	<b>31,686</b>
<b>Cash &amp; cash equivalents at end of period</b>	<b>31,954</b>	<b>26,718</b>	<b>32,338</b>	<b>45,938</b>

(\*) Data not audited

## Zignago Vetro Group

## Statement of changes in Equity (\*)

(based on IAS in force from 1 January 2014)

	Share capital	Legal reserve	Revaluation reserve	Other reserves	Capital paid-in	Treasury shares	Translation reserve	Actuarial profit/(loss) on ind. deferred benefit plans	Retained earnings	Profit for the period	Total non-controlling interest equity	Total consolidated equity
<b>Balance at 30 June 2018</b>	<b>8,800</b>	<b>1,760</b>	<b>27,334</b>	<b>11,478</b>	<b>157</b>	<b>(1,093)</b>	<b>(1,509)</b>	<b>(957)</b>	<b>108,751</b>	<b>20,020</b>	<b>(308)</b>	<b>174,433</b>
<i>Profit (Loss)</i>	---	---	---	---	---	---	---	---	---	11,216	(286)	10,930
<i>Other profits/(losses), net of tax effect</i>	---	---	---	---	---	---	407	---	---	---	---	407
Total Comp. Income (expense)	---	---	---	---	---	---	407	---	---	11,216	(286)	11,337
Allocation of result	---	---	---	---	---	---	---	---	---	---	---	---
<b>Balance at 30 September 2018</b>	<b>8,800</b>	<b>1,760</b>	<b>27,334</b>	<b>11,478</b>	<b>157</b>	<b>(1,093)</b>	<b>(1,102)</b>	<b>(957)</b>	<b>108,751</b>	<b>31,236</b>	<b>(594)</b>	<b>185,770</b>
<i>Other profits/(losses), net of tax effect</i>	---	---	---	---	---	---	(146)	35	---	13,784	(132)	13,541
<i>Sale of treasury shares</i>	---	---	---	68	---	---	---	---	---	---	---	68
Allocation of result interests eq.	---	---	---	---	---	---	---	---	5,241	(5,214)	---	27
Distribution of dividends	---	---	---	---	---	---	---	---	---	---	735	735
<b>Balance at 31 December 2018</b>	<b>8,800</b>	<b>1,760</b>	<b>27,334</b>	<b>11,546</b>	<b>157</b>	<b>(1,093)</b>	<b>(1,248)</b>	<b>(922)</b>	<b>113,992</b>	<b>39,806</b>	<b>9</b>	<b>200,141</b>
<i>Profit (Loss)</i>	---	---	---	---	---	---	---	---	---	22,432	(222)	22,210
<i>Other profits/(losses), net of tax effect</i>	---	---	---	46	---	---	279	---	---	---	---	325
Total Comp. Income (expense)	---	---	---	46	---	---	279	---	---	22,432	(222)	22,535
Allocation of result	---	---	---	---	---	---	---	---	39,806	(39,806)	---	---
<i>Sale of treasury shares</i>	---	---	---	---	---	---	---	---	---	---	---	---
Move ment non - controlling interests eq.	---	---	---	---	---	---	---	---	---	---	---	---
Distribution of dividends	---	---	---	---	---	---	---	---	(31,569)	---	---	(31,569)
<b>Balance at 30 June 2019</b>	<b>8,800</b>	<b>1,760</b>	<b>27,334</b>	<b>11,592</b>	<b>157</b>	<b>(1,093)</b>	<b>(969)</b>	<b>(922)</b>	<b>122,229</b>	<b>22,432</b>	<b>(213)</b>	<b>191,107</b>
<i>Profit (Loss)</i>	---	---	---	---	---	---	---	---	---	13,202	99	13,301
<i>Other profits/(losses), net of tax effect</i>	---	---	---	(46)	---	---	(691)	---	---	---	---	(737)
Total Comp. Income (expense)	---	---	---	---	---	---	---	---	---	13,202	99	12,564
Allocation of result	---	---	---	---	---	---	---	---	---	---	---	---
<b>Balance at 30 September 2019</b>	<b>8,800</b>	<b>1,760</b>	<b>27,334</b>	<b>11,592</b>	<b>157</b>	<b>(1,093)</b>	<b>(969)</b>	<b>(922)</b>	<b>122,229</b>	<b>35,634</b>	<b>(114)</b>	<b>203,671</b>

(\*) Data not audited