



# **GCL HOLDINGS S.C.A. and Subsidiaries**

## **Condensed consolidated interim financial statements for the period ended June 30, 2016**

Prepared and Delivered Pursuant to  
Section 4.03(a) of the:

- Indenture Governing the 9.375% Senior Notes  
due 2018 of GCL Holdings S.C.A.
- Indenture Governing the Floating Rate Senior Secured Notes  
due 2019 of Guala Closures S.p.A.

Luxembourg, September 14, 2016



Registered and administrative office:  
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Share capital € 141,217.50 fully paid-up  
Register of Commerce & Companies of Luxembourg  
section B, number 141 684

<b>CONTENTS</b>	<b>PAGE</b>
<b>Forward-looking Statements</b>	<b>3</b>
<b>The Group structure</b>	<b>4</b>
<b>Selected financial information and other data</b>	<b>8</b>
<b>Condensed consolidated interim financial statements</b>	<b>21</b>
✓ Condensed consolidated statement of financial position as at June 30, 2016	
✓ Condensed consolidated statement of profit or loss and other comprehensive income for the six months ended June 30, 2016	
✓ Condensed consolidated statement of cash flows for the six months ended June 30, 2016	
✓ Condensed consolidated statement of changes in equity for the six months ended June 30, 2016	
✓ Notes to the condensed consolidated interim financial statements	
<b>Material developments in the business of the Company and its Subsidiaries</b>	<b>54</b>
<b>Risk factors</b>	<b>55</b>
<b>Material changes to material contractual arrangements</b>	<b>56</b>
<b>Annex to the condensed consolidated interim financial statements:</b>	<b>57</b>
· Annex A) Quarterly figures	

## **Forward-looking Statements**

This Condensed consolidated interim financial statements may include, and the Company and its representatives may from time to time make, written or verbal statements which constitute “forward – looking statements”, including but not limited to all statements other than statements of historical facts, including statements regarding our intentions, belief or expectations concerning our future financial condition and performance, results of operations, strategy, prospects, and future developments in the markets in which we operate and plan to operate.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward – looking statements are not guarantees of future performance and that our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this Condensed consolidated interim financial statements.

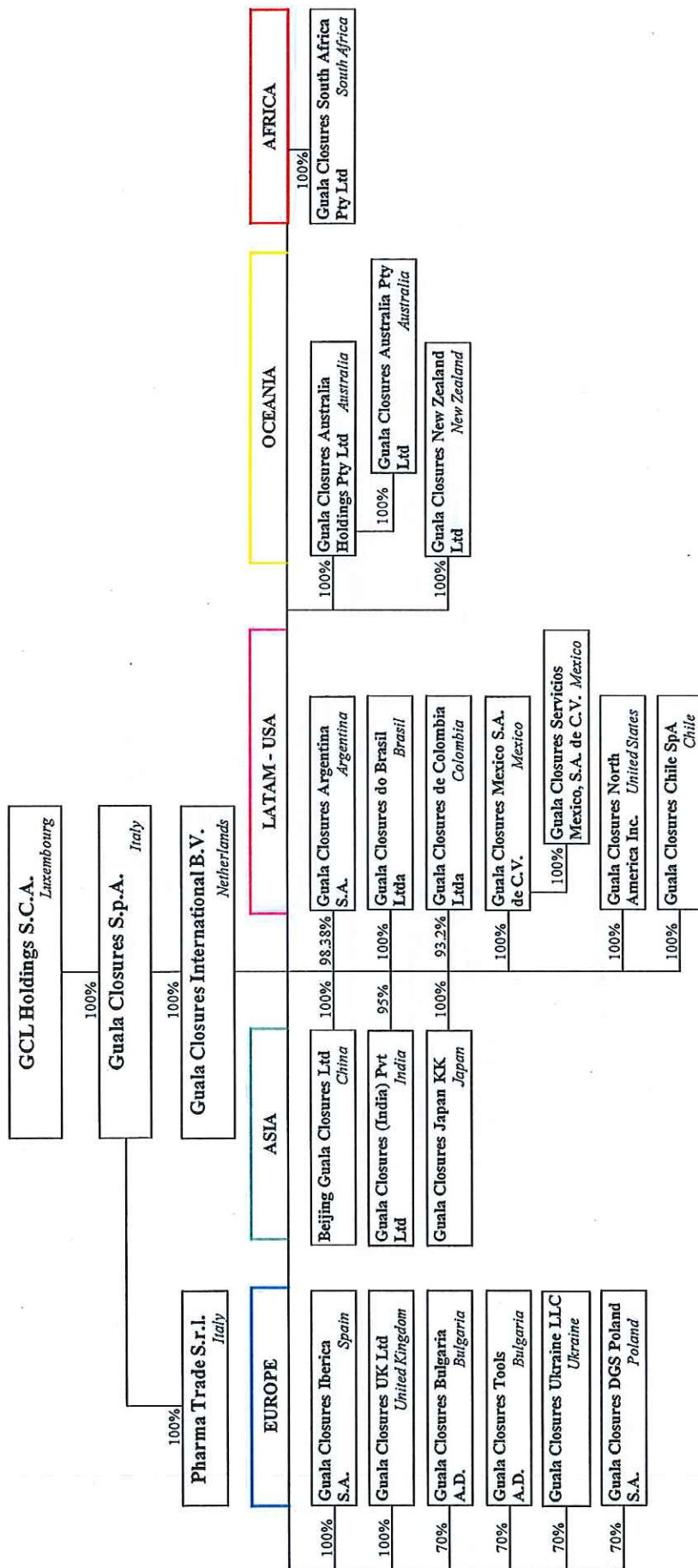
In addition even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Condensed consolidated interim financial statements, those results or developments may not be indicative of results or developments in subsequent periods.

The Company undertakes no obligation to publicly update or publicly revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written or verbal forward-looking statements attributable to the Company or to persons acting on the Company’s behalf are qualified in their entirety by the cautionary statements referred to above.

**The structure of GCL Holdings S.C.A.  
and Subsidiaries  
(GCL Holdings Group)**

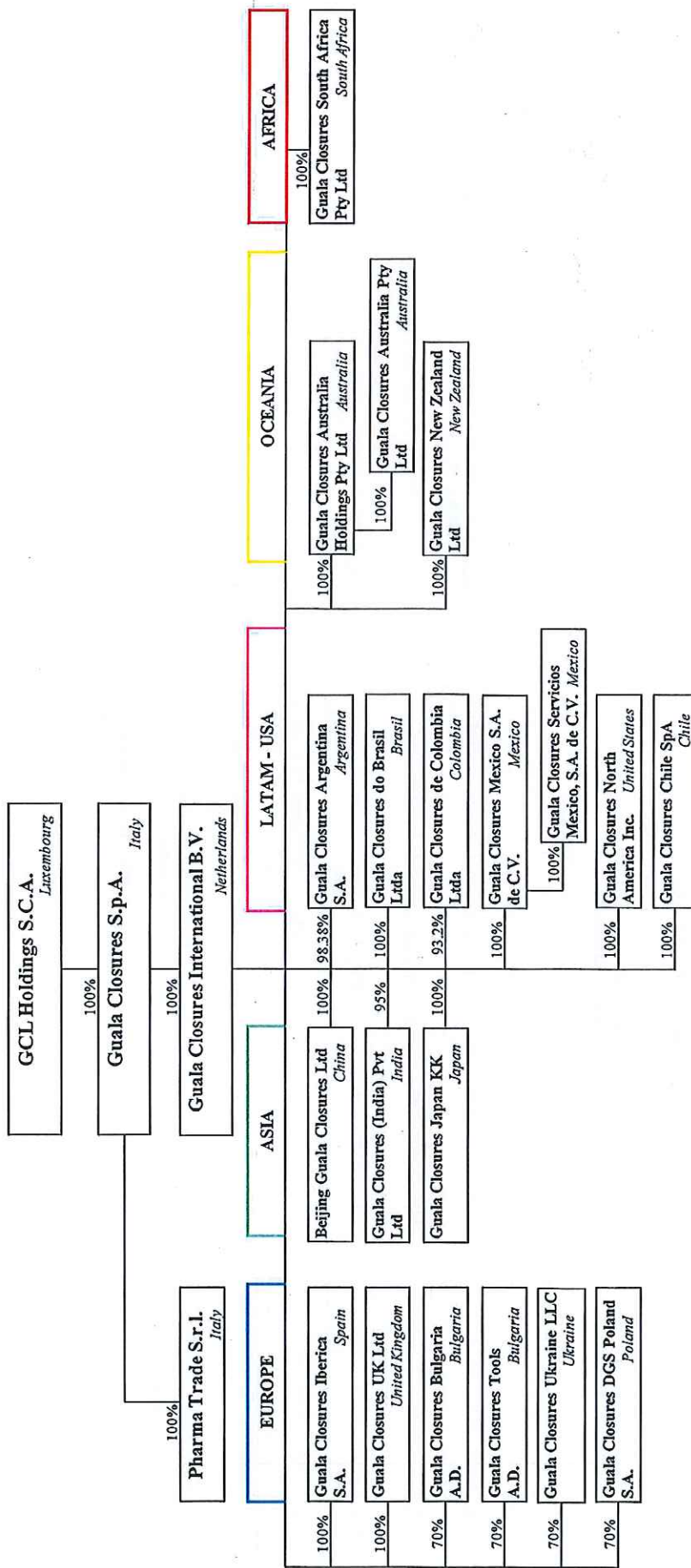


June 30, 2016

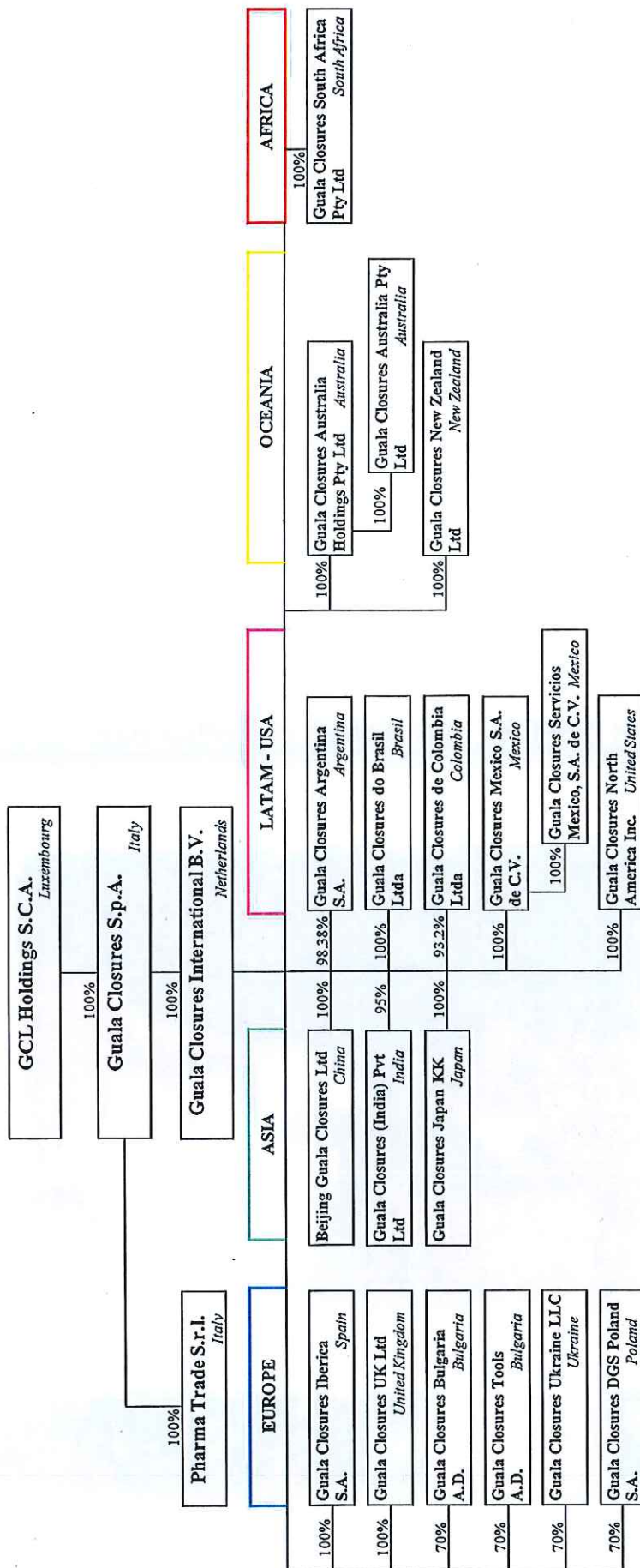




December 31, 2015



June 30, 2015



**Selected financial information and other data**





## *Selected financial information and other data*

### **Selected financial information and other data**

The following information should be read in conjunction with, and is qualified in its entirety by reference to the interim Group financial information and the related notes thereto included in this Condensed consolidated interim financial statements.

### **Results of operations**

The table below shows the reclassified condensed consolidated statement of profit or loss:

### **Reclassified condensed consolidated of profit or loss**

<i>(Thousands of Euros)</i>	For the six months ended June 30,	
	2015	2016
<i>Net revenue</i>	247,825	235,385
Change in inventories of finished goods and semi-finished products	10,011	11,106
Other operating income	5,114	4,317
Costs for raw materials	(116,749)	(108,711)
Costs for services	(45,724)	(43,437)
Personnel expense	(46,776)	(47,488)
Other operating expense	(4,876)	(5,027)
<b>Gross operating profit (EBITDA)</b>	<b>48,824</b>	<b>46,145</b>
Amortization, depreciation and impairment losses	(18,921)	(15,147)
<b>Operating profit</b>	<b>29,903</b>	<b>30,998</b>
Financial income	5,556	3,897
Financial expense	(25,916)	(26,284)
<b>Profit before taxation</b>	<b>9,544</b>	<b>8,611</b>
Income taxes	(9,981)	(7,661)
<b>Profit (loss) for the period</b>	<b>(436)</b>	<b>951</b>
<i>Source: consolidated interim financial statements figures</i>		
<b>Gross operating profit adjusted (Adjusted EBITDA)</b>	<b>49,394</b>	<b>46,406</b>
<i>% on net revenue</i>	19.9%	19.7%

### **Note:**

*Reference should be made to the section "Performance indicators" on next page for information about the Group's performance indicators, such as Adjusted gross operating profit (Adjusted EBITDA)*

The selected financial information have been prepared on the basis of the results of the cumulative six month period as the Company believes that this is the best way to understand the trend of the business. Any material event or change which occurred in the second quarter of 2016 is however disclosed and commented on. Quarterly figures have been reported on the Annex to these condensed consolidated interim financial statements.

### Performance indicators

In addition to the financial performance indicators required by IFRS, this Selected financial information and other data and the notes to the condensed consolidated interim financial statements include some additional indicators (EBITDA, Adjusted EBITDA and Net financial indebtedness) which are not required by IFRS, but are based on IFRS values.

These indicators are shown in order to provide a better understanding of the Group's economic and financial performance and should not be considered as substitutes of IFRS indicators.

Gross operating profit (EBITDA) is calculated as profit before amortization/depreciation and impairment losses of current and non-current assets, as reported in the above table of reclassified condensed consolidated statement of profit or loss.

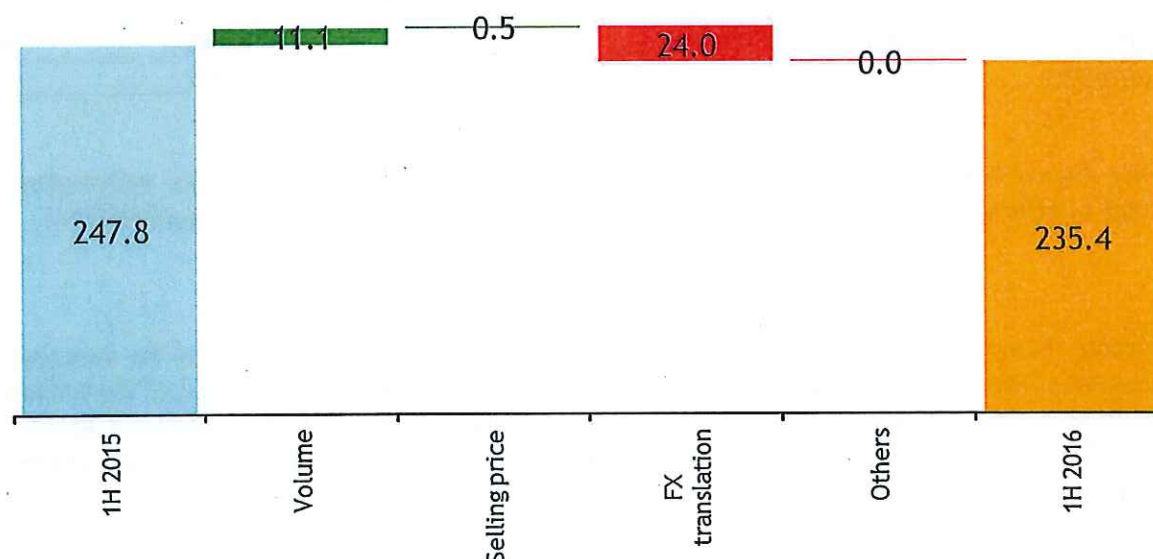
Adjusted EBITDA is calculated in order to sterilize the impact of non-recurring items on EBITDA. Please make reference to the section on Gross operating profit (EBITDA) for the non-recurring items identified.

### Net revenue

In 1H 2016 consolidated net revenue was € 235.4 million, down € 12.4 million or 5.0% on 1H 2015 due to the significant negative translation impact (€ 24.0 million) following the Euro's revaluation versus the main currencies in which the Group operates.

At constant FX rates, net revenue was up € 11.6 million or 4.7% on 1H 2015, mainly due to higher sales volumes and/or increase in selling prices in Ukraine, Argentina, Mexico, India and Poland, due to the further penetration of safety closures and to the continuous changeover from cork to aluminum closures for wine bottles.

The graph below shows the difference between 1H 2016 and 1H 2015 net revenue:



## *Selected financial information and other data*

### *Net revenue by division*

The table below illustrates the net revenue by division:

Thousand of Euros	For the six months ended June 30,	
	2015	2016
Closures	245,987	233,942
PET	1,839	1,443
<b>Total</b>	<b>247,825</b>	<b>235,385</b>

The Closures division represents the Group's core business, specialized in the following product lines: safety closures, decorative (luxury) closures, winecaps closures, standard (roll on) closures, Pharma and other revenue.

The Closures division's revenue decreased from € 246.0 million in 1H 2015 to € 233.9 million in 1H 2016, representing a decrease of € 12.1 million (the incidence on net revenue remains almost stable at 99.4%) due to the significant negative translation impact (€ 24.0 million) following the Euro's revaluation versus the main currencies in which the Group operates. At constant FX rates, net revenue was up € 12.0 million or 4.9% on 1H 2015.

The PET division mainly produces standard and custom moulds, PET bottles and miniatures. This division is no longer considered as a core business for the Group.

The PET division's revenue decreased from € 1.8 million in 1H 2015 to € 1.4 million in 1H 2016 (the incidence remains almost stable at 0.6% of net revenue). The PET division's revenue was solely generated by the PET operations in Spain.

## *Selected financial information and other data*

### *Net revenue by geographical segment*

The following table illustrates the geographic distribution of net revenue based on the geographical location from which the product is sold by the group companies:

Thousand of Euros	For the six months ended June 30,			
	2015		2016	
	Amount	%	Amount	%
Europe	137,326	55.4%	131,195	55.7%
Asia	34,231	13.8%	36,183	15.4%
Latin and North America	43,627	17.6%	39,289	16.7%
Oceania	23,041	9.3%	22,197	9.4%
Africa	9,601	3.9%	6,522	2.8%
Total	247,825	100.0%	235,385	100.0%

Net revenue from operations in Europe decreased from € 137.3 million in 1H 2015, or 55.4% of net revenue, to € 131.2 million in 1H 2016, or 55.7%, representing a decrease of € 6.1 million of which € 7.1 million due to the negative translation impact following the Euro's appreciation versus Ukrainian hryvnia, Polish zloty and Pound sterling. At constant FX rates, net revenue was up € 0.9 million or 0.7% on 1H 2015.

Net revenue from operations in Asia increased from € 34.2 million in 1H 2015, or 13.8% of net revenue, to € 36.2 million in 1H 2016, or 15.4%, representing an increase of € 2.0 million despite the negative translation impact (€ 2.4 million) following the Euro's appreciation mainly versus the Indian rupee. At constant FX rates, net revenue was up € 4.4 million or 12.8% on 1H 2015.

Net revenue from operations in Latin and North America decreased from € 43.6 million in 1H 2015, or 17.6% of net revenue, to € 39.3 million in 1H 2016, or 16.7%, representing a decrease of € 4.3 million of which € 11.0 million due to the negative translation impact. Excluding the FX impact, the net revenue of this area increased by € 6.6 million or 15.2% on 1H 2015.

Net revenue from operations in Oceania decreased from € 23.0 million in 1H 2015, or 9.3% of net revenue, to € 22.2 million in 1H 2016, or 9.4%, representing a decrease of € 0.8 million of which € 1.7 million due to the negative translation impact. Excluding the FX impact, the net revenue of this area increased by € 0.8 million or 3.5% on 1H 2015.

Net revenue from operations in Africa decreased from € 9.6 million in 1H 2015, or 3.9% of net revenue, to € 6.5 million in 1H 2016, or 2.8%, representing a decrease of € 3.1 million of which € 1.9 million due to the negative translation impact following the Euro's appreciation versus the South African Rand.

The Group is not exposed to significant geographical risks other than normal business risks.



### **Other operating income**

Other operating income decreased from € 5.1 million in 1H 2015, or 2.1% of net revenue, to € 4.3 million in 1H 2016, or 1.8%, representing a decrease of € 0.8 million.

Other operating income mainly comprises capitalized development expenditure, extraordinary maintenance and capitalization for assets internal production.

### **Costs for raw materials**

These costs decreased from € 116.7 million in 1H 2015, or 47.1% of net revenue, to € 108.7 million in 1H 2016, or 46.2%, representing a decrease of € 8.0 million.

### **Costs for services**

Costs for services decreased from € 45.7 million in 1H 2015 to € 43.4 million in 1H 2016, representing a decrease of € 2.3 million (the incidence on net revenue remains stable at 18.5%).

### **Personnel expense**

Personnel expense increased from € 46.8 million in 1H 2015, or 18.9% of net revenue, to € 47.5 million in 1H 2016, or 20.2%, representing an increase of € 0.7 million.

### **Other operating expense**

Other operating expense increased from € 4.9 million in 1H 2015, or 2.0% of net revenue, to € 5.0 million in 1H 2016, or 2.1%, representing an increase of € 0.1 million.

### Gross operating profit (EBITDA)

The Group's gross operating profit for 1H 2016 was € 46.1 million, 19.6% of net revenue, down € 2.7 million or 5.5% on 1H 2015, due to the negative translation impact (€ 5.2 million).

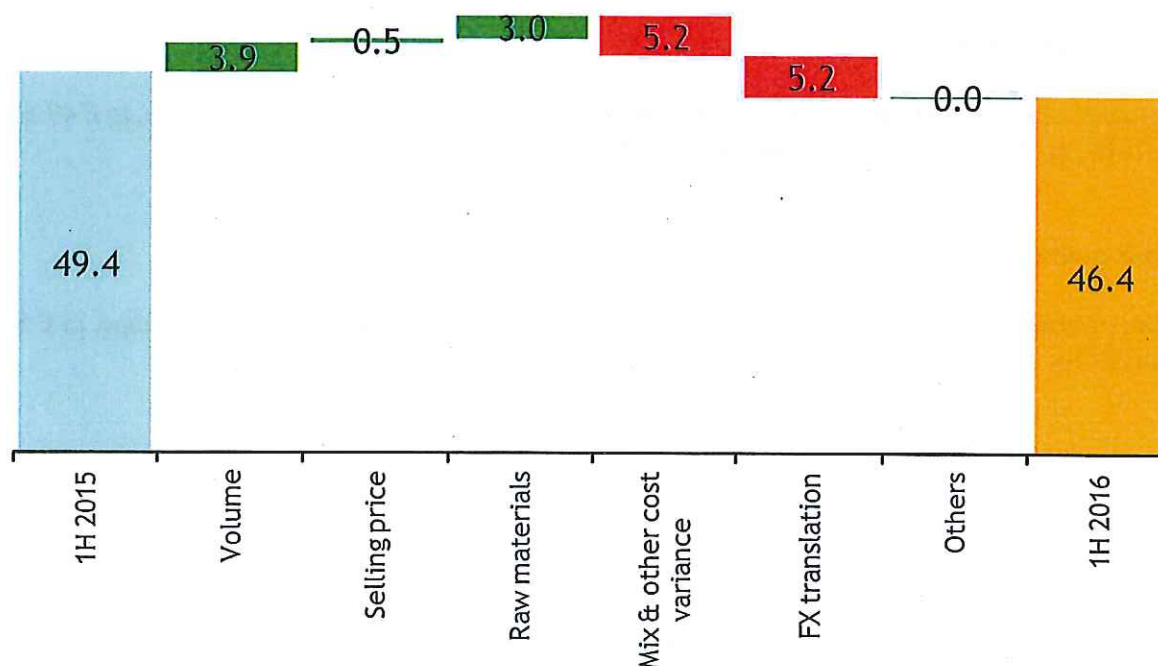
In 1H 2016, EBITDA was impacted by € 0.3 million of non-recurring costs for the rationalization of the production structure.

In 1H 2015, EBITDA was impacted by € 0.6 million of non-recurring costs for the rationalization of the production structure and other costs.

Excluding the non-recurring items, the Group's gross operating profit (adjusted EBITDA) for 1H 2016 would be € 46.4 million, showing a € 3.0 million decrease on 1H 2015.

Adjusted EBITDA in 1H 2016 is equal to 19.7% of net revenue (19.9% on 1H 2015).

The graph below shows the difference between 1H 2016 and 1H 2015 adjusted EBITDA:



### Amortization, depreciation and impairment losses

Amortization, depreciation and impairment losses decreased from € 18.9 million in 1H 2015, or 7.6% of net revenue, to € 15.1 million in 1H 2016, or 6.4%, representing a decrease of € 3.8 million.

This decrease is mainly due for € 1.6 million to a reduction in amortization of the Group trademark adopted from 2016 based on a longer useful life estimate, for € 0.3 million to a reduction in depreciation rates in the Italian plant of Magenta of some generic plant and equipment adopted from the end of 2015 based on internal appraisal that shows a longer useful life of certain assets and for € 0.5 million to the release of some accruals made in 2015 as allowance for impairment and the remaining to positive translation impact.

## *Selected financial information and other data*

### **Financial income and expense**

Net financial expense increased from € 20.4 million for 1H 2015 to € 22.4 million for 1H 2016.

The following table breaks down financial income and expense by nature for the two periods:

<b>Thousands of Euros</b>	<b>For the six months ended June 30,</b>	
	<b>2015</b>	<b>2016</b>
Net exchange rate gains/(losses)	852	(2,883)
Fair value gains on derivatives	413	577
Fair value losses on liability due to non-controlling investors	(350)	(950)
Net interest expense	(20,990)	(18,682)
Net other financial expense	(285)	(448)
<b>Net financial expense</b>	<b>(20,359)</b>	<b>(22,386)</b>

*Source: condensed consolidated interim financial statements figures*

Net financial expense in 1H 2016 is € 2.0 million higher than the previous period mainly due to the negative impact of exchange rates. Net interest expense is € 2.3 million smaller than the previous period mainly for € 1.0 million due to the expiry of the trading IRS and € 0.7 million due to higher interest income.

### **Income taxes**

Income taxes expenses decreased from €-10.0 million in 1H 2015, or 4.0% of net revenue, to €-7.7 million in 1H 2016, or 3.3%, due to lower result before taxation.

### **Profit (loss) for the period**

The profit for the period improved by € 1.4 million from a loss of € 0.4 million in 1H 2015 to a profit of € 1.0 million in 1H 2016, mainly due to lower amortization, depreciation and impairment losses and lower income taxes, partly compensated by lower EBITDA and higher net financial expense.

## **Reclassified consolidated statement of financial position**

The table below presents the key figures of the reclassified consolidated statement of financial position.

	<b>December 31, 2015</b>	<b>June 30, 2016</b>
<b>Thousands of Euros</b>		
Intangible assets	376,656	373,850
Property, plant and equipment	186,144	185,535
Net working capital	87,042	105,196
Net financial derivative liabilities	(1,071)	(69)
Employee benefits	(5,745)	(6,220)
Other assets/liabilities	(30,381)	(26,616)
<b>Net invested capital</b>	<b>612,644</b>	<b>631,677</b>
<i>Financed by:</i>		
Net financial liabilities	546,046	544,885
Financial liabilities to non-controlling investors	13,500	14,450
Cash and cash equivalents	(61,944)	(34,744)
<b>Net financial indebtedness</b>	<b>497,601</b>	<b>524,591</b>
<b>Consolidated equity</b>	<b>115,043</b>	<b>107,086</b>
<b>Sources of financing</b>	<b>612,644</b>	<b>631,677</b>

*Source: condensed consolidated interim financial statements figures*

### **Intangible assets**

Intangible assets decreased from € 376.7 million at the end of 2015 to € 373.8 million at the end of June 2016, representing a decrease of € 2.8 million, mainly due to the amortization of the period and negative exchange rate differences.

### **Property, plant and equipment**

Property, plant and equipment decreased from € 186.1 million at the end of 2015 to € 185.5 million at the end of June 2016, representing a decrease of € 0.6 million. This reduction is due to amortization, depreciation and impairment losses (€ 13.5 million) and to the negative exchange rate differences (€ 2.5 million), partly compensated by net investments of the period (€ 15.4 million, mainly in Poland, Italy, Ukraine and India).



## *Selected financial information and other data*

### **Net working capital**

The table below provides a breakdown of net working capital.

	December 31, 2015	June 30, 2016
<b>Thousands of Euros</b>		
Inventories	67,301	82,718
Trade receivables	86,880	93,176
Trade payables	(67,140)	(70,698)
<b>Net working capital (*)</b>	<b>87,042</b>	<b>105,196</b>

*(\*) The amounts set forth herein do not match the amounts used to calculate the change in working capital in the consolidated statement of cash flows for the applicable period as those amounts have been adjusted to reflect changes in exchange rates on the opening balance and impairment losses on receivables.*

The table below analyses net working capital days, calculated on the last quarter revenue of the period.

	December 31, 2015	June 30, 2016
<b>Days</b>		
Inventories	45	61
Trade receivables	58	68
Trade payables	(45)	(52)
<b>Net working capital days</b>	<b>59</b>	<b>77</b>

Net working capital increased from € 87.0 million at December 31, 2015 to € 105.2 million at June 30, 2016, representing an increase in net working capital days from 59 to 77 days. The increase is attributable to the business seasonality.

### **Net financial indebtedness**

The table below gives a breakdown of net financial indebtedness.

	December 31, 2015	June 30, 2016
<b>Thousands of Euros</b>		
Net financial liabilities - third parties	546,046	544,885
Financial liabilities vs non-controlling investors	13,500	14,450
Cash and cash equivalents	(61,944)	(34,744)
<b>Net financial indebtedness</b>	<b>497,601</b>	<b>524,591</b>

Net financial indebtedness increased from € 497.6 million at December 31, 2015 to € 524.6 million at June 30, 2016, representing an increase of € 27.0 million.

This increase is mainly due to the fact that the € 12.5 million cash flow generated by operating activities has been absorbed by about € 16.6 million cash flow used for investments and by about € 22.9 million for net interests and other financial items.

### *Selected financial information and other data*

Cash and cash equivalents decreased from € 61.9 million at December 31, 2015 to € 34.7 million at June 30, 2016 mainly as a consequence of the business seasonality and of the high level of cash held at the end of 2015 due to the strong cash flows generated in the last quarter and to cash held by the subsidiaries at year end which had not been distributed to the holding companies.

### **Equity**

The table below shows a breakdown of equity:

	December 31, 2015	June 30, 2016
<b>Thousands of Euros</b>		
Equity attributable to the owners of the parent	90,344	84,468
Equity attributable to non-controlling interests	24,699	22,618
<b>Consolidated equity</b>	<b>115,043</b>	<b>107,086</b>

Equity attributable to the owners of the parent decreased by € 5.9 million, mainly due to € 3.0 million for the loss for the period and € 2.6 million negative translation impact.

Equity attributable to non-controlling interests decreased by € 2.1million, mainly due to € 6.2 million dividend distribution, partly compensated by the € 3.9 million profit for the period and to € 0.2 million positive translation impact.

## **Consolidated statement of cash flows**

The table below shows the reclassified consolidated statement of cash flows as change in the cash and cash equivalents in the period:

Thousand of Euros	For the six months ended June 30,	
	2015	2016
<b>Opening cash and cash equivalents</b>	<b>35,273</b>	<b>61,944</b>
Cash flows generated by operating activities	19,619	12,492
Cash flows used in investing activities	(13,175)	(16,588)
Cash flows used in financing activities	(13,789)	(22,812)
<b>Net cash flows for the period</b>	<b>(7,345)</b>	<b>(26,908)</b>
Effect of exchange rate fluctuation on cash held	121	(292)
<b>Closing cash and cash equivalents</b>	<b>28,049</b>	<b>34,744</b>

*Source: condensed consolidated interim financial statements figures*

### **Cash flows generated by operating activities**

The cash flow generated by operating activities decreased from € 19.6 million in 1H 2015 to € 12.5 million in 1H 2016.

The decrease of € 7.1 million was mainly due to the lower EBITDA generated in 1H 2016 (€ 2.7 million) and to the higher negative variation in net working capital (€ 4.1 million).

### **Cash flows used in investing activities**

The cash flow used in investing activities increased from € -13.2 million in 1H 2015 to € -16.6 million in 1H 2016.

### **Cash flows used in financing activities**

The cash flow used in financing activities increased from € -13.8 million in 1H 2015 to € -22.8 million in 1H 2016, mainly due to higher repayment of borrowings (net of proceeds from new borrowings) for € 9.9 million and higher dividends paid to non-controlling interest (€ 1.4 million), partly compensated by lower net interests expenses (€ 2.0 million).

### **Net cash flows**

The net cash out flows of the period increased from € -7.3 million in 1H 2015 to € -26.9 million in 1H 2016 due to lower cash flows generated by operating activities and to higher cash flows used in investing and financing activities.

## **Transactions between affiliates**

During the six months ended June 30, 2016 several transactions between affiliates occurred. The effects of such transactions have been written-off for consolidation purposes.

The material transactions between affiliates relate to:

- Sales of raw materials / semi-finished/finished products
- Services
- Technical assistance
- R&D services
- Personnel cost recharge
- Royalties contracts
- Distribution of dividends
- Financing contracts



**GCL HOLDINGS GROUP  
GCL HOLDINGS S.C.A.  
and Subsidiaries**

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**Condensed consolidated  
interim financial statements**

**Condensed consolidated statement of financial position as at June 30, 2016**  
**ASSETS**

<i>(Thousands of Euros)</i>	<b>December 31, 2015</b>	<b>June 30, 2016</b>	<b>Note</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	61,944	34,744	5
Current financial assets	87	93	
Trade receivables	86,880	93,176	6
Inventories	67,301	82,718	7
Current direct tax assets	2,138	4,421	
Current indirect tax assets	5,834	7,824	
Financial derivative assets	-	509	
Other current assets	3,468	4,043	
<b>Total current assets</b>	<b>227,652</b>	<b>227,528</b>	
<b>Non-current assets</b>			
Non-current financial assets	465	462	
Property, plant and equipment	186,144	185,535	8
Intangible assets	376,656	373,850	9
Deferred tax assets	8,060	6,946	
Other non-current assets	504	656	
<b>Total non-current assets</b>	<b>571,828</b>	<b>567,448</b>	
<b>TOTAL ASSETS</b>	<b>799,480</b>	<b>794,976</b>	

The accompanying notes to the condensed consolidated interim financial statements are an integral part of these condensed consolidated interim financial statements.

**Condensed consolidated statement of financial position as at June 30, 2016**  
**LIABILITIES AND EQUITY**

<i>(Thousands of Euros)</i>	<b>December 31, 2015</b>	<b>June 30, 2016</b>	<b>Note</b>
<b>LIABILITIES AND EQUITY</b>			
<i>Current liabilities</i>			
Current financial liabilities	13,283	13,431	10
Trade payables	67,140	70,698	11
Current direct tax liabilities	5,379	4,899	
Current indirect tax liabilities	4,290	3,792	
Current provisions	1,624	1,165	
Financial derivative liabilities	1,071	578	
Other current liabilities	22,872	25,199	
<b>Total current liabilities</b>	<b>115,659</b>	<b>119,762</b>	
<i>Non-current liabilities</i>			
Non-current financial liabilities	546,814	546,459	10
Employee benefits	5,745	6,220	
Deferred tax liabilities	15,959	15,237	
Non-current provisions	148	148	
Other non-current liabilities	112	64	
<b>Total non-current liabilities</b>	<b>568,778</b>	<b>568,128</b>	
<b>Total liabilities</b>	<b>684,438</b>	<b>687,890</b>	
Share capital and reserves attributable to non-controlling interests	17,302	18,705	
Profit for the period attributable to non-controlling interests	7,397	3,913	
<b>Equity attributable to non-controlling interests</b>	<b>24,699</b>	<b>22,618</b>	<b>12</b>
<i>Equity attributable to the owners of the parent</i>			
Share capital	141	141	
Share premium and other similar reserves	295,228	295,228	
Translation reserve	(46,077)	(48,662)	
Hedging reserve	(974)	(902)	
Losses carried forward and other reserves	(145,874)	(158,375)	
Loss for the period	(12,100)	(2,962)	
<b>Equity attributable to the owners of the parent</b>	<b>90,344</b>	<b>84,468</b>	
<b>Total equity</b>	<b>115,043</b>	<b>107,086</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>799,480</b>	<b>794,976</b>	

The accompanying notes to the condensed consolidated interim financial statements are an integral part of these condensed consolidated interim financial statements.

**Condensed consolidated statement of profit or loss and OCI for the six months ended June 30, 2016**

(Thousands of Euros)	For the six months ended June 30,		
	2015	2016	Note
<b>Net revenue</b>	<b>247,825</b>	<b>235,385</b>	13
Change in inventories of finished goods and semi-finished products	10,011	11,106	
Other operating income	5,114	4,317	
Costs for raw materials	(116,749)	(108,711)	14
Costs for services	(45,724)	(43,437)	15
Personnel expense	(46,776)	(47,488)	16
Other operating expense	(4,876)	(5,027)	17
Amortization, depreciation and impairment losses	(18,921)	(15,147)	8-9
<b>Operating profit</b>	<b>29,903</b>	<b>30,998</b>	
Financial income	5,556	3,897	18
Financial expense	(25,916)	(26,284)	19
<b>Net finance costs</b>	<b>(20,359)</b>	<b>(22,386)</b>	
<b>Profit before taxation</b>	<b>9,544</b>	<b>8,611</b>	
Income taxes	(9,981)	(7,661)	
<b>Profit (loss) for the period</b>	<b>(436)</b>	<b>951</b>	

**Other comprehensive income**

<b>Items that will never be reclassified to profit or loss:</b>		
Actuarial gains/(losses) on the defined benefit liability (asset)	19	(400)
	<b>19</b>	<b>(400)</b>
<b>Items that are or may be reclassified subsequently to profit or loss:</b>		
Foreign currency translation differences for foreign operations	(1,133)	(2,379)
Effective portion of fair value gains (losses) of cash flows hedges	4	(42)
Net change in fair value of cash flows hedges reclassified to profit or loss	162	141
Income taxes on other comprehensive income	(46)	(27)
	<b>(1,013)</b>	<b>(2,307)</b>
<b>Total comprehensive expense for the period, net of tax</b>	<b>(994)</b>	<b>(2,707)</b>
<b>Total comprehensive expense for the period</b>	<b>(1,430)</b>	<b>(1,756)</b>
<b>Profit (loss) attributable to:</b>		
owners of the parent	(4,190)	(2,962)
non-controlling interests	3,754	3,913
<b>Total comprehensive income /(expenses) attributable to:</b>		
owners of the parent	(4,370)	(5,876)
non-controlling interests	2,939	4,119

The accompanying notes to the condensed consolidated interim financial statements are an integral part of these condensed consolidated interim financial statements.



**Condensed consolidated statement of cash flows for the six months ended June 30, 2016**

(Thousands of Euros)	For the six months ended June 30,		Note
	2015	2016	
<b>Opening cash and cash equivalents</b>	<b>35,273</b>	<b>61,944</b>	<b>5</b>
<b>A) Cash flows generated by operating activities</b>			
Profit before taxation	9,544	8,611	
Amortization, depreciation and impairment losses	18,921	15,147	
Net finance costs	20,359	22,386	
Change in:			
Receivables, payables and inventory	(16,580)	(20,652)	
Other	1,317	(351)	
VAT and indirect tax assets/liabilities	(1,496)	(2,630)	
Income taxes paid	(12,446)	(10,020)	
<b>TOTAL</b>	<b>19,619</b>	<b>12,492</b>	
<b>B) Cash flows used in investing activities</b>			
Acquisitions of property, plant and equipment and intangibles	(13,204)	(16,594)	
Proceeds from sale of property, plant and equipment and intangibles	28	6	
<b>TOTAL</b>	<b>(13,175)</b>	<b>(16,588)</b>	
<b>C) Cash flows used in financing activities</b>			
Acquisition of non-controlling interest in Guala Cl. Argentina	(319)	-	
Interest income	243	943	18
Interest expense	(20,154)	(18,829)	19
Other financial items	(132)	(409)	
Dividends paid to non-controlling interest	(725)	(2,092)	
Proceeds from new borrowings	10,670	11,353	
Repayment of borrowings	(2,202)	(12,782)	
Repayment of finance leases	(1,043)	(994)	
Change in financial assets	(127)	(3)	
<b>TOTAL</b>	<b>(13,789)</b>	<b>(22,812)</b>	
<b>D) Net cash flows for the period (A+B+C)</b>	<b>(7,345)</b>	<b>(26,908)</b>	
Effect of exchange rate fluctuations on cash held	121	(292)	
<b>Closing cash and cash equivalents</b>	<b>28,049</b>	<b>34,744</b>	<b>5</b>

The accompanying notes to the condensed consolidated interim financial statements are an integral part of these condensed consolidated interim financial statements.

*Condensed consolidated interim financial statements*

Condensed consolidated statement of changes in equity for the six months ended June 30, 2016											
(Thousands of €)	Attributable to owners of the Company					Non-controlling interests			Total equity		
	Share capital	Share premium and other similar reserves	Translation reserve	Hedging reserve	Losses carried forward and other reserves	Loss for the period	Equity attributable to the owners of the Company	Share capital and reserves attributable to non-controlling interests		Profit for the period attributable to non-controlling interests	
January 1, 2015	141	295,228	(35,715)	(1,170)	(121,604)	(24,607)	112,273	16,641	7,156	23,796	136,069
Allocation of 2014 profit (loss)					(24,607)	24,607	-	7,156	(7,156)	-	-
Profit (loss) for the period ended June 30, 2015					(4,190)	(4,190)	(4,190)	3,754	3,754	3,754	(436)
Other comprehensive expense			(320)	120	20	-	(180)	(814)	-	(814)	(994)
Total comprehensive income/(expense) of the period	-	-	(320)	120	(24,587)	20,417	(4,370)	6,341	(3,402)	2,939	(1,430)
Dividends to non-controlling interests					-	-	-	(4,251)	-	(4,251)	(4,251)
Total distributions to owners of the Company					-	-	-	(4,251)	-	(4,251)	(4,251)
June 30, 2015	141	295,228	(36,035)	(1,050)	(146,191)	(4,190)	107,903	18,732	3,754	22,485	130,388
January 1, 2016	141	295,228	(46,077)	(974)	(145,874)	(12,100)	90,344	17,302	7,397	24,699	115,043
Allocation of 2015 profit (loss)					(12,100)	12,100	-	7,397	(7,397)	-	-
Profit (loss) for the period ended June 30, 2016					(2,962)	(2,962)	(2,962)	3,913	3,913	3,913	951
Other comprehensive expense			(2,585)	72	(400)	-	(2,913)	206	-	206	(2,707)
Total comprehensive income/(expense) of the period	-	-	(2,585)	72	(12,500)	9,138	(5,876)	7,603	(3,484)	4,119	(1,756)
Dividends to non-controlling interests (declared)					-	-	-	(6,200)	-	(6,200)	(6,200)
Total distributions to owners of the Company					-	-	-	(6,200)	-	(6,200)	(6,200)
June 30, 2016	141	295,228	(48,662)	(902)	(158,375)	(2,962)	84,468	18,705	3,913	22,618	107,086

The accompanying notes to the condensed consolidated interim financial statements are an integral part of these condensed consolidated interim financial statements.

**Notes to the condensed consolidated interim financial statements as at June 30, 2016**

**(1) General information**

GCL Holdings S.C.A. is a company domiciled in Luxembourg. The condensed consolidated interim financial report of GCL Holdings S.C.A. as at and for the six months ended June 30, 2016 comprises the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

GCL Holdings S.C.A. is the owner of Guala Closures S.p.A. and its subsidiaries from September 2008 pursuant to a voluntary public tender offer.

The Group's main activities involve the design and manufacturing of closures for spirits, wine and non-alcoholic drinks such as water, olive oil and vinegar, as well as pharma to be sold on the domestic and international markets.

The Group is also active in the field of production of PET plastic preforms and bottles.

The Group structure is reported at page 5 of this Report.

## **(2) Basis of preparation**

The condensed consolidated interim financial statements of GCL Holdings S.C.A and its subsidiaries as of June 30, 2015 and June 30, 2016 (“the interim financial statements”) have been prepared in accordance with international accounting standard (“IAS”) 34, Interim Financial Reporting. They should be read in conjunction with the annual consolidated financial statements and the notes thereto in the Company annual report for the year ended December 31, 2015 which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by European Union (“E.U.”).

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2015. These condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with IFRS as adopted by E.U. Preparing these condensed consolidated interim financial statements require Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report, significant judgements made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended December 31, 2015.

The condensed consolidated interim financial statements have been prepared in euros, rounding the amounts to the nearest thousand. Any discrepancies between financial statements balances and those on the tables of the notes to the condensed consolidated interim financial statements are due exclusively to the rounding and do not alter their reliability or substance.

GCL Holdings S.C.A.’s Board of Directors approved the condensed consolidated interim financial statements on September 14, 2016.

## *Notes to the condensed consolidated interim financial statements*

The following exchange rates are applied to translate those financial statements presented in currencies that are not legal tender in Luxembourg:

### **Statement of financial position**

<b>1 Euro = x foreign currency</b>	<b>June 30, 2015</b>	<b>December 31, 2015</b>	<b>June 30, 2016</b>
Pound sterling	0.71140	0.73395	0.82650
US dollar	1.11890	1.08870	1.11020
Indian rupee	71.18730	72.02150	74.96030
Mexican peso	17.53320	18.91450	20.63470
Colombian peso	2,896.44820	3,456.01000	3,244.46542
Brazilian real	3.46990	4.31170	3.58980
Chinese renmimbi	6.93660	7.06080	7.37550
Argentinean peso	10.16530	14.09720	16.58016
Polish zloty	4.19110	4.26390	4.43620
New Zealand dollar	1.65480	1.59230	1.56160
Australian dollar	1.45500	1.48970	1.49290
Ukrainian hryvnia	23.54059	26.15870	27.56384
Bulgarian lev	1.95580	1.95580	1.95580
South African Rand	13.64160	16.95300	16.4461
Japanese Yen	137.01000	131.07000	114.0500
Chilean peso	n.a.	772.71300	735.5005

### **Statement of profit or loss**

<b>1 Euro = x foreign currency</b>	<b>June 30, 2015</b>	<b>June 30, 2016</b>
Pound sterling	0.73238	0.77849
US dollar	1.11585	1.11553
Indian rupee	70.12237	74.97762
Mexican peso	16.88610	20.15993
Colombian peso	2,770.36000	3,485.44333
Brazilian real	3.30765	4.13492
Chinese renmimbi	6.94110	7.29366
Argentinean peso	9.83888	15.98963
Polish zloty	4.13967	4.36861
New Zealand dollar	1.50551	1.64848
Australian dollar	1.42595	1.52206
Ukrainian hryvnia	23.90085	28.40308
Bulgarian lev	1.95580	1.95580
South African Rand	13.29908	17.2037
Japanese Yen	134.16483	124.5015
Chilean peso	n.a.	769.2615

### **(3) Accounting policies**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are consistent with those used by the Group in its annual consolidated financial statements as at and for the year ended December 31, 2015. The same accounting policies are also expected to be reflected in the Group's annual consolidated financial statements as at and for the year ending December 31, 2016.

Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended December 31, 2015.

There was no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments.

#### (4) Operating segments

Reportable segments are the Group's strategic divisions as determined in accordance with the quantitative and qualitative requirements of IFRS 8.

The Group has only one reportable segment, the Closures division. The Group's CEO (the chief operating decision maker) reviews internal management reports on the reportable segment, the closures division, on at least a quarterly basis. The following summary describes the operations in this reportable segment.

The Closures division represents the Group's core business. Other operations include the PET division that does not meet any of the quantitative thresholds for determining reportable segments in 1H 2016 or 1H 2015 under IFRS 8.

Information regarding the results of the Group's reportable segment is included below. Performance is measured based on segment revenue and gross operating profit, depreciation and amortization, trade receivables, inventories, property, plant and equipment, trade payables and capital expenditure as included in the internal management reports that are reviewed by the CEO and by the board of directors. Management considers the above information as the most suitable to evaluate the results of the segment compared to other entities that operate in these industries.

All other asset and liability figures are non reportable by segment as the management believes that the availability of such information by segment is not relevant.

Thousands of Euros	Closures		Other Operations		Total	
	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016
External revenue	245,987	233,942	1,839	1,443	247,825	235,385
Gross operating profit	48,489	46,077	335	68	48,824	46,145
Amortization, depreciation and impairment losses	(18,851)	(15,079)	(69)	(68)	(18,921)	(15,147)

Thousands of Euros	Closures		Other Operations		Total	
	December 31, 2015	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015	June 30, 2016
Trade receivables	86,347	92,601	533	575	86,880	93,176
Inventories	66,788	82,118	513	600	67,301	82,718
Trade payables	(66,829)	(70,368)	(311)	(330)	(67,140)	(70,698)
Property, plant and equipment	185,580	185,035	564	500	186,144	185,535

Thousands of Euros	Closures		Other Operations		Total	
	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016
Capital expenditure	13,143	16,584	32	4	13,175	16,588



## Geographical information

The Closures segment operates from many manufacturing facilities primarily in India, Poland, Italy, the United Kingdom, Spain, Ukraine, Mexico, Australia, Argentina and Chile and South Africa.

In presenting information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the assets/subsidiaries.

Thousands of Euros	Net revenue	
	June 30, 2015	June 30, 2016
India	31,129	32,426
Poland	30,281	29,501
Italy	34,136	28,251
UK	24,978	23,847
Spain	21,224	21,691
Ukraine	19,518	20,877
Mexico	16,949	17,463
Australia	17,409	16,561
Argentina + Chile	10,325	9,952
South Africa	9,601	6,522
Other countries and consolidation adjustments	32,276	28,293
<b>Consolidated net revenue</b>	<b>247,825</b>	<b>235,385</b>

Thousands of Euros	Non-current assets other than financial instruments and deferred tax assets: Property, plant and equipment and Intangible assets	
	December 31, 2015	June 30, 2016
Italy	327,652	326,104
Australia	69,689	68,966
Poland	32,563	32,187
India	25,320	24,719
Spain	21,120	20,833
Mexico	15,361	13,767
Brasil	10,133	12,409
Ukraine	10,265	11,430
South Africa	9,780	9,872
Other countries and consolidation adjustments	40,918	39,097
<b>Property, plant and equipment and Intangible assets</b>	<b>562,800</b>	<b>559,385</b>

*Notes to the condensed consolidated interim financial statements*

Thousands of Euros	Deferred Tax Assets	
	December 31, 2015	June 30, 2016
Italy	2,993	2,605
Australia	1,661	1,425
Spain	763	543
Ukraine	325	360
New Zealand	246	280
Argentina	468	224
China	98	94
UK	53	65
Mexico	71	65
Other countries and consolidation adjustments	1,382	1,285
<b>Consolidated Deferred Tax Assets</b>	<b>8,060</b>	<b>6,946</b>

The Group is not exposed to significant geographical risks other than normal business risks.

**Information about major customers**

In the Closures segment, there is only one customer with a percentage of revenue (of total revenue) over 10%.

## **(5) Cash and cash equivalents**

Cash and cash equivalents include the following for the purposes of the cash flow statement:

<b>Thousands of Euros</b>	<b>December 31, 2015</b>	<b>June 30, 2016</b>
Bank and postal accounts	54,054	23,760
Cash and cash equivalents	7,891	10,984
<b>Total</b>	<b>61,944</b>	<b>34,744</b>

## **(6) Trade receivables**

This caption may be analyzed as follows:

<b>Thousands of Euros</b>	<b>December 31, 2015</b>	<b>June 30, 2016</b>
Trade receivables	95,031	100,759
Allowance for impairment	(8,151)	(7,582)
<b>Total</b>	<b>86,880</b>	<b>93,176</b>

The allowance for impairment varied as follows:

<b>Thousands of Euros</b>	<b>June 30, 2016</b>
Opening allowance for impairment	8,151
Exchange rate losses	(72)
Addition	139
Utilization	(636)
<b>Closing allowance for impairment</b>	<b>7,582</b>

## **(7) Inventories**

This caption may be analyzed as follows:

<b>Thousands of Euros</b>	<b>December 31, 2015</b>	<b>June 30, 2016</b>
Raw materials, consumables and supplies	34,111	39,422
(Allowance for inventory write-down)	(1,590)	(1,324)
Work in progress and semi-finished products	16,925	22,070
(Allowance for inventory write-down)	(572)	(590)
Finished products and goods	19,752	23,895
(Allowance for inventory write-down)	(1,493)	(1,083)
Payments on account	170	327
<b>Total</b>	<b>67,301</b>	<b>82,718</b>

The changes in the caption are as follows:

<b>Thousands of Euros</b>	
Balance at January 1, 2015	67,301
Exchange rate gain	(2,074)
Change in raw materials, consumables and supplies (net of write-down)	6,227
Change in finished goods and semi-finished products (net of write-down)	11,106
Change in payments on account	157
<b>Balance at June 30, 2015</b>	<b>82,718</b>

Inventories increased from € 67.3 million at the end of December 2015 to € 82.7 million at the end of June 2016. The increase is mainly attributable to business seasonality factors.

## **(8) Property, plant and equipment**

The following tables show the changes in this caption for the six months ended June 30, 2015 and June 30, 2016:

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
<b>Thousands of Euros</b>						
Historical cost at December 31, 2014	76,356	361,977	58,209	8,228	7,015	511,785
Accumulated depreciation and impairment at December 31, 2014	(16,082)	(240,367)	(45,230)	(7,282)	-	(308,960)
<b>Carrying amount at December 31, 2014</b>	<b>60,274</b>	<b>121,610</b>	<b>12,980</b>	<b>946</b>	<b>7,015</b>	<b>202,825</b>
<b>Carrying amount at January 1, 2015</b>	<b>60,274</b>	<b>121,610</b>	<b>12,980</b>	<b>946</b>	<b>7,015</b>	<b>202,825</b>
Exchange rate gains	(263)	864	223	30	82	935
Additions	2,234	2,340	(112)	383	4,908	9,754
Disposals	(7)	1	(5)	(15)	(2)	(28)
Impairment losses	(6)	(217)	-	-	-	(223)
Reclassifications	608	3,869	1,532	12	(6,025)	(4)
Depreciation	(971)	(11,961)	(1,694)	(205)	-	(14,830)
Historical cost at June 30, 2015	78,580	381,688	63,357	8,639	5,978	538,242
Accumulated depreciation and impairment at June 30, 2015	(16,711)	(265,182)	(50,433)	(7,488)	-	(339,814)
<b>Carrying amount at June 30, 2015</b>	<b>61,869</b>	<b>116,506</b>	<b>12,924</b>	<b>1,151</b>	<b>5,978</b>	<b>198,428</b>

*Notes to the condensed consolidated interim financial statements*

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
<b>Thousands of Euros</b>						
Historical cost at December 31, 2015	76,358	367,584	59,780	8,815	3,870	516,407
Accumulated depreciation and impairment at December 31, 2015	(17,512)	(257,603)	(47,465)	(7,684)	-	(330,263)
<b>Carrying amount at December 31, 2015</b>	<b>58,846</b>	<b>109,981</b>	<b>12,315</b>	<b>1,131</b>	<b>3,870</b>	<b>186,144</b>
<b>Carrying amount at January 1, 2016</b>	<b>58,846</b>	<b>109,981</b>	<b>12,315</b>	<b>1,131</b>	<b>3,870</b>	<b>186,144</b>
Exchange rate gains	242	(2,565)	(64)	1	(82)	(2,469)
Additions	-	1,935	379	31	13,038	15,383
Disposals	-	-	(3)	(3)	-	(6)
Impairment losses	(5)	(40)	-	-	-	(46)
Reclassifications	830	4,713	456	25	(6,016)	9
Depreciation	(975)	(10,886)	(1,448)	(170)	-	(13,479)
Historical cost at June 30, 2016	77,376	364,917	60,163	8,869	10,810	522,135
Accumulated depreciation and impairment at June 30, 2016	(18,438)	(261,779)	(48,529)	(7,853)	-	(336,600)
<b>Carrying amount at June 30, 2016</b>	<b>58,937</b>	<b>103,138</b>	<b>11,634</b>	<b>1,016</b>	<b>10,810</b>	<b>185,535</b>

Property, plant and equipment decreased from € 186.1 million at the end of 2015 to € 185.5 million at the end of June 2016, representing a decrease of € 0.6 million.

This variation is due to € 13.5 million of depreciation and impairment losses and € 2.5 million of exchange rate differences, partly compensated by € 15.4 million net capex (additions net of disposals).

The net capex of the period includes € 3.4 million investments made in Poland, € 3.3 million investments made in Italy, € 2.9 million investments made in Ukraine, € 1.8 million investments made in India and other investments made by other Group companies.

The useful life of some generic plant and equipment in the Italian plant of Magenta changed for the six months ended June 30, 2016 compared to the six months ended June 30, 2015 based on an internal appraisal that shows a longer useful life of certain assets.



**(9) Intangible assets**

The following tables show the changes in this caption for the six months ended June 30, 2015 and June 30, 2016:

	Development expenditure	Licences and patents	Goodwill	Other	Assets under development and payments on account	Total
<b>Thousands of Euros</b>						
Historical cost at December 31, 2014	6,797	65,588	358,559	11,535	1,329	443,808
Accumulated amortization and impairment at December 31, 2014	(5,945)	(46,659)	-	(5,650)	-	(58,254)
<b>Carrying amount at December 31, 2014</b>	<b>851</b>	<b>18,929</b>	<b>358,559</b>	<b>5,885</b>	<b>1,329</b>	<b>385,554</b>
<b>Carrying amount at January 1, 2015</b>	<b>851</b>	<b>18,929</b>	<b>358,559</b>	<b>5,885</b>	<b>1,329</b>	<b>385,554</b>
Exchange rate losses	(16)	(18)	(936)	142	-	(829)
Additions	-	-	-	6	602	608
Reclassifications	455	34	-	-	(485)	4
Amortisation	(135)	(2,671)	-	(780)	-	(3,586)
Historical cost at June 30, 2015	7,256	65,611	357,623	11,812	1,447	443,749
Accumulated amortization and impairment at June 30, 2015	(6,101)	(49,337)	-	(6,559)	-	(61,997)
<b>Carrying amount at June 30, 2015</b>	<b>1,155</b>	<b>16,274</b>	<b>357,623</b>	<b>5,253</b>	<b>1,447</b>	<b>381,751</b>

*Notes to the condensed consolidated interim financial statements*

	Development expenditure	Licences and patents	Goodwill	Other	Assets under development and payments on account	Total
<b>Thousands of Euros</b>						
Historical cost at December 31, 2015	7,254	65,963	356,168	11,424	1,555	442,365
Accumulated amortization and impairment at December 31, 2015	(6,400)	(52,131)	-	(7,179)	-	(65,709)
<b>Carrying amount at December 31, 2015</b>	<b>855</b>	<b>13,833</b>	<b>356,168</b>	<b>4,245</b>	<b>1,555</b>	<b>376,656</b>
<b>Carrying amount at January 1, 2016</b>	<b>855</b>	<b>13,833</b>	<b>356,168</b>	<b>4,245</b>	<b>1,555</b>	<b>376,656</b>
Exchange rate losses	5	34	(1,168)	(93)	(2)	(1,224)
Additions	-	(11)	-	2	350	341
Reclassifications	465	70	-	-	(543)	(9)
Amortisation	(209)	(993)	-	(713)	-	(1,915)
Historical cost at June 30, 2016	7,720	66,027	354,999	11,152	1,361	441,259
Accumulated amortization and impairment at June 30, 2016	(6,604)	(53,094)	-	(7,711)	-	(67,409)
<b>Carrying amount at June 30, 2016</b>	<b>1,117</b>	<b>12,933</b>	<b>354,999</b>	<b>3,441</b>	<b>1,361</b>	<b>373,850</b>

Goodwill may be analysed as follows:

<b>Thousands of Euros</b>	<b>December 31, 2015</b>	<b>June 30, 2016</b>
Goodwill - Guala Closures Group	317,227	317,227
Acquisition of Guala Closures DGS Poland S.A.	24,864	23,942
Goodwill - Guala Closures Ukraine LLC	5,812	5,516
Acquisition of Guala Closures Bulgaria A.D.	3,203	3,203
Acquisition of Pharma Trade S.r.l.	2,512	2,512
Acquisition of MCL division in Guala Closures South Africa	1,646	1,697
Acquisition of Guala Closures Tools A.D.	722	722
Acquisition of Metalprint assets	182	182
<b>Total</b>	<b>356,168</b>	<b>354,999</b>

The variation occurred in the period December 31, 2015 to June 30, 2016 is due to the exchange rate fluctuation of goodwill booked in local currency.

The useful life estimate of the Group trademark increased from June 30, 2016 compared to December 31, 2015 based on an internal appraisal that shows a longer useful life of the same.

## (10) Financial liabilities

This section provides information on the contractual terms governing the Group's bank overdrafts, loans and bonds.

The Group's main outstanding financing instruments as at June 30, 2016 are GCL Holdings S.C.A.'s High Yield Bond due 2018, Guala Closures S.p.A.'s Floating Rate Senior Secured Notes due 2019 and Guala Closures S.p.A.'s Senior Revolving Facility. These financing instruments do not foresee the compliance with any maintenance financial covenants.

The table below provides the details of amount used and residual available amount for the main outstanding financial liabilities:

Credit facility	Available amount (thousands of Euros)	Amount used at June 30, 2016	Residual available amount at June 30, 2016	Repayment date
Bond Guala Closures S.p.A. - Floating Rate Senior Secured Notes due 2019	275,000	275,000	-	final repayment 15/11/2019
Senior Revolving Facility due 2017	75,000	54,000	21,000	final repayment 15/11/2017
HY Bond GCL Holdings S.C.A. - due 2018	200,000	200,000	-	final repayment 15/04/2018
<b>Total</b>	<b>550,000</b>	<b>529,000</b>	<b>21,000</b>	

Financial liabilities at December 31, 2015 and June 30, 2016 are shown below:

Thousands of Euros	December 31, 2015	June 30, 2016
<b>Current financial liabilities</b>		
Bonds	5,726	5,665
Bank loans and borrowings	5,569	5,747
Other financial liabilities	1,988	2,019
	<u>13,283</u>	<u>13,431</u>
<b>Non-current financial liabilities</b>		
Bonds	468,140	469,126
Bank loans and borrowings	55,236	53,996
Other financial liabilities	23,438	23,337
	<u>546,814</u>	<u>546,459</u>
<b>Total</b>	<b>560,098</b>	<b>559,890</b>

*Notes to the condensed consolidated interim financial statements*

The terms and expiry dates of the financial liabilities at December 31, 2015 and June 30, 2016 are shown below:

Thousands of Euros	Nominal amount					
	Total December 31, 2015	Within one year	From one to five years	After five years	Current	Non- current
<b>BONDS:</b>						
HY Bonds issued by GCL Holdings S.C.A. - 20/04/2011	200,000	-	200,000	-	-	200,000
Accrued interest - GCL Holdings S.C.A.	3,906	3,906	-	-	3,906	-
Transaction costs	(3,079)	-	(3,079)	-	-	(3,079)
<b>TOTAL HY Bonds 2018 GCL Holdings S.C.A.</b>	<b>200,827</b>	<b>3,906</b>	<b>196,921</b>	<b>-</b>	<b>3,906</b>	<b>196,921</b>
Floating Rate Senior Secured Notes due in 2019 issued by Guala Closures S.p.A. - 13/11/2012	275,000	-	275,000	-	-	275,000
Accrued interest - Guala Closures S.p.A.	1,820	1,820	-	-	1,820	-
Transaction costs	(3,781)	-	(3,781)	-	-	(3,781)
<b>TOTAL FRSN 2019 Guala Closures S.p.A.</b>	<b>273,038</b>	<b>1,820</b>	<b>271,219</b>	<b>-</b>	<b>1,820</b>	<b>271,219</b>
<b>TOTAL BONDS</b>	<b>473,866</b>	<b>5,726</b>	<b>468,140</b>	<b>-</b>	<b>5,726</b>	<b>468,140</b>
<b>BANK LOANS AND BORROWINGS:</b>						
Senior Revolving Facility	55,000	-	55,000	-	-	55,000
Transaction costs	(966)	-	(966)	-	-	(966)
<b>Total Senior Revolving Facility</b>	<b>54,034</b>	<b>-</b>	<b>54,034</b>	<b>-</b>	<b>-</b>	<b>54,034</b>
Accrued interest and expense - Guala Closures S.p.A.	194	194	-	-	194	-
Handlowy S.A. bank overdraft (Poland)	3,473	3,473	-	-	3,473	-
Bancolombia loan (Colombia)	465	203	263	-	203	263
Bradesco / ITAU loan (Brazil)	1,154	656	497	-	656	497
Advances on receivables and loans (Argentina)	393	174	219	-	174	219
Bancomer loan (Mexico)	1,092	870	222	-	870	222
<b>TOTAL BANK LOANS AND BORROWINGS</b>	<b>60,805</b>	<b>5,569</b>	<b>55,236</b>	<b>-</b>	<b>5,569</b>	<b>55,236</b>
<b>OTHER FINANCIAL LIABILITIES:</b>						
Guala Closures S.p.A. finance leases	11,780	1,899	9,881	-	1,899	9,881
Bulgarian companies finance leases	65	60	5	-	60	5
Put option on non-controlling interests	13,500	-	-	13,500	-	13,500
Other liabilities	82	29	53	-	29	53
<b>TOTAL OTHER FINANCIAL LIABILITIES</b>	<b>25,427</b>	<b>1,988</b>	<b>9,938</b>	<b>13,500</b>	<b>1,988</b>	<b>23,438</b>
<b>TOTAL</b>	<b>560,098</b>	<b>13,283</b>	<b>533,314</b>	<b>13,500</b>	<b>13,283</b>	<b>546,814</b>

Thousands of Euros	Nominal amount					
	Total June 30, 2016	Within one year	From one to five years	After five years	Current	Non- current
<b>BONDS:</b>						
HY Bonds issued by GCL Holdings SCA - 20/04/2011	200,000	-	200,000	-	-	200,000
Accrued interest - GCL Holdings S.C.A.	3,906	3,906	-	-	3,906	-
Transaction costs	(2,464)	-	(2,464)	-	-	(2,464)
<b>TOTAL HY Bonds 2018 GCL Holdings S.C.A.</b>	<b>201,442</b>	<b>3,906</b>	<b>197,536</b>	<b>-</b>	<b>3,906</b>	<b>197,536</b>
Floating Rate Senior Secured Notes due in 2019 issued by Guala Closures S.p.A. - 13/11/2012	275,000	-	275,000	-	-	275,000
Accrued interest - Guala Closures S.p.A.	1,759	1,759	-	-	1,759	-
Transaction costs	(3,410)	-	(3,410)	-	-	(3,410)
<b>TOTAL FRSN 2019 Guala Closures S.p.A.</b>	<b>273,349</b>	<b>1,759</b>	<b>271,590</b>	<b>-</b>	<b>1,759</b>	<b>271,590</b>
<b>TOTAL BONDS</b>	<b>474,791</b>	<b>5,665</b>	<b>469,126</b>	<b>-</b>	<b>5,665</b>	<b>469,126</b>
<b>BANK LOANS AND BORROWINGS:</b>						
Senior Revolving Facility	54,000	-	54,000	-	-	54,000
Transaction costs	(709)	-	(709)	-	-	(709)
<b>Total Senior Revolving Facility</b>	<b>53,291</b>	<b>-</b>	<b>53,291</b>	<b>-</b>	<b>-</b>	<b>53,291</b>
Accrued interest and expense - Guala Closures S.p.A.	192	192	-	-	192	-
Handlowy S.A. bank overdraft (Poland)	3,365	3,365	-	-	3,365	-
Bancolombia loan (Colombia)	388	216	172	-	216	172
Bradesco / ITAU / Santander loan (Brazil)	1,126	684	442	-	684	442
Advances on receivables and loans (Argentina)	806	714	91	-	714	91
Bancomer loan (Mexico)	575	575	-	-	575	-
<b>TOTAL BANK LOANS AND BORROWINGS</b>	<b>59,743</b>	<b>5,747</b>	<b>53,996</b>	<b>-</b>	<b>5,747</b>	<b>53,996</b>
<b>OTHER FINANCIAL LIABILITIES:</b>						
Guala Closures S.p.A. finance leases	10,815	1,965	8,850	-	1,965	8,850
Bulgarian companies finance leases	35	35	-	-	35	-
Put option on non-controlling interests	14,450	-	-	14,450	-	14,450
Other liabilities	55	19	37	-	19	37
<b>TOTAL OTHER FINANCIAL LIABILITIES</b>	<b>25,356</b>	<b>2,019</b>	<b>8,887</b>	<b>14,450</b>	<b>2,019</b>	<b>23,337</b>
<b>TOTAL</b>	<b>559,890</b>	<b>13,431</b>	<b>532,009</b>	<b>14,450</b>	<b>13,431</b>	<b>546,459</b>

The liability to the Ukrainian non-controlling investors relates to recognition of these investors' right to exercise a put option if certain conditions are met. It represents the discounted estimated value of the put option at its estimated time of exercise.

Pursuant to IAS 27, this caption has been recognized using the present access method since 2008, whereby the financial liability was recognized as a reduction in equity, Retained earnings, in the first year. The fluctuation in each year, if any, is recognized under financial income (expense) in profit or loss and the non-controlling interests continue to be presented separately as, to all effects, the non-controlling investors have the right to access the profit or loss pertaining to their investment.

Reference should be made to note 21) Fair value of financial instruments and sensitivity analysis for further detail.

## **(11) Trade payables**

This caption is made up as follows:

Thousands of Euros	December 31, 2015	June 30, 2016
Suppliers	59,612	65,996
Payments on account	7,527	4,702
<b>Total</b>	<b>67,140</b>	<b>70,698</b>

## **(12) Equity attributable to non-controlling interests**

Equity attributable to non-controlling interests relates to the following consolidated companies:

Thousands of Euros	Non-controlling interests % December 31, 2015	Non-controlling interests % June 30, 2016	Balance at December 31, 2015	Balance at June 30, 2016
Guala Closures Ukraine LLC	30.00%	30.00%	8,078	8,797
Guala Closures India (Pvt) Ltd	5.00%	5.00%	1,748	1,736
Guala Closures Argentina S.A.	1.62%	1.62%	32	27
Guala Closures de Colombia LTDA	6.80%	6.80%	518	442
Guala Closures Bulgaria A.D.	30.00%	30.00%	1,669	1,746
Guala Closures Tools A.D.	30.00%	30.00%	378	372
Guala Closures DGS Poland S.A.	30.00%	30.00%	12,274	9,497
<b>Total</b>			<b>24,699</b>	<b>22,618</b>

Reference should be made to the statement of changes in equity for changes in, and details of, equity attributable to the non-controlling interests.

During the first half of 2016, has been paid, as dividends to non controlling interests, a total amount of € 2.1 million. The difference between the dividends distribution declared on net equity and the dividends paid during the period is due to the liability for dividends and to the translation effect, mainly versus the Ukrainian non controlling interests.

In the same period of 2015 the total amount paid as dividends was € 0.7 million.



## STATEMENT OF PROFIT OR LOSS

### (13) Net revenue

The table below shows net revenue by geographical location of the group companies that generated it:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Europe	137,326	131,195
Asia	34,231	36,183
Latin and North America	43,627	39,289
Oceania	23,041	22,197
Africa	9,601	6,522
<b>Total</b>	<b>247,825</b>	<b>235,385</b>

### (14) Costs for raw materials

This caption includes:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Raw materials and supplies	114,523	103,484
Consumables and maintenance	5,146	5,540
Packaging	4,651	4,547
Fuel	231	197
Other purchases	1,112	1,170
Change in inventories	(8,915)	(6,227)
<b>Total</b>	<b>116,749</b>	<b>108,711</b>

**(15) Costs for services**

This caption includes:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Electricity / Heating	11,250	10,763
Transport	10,257	9,712
External processing	4,539	3,785
Sundry industrial services	2,751	2,889
Maintenance	3,115	2,700
External labor / portorage	2,313	2,295
Travel	2,195	2,239
Legal and consulting fees	1,444	1,671
Insurance	1,551	1,531
Administrative services	1,251	1,273
Cleaning service	566	536
Directors' fees	988	481
Technical assistance	450	467
Entertainment expenses	271	463
Telephone costs	428	419
Commissions	483	416
Security	250	232
Expos and trade fairs	141	173
Advertising services	213	159
Commercial services	155	148
Other	1,114	1,085
<b>Total</b>	<b>45,724</b>	<b>43,437</b>

**(16) Personnel expense**

This caption includes:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Wages and salaries	37,954	38,399
Social security contributions	6,762	6,329
Expense/(Income) from defined benefit plans	808	740
Other costs	1,252	2,020
<b>Total</b>	<b>46,776</b>	<b>47,488</b>

**(17) Other operating expense**

This caption includes:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Rent and leases	2,430	2,358
Taxes and duties	1,065	905
Other costs for the use of third party assets	846	873
Provisions	92	416
Other charges	444	476
<b>Total</b>	<b>4,876</b>	<b>5,027</b>

**(18) Financial income**

This caption includes:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Exchange rate gains	4,320	2,357
Interest income	142	852
Fair value gains on aluminium derivatives	16	597
Other financial income	102	91
Change in fair value of IRS	977	-
<b>Total</b>	<b>5,556</b>	<b>3,897</b>

**(19) Financial expense**

This caption includes:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Interest expense	21,131	19,534
Exchange rate losses	3,468	5,240
Financial expense - non-controlling investors in the Ukrainian company	350	950
Fair value losses on aluminum derivatives	580	20
Other financial expense	386	539
<b>Total</b>	<b>25,916</b>	<b>26,284</b>

*Notes to the condensed consolidated interim financial statements*

The interest rates and interest expense by facility for the six months ended June 30 are shown below:

Thousands of Euros	Currency	Nominal interest rate	Interest expense	
			For the six months ended June 30,	
			2015	2016
<b>BONDS:</b>				
HY BONDS - GCL Holdings S.C.A. - 20/04/11	EUR	9.375%	9,375	9,375
Amortisation of transaction costs	EUR	n.a.	556	614
<b>Total HY BONDS - GCL Holdings S.C.A.</b>			<b>9,931</b>	<b>9,989</b>
BONDS - Guala Closures S.p.A. - 13/11/12	EUR	euribor 3M + 5.375%	7,491	7,229
Amortisation of transaction costs	EUR	n.a.	446	372
<b>Total BONDS - Guala Closures S.p.A.</b>			<b>7,937</b>	<b>7,601</b>
<b>BANK LOAN AND BORROWINGS:</b>				
Senior Revolving Facility	EUR	euribor 3M + 3.75%	837	1,037
Amortisation of transaction costs	EUR	n.a.	255	257
<b>Total Senior Revolving Facility</b>			<b>1,092</b>	<b>1,294</b>
Loan Cassa di Risparmio di Alessandria	EUR	euribor 3M + 2.75%	2	-
Other bank loans Guala Closures S.p.A.	EUR	n.a.	1	1
IRS on SFA	EUR	n.a.	1,030	-
Commitment fees	EUR	n.a.	235	154
Loan Banco Sabadell (Spain)	EUR	5.20%	2	-
Loan Bancolombia (Colombia)	COP	n.a.	33	20
Advances on receivables and loans (Argentina)	AR\$	n.a.	205	143
Loan Bancomer (Mexico)	MXP	TIE28 (*)	131	31
<b>Total other bank loans and borrowings</b>			<b>1,639</b>	<b>349</b>
<b>Other financial liabilities:</b>				
Guala Closures S.p.A. finance leases	EUR	euribor + 1.5% (**)	105	76
IRS on Leasing	EUR	n.a.	162	141
Bulgarian companies finance leases	BGN	n.a.	2	1
Other liabilities		n.a.	262	83
<b>Total other financial liabilities</b>			<b>531</b>	<b>301</b>
<b>TOTAL</b>			<b>21,131</b>	<b>19,534</b>

(\*) TIE28 stands for "Tasa de Interés Interbancaria de Equilibrio a 28 días".

(\*\*) Nominal interest rate on the property finance lease.

## **(20) Income taxes**

This caption includes:

Thousands of Euros	For the six months ended June 30,	
	2015	2016
Current taxes	(10,389)	(7,567)
Deferred tax income/(expense)	408	(94)
<b>Total</b>	<b>(9,981)</b>	<b>(7,661)</b>

Income tax expense is recognised based on Management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period.

## **(21) Fair value of financial instruments and sensitivity analysis**

### **(a) Accounting classifications and fair values**

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, as at December 31, 2015 and June 30, 2016. They do not include fair value information for financial assets and financial liabilities not measured at fair value as their carrying amount is a reasonable approximation of fair value. There were no movements from one level to another in 2016.

*Notes to the consolidated financial statements*

December 31, 2015		Carrying amount					Fair value								
Thousands of Euros		Note	Fair value - Held-for- trading	Designated at fair value	Fair value - hedging instruments	Held-to- maturity	Loans and receivables	Available- for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Financial assets not measured at fair value <sup>(*)</sup>															
Trade receivables		6				86,880				86,880					-
Cash and cash equivalents		5				61,944				61,944					-
						-	148,825	-	-	148,825					-
Financial liabilities measured at fair value															
Interest rate swaps used for hedging					(677)					(677)		(677)			(677)
Interest rate swaps used for trading			(394)	(13,500)						(394)		(394)			(394)
Put option on non-controlling interests		10								(13,500)				(13,500)	(13,500)
			(394)	(13,500)	(677)	-	-	-	-	(14,571)		(1,071)	(13,500)	(14,571)	
Financial liabilities not measured at fair value <sup>(*)</sup>															
Bank overdraft		10							(3,473)	(3,473)		(3,473)			(3,473)
Secured bank loans		10							(55,713)	(53,775)		(53,775)			(53,775)
Unsecured bank loans		10							(1,619)	(1,619)		(1,619)			(1,619)
Secured bonds issues		10							(273,038)	(273,038)		(284,878)			(284,878)
Unsecured bonds issues		10							(200,827)	(200,827)		(208,660)			(208,660)
Finance lease liabilities		10							(11,845)	(11,845)		(11,037)			(11,037)
Trade payables		11							(67,140)	(67,140)		(82)			-
Other payables		10							(82)	(82)		(82)			(82)
									(613,738)	(613,738)		(563,523)			(563,523)

(\*) The Group has not disclosed the fair values for financial instruments such as short-term trade receivables and payables, because their carrying amounts are a reasonable approximation of fair values.

Notes to the consolidated financial statements

June 30, 2016		Carrying amount				Fair value		
Thousands of Euros	Note	Fair value - Held-for- trading	Designated at fair value	Fair value - hedging instruments	Held-to- maturity	Loans and receivables	Available- for-sale	Other financial liabilities
Financial assets not measured at fair value (*)								
Trade receivables	6					93,176		93,176
Cash and cash equivalents	5					34,744		34,744
		-	-	-	-	127,921	-	127,921
Financial liabilities measured at fair value								
Interest rate swaps used for hedging				(578)				(578)
Interest rate swaps used for trading	10	509	(14,450)					509
Put option on non-controlling interests		509	(14,450)	(578)	-	-	-	(14,450)
Financial liabilities not measured at fair value (*)								
Bank overdraft	10							(3,365)
Secured bank loans	10							(54,693)
Unsecured bank loans	10							(1,514)
Secured bonds issues	10							(284,495)
Unsecured bonds issues	10							(208,301)
Finance lease liabilities	10							(10,234)
Trade payables	11							-
Other payables	10							(55)
		-	-	-	-	-	-	(562,657)
								(562,657)

(\*) The Group has not disclosed the fair values for financial instruments such as short-term trade receivables and payables, because their carrying amounts are a reasonable approximation of fair values.



**(b) Measurement of fair values**

**(i) Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

**Financial instruments measured at fair value**

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Contingent consideration	<i>Discounted cash flows:</i> The fair value is determined considering the expected payment, discounted to present value using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast EBITDA of the Ukrainian subsidiary.	<ul style="list-style-type: none"> <li>Forecast EBITDA (average of last 2 years - 2014 and 2015 - and 2016 budget figures)</li> <li>Net financial position of the Ukrainian subsidiary as at June 30, 2016</li> <li>Risk-adjusted discount rate (6.6%)</li> <li>Expected date of put option exercise</li> </ul>	<p>The estimated fair value would increase if:</p> <ul style="list-style-type: none"> <li>the EBITDA was higher</li> <li>the Net financial position was higher</li> <li>the risk-adjusted discount rate was lower</li> <li>the expected date of put option was exercised early</li> </ul>
Forward exchange contracts and interest rate swaps	<i>Market comparison technique:</i> The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	Not applicable.	Not applicable.

**Financial instruments not measured at fair value**

Type	Valuation technique	Significant unobservable inputs
Secured bonds issues Finance lease liabilities	Discounted cash flows	Secured and unsecured bonds are considered level 2 due to number of transactions not disclosed by Euro-MTF.

**(ii) Level 3 fair values**

**Reconciliation of Level 3 fair values**

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Thousands of Euros	June 30, 2015	June 30, 2016
Balance at January 1	9,900	13,500
Loss included in "financial expense"		
- Net change in fair value (unrealised)	350	950
Balance at June 30	10,250	14,450

**Sensitivity analysis**

For the fair value of the contingent consideration, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

Thousands of Euros	Increase/ (decrease) in unobservable inputs	Favourable/ (unfavourable) impact on profit or loss
Forecast EBITDA	10%	(700)
	(10%)	700
Net financial position	+ 1 million €	(100)
	- 1 million €	100
Risk-adjusted discount rate	1%	800
	(1%)	(950)
Expected date of put option exercise	+ 1 year	500
	- 1 year	(500)

## **(22) Related party transactions**

Intragroup transactions and balances between consolidated group companies are eliminated on consolidation and, therefore, do not appear in the condensed consolidated interim financial statements figures and are not disclosed in this report.

On December 31, 2014 Intesa Sanpaolo S.p.A. was considered to be a related party of the Group.

On March 24, 2015 Intesa Sanpaolo S.p.A. transferred to Manzoni S.r.l. by means of contribution in kind its "private equity" business including its participation held in GCL Holdings L.P. S.à r.l..

On March 31, 2015 the partial demerger of Manzoni into Melville S.r.l., pursuant to which participation held in GCL Holdings L.P. S.à r.l. has been assigned and transferred from Manzoni to Melville, became effective.

On April 21, 2015 NB Renaissance Partners Holdings S.à r.l., a newly established private equity fund sponsored by Intesa Sanpaolo S.p.A. and Neuberger Berman Group acquired approximately a 72% of share capital of Melville S.r.l., while Intesa Sanpaolo Group remaining as minority shareholding.

On the basis of the above, Intesa Sanpaolo S.p.A. is no longer considered a related party of the Group, while Melville S.r.l. is considered a related party of GCL Holdings Group.

The relationships between Melville S.r.l. and the Group at June 30, 2016 are summarized below:

- at June 30, 2016, Melville S.r.l. has a representative on the board of directors and a representative on the board of statutory auditors of Guala Closures S.p.A.;
- at June 30, 2016, Melville S.r.l. has a representative on the board of directors of GCL Holdings GP S.à r.l. (General Partner of GCL Holdings S.C.A.);
- at June 30, 2016, Melville S.r.l. has a representative on the board of directors of GCL Holdings LP S.à r.l. (General Partner of GCL Holdings GP S.à r.l.);
- at June 30, 2016, Melville S.r.l. controls an ultimate beneficial voting interest of 19.6%, via an investment in GCL Holdings L.P. S.à r.l..

In addition, DLJ Merchant Banking Funds is considered to be a related party of the Group.

On March 31, 2014, the DLJ Merchant Banking Partners team spun-out from Credit Suisse to form aPriori Capital Partners L.P., which acts as the manager of the DLJ Merchant Banking Funds.

The transactions and relationships between DLJ Merchant Banking Funds and the Group for the period up to June 30, 2016 are summarized below:

- for the period up to June 30, 2016, aPriori Capital Partners L.P. had four representatives on the board of directors of GCL Holdings GP S.à r.l. (General Partner of GCL Holdings S.C.A.);
- for the period up to June 30, 2016, aPriori Capital Partners L.P. had two representatives on the board of directors of GCL Holdings LP S.à r.l.;
- for the period up to June 30, 2016, aPriori Capital Partners L.P. had five representatives on the board of directors of Guala Closures S.p.A.;
- for the period up to June 30, 2016, DLJMB Overseas Partners IV, L.P., DLJ Merchant Banking Partners IV (Pacific), L.P., DLJMB Offshore Partners IV, L.P., MBP IV Plan Investors, L.P. and DLJMB Overseas IV AIV, L.P. were collectively the beneficial owners of 58% of GCL Holdings S.C.A. via their indirect ownership of 35.4% of GCL Holdings L.P. S.à r.l.;
- transactions with aPriori Capital Partners L.P. took place on an arm's length basis.

Related parties also include a pension fund for employees of the former Metal Closures Ltd. (now Guala Closures UK Ltd.) managed by Metal Closures Group Trustees Ltd.. Considering the performance of the pension fund, the company was not required to transfer funds thereto. Employees have paid their contributions. Reference should be made to note 24) Employee benefits to the 2015 consolidated financial statements for additional information.

**(23) Subsequent events**

No significant subsequent events occurred until September 14, 2016.

**Material developments in the business of the Company and its Subsidiaries**

No material development in the Group's business as disclosed in the Consolidated financial statements as at December 31, 2015.

## **Risk factors**

There have not been any material changes to the risk factors disclosed in the Consolidated financial statements as at December 31, 2015.

## **Material changes to material contractual arrangements**

There have not been any other material changes to the Group's material contractual arrangements since the publication of the consolidated financial statements for the year ended December 31, 2015.

## **Commitments and guarantees**

The Group's commitments and guarantees given at June 30, 2016 are the same given for the year ended December 31, 2015.

On behalf of the Board of Directors  
Managing Director  
Marco Giovannini



Luxembourg, September 14, 2016

**Annex to the condensed consolidated  
interim financial statements**

**Annex A)**

**Quarterly figures**



## ANNEX A)

### Reclassified condensed consolidated income statement

(Thousands of Euros)	2Q		1H	
	2015	2016	2015	2016
Net revenue	128,146	122,651	247,825	235,385
Change in inventories of finished/semi-finished products	4,546	6,770	10,011	11,106
Other operating income	1,949	2,078	5,114	4,317
Costs for raw materials	(60,394)	(57,033)	(116,749)	(108,711)
Costs for services	(23,467)	(21,978)	(45,724)	(43,437)
Personnel expense	(23,717)	(24,091)	(46,776)	(47,488)
Other operating expense	(2,429)	(2,813)	(4,876)	(5,027)
Gross operating profit (EBITDA)	24,633	25,584	48,824	46,145
Amortization, depreciation and impairment losses	(9,628)	(6,553)	(18,921)	(15,147)
Operating profit	15,005	19,030	29,903	30,998
Financial income	143	1,024	5,556	3,897
Financial expense	(13,414)	(12,536)	(25,916)	(26,284)
Profit before taxation	1,734	7,517	9,544	8,611
Income taxes	(4,606)	(3,909)	(9,981)	(7,661)
Profit (loss) for the period	(2,871)	3,609	(436)	951
Source: condensed consolidated interim financial statements figures				
Gross operating profit adjusted (Adjusted EBITDA)	24,922	25,729	49,394	46,406
% on net revenue	19.4%	21.0%	19.9%	19.7%

### Net revenue by division

Thousand of Euros	2Q		1H	
	2015	2016	2015	2016
Closures	127,210	121,931	245,987	233,942
PET	936	720	1,839	1,443
Total	128,146	122,651	247,825	235,385

### Net revenue by geographical segment

Thousand of Euros	2Q				1H			
	2015		2016		2015		2016	
	Amount	%	Amount	%	Amount	%	Amount	%
Europe	72,187	56.3%	69,096	56.3%	137,326	55.4%	131,195	55.7%
Asia	15,839	12.4%	18,524	15.1%	34,231	13.8%	36,183	15.4%
Latin and North America	24,290	19.0%	21,007	17.1%	43,627	17.6%	39,289	16.7%
Oceania	11,101	8.7%	10,900	8.9%	23,041	9.3%	22,197	9.4%
Africa	4,729	3.7%	3,124	2.5%	9,601	3.9%	6,522	2.8%
Total	128,146	100.0%	122,651	100.0%	247,825	100.0%	235,385	100.0%

*Annex to the condensed consolidated interim financial statements*

**Net financial expense**

Thousands of Euros	2Q		1H	
	2015	2016	2015	2016
Net exchange rate gains/(losses)	(1,956)	(1,855)	852	(2,883)
Fair value gain/(losses) on derivatives	(312)	868	413	577
Fair value losses on liability due to non-controlling investors	(350)	(950)	(350)	(950)
Net interest expense	(10,491)	(9,279)	(20,990)	(18,682)
Net other financial expense	(162)	(296)	(285)	(448)
<b>Net financial expense</b>	<b>(13,271)</b>	<b>(11,513)</b>	<b>(20,359)</b>	<b>(22,386)</b>

**Consolidated statement of cash flow**

Thousand of Euros	2Q		1H	
	2015	2016	2015	2016
<b>Opening cash and cash equivalents</b>	<b>34,250</b>	<b>42,436</b>	<b>35,273</b>	<b>61,944</b>
Cash flows generated by operating activities	10,732	12,748	19,619	12,492
Cash flows used in investing activities	(5,053)	(8,194)	(13,175)	(16,588)
Cash flows used in financing activities	(11,999)	(13,542)	(13,789)	(22,812)
<b>Net cash flows for the period</b>	<b>(6,320)</b>	<b>(8,988)</b>	<b>(7,345)</b>	<b>(26,908)</b>
Effect of exchange rate fluctuation on cash held	119	1,296	121	(292)
<b>Closing cash and cash equivalents</b>	<b>28,049</b>	<b>34,744</b>	<b>28,049</b>	<b>34,744</b>

