GCL HOLDINGS S.C.A.
and Subsidiaries

Condensed consolidated interim financial statements for the period ended June 30, 2014

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 15, 2014

Registered and administrative office:
11-13 Boulevard de la Foire
L-1528 Luxembourg
Share capital € 141,217.50 fully paid-up
Register of Commerce & Companies of Luxembourg
section B, number 141 684

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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.

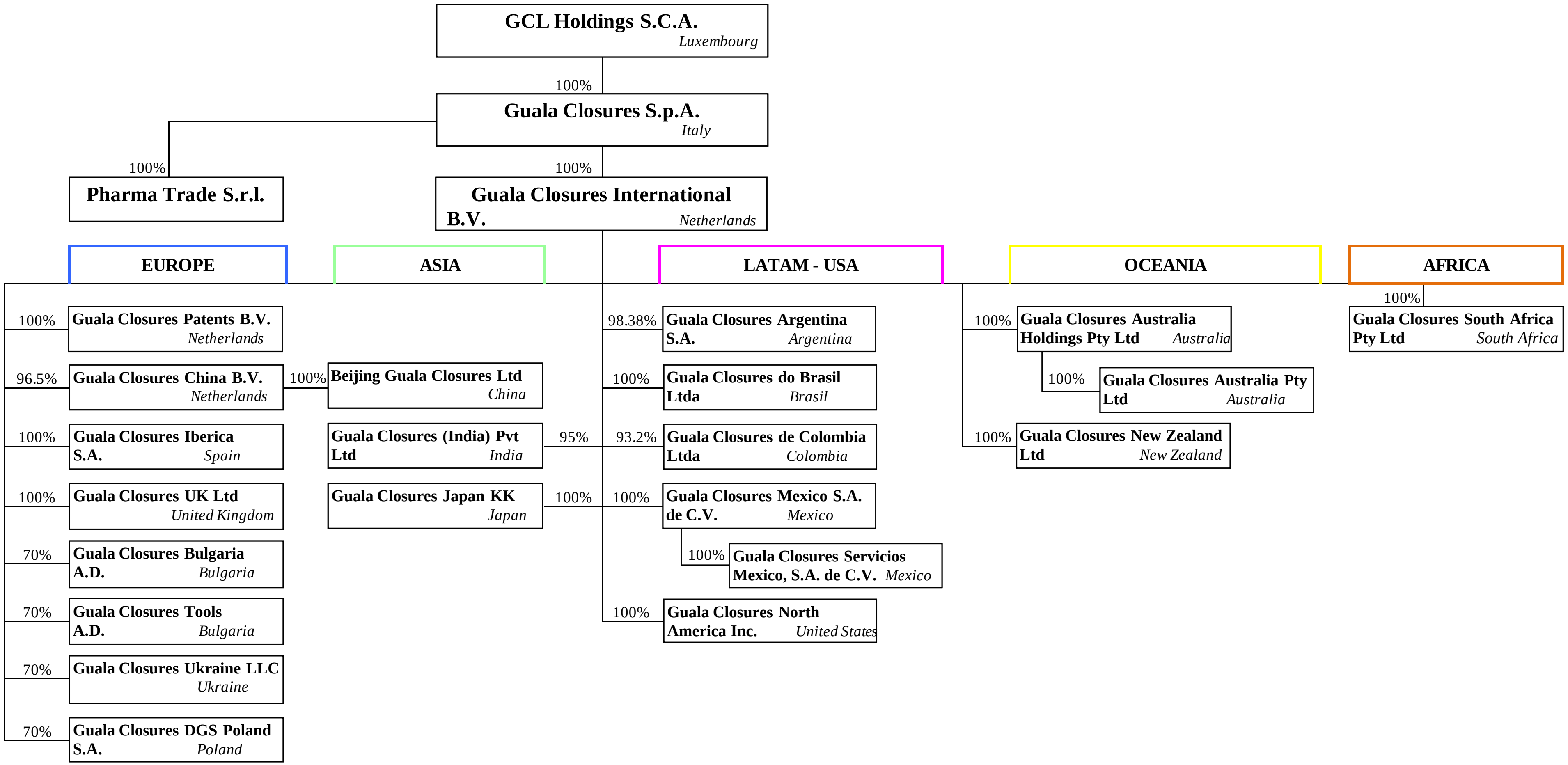
By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward – looking statements are not guarantees of future performance and 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.

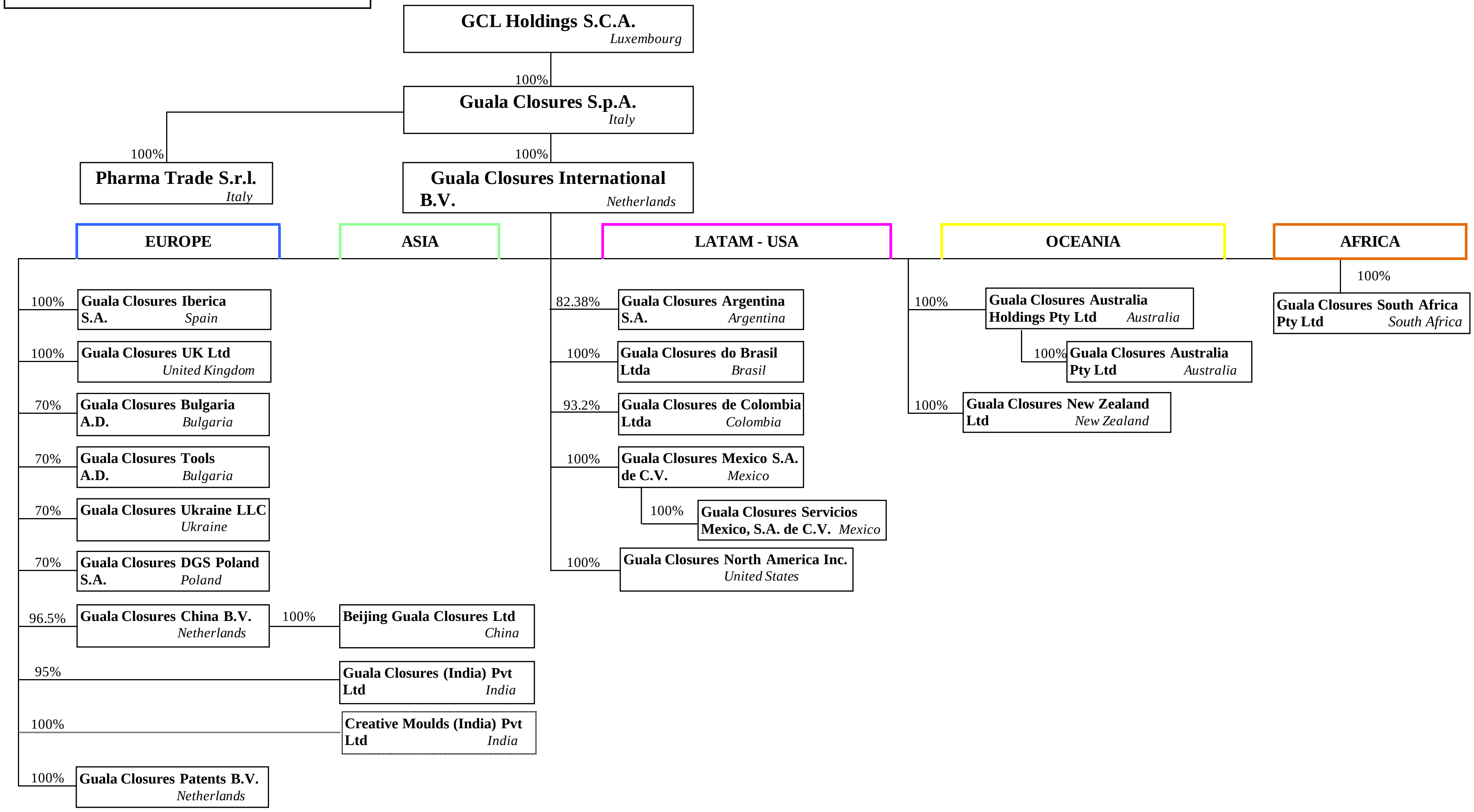
The Company undertakes no obligation to publicly update or publicly revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written or verbal forward-looking statements attributable to the Company or to persons acting on the Company's 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)

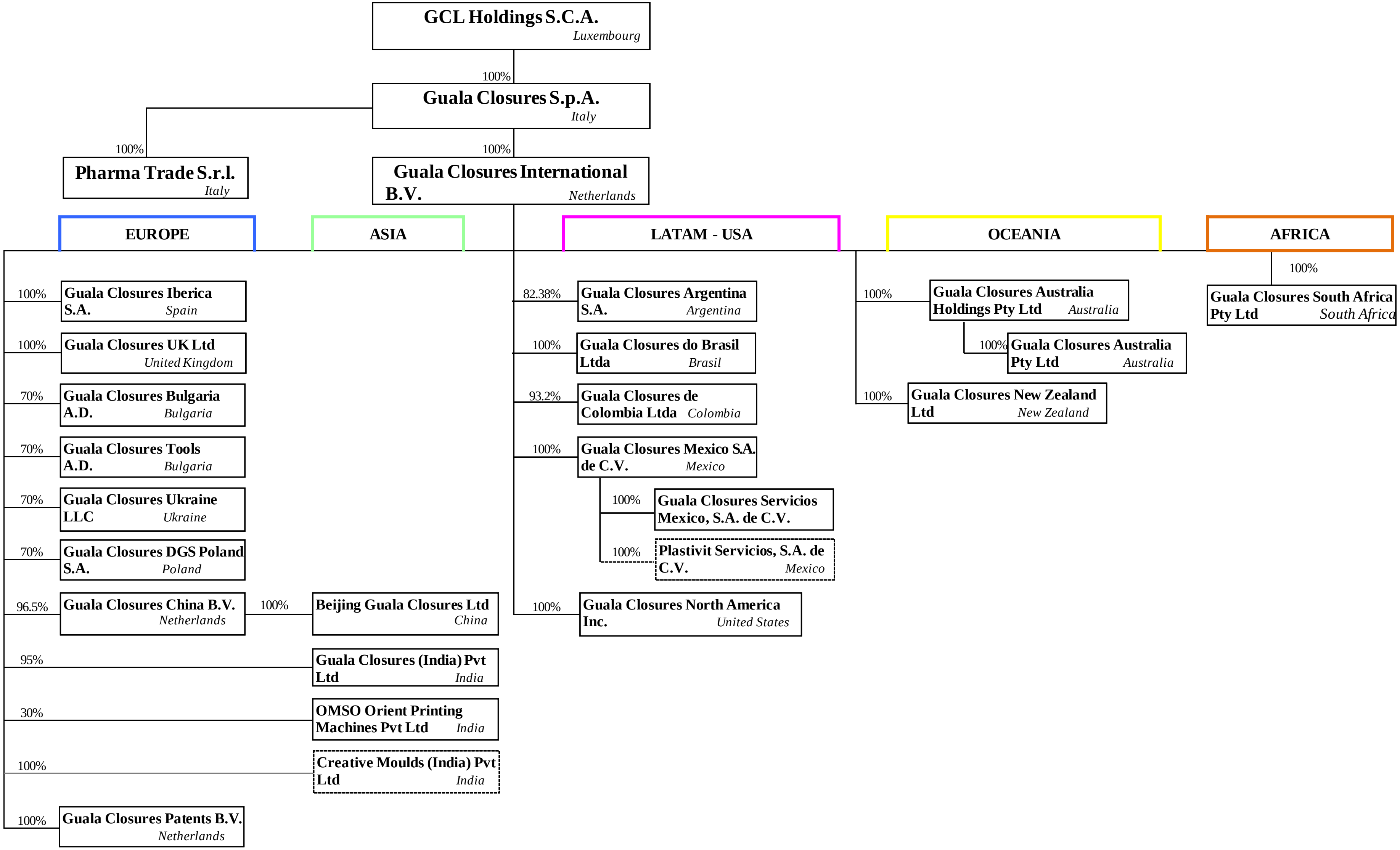
June 30, 2014


GCL Holdings S.C.A.
Luxembourg
100%
Guala Closures S.p.A.
Italy
100%
Pharma Trade S.r.l.
100%
Guala Closures International B.V.
Netherlands
EUROPE
ASIA
LATAM - USA
OCEANIA
AFRICA
100% Guala Closures Patents B.V. Netherlands
96.5% Guala Closures China B.V. Netherlands
100% Beijing Guala Closures Ltd China
100% Guala Closures Iberica S.A. Spain
100% Guala Closures UK Ltd United Kingdom
70% Guala Closures Bulgaria A.D. Bulgaria
70% Guala Closures Tools A.D. Bulgaria
70% Guala Closures Ukraine LLC Ukraine
70% Guala Closures DGS Poland S.A. Poland
95% Guala Closures (India) Pvt Ltd India
100% Guala Closures Japan KK Japan
98.38% Guala Closures Argentina S.A. Argentina
100% Guala Closures do Brasil Ltda Brasil
93.2% Guala Closures de Colombia Ltda Colombia
100% Guala Closures Mexico S.A. de C.V. Mexico
100% Guala Closures Servicios Mexico, S.A. de C.V. Mexico
100% Guala Closures North America Inc. United States
100% Guala Closures Australia Holdings Pty Ltd Australia
100% Guala Closures Australia Pty Ltd Australia
100% Guala Closures New Zealand Ltd New Zealand
100% Guala Closures South Africa Pty Ltd South Africa

December 31, 2013



June 30, 2013


GCL Holdings S.C.A.
Luxembourg
100%
Guala Closures S.p.A.
Italy
100%
Pharma Trade S.r.l.
Italy
100%
Guala Closures International B.V.
Netherlands
EUROPE
ASIA
LATAM - USA
OCEANIA
AFRICA
100%
Guala Closures Iberica S.A.
Spain
100%
Guala Closures UK Ltd
United Kingdom
70%
Guala Closures Bulgaria A.D.
Bulgaria
70%
Guala Closures Tools A.D.
Bulgaria
70%
Guala Closures Ukraine LLC
Ukraine
70%
Guala Closures DGS Poland S.A.
Poland
96.5%
Guala Closures China B.V.
Netherlands
100%
Beijing Guala Closures Ltd
China
95%
Guala Closures (India) Pvt Ltd
India
30%
OMSO Orient Printing Machines Pvt Ltd
India
100%
Creative Moulds (India) Pvt Ltd
India
100%
Guala Closures Patents B.V.
Netherlands
82.38%
Guala Closures Argentina S.A.
Argentina
100%
Guala Closures do Brasil Ltda
Brasil
93.2%
Guala Closures de Colombia Ltda
Colombia
100%
Guala Closures Mexico S.A. de C.V.
Mexico
100%
Guala Closures Servicios Mexico, S.A. de C.V.
100%
Plastivit Servicios, S.A. de C.V.
Mexico
100%
Guala Closures North America Inc.
United States
100%
Guala Closures Australia Holdings Pty Ltd
Australia
100%
Guala Closures Australia Pty Ltd
Australia
100%
Guala Closures New Zealand Ltd
New Zealand
100%
Guala Closures South Africa Pty Ltd
South Africa

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 condensed consolidated statement of profit or loss:

Reclassified condensed consolidated statement of profit or loss

(Thousands of Euros)	**For the six months ended June 30,**	
	2013	**2014**
Net revenue	**231,244**	**222,031**
Change in inventories of finished goods and semi-finished products	8,351	14,944
Other operating income	3,807	5,359
Costs for raw materials	(102,894)	(108,568)
Costs for services	(48,061)	(43,778)
Personnel expense	(46,269)	(45,705)
Other operating expense	(4,555)	(4,853)
Gross operating profit (EBITDA)	**41,624**	**39,429**
Amortization, depreciation and impairment losses	(20,259)	(19,246)
Operating profit	**21,364**	**20,184**
Financial income	4,365	4,703
Financial expense	(32,201)	(25,641)
Loss before taxation	**(6,471)**	**(755)**
Income taxes	(6,121)	(7,266)
Loss for the period	**(12,592)**	**(8,020)**
Source: unaudited consolidated interim financial statements figures		
Gross operating profit adjusted (Adjusted EBITDA)	**41,875**	**40,198**
% on net revenue	18.1%	18.1%

Note:

- *Adjusted EBITDA has been calculated excluding one-off items incurred during the period*

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 2014 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.

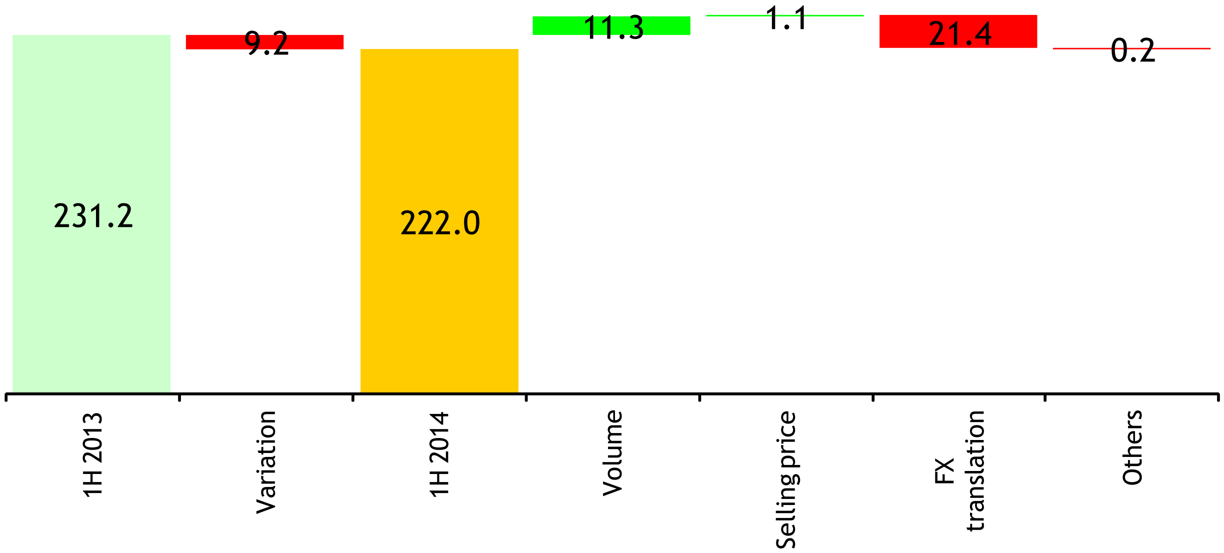
Adjusted EBITDA is calculated in order to sterilize the impact of non-recurring items on EBITDA. Please make reference to the section on Gross operating profit (EBITDA) for the non-recurring items identified.

Net revenue

In 1H 2014 consolidated net revenue was € 222.0 million, down € 9.2 million or (4.0%) on 1H 2013 due to the significant negative translation impact (€ 21.4 million) following the Euro's revaluation versus the main currencies in which the Group operates.

At constant FX rates, net revenue was up € 12.2 million or 5.3% on 1H 2013, mainly due to higher sales volumes and/or increase in selling prices in Ukraine, India, Argentina, UK, China, Brazil and North America, 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 2014 and 1H 2013 net revenue:



Net revenue by division

The table below illustrates the net revenue by division:

Thousand of Euros	1H 2013	2014
Closures	229,569	220,276
PET	1,675	1,755
Total	**231,244**	**222,031**

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

The Closures division's revenue decreased from € 229.6 million in 1H 2013 to € 220.3 million in 1H 2014, representing a decrease of € 9.3 million (the incidence remains almost stable at 99.2% of net revenue) due to the significant negative translation impact (€ 21.4 million) following the Euro's revaluation versus the main currencies in which the Group operates.

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 almost stable at € 1.7 million (the incidence remains almost stable at 0.8% of net revenue). The PET division's revenue was solely generated by the PET operations in Spain.

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:

	1H			
	2013		2014	
Thousand of Euros	***Amount***	***%***	***Amount***	***%***
Europe	130,460	*56.4%*	131,586	*59.3%*
Asia	29,363	*12.7%*	31,015	*14.0%*
Latin and North America	35,118	*15.2%*	30,433	*13.7%*
Oceania	27,186	*11.8%*	21,573	*9.7%*
Africa	9,117	*3.9%*	7,423	*3.3%*
Total	**231,244**	***100.0%***	**222,031**	***100.0%***

Net revenue from operations in Europe increased from € 130.5 million in 1H 2013, or 56.4% of net revenue, to € 131.6 million in 1H 2014, or 59.3%, representing an increase of € 1.1 million, despite the negative translation impact (€ 5.7 million). At constant FX rates, net revenue was up € 6.8 million or 5.2% on 1H 2013.

Net revenue from operations in Asia increased from € 29.4 million in 1H 2013, or 12.7% of net revenue, to € 31.0 million in 1H 2014, or 14.0%, despite the negative translation impact (€ 4.1 million). At constant FX rates, net revenue was up € 5.8 million or 19.7% on 1H 2013 mainly due to the increase in the demand for the Nip Cap in new areas and for new brands.

Net revenue from operations in Latin and North America decreased from € 35.1 million in 1H 2013, or 15.2% of net revenue, to € 30.4 million in 1H 2014, or 13.7%, representing a decrease of € 4.7 million. Net revenue in this area was negatively impacted by € 7.4 million of translation impact. Excluding the FX impact, the net revenue of this area increased by € 2.8 million or 7.9% on 1H 2013.

Net revenue from operations in Oceania decreased from € 27.2 million in 1H 2013, or 11.8% of net revenue, to € 21.6 million in 1H 2014, or 9.7%, representing a decrease of € 5.6 million of which € 2.6 million due to the negative translation impact following the Euro’s appreciation mainly versus the Australian dollars.

Net revenue from operations in Africa decreased from € 9.1 million in 1H 2013, or 3.9% of net revenue, to € 7.4 million in 1H 2014, or 3.3%, representing a decrease of € 1.7 million of which € 1.6 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. In relation to the Ukrainian situation, please make reference to Note (4) Operating segments.

Other operating income

Other operating income increased from € 3.8 million in 1H 2013, or 1.6% of net revenue, to € 5.4 million in 1H 2014, or 2.4%, representing an increase of € 1.6 million.
Other operating income mainly comprises capitalized development expenditure and extraordinary maintenance.

Costs for raw materials

These costs increased from € 102.9 million in 1H 2013, or 44.5% of net revenue, to € 108.6 million in 1H 2014, or 48.9%, representing an increase of € 5.7 million.
In 1H 2014, the raw material costs were impacted by a significant increase in plastic prices in India and Latin America, while aluminium prices decreased.

Costs for services

Costs for services decreased from € 48.1 million in 1H 2013, or 20.8% of net revenue, to € 43.8 million in 1H 2014, or 19.7%, representing a decrease of € 4.3 million, mainly due to the decrease in external processing and in energy and transport costs.

Personnel expense

Personnel expense decreased from € 46.3 million in 1H 2013, or 20.0% of net revenue, to € 45.7 million in 1H 2014, or 20.6%, representing a decrease of € 0.6 million.

Other operating expense

Other operating expense increased from € 4.6 million in 1H 2013, or 2.0% of net revenue, to € 4.9 million in 1H 2014, or 2.2%, representing an increase of € 0.3 million.

Gross operating profit (EBITDA)

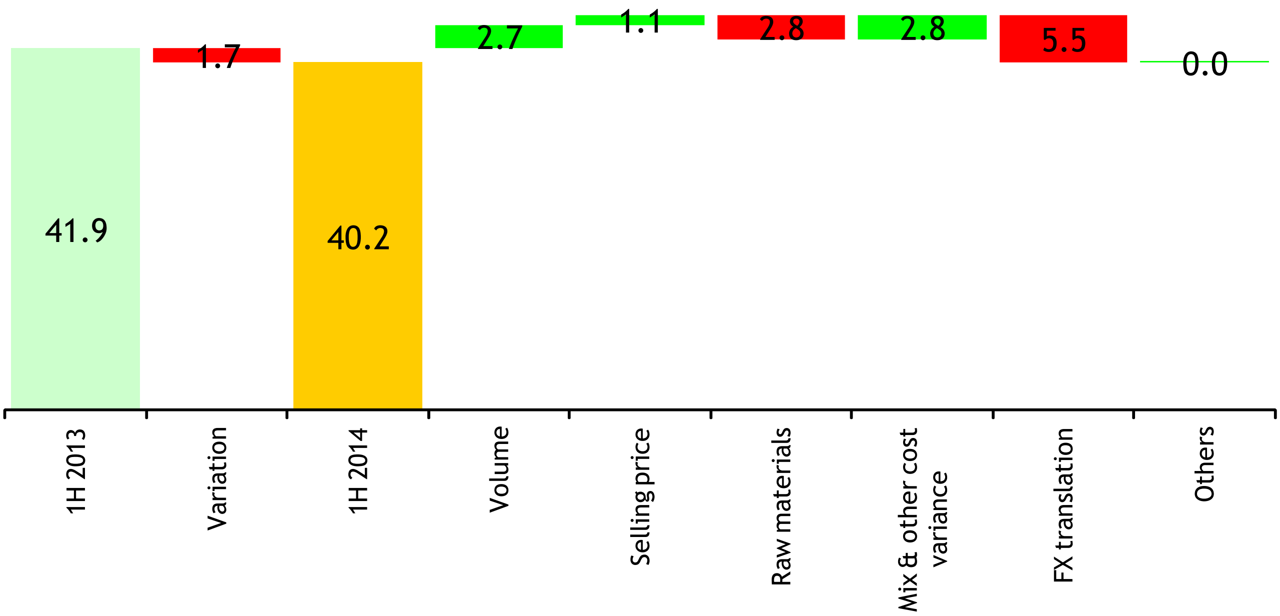
The Group's gross operating profit for 1H 2014 was € 39.4 million, 17.8% of net revenue, down € 2.2 million or (5.3%) on 1H 2013 due to the significant negative translation impact (€ 5.5 million) following the Euro's revaluation versus the main currencies in which the Group operates.

In 1H 2014, EBITDA was impacted by € 0.8 million of non-recurring costs, of which € 0.2 million of M&A activities and € 0.6 million costs for the rationalization of the production structure and other costs.
In 1H 2013, EBITDA was impacted by € 0.3 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 2014 would be € 40.2 million, showing a € 1.7 million decrease on 1H 2013 due to the significant negative translation impact (€5.5 million) following the Euro's revaluation versus the main currencies in which the Group operates.
At constant FX rates, adjusted EBITDA was up € 3.8 million or 9.0% on 1H 2013 due to organic growth.

Adjusted EBITDA in 1H 2014 is equal to 18.1% of net revenue (stable on 1H 2013).

The graph below shows the difference between 1H 2014 and 1H 2013 adjusted EBITDA:



Amortization, depreciation and impairment losses

Amortization, depreciation and impairment losses decreased from € 20.3 million in 1H 2013, or 8.8% of net revenue, to € 19.2 million in 1H 2014, or 8.7%, representing a decrease of € 1.0 million.

Financial income and expense

Net financial expense decreased from € 27.8 million for 1H 2013 to € 20.9 million for 1H 2014.

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

	1H	
Thousands of Euros	**2013**	**2014**
Net exchange rate gains/(losses)	(6,237)	786
Fair value gains on derivatives	172	760
Fair value losses on liability due to non-controlling investors	(800)	(900)
Net interest expense	(20,475)	(21,154)
Net other financial expense	(495)	(430)
Net financial expense	**(27,835)**	**(20,938)**

Source: condensed consolidated interim financial statements figures

Net financial expense in 1H 2014 is € 6.9 million lower than the previous period mainly due to lower exchange rate losses.

Income taxes

Income taxes expenses increased from €-6.1 million in 1H 2013, or 2.6% of net revenue, to €-7.3 million in 1H 2014, or 3.3%.

Loss for the period

The loss for the period decreased from € -12.6 million in 1H 2013 to € -8.0 million in 1H 2014, mainly due to lower net financial expense.

Reclassified consolidated statement of financial position

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

Thousands of Euros	December 31, 2013	June 30, 2014
Intangible assets	397,418	391,079
Property, plant and equipment	205,878	206,653
Net working capital	97,774	125,621
Net financial derivative liabilities	(4,982)	(3,511)
Employee benefits	(6,835)	(7,392)
Other assets/liabilities	(32,548)	(35,310)
Net invested capital	**656,705**	**677,140**
Financed by:		
Net financial liabilities	515,768	538,854
Financial liabilities to non-controlling investors	6,400	7,300
Cash and cash equivalents	(41,197)	(20,373)
Net financial indebtedness	**480,972**	**525,781**
Consolidated equity	**175,734**	**151,359**
Sources of financing	**656,705**	**677,140**

Source: condensed consolidated interim financial statements figures

Intangible assets

Intangible assets decreased from € 397.4 million at the end of 2013 to € 391.1 million at the end of June 2014, representing a decrease of € 6.3 million, mainly due to a negative FX impact and to the amortization of the period.

Property, plant and equipment

Property, plant and equipment increased from € 205.9 million at the end of 2013 to € 206.7 million at the end of June 2014, representing an increase of € 0.8 million. This increase is due to net investments (mainly in India, Ukraine, Brazil, Italy and Poland) (€ 18.3 million), partly compensated by negative exchange rate differences (€ 1.9 million) and by amortization, depreciation and impairment losses (€ 15.6 million).

Net working capital

The table below provides a breakdown of net working capital.

Thousands of Euros	December 31, 2013	June 30, 2014
Inventories	71,483	87,871
Trade receivables	93,079	100,950
Trade payables	(66,788)	(63,200)
Net working capital (*)	**97,774**	**125,621**

(*) 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.

Days	December 31, 2013	June 30, 2014
Inventories	48	68
Trade receivables	62	78
Trade payables	(45)	(49)
Net working capital days	**65**	**97**

Net working capital increased from € 97.8 million at December 31, 2013 to € 125.6 million at June 30, 2014, representing an increase in net working capital days from 65 to 97 days. The increase is attributable to the business seasonality and to the increase in inventories in the period.

Net financial indebtedness

The table below gives a breakdown of net financial indebtedness.

Thousands of Euros	December 31, 2013	June 30, 2014
Net financial liabilities - third parties	515,768	538,854
Financial liabilities vs non-controlling investors	6,400	7,300
Cash and cash equivalents	(41,197)	(20,373)
Net financial indebtedness	**480,972**	**525,781**

Net financial indebtedness increased from € 481.0 million at December 31, 2013 to € 525.8 million at June 30, 2014, representing an increase of € 44.8 million.
This increase is mainly due to the fact that the € 3 million cash flow generated by operating activities has been absorbed by about € 21 million cash flow used for investments and by about € 27 million for net interests and other financial items.

Cash and cash equivalents decreased from € 41.2 million at December 31, 2013 to € 20.4 million at June 30, 2014 mainly as a consequence of the business seasonality.

Equity

The table below shows a breakdown of equity:

Thousands of Euros	December 31, 2013	June 30, 2014
Equity attributable to the owners of the parent	148,299	129,211
Equity attributable to non-controlling interests	27,435	22,148
Consolidated equity	**175,734**	**151,359**

Equity attributable to the owners of the parent decreased by € 19.1 million, mainly due to € 5.9 million negative translation impact, to € 11.4 million for the loss for the period, to € 1.3 million for the acquisition of non-controlling interests in Guala Closures Argentina.
Equity attributable to non-controlling interests decreased by € 5.3 million, mainly due to € 6.4 million dividend distribution, to € 2.0 million negative translation impact and to € 0.3 million disposal of non-controlling interests in Guala Closures Argentina, partly compensated by the € 3.4 million profit for the period.

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:

	1H	
Thousand of Euros	**2013**	**2014**
Opening cash and cash equivalents	**58,474**	**41,197**
Cash flow generated by operating activities	18,199	2,549
Cash flow used in investing activities	(14,938)	(20,630)
Cash flow used in financing activities	(28,765)	(2,769)
Net cash flows for the period	**(25,504)**	**(20,850)**
Effect of exchange rate fluctuation on cash held	(1,067)	26
Closing cash and cash equivalents	**31,903**	**20,373**

Source: condensed consolidated interim financial statements figures

Cash flow generated by operating activities

The cash flow generated by operating activities decreased from € 18.2 million in 1H 2013 to € 2.5 million in 1H 2014.
The decrease of € 15.7 million was mainly due to lower EBITDA generated in 1H 2014 (€ 2.2 million) and to the higher negative variation in net working capital (€ 20.0 million), partly compensated by the lower cash flow for taxes (€ 1.7 million) and for other operating items (€ 4.8 million).

Cash flow used in investing activities

The cash flow used in investing activities increased from € -14.9 million in 1H 2013 to € -20.6 million in 1H 2014.

Cash flow used in financing activities

The cash flow used by financing activities improved from € -28.8 million in 1H 2013 to € -2.8 million in 1H 2014, due to: a) higher proceeds from new borrowings (net of repayment of borrowings) for € 22.2 million; b) lower financial expense for debt restructuring (€ 3.2 million in the previous period); c) lower dividends paid to non-controlling interest (€ 1.7 million); d) higher net interest expense (€ 0.4 million) and other financial items (€ 0.7 million).

Net cash flow

The net cash out flow of the period has been reduced from € -25.5 million in 1H 2013 to € -20.9 million in 1H 2014 due to lower cash flow used in financing activities, partly offset by lower cash flow generated by operating activities and higher cash flow used in investing activities.

Transactions between affiliates

During the six months ended June 30, 2014 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 S.C.A.
and Subsidiaries

Condensed consolidated interim financial statements

Condensed consolidated statement of financial position as at June 30, 2014 ASSETS

(Thousands of Euros)	**December 31, 2013**	**June 30, 2014**	**Note**
ASSETS			
Current assets			
Cash and cash equivalents	41,197	20,373	6
Current financial assets	64	70	
Trade receivables	93,079	100,950	7
Inventories	71,483	87,871	8
Current direct tax assets	1,072	2,364	
Current indirect tax assets	9,270	8,643	
Financial derivative assets	-	164	
Other current assets	3,598	4,346	
Assets held for sale	8	-	
Total current assets	**219,771**	**224,780**	
Non-current assets			
Non-current financial assets	219	228	
Property, plant and equipment	205,878	206,653	9
Intangible assets	397,418	391,079	10
Deferred tax assets	8,227	8,253	
Other non-current assets	499	735	
Total non-current assets	**612,243**	**606,948**	
TOTAL ASSETS	**832,014**	**831,728**	

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, 2014
LIABILITIES AND EQUITY

(Thousands of Euros)	December 31, 2013	June 30, 2014	Note
LIABILITIES AND EQUITY			
Current liabilities			
Current financial liabilities	10,129	14,382	11
Trade payables	66,788	63,200	12
Current direct tax liabilities	3,552	5,003	
Current indirect tax liabilities	3,841	3,155	
Current provisions	1,231	1,278	
Financial derivative liabilities	4,982	3,675	
Other current liabilities	24,638	29,008	
Total current liabilities	**115,162**	**119,701**	
Non-current liabilities			
Non-current financial liabilities	512,322	532,070	11
Employee benefits	6,835	7,392	
Deferred tax liabilities	21,109	20,401	
Non-current provisions	684	684	
Other non-current liabilities	168	120	
Total non-current liabilities	**541,118**	**560,668**	
Total liabilities	**656,280**	**680,369**	
Share capital and reserves attributable to non-controlling interests	20,758	18,739	
Profit for the period attributable to non-controlling interests	6,676	3,409	
Equity attributable to non-controlling interests	**27,435**	**22,148**	**13**
Equity attributable to the owners of the parent			
Share capital	141	141	
Share premium reserve	295,228	295,228	
Translation reserve	(25,911)	(31,767)	
Hedging reserve	(1,226)	(1,238)	
Losses carried forward and other reserves	(101,630)	(121,723)	
Loss for the period	(18,303)	(11,429)	
Equity attributable to the owners of the parent	**148,299**	**129,211**	
Total equity	**175,734**	**151,359**	
TOTAL LIABILITIES AND EQUITY	**832,014**	**831,728**	

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 Other Comprehensive Income for the six months ended June 30, 2014

(Thousands of Euros)	**For the six months ended June 30,**		
	2013	**2014**	**Note**
Net revenue	**231,244**	**222,031**	14
Change in inventories of finished goods and semi-finished products	8,351	14,944	
Other operating income	3,807	5,359	
Costs for raw materials	(102,894)	(108,568)	15
Costs for services	(48,061)	(43,778)	16
Personnel expense	(46,269)	(45,705)	17
Other operating expense	(4,555)	(4,853)	18
Amortization, depreciation and impairment losses	(20,259)	(19,246)	
Operating profit	**21,364**	**20,184**	
Financial income	4,365	4,703	19
Financial expense	(32,201)	(25,641)	20
Net finance costs	**(27,835)**	**(20,938)**	
Loss before taxation	**(6,471)**	**(755)**	
Income taxes	(6,121)	(7,266)	21
Loss for the period	**(12,592)**	**(8,020)**	

Other comprehensive income

Items that will never be reclassified to profit or loss:		
Actuarial gains/(losses) on the defined benefit liability (asset)	109	(518)
	109	***(518)***
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences for foreign operations	(8,566)	(7,804)
Effective portion of fair value gains (losses) of cash flow hedges	117	(191)
Net change in fair value of cash flows hedges reclassified to profit or loss	209	175
Income taxes on other comprehensive income	(90)	4
	(8,330)	**(7,816)**
Total comprehensive expense for the period, net of tax	**(8,221)**	**(8,333)**
Total comprehensive expense for the period	**(20,813)**	**(16,354)**
Profit (loss) attributable to:		
owners of the parent	(15,589)	(11,429)
non-controlling interests	2,997	3,409
Total comprehensive income /(expenses) attributable to:		
owners of the parent	(22,486)	(17,812)
non-controlling interests	1,673	1,458

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, 2014

(Thousands of Euros)	For the six months ended June 30,		
	2013	**2014**	**Note**
Opening cash and cash equivalents	**58,474**	**41,197**	**6**
A) Cash flows generated by operating activities			
Profit before taxation	(6,471)	(755)	
Amortization, depreciation and impairment losses	20,259	19,246	7-9-10
Net finance costs	27,835	20,939	19-20
Change in:			
Receivables, payables and inventory	(9,882)	(29,892)	7-8-12
Other	(2,564)	2,233	
VAT and indirect tax assets/liabilities	(2,092)	(280)	
Income taxes paid	(8,886)	(8,943)	
TOTAL	**18,199**	**2,549**	
B) Cash flows used in investing activities			
Acquisitions of property, plant and equipment and intangibles	(16,118)	(20,645)	9-10
Proceeds from sale of property, plant and equipment and intangibles	3	6	9-10
Change in non-current assets classified as held for sale	-	8	
Subsequent measurement DGS acquisition	1,177	-	
TOTAL	**(14,938)**	**(20,630)**	
C) Cash flows used in financing activities			
Acquisition of non-controlling interest in Guala Closures Argentina	-	(81)	5
Interests income	566	132	19
Interests expense	(20,409)	(20,350)	20
Payment of transaction cost on Bonds and Revolving Credit Facility	(3,187)	-	
Other financial items	(98)	(735)	
Dividends paid to non-controlling interest	(5,078)	(3,378)	
Proceeds from issue of share capital	-	-	
Proceeds from new borrowings	2,000	24,087	
Repayment of borrowings	(2,583)	(2,430)	
Change in financial assets	24	(15)	
TOTAL	**(28,765)**	**(2,769)**	
D) Net cash flow for the period (A+B+C)	**(25,504)**	**(20,850)**	
Effect of exchange rate fluctations on cash held	(1,067)	26	
Closing cash and cash equivalents	**31,903**	**20,373**	**6**

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 changes in equity for the six months ended June 30, 2014

(Thousands of €)	*Attributable to owners of the Company*							*Non-controlling interests*			
	Share capital	*Share premium reserve*	*Translation reserve*	*Hedging reserve*	*Losses carried forward and other reserves*	*Loss for the period*	*Equity attributable to the owners of the parent*	*Share capital and reserves attributable to non-controlling interests*	*Profit for the year attributable to non-controlling interests*	*Equity attributable to non-controlling interests*	*Total equity*
Balance at January 1, 2013, as previously reported	**141**	**295,228**	**(14,073)**	**(1,555)**	**(74,220)**	**(27,626)**	**177,895**	**23,285**	**6,240**	**29,525**	**207,420**
Impact of changes in accounting policies					(1,183)	1,183	-			-	-
Restated balance at January 1, 2013	**141**	**295,228**	**(14,073)**	**(1,555)**	**(75,403)**	**(26,443)**	**177,895**	**23,285**	**6,240**	**29,525**	**207,420**
Allocation of 2012 profit (loss), as restated					(26,443)	26,443	-	6,240	(6,240)	-	-
Profit (loss) for the period ended June 30, 2013						(15,589)	(15,589)		2,997	2,997	**(12,592)**
Other comprehensive income			(7,246)	236	113		(6,897)	(1,324)		(1,324)	**(8,221)**
Total comprehensive income/(expense) of the period	***-***	***-***	***(7,246)***	***236***	***(26,331)***	***10,854***	***(22,486)***	***4,916***	***(3,243)***	***1,674***	***(20,813)***
Dividends to non-controlling interests							-	(6,250)		(6,250)	**(6,250)**
Total distributions to owners of the Company	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***(6,250)***	***-***	***(6,250)***	***(6,250)***
June 30, 2013	**141**	**295,228**	**(21,319)**	**(1,318)**	**(101,734)**	**(15,589)**	**155,409**	**21,951**	**2,997**	**24,948**	**180,357**
January 1, 2014	**141**	**295,228**	**(25,911)**	**(1,226)**	**(101,630)**	**(18,303)**	**148,299**	**20,758**	**6,676**	**27,435**	**175,734**
Allocation of 2013 profit (loss)					(18,303)	18,303	-	6,676	(6,676)	-	-
Profit (loss) for the period ended June 30, 2014						(11,429)	(11,429)		3,409	3,409	(8,020)
Other comprehensive expense			(5,856)	(12)	(515)		(6,383)	(1,950)		(1,950)	(8,333)
Total comprehensive income/(expense) of the period	***-***	***-***	***(5,856)***	***(12)***	***(18,818)***	***6,874***	***(17,812)***	***4,726***	***(3,268)***	***1,458***	***(16,354)***
Dividends to non-controlling interests							-	(6,413)		(6,413)	(6,413)
Share capital increase							-			-	-
Total distributions to owners of the Company	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***(6,413)***	***-***	***(6,413)***	***(6,413)***
Acquisition of non-controlling interests without a change in control					(1,275)		(1,275)	(332)		(332)	(1,607)
Total changes in ownership interests	***-***	***-***	***-***	***-***	***(1,275)***	***-***	***(1,275)***	***(332)***	***-***	***(332)***	***(1,607)***
June 30, 2014	**141**	**295,228**	**(31,767)**	**(1,238)**	**(121,723)**	**(11,429)**	**129,211**	**18,739**	**3,409**	**22,148**	**151,359**

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, 2014

(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, 2014 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.

During the first half of 2014 the following transactions took place:

Constitution of Guala Closures Japan KK:

In order to accelerate the Group's development in the Far East and Pacific area, a commercial company has been created in Japan.
On February 26, 2014, registration of the incorporation of Guala Closures Japan KK was completed.

Spin off Credit Suisse:

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. Additional information about the relationships with those parties are provided in Note (23) Related party transactions.

Dissolution of Creative Moulds (India) Pvt Ltd.:

In May 2014 the company Creative Moulds (India) Pvt Ltd. has been dissolved.

Acquisition of 16% in Argentina:

In May 2014, the Group acquired an additional 16% interest in Guala Closures Argentina S.A. for ARS$ 17,920 thousand (€1,607 thousand), increasing its ownership from 82.38% to 98.38%. The payment of this transaction can be made in different tranches: the Group has to pay at least ARS$11,000 thousand (around €1,000 thousand) in 2014 and the residual amount within December 2015.

(2) Basis of preparation

The condensed consolidated interim financial statements of GCL Holdings S.C.A and its subsidiaries as of June 30, 2013 and June 30, 2014 (“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, 2013 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, 2013. 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, 2013.

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.

The condensed consolidated interim financial statements have been approved for issue by the Board of Directors of GCL Holdings GP S.à r.l., General Partner of GCL Holdings S.C.A., on September 15, 2014.

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

1 Euro = x foreign currency	June 30, 2013	December 31, 2013	June 30, 2014
Pound sterling	0.85720	0.83370	0.80150
US dollar	1.30800	1.37910	1.36580
Indian rupee	77.72100	85.36600	82.20230
Mexican peso	17.04130	18.07310	17.71240
Colombian peso	2,522.88000	2,664.42120	2,568.25638
Brazilian real	2.88990	3.25760	3.00020
Chinese renmimbi	8.02800	8.34910	8.47220
Argentinean peso	7.04029	8.98914	11.10677
Polish zloty	4.33760	4.15430	4.15680
New Zealand dollar	1.67920	1.67620	1.56260
Australian dollar	1.41710	1.54230	1.45370
Ukrainian hryvnia	10.55990	11.32917	16.04740
Bulgarian lev	1.95580	1.95580	1.95580
South African Rand	13.07040	14.56600	14.4597
Japanese Yen	n.a.	n.a.	138.4400

Statement of profit or loss

1 Euro = x foreign currency	June 30, 2013	June 30, 2014
Pound sterling	0.85116	0.82136
US dollar	1.31346	1.37047
Indian rupee	72.30698	83.29300
Mexican peso	16.50569	17.97655
Colombian peso	2,400.12220	2,686.94667
Brazilian real	2.66880	3.14948
Chinese renmimbi	8.12938	8.45170
Argentinean peso	6.73259	10.74072
Polish zloty	4.17808	4.17553
New Zealand dollar	1.58777	1.61482
Australian dollar	1.29662	1.49865
Ukrainian hryvnia	10.61771	14.36257
Bulgarian lev	1.95580	1.95580
South African Rand	12.12334	14.6763
Japanese Yen	n.a.	140.3905

(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, 2013. 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, 2014.

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, 2013.
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 2014 or 1H 2013 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.

Reporting by geographical segment is not given as it does not meet the materiality requirements of IFRS 8.

Thousands of Euros	**Closures**		**Other Operations**		**Total**	
	Six months period, 2013	**Six months period, 2014**	**Six months period, 2013**	**Six months period, 2014**	**Six months period, 2013**	**Six months period, 2014**
External revenue	229,569	220,276	1,675	1,755	231,244	222,031
Reportable Gross operating profit	41,613	39,261	11	168	41,624	39,429
Depreciation and Amortization	(20,171)	(19,163)	(88)	(83)	(20,259)	(19,246)

Thousands of Euros	**Closures**		**Other Operations**		**Total**	
	December 31, 2013	**June 30, 2014**	**December 31, 2013**	**June 30, 2014**	**December 31, 2013**	**June 30, 2014**
Reportable Trade receivables	92,343	100,188	736	762	93,079	100,950
Reportable Inventories	71,015	87,027	469	844	71,483	87,871
Reportable Trade payables	(66,261)	(62,424)	(527)	(776)	(66,788)	(63,200)
Property, plant and equipment	205,088	205,938	790	715	205,878	206,653

Thousands of Euros	**Closures**		**Other Operations**		**Total**	
	Six months period, 2013	**Six months period, 2014**	**Six months period, 2013**	**Six months period, 2014**	**Six months period, 2013**	**Six months period, 2014**
Capital expenditure	18,987	19,393	11	2	18,998	19,395

Geographical information

The Closures segment is managed on a worldwide basis from the central headquarter in Italy, but it operates from manufacturing facilities primarily in Poland, India, the United Kingdom, Australia, Ukraine, Spain, Mexico, Argentina 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**	
	Six months period, 2013	**Six months period, 2014**
Italy	37,215	33,713
Poland	28,938	29,614
India	25,810	25,723
UK	20,064	23,188
Spain	20,511	20,400
Ukraine	16,980	18,410
Australia	21,774	16,160
Argentina	10,635	8,398
Mexico	13,049	8,123
South Africa	9,117	7,423
Other countries and consolidation adjustments	27,152	30,877
Consolidated Net revenue	**231,244**	**222,031**

Thousands of Euros	**Non-current assets other than financial instruments and deferred tax assets: Property, plant and equipment and Intangible assets**	
	December 31, 2013	**June 30, 2014**
Italy	347,372	341,370
Australia	70,049	73,636
Poland	33,045	33,072
India	21,010	24,693
Spain	18,694	18,039
Mexico	17,131	16,643
Brasil	10,746	14,832
Ukraine	15,910	12,574
South Africa	12,135	12,022
Other countries and consolidation adjustments	57,204	50,851
Consolidated: Property, plant and equipment and Intangible assets	**603,296**	**597,732**

Thousands of Euros	**Deferred Tax Assets**	
	December 31, 2013	**June 30, 2014**
Italy	3,369	3,501
Australia	1,371	1,427
Spain	1,018	986
New Zealand	130	175
Argentina	373	141
UK	97	136
China	43	57
Other countries and consolidation adjustments	1,827	1,830
Consolidated Deferred Tax Assets	**8,227**	**8,253**

The Group is not exposed to significant geographical risks other than normal business risks. In relation to the Ukrainian situation, as already highlighted in the Consolidated financial statements as at December 31, 2013, the Ukraine's political and economic situation has deteriorated significantly since the end of November 2013 after the Government's decision not to sign the Association Agreement and the Deep and Comprehensive Free Trade Agreement with the European Union. The effects of political crisis are difficult to predict but it may have further severe effects on the Ukrainian economy.

Whilst management believes it is taking appropriate measures to support the sustainability of the Company's business in the current circumstances, a further deterioration in the business environment could negatively affect the Company's results and financial position in a manner that is not currently determinable. Submitted financial information for consolidation purposes reflects management's current assessment of the impact of the Ukrainian business environment on the Company's operations and the financial position of the Company. The future business environment may differ from management's assessment.

Information about major customers

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

(5) Acquisition of subsidiaries, business units and non-controlling interest

(5.1) Acquisition of non-controlling interest

In May 2014, the Group acquired an additional 16% interest in Guala Closures Argentina S.A. for ARS$ 17,920 thousand (€1,607 thousand), increasing its ownership from 82.38% to 98.38%. The payment of this transaction can be made in different tranches: the Group has to pay at least ARS$11,000 thousand (around €1,000 thousand) in 2014 and the residual amount within December 2015.

The Group recognized:

- a decrease in non-controlling interest of €332 thousand;
- a decrease in losses carried forward and other reserves of €1,275 thousand;

The carring amount of Guala Closures Argentina's net assets in the Group's financial statements on the date of the acquisition was €1,773 thousand.

The following table summarises the effect of the changes in the Company's ownership interest in Guala Closures Argentina S.A.:

Thousands of Euros	
Company's ownership interest at January 1	3,038
Effect of increase in Company's ownership interest	332
Dividend distribution	(1,218)
Share of comprehensive income	167
Company's ownership interest at June 30, 2014	**2,318**

(6) Cash and cash equivalents

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

Thousands of Euros	**December 31, 2013**	**June 30, 2014**
Bank and postal accounts	30,100	16,394
Cash and cash equivalents	11,097	3,979
Total	**41,197**	**20,373**

(7) Trade receivables

This caption may be analyzed as follows:

Thousands of Euros	**December 31, 2013**	**June 30, 2014**
Trade receivables	100,724	108,365
Allowance for impairment	(7,645)	(7,415)
Total	**93,079**	**100,950**

The allowance for impairment varied as follows:

Thousands of Euros	**June 30, 2014**
Opening allowance for impairment	7,645
Exchange rate gain	(21)
Accrual	197
Utilization	(406)
Closing allowance for impairment	**7,415**

(8) Inventories

This caption may be analyzed as follows:

Thousands of Euros	**December 31, 2013**	**June 30, 2014**
Raw materials, consumables and supplies	40,313	41,937
(Allowance for inventory write-down)	(1,513)	(1,346)
Work in progress and semi-finished products	15,609	20,977
(Allowance for inventory write-down)	(497)	(618)
Finished products and goods	18,630	27,803
(Allowance for inventory write-down)	(1,400)	(1,262)
Payments on account	341	380
Total	**71,483**	**87,871**

The changes in the caption are as follows:

Thousands of Euros	
Balance at January 1, 2014	71,483
Exchange rate loss	(610)
Change in raw materials, consumables and supplies (net of write-down)	2,015
Change in finished goods and semi-finished products (net of write-down)	14,944
Change in payments on account	39
Balance at June 30, 2014	**87,871**

Inventories increased from € 71.5 million at the end of December 2013 to € 87.9 million at the end of June 2014. The increase is mainly attributable to business seasonality factors and to the increase in the period.

(9) Property, plant and equipment

The following tables show the changes in this caption for the six months ended June 30, 2013 and June 30, 2014:

Thousands of Euros	**Land and buildings**	**Plant and machinery**	**Industrial and commercial equipment**	**Other assets**	**Asset under construction and payments on account**	**Total**
Historical cost at December 31, 2012	80,408	333,992	53,922	7,874	8,572	**484,766**
Accumulated depreciation and impairment at December 31, 2012	(11,757)	(205,227)	(41,928)	(6,388)	-	**(265,299)**
Carrying amount at December 31, 2012	**68,651**	**128,765**	**11,994**	**1,486**	**8,572**	**219,467**
Carrying amount at January 1, 2013	**68,651**	**128,765**	**11,994**	**1,486**	**8,572**	**219,467**
Exchange rate loss	(2,239)	(5,016)	(176)	(50)	(1)	**(7,482)**
Additions	69	1,339	252	24	16,662	**18,346**
Disposals	-	(139)	(8)	(7)	-	**(153)**
Impairment losses	(6)	(318)	-	-	-	**(323)**
Reclassifications	117	11,493	1,223	49	(12,945)	**(63)**
Depreciation	(1,042)	(12,672)	(1,729)	(236)	-	**(15,678)**
Historical cost at June 30, 2013	78,349	341,349	55,213	7,891	12,287	**495,088**
Accumulated depreciation and impairment at June 30, 2013	(12,799)	(217,896)	(43,656)	(6,623)	-	**(280,974)**
Carrying amount at June 30, 2013	**65,550**	**123,453**	**11,557**	**1,267**	**12,287**	**214,114**

Thousands of Euros	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Historical cost at December 31, 2013	76,810	353,331	57,938	7,927	5,564	**501,570**
Accumulated depreciation and impairment at December 31, 2013	(13,815)	(229,702)	(45,330)	(6,845)	-	**(295,692)**
Carrying amount at December 31, 2013	**62,995**	**123,629**	**12,608**	**1,082**	**5,564**	**205,878**
Carrying amount at January 1, 2014	**62,995**	**123,629**	**12,608**	**1,082**	**5,564**	**205,878**
Exchange rate losses	(713)	(621)	(7)	14	(622)	**(1,949)**
Additions	234	6,100	63	72	11,846	**18,315**
Disposals	(17)	21	(3)	(12)	(11)	**(22)**
Impairment losses	(505)	(419)	-	-	0	**(925)**
Reclassifications	35	4,167	2,335	109	(6,635)	**11**
Depreciation	(987)	(11,790)	(1,648)	(231)	-	**(14,656)**
Historical cost at June 30, 2014	75,845	362,579	60,326	8,109	10,141	**517,001**
Accumulated depreciation and impairment at June 30, 2014	(14,802)	(241,492)	(46,978)	(7,076)	-	**(310,348)**
Carrying amount at June 30, 2014	**61,043**	**121,087**	**13,348**	**1,033**	**10,141**	**206,653**

Property, plant and equipment increased from € 205.9 million at the end of 2013 to € 206.7 million at the end of June 2014, representing an increase of € 0.8 million.
This variation is due to € 18.3 million net capex (additions net of disposals), compensated by € 15.6 million of depreciation and impairment losses and € 1.9 million of exchange rate differences.
The impairment losses of the period for the caption Land and Building are mainly related to the update of fair value valuation of Torre d'Isola plant. Please make reference to Note (24) Subsequent events.
The net capex of the period includes € 4.7 million investments made in India (mainly for capacity increase), € 2.5 million investments made in Ukraine, € 2.3 million investments made in Brazil, € 2.2 million investments made in Italy, € 1.6 million investments made in Poland and other investments made by other Group companies.

(10) Intangible assets

The following tables show the changes in this caption for the six months ended June 30, 2013 and June 30, 2014:

Thousands of Euros	Development expenditure	Licences and patents	Goodwill	Other	Asset under construction and payments on account	Total
Historical cost at December 31, 2012	5,838	64,364	407,312	12,382	329	**490,226**
Accumulated depreciation and impairment at December 31, 2012	(5,134)	(35,742)	(40,640)	(2,783)	-	**(84,298)**
Carrying amount at December 31, 2012	**705**	**28,622**	**366,672**	**9,599**	**329**	**405,927**
Carrying amount at January 1, 2013	**705**	**28,622**	**366,672**	**9,599**	**329**	**405,927**
Exchange rate gains/(loss)	56	(56)	(1,838)	(757)	(160)	**(2,755)**
Additions	9	81		47	672	**809**
Disposals	-	-	-	(50)	46	**(4)**
Reclassifications	33	115	-	-	(85)	**63**
Amortisation	(154)	(3,114)	-	(772)	-	**(4,040)**
Historical cost at June 30, 2013	5,936	64,504	405,475	11,623	801	**488,339**
Accumulated depreciation and impairment at June 30, 2013	(5,288)	(38,855)	(40,640)	(3,555)	-	**(88,339)**
Carrying amount at June 30, 2013	**648**	**25,649**	**364,834**	**8,068**	**801**	**400,001**

Thousands of Euros	Development expenditure	Licences and patents	Goodwill	Other	Assets under development and payments on account	Total
Historical cost at December 31, 2013	5,902	64,549	405,310	11,619	1,789	**489,170**
Accumulated depreciation and impairment at December 31, 2013	(5,552)	(41,336)	(40,640)	(4,223)	-	**(91,752)**
Carrying amount at December 31, 2013	**350**	**23,213**	**364,670**	**7,397**	**1,789**	**397,418**
Carrying amount at January 1, 2014	**350**	**23,213**	**364,670**	**7,397**	**1,789**	**397,418**
Exchange rate losses	241	(727)	(3,946)	11	496	**(3,925)**
Additions	6	27	-	19	1,042	**1,094**
Disposals	-	(2)	-	-	-	**(1)**
Reclassifications	716	1,209	-	-	(1,935)	**(11)**
Amortisation	(380)	(2,326)	-	(790)	-	**(3,496)**
Historical cost at June 30, 2014	6,865	65,056	401,364	11,649	1,392	**486,327**
Accumulated depreciation and impairment at June 30, 2014	(5,932)	(43,662)	(40,640)	(5,013)	(0)	**(95,248)**
Carrying amount at June 30, 2014	**933**	**21,394**	**360,724**	**6,636**	**1,392**	**391,079**

Goodwill may be analysed as follows:

Thousands of Euros	December 31, 2013	June 30, 2014
Goodwill - Guala Closures Group	317,227	317,227
Acquisition of Guala Closures DGS Poland S.A.	25,491	25,477
Goodwill - Guala Closures Ukraine LLC	13,420	9,474
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	1,914	1,928
Acquisition of Guala Closures Tools A.D.	722	722
Acquisition of Metalprint assets	182	182
Total	**364,670**	**360,724**

The variation occurred in the period December 31, 2013 to June 30, 2014 is due to the exchange rate fluctuation of goodwill booked in local currency.

(11) 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, 2014 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 Super Senior Revolving Facility. These financing instruments do not contain 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, 2014	Residual available amount at June 30, 2014	Repayment date
Bond Guala Closures S.p.A. - Floating Rate Senior Secured Notes due 2019	275,000	275,000	-	final repayment 11/15/2019
Senior Revolving Facility	75,000	42,000	33,000	final repayment 11/15/2017
HY Bond GCL Holdings S.C.A. - due 2018	200,000	200,000	-	final repayment 04/15/2018
Total	**550,000**	**517,000**	**33,000**	

Financial liabilities at December 31, 2013 and June 30, 2014 are shown below:

Thousands of Euros	December 31, 2013	June 30, 2014
Current financial liabiities		
Bonds	4,917	4,956
Bank loans and borrowings	3,215	7,353
Other financial liabilities	1,997	2,073
	10,129	14,382
Non-current financial liabiities		
Bonds	465,045	466,023
Bank loans and borrowings	26,632	45,557
Other financial liabilities	20,645	20,490
	512,322	532,070
Total	**522,452**	**546,451**

The terms and expiry dates of the financial liabilities at December 31, 2013 and June 30, 2014 are shown below:

	Nominal amount					
Thousands of Euros	**Total December 31, 2013**	**Within one year**	**From one to five years**	**After five years**	**Current**	**Non-current**
BONDS:						
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.	3,902	3,902	-	-	3,902	-
Transaction costs	(5,254)	-	-	(5,254)	-	(5,254)
TOTAL HY Bonds 2018 GCL Holdings S.C.A.	**198,649**	**3,902**	**-**	**194,746**	**3,902**	**194,746**
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.	1,965	1,965	-	-	1,965	-
Transaction costs	(5,652)	(950)	(3,820)	(881)	(950)	(4,701)
TOTAL FRSN 2019 Guala Closures S.p.A.	**271,314**	**1,015**	**(3,820)**	**274,119**	**1,015**	**270,299**
TOTAL BONDS	**469,962**	**4,917**	**(3,820)**	**468,866**	**4,917**	**465,045**
BANK LOANS AND BORROWINGS:						
Senior Revolving Facility	24,000	-	24,000	-	-	24,000
Transaction costs	(1,995)	(515)	(1,480)	-	(515)	(1,480)
Total Senior Revolving Facility	**22,005**	**(515)**	**22,520**	**-**	**(515)**	**22,520**
Cassa di Risparmio di Alessandria loan	944	625	319	-	625	319
Accrued interest and expense - Guala Closures S.p.A.	649	649	-	-	649	-
Banco Sabadell loan (Spain)	760	510	250	-	510	250
Bancolombia loan (Colombia)	1,204	263	941	-	263	941
Advances on receivables and loans (Argentina)	537	336	201	-	336	201
Scotiabank loan (Mexico)	3,747	1,346	2,401	-	1,346	2,401
TOTAL BANK LOANS AND BORROWINGS	**29,847**	**3,215**	**26,632**	**-**	**3,215**	**26,632**
OTHER FINANCIAL LIABILITIES:						
Guala Closures S.p.A. finance leases	15,770	1,960	8,261	5,549	1,960	13,810
Liability to the Ukrainian non-controlling investors	6,400	-	-	6,400	-	6,400
Other liabilities	472	37	435	-	37	435
TOTAL OTHER FINANCIAL LIABILITIES	**22,643**	**1,997**	**8,697**	**11,949**	**1,997**	**20,645**
TOTAL	**522,452**	**10,129**	**31,508**	**480,814**	**10,129**	**512,322**

	Nominal amount					
Thousands of Euros	**Total June 30, 2014**	**Within one year**	**From one to five years**	**After five years**	**Current**	**Non-current**
BONDS:						
HY Bonds issued by GCL Holdings SCA - 20/04/2011	200,000	-	-	200,000	-	200,000
Accrued interest - GCL Holdings S.C.A.	3,901	3,901	-	-	3,901	-
Transaction costs	(4,750)	-	-	(4,750)	-	(4,750)
TOTAL HY Bonds 2018 GCL Holdings S.C.A.	**199,152**	**3,901**	**-**	**195,250**	**3,901**	**195,250**
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.	2,006	2,006	-	-	2,006	-
Transaction costs	(5,179)	(952)	(3,824)	(403)	(952)	(4,227)
TOTAL FRSN 2019 Guala Closures S.p.A.	**271,827**	**1,055**	**(3,824)**	**274,597**	**1,055**	**270,773**
TOTAL BONDS	**470,979**	**4,956**	**(3,824)**	**469,847**	**4,956**	**466,023**
BANK LOANS AND BORROWINGS:						
Senior Revolving Facility	42,000	-	42,000	-	-	42,000
Transaction costs	(1,740)	(515)	(1,225)	-	(515)	(1,225)
Total Senior Revolving Facility	**40,260**	**(515)**	**40,775**	**-**	**(515)**	**40,775**
Cassa di Risparmio di Alessandria loan	633	633	-	-	633	-
Other bank loans Guala Closures S.p.A.	2,565	2,565	-	-	2,565	-
Accrued interest and expense - Guala Closures S.p.A.	685	685	-	-	685	-
Raiffeisen bank overdraft (Ukraine)	731	731	-	-	731	-
Banco Bradesco / Banco Itaù (Brazil)	816	100	716	-	100	716
Advances on receivables (Brasil)	504	504	-	-	504	-
Banco Sabadell loan (Spain)	507	507	-	-	507	-
Bancolombia loan (Colombia)	1,113	273	840	-	273	840
Advances on receivables and loans (Argentina)	744	495	249	-	495	249
Scotiabank loan (Mexico)	4,350	1,374	2,976	-	1,374	2,976
TOTAL BANK LOANS AND BORROWINGS	**52,910**	**7,353**	**45,557**	**-**	**7,353**	**45,557**
OTHER FINANCIAL LIABILITIES:						
Guala Closures S.p.A. finance leases	14,773	1,986	8,403	4,384	1,986	12,786
Bulgarian companies finance leases	151	56	94	-	56	94
Liability to the Ukrainian non-controlling investors	7,300	-	-	7,300	-	7,300
Other liabilities	340	30	309	-	30	309
TOTAL OTHER FINANCIAL LIABILITIES	**22,563**	**2,073**	**8,807**	**11,684**	**2,073**	**20,490**
TOTAL	**546,451**	**14,382**	**50,539**	**481,531**	**14,382**	**532,070**

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 22) Fair value of financial instruments and sensitivity analysis for further detail.

(12) Trade payables

This caption is made up as follows:

Thousands of Euros	December 31, 2013	June 30, 2014
Suppliers	65,224	62,680
Payments on account	1,564	520
Total	**66,788**	**63,200**

(13) Equity attributable to non-controlling interests

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

	Non-controlling interests % December 31, 2013	Non-controlling interests % June 30, 2014	Balance at December 31, 2013	Balance at June 30, 2014
Guala Closures Ukraine LLC	30.00%	30.00%	7,760	6,005
Guala Closures India (Pvt) Ltd	5.00%	5.00%	1,601	1,726
Guala Closures Argentina S.A.	17.62%	1.62%	650	38
Guala Closures de Colombia LTDA	6.80%	6.80%	636	548
Guala Closures China B.V.	3.50%	3.50%	133	131
Guala Closures Bulgaria A.D.	30.00%	30.00%	2,186	2,095
Guala Closures Tools A.D.	30.00%	30.00%	349	442
Guala Closures DGS Poland S.A.	30.00%	30.00%	14,121	11,164
Total			**27,435**	**22,148**

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 2014, has been paid, as dividends to non controlling interests, a total amount of € 3.4 million. In the same period of 2013 the total amount paid as dividends was € 5.1 million.

STATEMENT OF PROFIT OR LOSS

(14) Net revenue

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

	For the six months ended June 30,	
Thousands of Euros	**2013**	**2014**
Europe	130,460	131,586
Asia	29,363	31,015
Latin and North America	35,118	30,433
Oceania	27,186	21,573
Africa	9,117	7,423
Total	**231,244**	**222,031**

(15) Costs for raw materials

This caption includes:

	For the six months ended June 30,	
Thousands of Euros	**2013**	**2014**
Raw materials and supplies	98,522	100,303
Packaging	4,458	4,611
Consumables and maintenance	4,853	4,568
Fuels	242	256
Other purchases	1,588	845
Change in inventories	(6,770)	(2,015)
Total	**102,894**	**108,568**

(16) Costs for services

This caption includes:

	For the six months ended June 30,	
Thousands of Euros	**2013**	**2014**
Electricity / Heating	11,613	11,121
Transport	9,539	9,023
External processing	5,900	4,797
Maintenance	3,239	2,828
Travel	2,312	2,160
Sundry industrial services	2,630	2,074
Insurance	1,658	1,800
External labor / porterage	2,396	1,778
Legal and consulting fees	1,926	1,628
Directors' fees	1,002	1,058
Administrative services	1,246	988
Cleaning service	739	689
Technical assistance	498	554
Commissions	385	514
Telephone costs	522	455
Commercial services	140	340
Entertainment expenses	403	311
Security	227	206
Advertising services	216	194
Expos and trade fairs	93	88
Other	1,380	1,173
Total	**48,061**	**43,778**

(17) Personnel expense

This caption includes:

	For the six months ended June 30,	
Thousands of Euros	**2013**	**2014**
Wages and salaries	37,724	37,208
Social security contributions	6,992	6,821
Expense/(Income) from defined benefit plans	(114)	(28)
Other costs	1,667	1,703
Total	**46,269**	**45,705**

(18) Other operating expense

This caption includes:

Thousands of Euros	For the six months ended June 30, 2013	2014
Rent and leases	2,433	2,320
Other costs for the use of third party assets	771	846
Taxes and duties	907	877
Provisions for risks and charges	(88)	451
Other charges	532	358
Total	**4,555**	**4,853**

(19) Financial income

This caption includes:

Thousands of Euros	For the six months ended June 30, 2013	2014
Exchange rate gains	2,470	3,564
Change in fair value of IRS	1,312	777
Fair value gains on aluminium derivatives	18	230
Interest income	454	58
Other financial income	112	73
Total	**4,365**	**4,703**

(20) Financial expense

This caption includes:

Thousands of Euros	For the six months ended June 30, 2013	2014
Interest expense	20,929	21,213
Exchange rate losses	8,707	2,779
Financial expense - non-controlling investors in the Ukrainian company	800	900
Fair value losses on aluminum derivatives	1,158	247
Other financial expense	607	504
Total	**32,201**	**25,641**

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, 2013	2014
BONDS:				
HY BOND - GCL Holdings S.C.A. - 20/04/11	EUR	9.375%	9,375	9,375
Amortisation of transaction costs	EUR	n.a.	457	504
Total HY BOND - GCL Holdings S.C.A.			**9,832**	**9,879**
BOND - Guala Closures S.p.A. - 13/11/12	EUR	euribor 3M + 5.375%	7,723	7,821
Amortisation of transaction costs	EUR	n.a.	480	472
Total BOND - Guala Closures S.p.A.			**8,203**	**8,293**
BANK LOAN AND BORROWINGS:				
Senior Revolving Facility	EUR	euribor 3M + 3.75%	412	655
Amortisation of transaction costs	EUR	n.a.	255	255
Total Senior Revolving Facility			**667**	**910**
Loan Cassa di Risparmio di Alessandria	EUR	euribor 3M + 2.75%	16	9
Other bank loans Guala Closures S.p.A.	EUR	n.a.	9	63
IRS on SFA	EUR	n.a.	970	963
Commitment fees	EUR	n.a.	409	322
Loan Banco Sabadell (Spain)	EUR	5.20%	21	13
Loan Bancolombia (Colombia)	COP	n.a.	-	37
Advances on receivables and loans (Argentina)	AR$	n.a.	126	168
Loan Scotiabank (Mexico)	MXP	TIIE30 + 4.0% (*)	251	171
Total other bank loans and borrowings			**1,802**	**1,747**
Other financial liabilities:				
Financing as per Italian Law no. 46/82	EUR	2%	2	-
Guala Closures S.p.A. finance leases	EUR	euribor + 1.5% (**)	156	141
IRS on Leasing	EUR	n.a.	204	175
Bulgarian companies finance leases	BGN	n.a.	2	3
Other liabilities		n.a.	60	64
Total other financial liabilities			**425**	**383**
TOTAL			**20,929**	**21,213**

(*) TIIE30 stands for "Tasa de Interés Interbancaria de Equilibrio a 30 dias".
(**) Nominal interest rate on the property finance lease.

(21) Income taxes

This caption includes:

Thousands of Euros	For the six months ended June 30, 2013	2014
Current taxes	(8,430)	(8,255)
Deferred tax income	(709)	16
Deferred tax expense	3,019	974
Total	**(6,121)**	**(7,266)**

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.

(22) Fair value of financial instruments and sensitivity analysis

(a) Accouting 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, 2013 and June 30, 2014. 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 2014.

December 31, 2013		**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 (*)													
Trade receivables	7					93,079			**93,079**				-
Cash and cash equivalents	6					41,197			**41,197**				-
		-	**-**	**-**	**-**	**134,276**	**-**	**-**	**134,276**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value													
Interest rate swaps used for hedging				(1,025)					**(1,025)**		(1,025)		**(1,025)**
Interest rate swaps used for trading		(3,957)							**(3,957)**		(3,957)		**(3,957)**
Contingent consideration	11		(6,400)						**(6,400)**			(6,400)	**(6,400)**
		(3,957)	**(6,400)**	**(1,025)**	**-**	**-**	**-**	**-**	**(11,382)**	**-**	**(4,982)**	**(6,400)**	**(11,382)**
Financial liabilities not measured at fair value (*)													
Secured bank loans	11							(26,939)	**(26,939)**		(23,878)		**(23,878)**
Unsecured bank loans	11							(2,908)	**(2,908)**		(2,908)		**(2,908)**
Secured bonds issues	11							(271,314)	**(271,314)**		(275,976)		**(275,976)**
Unsecured bonds issues	11							(198,649)	**(198,649)**		(215,550)		**(215,550)**
Finance lease liabilities	11							(15,770)	**(15,770)**		(14,390)		**(14,390)**
Trade payables	12							(66,788)	**(66,788)**				-
Other payables	11							(472)	**(472)**		(472)		**(472)**
		-	**-**	**-**	**-**	**-**	**-**	**(582,839)**	**(582,839)**	**-**	**(533,173)**	**-**	**(533,173)**

(*) 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.

June 30, 2014		**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 (*)													
Trade receivables	7					100,950			**100,950**				-
Cash and cash equivalents	6					20,373			**20,373**				-
		-	-	-	-	**121,322**	-	-	**121,322**	-	-	-	-
Financial liabilities measured at fair value													
Interest rate swaps used for hedging				(1,041)					**(1,041)**		(1,041)		**(1,041)**
Interest rate swaps used for trading		(2,470)							**(2,470)**		(2,470)		**(2,470)**
Contingent consideration	11		(7,300)						**(7,300)**			(7,300)	**(7,300)**
		(2,470)	**(7,300)**	**(1,041)**	-	-	-	-	**(10,811)**	-	**(3,511)**	**(7,300)**	**(10,811)**
Financial liabilities not measured at fair value (*)													
Secured bank loans	11							(46,040)	**(46,040)**		(44,392)		**(44,392)**
Unsecured bank loans	11							(6,869)	**(6,869)**		(6,869)		**(6,869)**
Secured bonds issues	11							(271,827)	**(271,827)**		(282,981)		**(282,981)**
Unsecured bonds issues	11							(199,152)	**(199,152)**		(214,586)		**(214,586)**
Finance lease liabilities	11							(14,924)	**(14,924)**		(13,539)		**(13,539)**
Trade payables	12							(63,200)	**(63,200)**				-
Other payables	11							(340)	**(340)**		(340)		**(340)**
		-	-	-	-	-	-	**(602,352)**	**(602,352)**	-	**(562,707)**	-	**(562,707)**

(*) 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	*Discounted cash flows:* 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.	• Forecast EBITDA (average of last 2 years - 2012 and 2013 - and 2014 budget figures) • Net financial position of the Ukrainian subsidiary as at June 30, 2014 • Risk-adjusted discount rate (8.4%) • Expected date of put option exercise	The estimated fair value would increase if: • the EBITDA was higher • the Net financial position was higher • the risk-adjusted discount rate was lower • the expected date of put option was exercises early
Forward exchange contracts and interest rate swaps	*Market comparison technique:* 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	Not applicable.

(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, 2013	June 30, 2014
Balance at January 1	5,600	6,400
Loss included in "financial expense" - Net change in fair value (unrealised)	800	900
Balance at June 30	**6,400**	**7,300**

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%	(400)
	(10%)	400
Net financial position	+ 1 million €	(50)
	- 1 million €	50
Risk-adjusted discount rate	1%	500
	(1%)	(500)
Expected date of put option exercise	+ 1 year	300
	- 1 year	(300)

(23) 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.

Intesa Sanpaolo S.p.A. is considered a related party of GCL Holdings Group.
The transactions and relationships between Intesa Sanpaolo S.p.A. and the Group at June 30, 2014 are summarized below:
- Banca IMI (a wholly owned subsidiary of Intesa Sanpaolo S.p.A.) is, together with Unicredit Bank AG (subsidiary of one of the shareholders and also Agent and Security Agent of the Senior Facilities Agreement), Credit Suisse AG and Natixis S.A., the Original Lender and Mandated Lead Arrangers of the Senior Facilities Agreement dated October 10, 2008 and amended and restated from time to time and on October 31, 2012;
- at June 30, 2014, Intesa Sanpaolo S.p.A. 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, 2014, Intesa Sanpaolo S.p.A. 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, 2014, Intesa Sanpaolo S.p.A. has a representative on the board of directors of GCL Holdings LP S.à r.l. (Sole Shareholder of GCL Holdings GP S.à r.l.);
- at June 30, 2014, Intesa Sanpaolo S.p.A. controls an ultimate beneficial voting interest of 19.6%, via an investment in GCL Holdings L.P. S.à r.l.;
- Intesa Sanpaolo S.p.A., also through its subsidiaries Banca IMI, Leasint S.p.A. and Mediocredito Italiano S.p.A., has granted significant financing to the Group and is one of its main financial lenders;
- Guala Closures S.p.A. entered into interest rate swap agreements with Intesa Sanpaolo S.p.A. to hedge the interest rate exposure of the Senior Credit Facilities;
- transactions with Intesa Sanpaolo S.p.A. take place on an arm’s length basis.

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, 2014 are summarized below:
- for the period up to June 30, 2014, 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, 2014, 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, 2014, 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, 2014, 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 26) Employee benefits to the 2013 consolidated financial statements for additional information.

(24) Subsequent events

On July 8, 2014, the Group decided to close the Italian site of Torre d'Isola (PV) and reallocate its production to other Group plants (Italy and East Europe).
This industrial reorganization will allow the Group to improve the production efficiency and the service to the client.

Discussions are currently underway with the trade unions and local and regional authorities in order to deal with the plant closure.

The effects on the economic and financial situation are the following:

a) the assets have already been impaired in order to reflect their recoverable amount;
b) the estimated plant shut-down expenses are in the region of € 4 million.

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, 2013.

Risk factors

There have not been any material changes to the risk factors disclosed in the Consolidated financial statements as at December 31, 2013.

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, 2013.

Commitments and guarantees

The Group's commitments and guarantees given at June 30, 2014 are the same given for the year ended December 31, 2013.

Directors of GCL Holdings GP S.à r.l.
General Partner of GCL Holdings S.C.A.

Luxembourg, September 15, 2014

Annex to the condensed consolidated interim financial statements

Annex A)

Quarterly figures

ANNEX A)

Reclassified condensed consolidated statement of profit or loss

(Thousands of Euros)	2Q 2013	2Q 2014	1H 2013	1H 2014
Net revenue	**120,609**	**116,148**	**231,244**	**222,031**
Change in inventories of finished/semi-finished products	4,205	5,734	8,351	14,944
Other operating income	1,972	2,851	3,807	5,359
Costs for raw materials	(53,877)	(55,554)	(102,894)	(108,568)
Costs for services	(24,072)	(21,801)	(48,061)	(43,778)
Personnel expense	(23,273)	(22,868)	(46,269)	(45,705)
Other operating expense	(2,045)	(2,535)	(4,555)	(4,853)
Gross operating profit (EBITDA)	**23,519**	**21,974**	**41,624**	**39,429**
Amortization, depreciation and impairment losses	(10,191)	(10,027)	(20,259)	(19,246)
Operating profit	**13,329**	**11,947**	**21,364**	**20,184**
Financial income	816	1,990	4,365	4,703
Financial expense	(18,540)	(12,171)	(32,201)	(25,641)
Result before taxation	**(4,395)**	**1,766**	**(6,471)**	**(755)**
Income taxes	(2,424)	(3,663)	(6,121)	(7,266)
Result for the period	**(6,819)**	**(1,896)**	**(12,592)**	**(8,020)**
Source: condensed consolidated interim financial statements figures				
Gross operating profit adjusted (Adjusted EBITDA)	**23,481**	**22,392**	**41,875**	**40,198**
% on net revenue	*19.5%*	*19.3%*	*18.1%*	*18.1%*

Net revenue by division

Thousand of Euros	2Q 2013	2Q 2014	1H 2013	1H 2014
Closures	119,664	115,327	229,569	220,276
PET	945	821	1,675	1,755
Total	**120,609**	**116,148**	**231,244**	**222,031**

Net revenue by geographical segment

	2Q				1H			
	2013		2014		2013		2014	
Thousand of Euros	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
Europe	67,375	*55.9%*	68,219	*58.7%*	130,460	*56.4%*	131,586	*59.3%*
Asia	14,713	*12.2%*	16,379	*14.1%*	29,363	*12.7%*	31,015	*14.0%*
Latin and North America	20,882	*17.3%*	17,411	*15.0%*	35,118	*15.2%*	30,433	*13.7%*
Oceania	13,186	*10.9%*	10,360	*8.9%*	27,186	*11.8%*	21,573	*9.7%*
Africa	4,453	*3.7%*	3,779	*3.3%*	9,117	*3.9%*	7,423	*3.3%*
Total	**120,609**	***100.0%***	**116,148**	***100.0%***	**231,244**	***100.0%***	**222,031**	***100.0%***

Financial expense

	2Q		1H	
Thousands of Euros	**2013**	**2014**	**2013**	**2014**
Net exchange rate gains/(losses)	(6,076)	1,495	(6,237)	786
Fair value gain/(losses) on derivatives	(297)	194	172	760
Fair value losses on liability due to non-controlling investors	(800)	(900)	(800)	(900)
Net interest expense	(10,271)	(10,696)	(20,475)	(21,154)
Net other financial expense	(280)	(274)	(495)	(430)
Net financial expense	**(17,724)**	**(10,181)**	**(27,835)**	**(20,938)**

Consolidated statement of cash flow

	2Q		1H	
Thousand of Euros	**2013**	**2014**	**2013**	**2014**
Opening cash and cash equivalents	**53,669**	**31,221**	**58,474**	**41,197**
Cash flow generated by operating activities	9,822	9,416	18,199	2,549
Cash flow used in investing activities	(7,934)	(8,982)	(14,938)	(20,630)
Cash flow generated by/(used in) financing activities	(21,994)	(11,001)	(28,765)	(2,769)
Net cash flows for the period	**(20,106)**	**(10,567)**	**(25,504)**	**(20,850)**
Effect of exchange rate fluctuation on cash held	(1,660)	(281)	(1,067)	26
Closing cash and cash equivalents	**31,903**	**20,373**	**31,903**	**20,373**

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Report of the Réviseur d'Entreprises agréé on the review of interim financial information

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of GCL Holdings S.C.A. ("the Company") as at June 30, 2014, the condensed consolidated interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the 6 month period then ended, and notes to the condensed consolidated interim financial statements ("the condensed consolidated interim financial statements") as set out on pages 21 to 53. Management is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34, "Interim Financial Reporting", as adopted by European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as adopted, for Luxembourg, by the Institut des Réviseurs d'Entreprises. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at June 30, 2014 as set out on pages 21 to 53 are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting", as adopted by European Union.

Luxembourg, September 15, 2014

KPMG Luxembourg S.à r.l.
Cabinet de révision agréé

F. Leonardi