Press Release

Results for the Second Quarter ended 30 June 2016

Athens, Greece, 4 August 2016 – Frigoglass SAIC (“Frigoglass” or “we” or the “Group”) announces audited results for the quarter and six months ended 30 June 2016

Second Quarter 2016 Highlights

- Sustained recovery in West Europe (+27% y-o-y) driven by ICOOL’s penetration in Coca-Cola bottlers
- Ongoing beer market challenges in Russia resulted in lower demand for coolers
- Geographic sales mix and Service business performance led Cool EBITDA margin up 100bps to 11.8%
- Naira’s devaluation impacted Glass business top-line and EBITDA during the period
- Capital structure review process with advisors is ongoing

Financial Results

€ 000’s	2Q16	2Q15	Change, %	1H16	1H15	Change, %
Sales	137,801	145,156	-5.1%	239,699	265,160	-9.6%
EBITDA	17,343	19,578	-11.4%	28,042	31,546	-11.1%
EBITDA Margin, %	12.6%	13.5%	-0.9pp	11.7%	11.9%	-0.2pp
Operating Profit (EBIT)	8,851	11,497	-23.0%	11,304	14,647	-22.8%
Net Profit [1]	-16,784	-94	n.m.	-25,128	-3,962	n.m.
Adjusted Net Profit	-491	-94	n.m.	-8,835	-3,962	n.m.
Capital Expenditure	3,676	9,407	-60.9%	6,470	16,978	-61.9%

[1.] *Net Profit attributable to shareholders*

Note: Adjusted Net Profit exclude restructuring charges and other expenses. Refer to “Reconciliation of Reported to Adjusted Financial Results” on page 10.

Nikos Mamoulis, Chief Executive Officer of Frigoglass, commented:

"The sales contraction in the quarter largely reflects the weak beer industry and economic conditions in Russia. The continued recovery in West Europe due to solid demand for ICOOL limited the adverse impact from Russia. The devaluation of the Naira had an adverse impact on Glass business profitability in Nigeria, more than offsetting the benefits from the expansion of the Integrated Service business and the favorable product mix effect in Cool Operations.

Following continued market headwinds and economic uncertainty, we are altering our operating model in Asia in order to optimize our production capacity, improve our fixed cost structure and strengthen our long-term competitiveness. We are discontinuing manufacturing operations in China and consolidating production volume in India and Indonesia. With this transformation we expect to achieve annualised cost savings of approximately €2 million commencing from the fourth quarter of 2016, primarily related to the elimination of fixed production and operating costs. The one-off restructuring charges were €11 million in the quarter, of which only €2.5 million cash.

For the remainder of the year, Russia’s soft market environment and currency headwinds will continue to influence our results. We are implementing cost efficiency measures to mitigate the impact on profitability, as well as taking pricing initiatives in our Nigerian Glass business to limit the effect caused by the Naira’s devaluation.”

Frigoglass management will host an analysts and investors conference call today. See dial-in details on page 7.

Financial Overview

Second quarter consolidated sales declined by 5.1% to €137.8 million, primarily driven by the continued weak beer market and macroeconomic environment in Russia. The adverse conditions in Russia resulted in a double digit sales decline in East Europe in the quarter. Sales recovery in West Europe continued, growing by 27% year-on-year in the quarter due to the sustained momentum of ICOOL among Coca-Cola bottlers. In Africa, sales were broadly unchanged to the prior year's quarter, while our Asia business saw sales growing by 14% due to increased demand in most Asian markets. Sales in the Glass business declined by 3.5%, with currency translation having a negative impact of 9.7% on sales.

Gross profit (excluding depreciation) decreased by 11.6% to €28.9 million in the quarter, resulting in a gross profit margin reduction of 150 basis points year-on-year to 21%. The margin deterioration largely reflects the effect of foreign exchange fluctuations on the price of key raw materials required for our Nigerian glass business as well as lower fixed cost absorption caused by the volume decline in Plastic Crates in Nigeria and the Jebel Ali Glass business. These adverse factors more than offset the 30 basis points year-on-year gross margin improvement to 21.6% driven by the favorable geographic sales mix in Cool Operations following Western Europe's increased contribution and our focus on developing the higher-margin Service business.

Operating expenses (excluding depreciation) declined by 6.9% to €12.4 million, reflecting a 20 basis points improvement of operating expenses over sales margin at 9%. The improvement reflects lower administration expenses and our strong focus on cost efficiency measures.

EBITDA in the quarter was €17.3 million, down 11.4% year-on-year, with the respective margin declining by 90 basis points to 12.6%. The margin reduction primarily reflects the impact of the devaluation of Naira on the Glass business. The EBITDA reduction and the higher year-on-year deprecation charges resulted in an Operating Profit (EBIT) of €8.9 million, compared to an EBIT of €11.5 million last year. Net interest expenses of €7.1 million were more than offset by foreign exchange gains mainly due to the devaluation of Naira, resulting in net finance income of €5.9 million compared to net finance cost of €7.9 million a year ago. Frigoglass reported net losses of €16.8 million in the quarter following restructuring charges of €11.4 million relating to the cessation of its manufacturing operations in China and €4.9 million in expenses associated with the ongoing capital structure review process. Excluding restructuring costs and capital structure review related expenses, Frigoglass reported a net loss of €0.5m for the quarter, compared to a break-even result last year.

Net debt at the end of the quarter was €319.5 million, compared to €283.9 million a year ago. The 12-months (LTM) Free Cash Flow generation was more than offset by interest paid and adverse foreign currency movements, resulting in a higher year-on-year net debt level. It was also adversely affected by increased capital expenditure due to the furnace rebuild in Nigeria and the acquisition of the minority interest of Frigoglass Jebel Ali, offsetting the cash release from the improved receivables collection, proceeds from the sale of the plant in Turkey and tight capital spending since the start of the year.

Total equity deteriorated by €63 million to a negative €63 million at 30 June 2016, compared to 30 December 2016, impacted by adverse foreign currency translation of €43 million mainly due to the devaluation of the Naira, the restructuring costs related to the closure of the manufacturing operations in China and the loss for the period.

Segmental Review

Cool Operations

€ 000's	2Q16	2Q15	Change, %	1H16	1H15	Change, %
Sales	105,038	111,212	-5.6%	181,340	197,671	-8.3%
EBITDA	12,429	11,992	3.6%	18,479	20,052	-7.8%
EBITDA Margin, %	11.8%	10.8%	1.0pp	10.2%	10.1%	0.1pp
Operating Profit (EBIT)	7,812	7,971	-2.0%	9,922	12,476	-20.5%
Net Profit [1]	-23,173	-1,196	n.m.	-30,090	-4,043	n.m.
Adjusted Net Profit	-6,880	-1,196	n.m.	-13,797	-4,043	n.m.
Capital Expenditure	2,037	2,137	-4.7%	3,571	3,621	-1.4%

[1] *Net Profit after minority interest*

Note: Adjusted Net Profit exclude restructuring charges and other expenses. Refer to "Reconciliation of Reported to Adjusted Financial Results" on page 10.

Cool Operations' sales declined by 5.6% in the quarter following significantly lower cooler investments from brewery customers, primarily in Russia. Sales to Coca-Cola bottlers were up 8% in the quarter, partly offsetting the reduction of sales to brewery customers. The continued recovery of sales to Coca-Cola bottlers was driven by increased cooler placements mainly in Nigeria, France, Ethiopia and Poland.

Europe

In Russia, beer industry specific challenges and the weak macroeconomic conditions continued to adversely affect brewery customers' cooler investments in the quarter. Restrictions on packaging sizes and rising inflation leading to the reduction of consumer's purchasing power continued to put pressure on beer consumption. Overall, our Eastern European business saw sales declining by 24%. Western Europe's sales had a good recovery, growing by 27% in the quarter. This performance reflects strong execution of our commercial strategy for further penetration of Coca-Cola bottlers.

Africa and Middle East

Sales in Africa and the Middle East were broadly unchanged compared to the prior year. Increased cooler placements from Cola-Cola bottlers in Ethiopia and Nigeria were fully offset mainly by lower sales in South Africa due to the continued macroeconomic challenges and adverse foreign exchange translation impact. In the Middle East, sales to the Coca-Cola bottler in Saudi Arabia were up in double digits for the quarter.

Asia and Oceania

In our Asian business, sales increased by 14% driven by soft-drink customers in Vietnam as well as growth in several smaller countries in the region. Asia remains a highly competitive region that we target to improve our cost competitiveness through operational excellence, productivity gains and manufacturing volume consolidation initiatives.

Despite the lower year-on-year sales, EBITDA increased by 3.6% to €12.4m in the quarter. EBITDA margin improved by 100 basis points to 11.8%, mainly driven by the favourable geographical sales mix stemming from the increased contribution of Western Europe. The EBITDA margin improvement also reflects further development of our higher margin Service business, the benefits of lower raw material prices and reduced operating expenses due to lower employee related costs.

Operating Profit (EBIT) reached €7.8 million, 2% lower year-on-year. Cool Operations reported net losses of €23.2 million in the quarter, impacted by restructuring charges of €11.4 million associated with the closure of the manufacturing operations in China, €4.9 million extraordinary expenses related to the ongoing capital structure review process and higher year-on-year foreign exchange losses. Excluding restructuring and capital structure review related expenses, Cool Operations reported net losses of €6.9 million in the quarter, compared to a net loss of €1.2 million in the prior year's quarter.

Glass Operations

€ 000's	2Q16	2Q15	Change, %	1H16	1H15	Change, %
Sales	32,762	33,944	-3.5%	58,359	67,489	-13.5%
EBITDA	4,914	7,586	-35.2%	9,563	11,494	-16.8%
EBITDA Margin, %	15.0%	22.3%	-7.3pp	16.4%	17.0%	-0.6pp
Operating Profit (EBIT)	1,040	3,526	-70.5%	1,382	2,171	-36.3%
Net Profit [1]	6,389	1,102	n.m.	4,962	81	n.m.
Capital Expenditure	1,639	7,270	-77.5%	2,899	13,356	-78.3%

[1] *Net Profit after minority interest*

Glass Operations' sales declined by 3.5% in the quarter, while on a currency neutral basis, sales were up 6.2% year-on-year. Despite the continued difficult market conditions in Nigeria, the local operations saw sales increasing marginally by 0.9%, impacted by unfavorable foreign currency translation and slowing demand for our complementary Plastic Crates business. The core container glass operations had a solid performance, with sales growing 18% in the quarter, mainly reflecting orders being shifted from the first quarter to the second quarter of 2016. The solid performance was achieved despite the 14% foreign exchange impact on sales.

Our business in Dubai saw sales declining by double digits over the quarter, reflecting a strong comparative quarter last year. In 2Q15, Jebel Ali benefited from orders from brewery customers in West Africa as Nigerian operations were running at almost full capacity.

Second quarter EBITDA was adversely impacted by the devaluation of Nigeria's Naira. Fixed cost underabsorption due to lower volumes in the Plastic Crates and the Jebel Ali Glass businesses also impacted the EBITDA margin in the quarter. Overall, EBITDA was €4.9 million, compared to €7.6 million last year, with the respective margin deteriorating by 730 basis points to 15%. Operating Profit (EBIT) reached €1.0 million, compared to €3.5 million last year. Glass Operations' net profit reached €6.4 million, compared to profits of €1.1 million in 2Q15, driven by foreign exchange gains due to the devaluation of the Naira.

Business Outlook

The weak macroeconomic conditions and beer industry specific challenges in Russia will continue to influence our top-line for the second half of the year. In this highly volatile environment, we are focusing on strengthening our relationships with Coca-Cola bottlers and breweries through our innovative ICOOL and Smart cooler ranges respectively. In the first half of the year, approximately 40% of Coca-Cola bottlers' orders were ICOOL coolers. We expect our Service business sales to continue growing in the second half of the year, due to the recently launched Integrated Service system. We are also in the process of developing innovative solutions to satisfy the increasing demand in the emerging markets for quality coolers at competitive pricing. We piloted our Hybrid cooler in Africa, which is designed to mitigate the impact of power outages as it maintains low temperatures for hours without requiring an electrical power source.

Following strong competition and given our existing manufacturing footprint in Asia, we are taking decisive actions to increase capacity utilization. In this context, we announced in July, changes to our operating model in Asia, which include the discontinuation of manufacturing operations in China and the transfer of the related production volume to India and Indonesia. We believe this development will enable the optimization of capacity in Asia, improve the Company's cost base and strengthen our cost competitiveness. In the short-term, we believe it will also ease the impact on our bottom line driven by a rather soft outlook in the second half of the year. Overall, we expect this transformation to deliver annualized cost savings of approximately €2 million, commencing from the fourth quarter of 2016, primarily related to the elimination of production and operating costs.

In the Glass business, foreign exchange effects are expected to continue impacting our results for the remainder of the year. We are focused on pricing initiatives and efficiency gains to mitigate the effect of foreign exchange rate fluctuations driven by the devaluation of the Naira.

We expect to improve cash flow generation before interest expenses for the full-year through tight working capital management and capital expenditure at approximately €15 million.

Capital structure review

Frigoglass continues to work with its advisors to review the full range of available options to establish a stable long-term capital structure. We will provide further updates regarding this review as and when appropriate.

Frigoglass

Frigoglass is a strategic partner to beverage brands throughout the world. We are one of the global leaders in the Ice Cold Merchandisers (ICM) market and the principal supplier of glass packaging in the high growth markets of West Africa.

Frigoglass has long-standing relationships with blue chip customers in the soft drinks and beverage industries. Our bespoke Ice Cold Merchandisers (beverage coolers) enhance our customers' beverage branding and facilitate immediate beverage consumption. At the same time, our leading innovations in the field of green refrigeration enable our customers to meet their sustainability and carbon emissions reduction targets.

With a truly global footprint, Frigoglass is established in the more mature European markets while it is evolving and establishing its position in emerging markets. We support our customers around the world through manufacturing facilities in eight countries and an extensive network of sales and after-sales representatives on five continents.

In our glass bottle business, we are focused on the markets in Africa and the Middle East, which are prime regions of investment for our customers. We aim to create value for our customers by building on our position as a leading supplier of glass bottles and complementary packaging solutions in West Africa and the Middle East.

For more information, please visit www.frigoglass.com.

Conference call details

Frigoglass will host an analysts and investors conference call to discuss its second quarter results today at 4:00 pm, Athens Time (2:00 pm London time and 9:00 am New York time). Callers should dial +30 211 198 1560 from Greece, +44 203 043 2440 from the UK (also other international callers) and +1 877 887 4163 from the US. The access code to the conference call is 33100525#.

The conference call, which will include management's remarks and a question and answer session, will last approximately one hour. A slide presentation will be available as of that time on the Frigoglass website: http://www.frigoglass.com.

Please dial in approximately 10 minutes ahead of the scheduled start time to ensure your participation. A replay of the conference call will be available until Friday, 2 September 2016.

The second quarter results press release is available from 4 August 2016 on the Frigoglass News section at www.frigoglass.com/press-releases and on the IR homepage at www.frigoglass.com/investors.

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Important note regarding forward-looking statements

This announcement may contain forward-looking statements which are based on current expectations and assumptions about future events. These forward-looking statements are subject, among other things, to business, economic and competitive uncertainties and contingencies, many of which are beyond Frigoglass' ability to control or estimate precisely. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Frigoglass does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement. With respect to any estimates of future cost savings included herein, Frigoglass can provide no assurance that the full benefits it expects will be realized within the time periods specified or that implementation costs associated with such cost savings will not exceed its expectations.

Appendices

1. Reconciliation of Reported to Adjusted Financial Results
2. Cool Operations Sales by Geography and Customer Group
3. Condensed Consolidated Income Statement
4. Condensed Consolidated Balance Sheet
5. Condensed Consolidated Cash Flow Statement

The attached condensed financial statements should be red in conjunction with the relevant notes to the full financial statements for the period, which can be found on the company's website at www.frigoglass.com.

Appendix 1: Reconciliation of Reported to Adjusted Financial Results

Financial Results	**2Q16**				**1H16**			
€ 000's, *unless otherwise indicated*	**EBITDA**	**EBIT**	**Net Profit**	**EPS**	**EBITDA**	**EBIT**	**Net Profit**	**EPS**
Reported	17,343	8,851	-16,784	-0.33	28,042	11,304	-25,128	-0.50
Restructuring costs	–	–	11,394	0.23	–	–	11,394	0.23
Capital Restructuring Expenses	–	–	4,899	0.10	–	–	4,899	0.10
Adjusted	17,343	8,851	-491	-0.01	28,042	11,304	-8,835	-0.17

Restructuring costs amounted to €11.4 million before tax, all recorded in Cool Operations in the second quarter of 2016. The restructuring costs reflect the discontinuation of the manufacturing operations at the Guangzhou based facility in China. These charges relate to the impairment of inventories, machinery and buildings as well as severance linked and other expenses.

Capital restructuring expenses amounted to €4.9 million before tax, all recorded in Cool Operations in the second quarter of 2016. These charges mainly include legal and financial related fees and relate to the ongoing capital structure review process.

Appendix 2: Cool Operations Sales by Geography and Customer Group

Cool Operations Sales by Geography

€ 000's	2Q16	2Q15	Change, %	1H16	1H15	Change, %
East Europe	38,215	50,486	-24.3%	65,301	83,893	-22.2%
West Europe	21,175	16,650	27.2%	39,611	31,486	25.8%
Africa & Middle East	20,640	20,755	-0.6%	32,729	30,437	7.5%
Asia & Oceania	23,212	20,368	14.0%	40,752	44,071	-7.5%
America	1,796	2,952	-39.2%	2,947	7,784	-62.1%
Total	**105,038**	**111,211**	**-5.6%**	**181,340**	**197,671**	**-8.3%**

Cool Operations Sales by Customer Group

€ 000's	2Q16	2Q15	Change, %	1H16	1H15	Change, %
Coca-Cola Bottlers	70,538	65,097	8.4%	119,782	105,522	13.5%
Breweries	19,520	28,447	-31.4%	32,635	62,522	-47.8%
Other	14,979	17,667	-15.2%	28,922	29,627	-2.4%
Total	**105,038**	**111,211**	**-5.6%**	**181,340**	**197,671**	**-8.3%**

Appendix 3: Condensed Consolidated Income Statement

€ 000's, *unless otherwise indicated*	**2Q16**	**2Q15**	**1H16**	**1H15**
Net sales revenue	137,801	145,156	239,699	265,160
Cost of goods sold	-115,170	-119,175	-202,306	-223,812
Gross profit	**22,631**	**25,981**	**37,393**	**41,348**
Operating expenses	-14,604	-14,679	-27,510	-27,898
Other income/losses	824	195	1,421	1,197
Operating profit	**8,851**	**11,497**	**11,304**	**14,647**
Total finance costs, net	5,860	-7,899	-3,605	-11,009
Profit before tax and non-recurring costs	**14,711**	**3.599**	**7,699**	**3,638**
Non-recurring costs	-16.293		-16.293	
Profit before tax	**-1,582**	**3,598**	**-8,594**	**3,638**
Income tax expense	-10,604	-2,565	-11,892	-5,821
Profit after tax	**-12,186**	**1,034**	**-20,486**	**-2,183**
Attributable to:				
Equity holders of the Company	-16,784	-94	-25,128	-3,962
Non-controlling Interests	4,598	1,128	4,642	1,779
	-12,186	**1,034**	**-20,486**	**-2,183**
Depreciation	8,492	8,081	16,738	16,899
EBITDA	**17,343**	**19,578**	**28,042**	**31,546**
Earnings per share (€)				
Basic	-0.33	0.00	-0.50	-0.08
Diluted	-0.33	0.00	-0.50	-0.08

Appendix 4: Condensed Consolidated Balance Sheet

€ 000's	Period ended 30 June 2016	Period ended 30 June 2015
Assets		
Property, plant and equipment	167,485	203,510
Intangible assets	16,557	18,953
Other non-current assets	2,317	11,123
Total non-current assets	**186,359**	**233,586**
Inventories	87,533	107,396
Trade and other receivables	156,267	196,681
Cash and cash equivalents	60,334	64,898
Total current assets	**304,134**	**368,975**
Total assets	**490,493**	**602,561**
Liabilities		
Long-term borrowings	246,852	245,394
Other non-current liabilities	37,794	33,855
Total non-current liabilities	**284,646**	**279,249**
Short-term borrowings	133,020	103,366
Other current liabilities	136,133	165,086
Total current liabilities	**269,153**	**268,452**
Total liabilities	**553,799**	**547,701**
Equity		
Total shareholders' equity	-98,598	10,696
Non-controlling interests	35,292	44,164
Total equity	**-63,306**	**54,860**
Total equity and liabilities	**490,493**	**602,561**

Appendix 5: Condensed Consolidated Cash Flow Statement

€ 000's	Period ended 30 June 2016	Period ended 30 June 2015
Operating activities		
Profit before tax	-8,594	3,638
Adjustments for:		
Depreciation	16,738	16,899
Total finance costs, net	3,605	11,009
Other non-cash items and provisions	13,078	630
Decrease/(increase) in inventories	9,170	-8,859
Decrease/(increase) in trade and other receivables	-17,202	-43,705
(Decrease)/increase in trade and other payables	21,630	19,704
Income tax paid	-9,400	-5,341
Net Cash flow from operating activities	**29,025**	**-6,025**
Investing activities		
Purchase of property, plant and equipment	-5,208	-15,302
Purchase of intangible assets	-1,262	-1,675
Proceeds from disposal of property, plant, equipment and intangible assets	5,148	51
Net cash flow used in investing activities	**-1,322**	**-16,926**
Cash flow after operating & investing activities	**27,703**	**-22,951**
Financing activities		
Net (decrease)/increase in borrowing	17,857	45,696
Interest paid	-13,803	-13,041
Dividends paid to Minority	-3	0
Acquisition of subsiadiary's non-controlling interest	0	-3,724
Net cash flow used in financing activities	**4,051**	**28,931**
Net increase / (decrease) in cash and cash equivalents	31,753	5,980
Cash and cash equivalents at the beginning of the period	**57,492**	**68,732**
Effects of changes in exchange rate	-28,912	-9,814
Cash and cash equivalents at the end of the period	**60,334**	**64,898**