



klöckner pentaplast

press release

FOR IMMEDIATE RELEASE

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KP DELIVERS FIFTH CONSECUTIVE YEAR OF GROWTH AND SIGNIFICANTLY INCREASES PROFITABILITY

- **Robust growth: Net sales increased by 2% to €1,191 Mio.**
- **Outstanding earnings performance: Adjusted EBITDA improved by 14% to €174 Mio.**
- **Continued debt reduction: Net debt decreased by €90 Mio. to €430 Mio.**
- **Significant investments in growing markets and innovation for long-term growth**
- **Recruitment of strong talent across Operations, Innovation, Marketing, and Finance teams**

Montabaur, Germany – December 12, 2013 – The Klöckner Pentaplast Group, the global leader in pharmaceutical and consumer packaging, printing, and specialty plastic film solutions, has continued on its growth track in the financial year 2012/2013 ending September 30, 2013. **Net sales** increased by 2% from €1,167 Mio. to €1,191 Mio. In the same period, **Adjusted EBITDA** improved by 14% from €153 Mio. to €174 Mio.

The Klöckner Pentaplast Group also increased its available liquidity to €189 Mio. (previous year: €145 Mio.). The strong operational and cash flow performance, coupled with Net working capital improvements enabled the company to make several voluntary prepayments of its term loan. This contributed to a decrease in **Net debt** by €90 Mio. to €430 Mio.

Christian Holtmann, CEO of Klöckner Pentaplast Group: “We are delighted with the strong financial performance we delivered in the first full financial year under our new ownership structure, which is led by SVP, which has been extremely supportive. The results reflect a step change in the company’s profitability.”

Klöckner Pentaplast’s strong performance in FY 2013 is primarily attributable to its strategy for profitable growth. Since 2011, the company has launched a number of initiatives to develop kp along the three pillars “grow the core, extend the reach, expand the breadth.” A broad set of initiatives is underway to continuously enhance the company’s operational excellence; to strengthen its market leadership position; and to innovate with and for its customers. kp aims to deliver

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superior customer value and provide additional services to best respond to customers' needs.

Klöckner Pentaplast's growth strategy has been backed by major investments in growing and attractive markets resulting in a **Capex** increase of 6% to €41 Mio. The company invested in its facilities in Cotia, Brazil; Crumlin, Great Britain; Santo Tirso, Portugal; and Villa Del Totoral, Argentina. In July 2013, the company also opened its first production site in China (Suzhou), producing packaging films for the growing domestic Chinese and Asian markets. The expansion of its global platform resulted in the **total number of employees** rising to 3,102 (PY 3,032).

Markus Hölzl, CFO of Klöckner Pentaplast Group comments: "Klöckner Pentaplast's ability to deleverage reflects the company's solid financial footing and strong liquidity position. Our operating strength will allow us to continue to follow this path going forward."

Christian Holtmann, CEO of Klöckner Pentaplast Group concludes: "Next year, we will continue to focus on operational improvement while accelerating the implementation of our growth strategy. We will invest in growing and attractive markets. We will continue to drive innovation and recruit strong talent across the organization in all areas of Operations, Innovation, Marketing, and Finance. Additionally, we plan to further focus on customer relationship management, product portfolio management, and operational efficiency. The company is well positioned to capture growth in emerging countries and will gain further momentum as its innovation pipeline yields results."

About the Klöckner Pentaplast Group

The Klöckner Pentaplast Group is a global leader in providing packaging, printing, and specialty solutions serving the pharmaceutical, medical device, food, beverage, and card markets among others. With a broad portfolio of rigid plastic films and services powered by innovation, kp plays an integral role in the customer value chain by marketing and protecting product integrity, safety, consumer health, and, ultimately, brand reputation.

Founded in 1965, Klöckner Pentaplast has grown from its initial facility in Montabaur, Germany, to current operations in 12 countries with 18 production sites. The company has sales of over €1,191 million and employs more than 3,000 people committed to serving customers worldwide. The Klöckner Pentaplast Group is wholly owned by an investor group led by SVP Global, a leading global investment firm focused on deep value opportunities. For more information about kp, visit our web site at www.kpfilms.com.

About SVP Global

SVP Global seeks to create value in its investments through its substantial industry, restructuring and operating expertise. The firm, which has assets primarily across a hedge fund strategy (\$1.6 billion) and private equity funds (\$2.4 billion raised), has primary offices in Greenwich (CT), London, Frankfurt, and Tokyo. It was founded in 2001 by Victor Khosla. For more information about SVP, please visit www.svpglobal.com.

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