Press release
Trento, April 28th 2014

Zobele Group closes 2013 financial year with improved profitability

Net sales of €331.9 million, or 1.0% above last year at equivalent exchange rates.
EBITDA before non-recurring transactions at €44 million – an increase of €1 million vs last year.

Zobele Group, the leading global supplier of air care and insecticide devices by revenues, closes the 2013 financial year with net sales of €331.9 million, reporting a decrease of €5.7 million (or -1.7%) in comparison with the €337.6 million for the year ended December 31st, 2012. However, consolidated sales were impacted by the weak US Dollar during 2013 and restating 2013 sales at 2012 exchange rates shows a like-for-like sales increase of 1.0% vs 2012.

Overall, like-for-like sales increased in the categories of Pest Control (despite adverse weather conditions in Europe) and Home, Health and Personal Care, but were slightly lower in the Air Care category, largely due to variability of end customer demand in the final quarter.

The Group, which sells its products mainly to blue chip fast-moving consumer goods ("FMCG") companies, reported an EBITDA before non-recurring transactions of €44 million, recording an increase of €1 million (+2.3%) from €43 million compared to 2012.

The Group continued to eliminate manufacturing inefficiencies in all plants through a strong focus on all areas of manufacturing excellence and as a result Gross Profit as a percentage of sales increased from 19% in 2012 to 20.6% for the year ended December 2013.

The Group's Net Financial Position closed in line with 2012 (€138.9 million in 2013 vs €138 million in 2012). During the year, the Group successfully restructured its financing with the issue of a Bond of €180 million, listed on the Luxembourg Stock Exchange, replacing the existing bank debt. Cash generation was strong at €23.2 million, in line with 2012.

"The results were in line with our expectations, and we are very satisfied with the improvement in profitability achieved through our constant focus on eliminating manufacturing inefficiencies" – Roberto Schianchi, Group CEO commented – "The year we have closed has been marked by different factors that slightly impacted our top line but Zobele Group has been able to confirm its global leadership, to further strengthen its long-standing relationship with clients while winning new customers and to continue to focus on product innovation. During the year, we were awarded several new products that will hit the market during the coming years. These are the characteristics on which the Group must base its future growth along with continuing to nurture our talents and to develop our leadership skills".

The company generates approximately 93.4% of its net sales in markets outside Italy.

ZOBELE GROUP
Zobele Group primarily sells its products to blue chip fast-moving consumer goods ("FMCG") companies, and the average length of its relationships with its key customers is 24 years. Zobele Group operates as a "one-stop-shop", offering customers global solutions and services covering the entire value chain from product innovation and development to manufacturing and delivery. Historically, Zobele Group has grown its business and increased profits through its wide range of products, long-standing customer relationships, strong product innovation and development capabilities and its global industrial footprint. Zobele Group is headquartered in Italy (Trento), operates manufacturing plants in six countries (Mexico, China, Italy, Bulgaria, Brazil and India), has design and development centres in five countries (Italy, Spain, Mexico, China and Bulgaria) and has innovation centres in Spain and Singapore. As of December 31, 2013, Zobele Group had 4.737 employees worldwide.

EBITDA
Neither EBITDA before non-recurring transactions nor EBITDA before non-recurring transactions margin is a recognized measure of financial performance or liquidity under IFRS. We define EBITDA before non-recurring transactions as net income before income taxes, financial income and expense, depreciation, amortization and write-downs and costs related to non-recurring transactions. These non-GAAP measures should not be considered a substitute for operating income, profit/(loss) before tax, cash flow from operating, investing or financing activities or any other measure of performance in accordance with generally accepted accounting principles. As a result of their limitations, neither EBITDA before non-recurring transactions nor EBITDA before non-recurring transactions margin should be considered in isolation or as a substitute for performance measures calculated in accordance with IFRS. We compensate for these limitations by relying primarily on our IFRS results and using EBITDA before non-recurring transactions and EBITDA before non-recurring transactions margin only supplementally.

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