

## Press Release

Trento, April 26<sup>th</sup> 2013

# Growth for Zobe Group in 2012

- *Net sales reached €337.6 million, compared to €313.3 million in 2011 (an increase of 7.8%).*
- *EBITDA before non-recurring transactions increased to €43.0 million (€40.4 million in 2011).*
- *The net financial position improved by €15.8 million.*

Zobe Group, the leading global supplier of air care and insecticide devices, closed the 2012 financial year with consolidated revenues of €337.6 million, an increase of 7.8% with respect to the previous year. EBITDA (before non-recurring transactions) increased to €43.0 million or 12.7% of revenues (12.9% in 2011).

The increase in revenues was due primarily to growth in sales to blue chip fast-moving consumer goods ("global FMCG") companies. During 2012 Zobe Group concentrated on widening the portfolio of products offered to our existing customers and on reaching a more accurate level of customer service. The importance of these strategic development factors is demonstrated by the growth of Zobe Group sales to global FMCG customers, which rose from €248.0 million in 2011 to €273.8 million in 2012.

Zobe Group also saw strong growth in Emerging Markets (Asia-Pacific, South America, Africa, Middle East), with sales reaching €63.2 million in these markets, an increase of 39.3% over 2011. To further exploit this growth potential, the Group made investments in the plants in Brazil and India, with larger facilities and with additional production lines.

The recovery of production efficiency, control of costs and cash generation were at the centre of Group efforts in 2012.

The consolidated net financial position improved by €15.8 million during the year. This is the result of a focus on cash generation and working capital management at the production level, with particular attention to reducing the level of inventory in the production facilities.

At 31<sup>st</sup> December 2012 the Group leverage was 3.2x.

*"We are particularly satisfied with these results," Roberto Schianchi, CEO, declared. "We launched production in new segments of the air care category on behalf of existing customers and accompanied them in the fast-growing emerging markets. This enabled us to grow significantly above the market in air care. We have also been successful in cash generation during 2012".*

## **ZOBELE GROUP**

Zobe 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. Zobe 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, Zobe 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. Zobe 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, 2012, Zobe Group had 5.012 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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