

ÅR Packaging Group AB

Consolidated figures after Q2-2013

The numbers presented have not been subject to audit



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Management comments

- AR Packaging Group's net sales in the second quarter amounted to EUR 106.2 million (102.7), and to EUR 209.5 million for the first half of 2013 (205.4). Due to divestment of the Beer&Beverage business in December 2012, the reported figures for 2012 in the income statement are proforma excluding Beer&Beverage to get comparable numbers.
- A stable underlying business together with new business gained have resulted in a business growth of 2% for the first half of 2013 and 3,4 % in Q2-2013.
- The rolling 12 M EBITDA has increased to 32,3 MEUR from 23,3 MEUR 12 months back. This is a result of concentration and focus on fewer segments, a more profitable product mix and improved efficiency mainly through reduced costs. The EBITDA run rate is currently around 36 MEUR.
- The Group's underlying performance has clearly improved as a result of the restructuring program started last year, with improvement in both net sales and profit margins. As a consequence of this the Net Income has moved from negative numbers to positive.
- The internal development program is still ongoing, and the positive trend is expected to continue. At the beginning of July the company issued a EUR 80 million bond to refinance all existing loans from external financiers and shareholders.
- Our key ratios has clearly improved as a combination of the increased EBITDA and reduced net debt compared to previous period .
- The outlook for the remaining part of the year looks good, with expected continuous improvement in our profitability, a positive and stable cash flow development reducing the net debt further.

Consolidated Income statement

INCOME STATEMENT KEUR	Period		Year-to-date June	
	Q2/2013	Q2/2012	H1/2013	H1/2012
Net sales	106 217	102 726	209 484	205 445
EBITDA	9 224	6 386	16 412	11 279
<i>Margin %</i>	8,7 %	6,2 %	7,8 %	5,5 %
Depreciation	-4 163	-4 018	-8 290	-7 980
EBITA	5 061	2 368	8 122	3 299
<i>Margin %</i>	4,8 %	2,3 %	3,9 %	1,6 %
Amortization of goodwill	-593	-476	-1 174	-2 221
Structural items	-559	-929	-1 062	-2 221
EBIT	3 909	963	5 839	996
<i>Margin %</i>	3,7 %	0,9 %	2,8 %	0,5 %
Financial items	-2 076	-2 009	-3 665	-3 862
Tax	-24	-372	-382	-404
Net Income	1 809	-1 418	1 792	-3 270

Consolidated Balance sheet, key ratios and cash flow

BALANCE SHEET KEUR	Q2/2013	Q2/2012
ASSETS		
Intangible assets incl. Goodwill	39 358	41 777
Fixed assets	96 924	106 101
Total fixed assets	136 282	147 878
Current assets	111 791	124 796
Cash and cash equivalents	7 663	7 584
Total current assets	119 454	132 380
Total Assets	255 736	280 258
EQUITY AND LIABILITIES		
Total equity	64 926	59 757
Vendor loans	10 316	9 552
Shareholder loans	27 358	27 164
Total subordinated debt	37 674	36 716
Senior secured bond *	0	0
Bank overdraft facility	7 546	15 629
Bank loan	15 591	17 333
Lease debts	17 983	21 960
Other long term ib-liabilities	1 726	2 081
Factoring debts	2 862	10 281
Pension provision	20 212	24 933
Total interest bearing debt	65 920	92 217
Trade payables	47 220	54 190
Total non-interest bearing debt	39 996	37 378
Total equity and liabilities	255 736	280 258

KEY RATIOS AND COVENANTS KEUR	Q2/2013	Q2/2012
EBITDA T12M	32 291	23 312
Equity ratio	25,4 %	21,3 %
Net interest bearing debt	95 931	121 349
Net finance charges T12M	-7 230	-7 966
Net debt / EBITDA	3,0x	5,2x
Interest coverage ratio	4,5x	2,9x
Debt service coverage ratio	4,5x	2,9x

CASH FLOW STATEMENT KEUR	Q2/2013	YTD JUNE 2013
EBITDA	9 224	16 412
Change in NWC	1 834	2 534
Maintenance Capex	-1 814	-3 789
Operating cash flow	9 244	15 157
Net finance charges	-2 161	-3 665
Instalments	-2 925	-4 717
Debt service	-5 086	-8 382
Operating cash flow after debt service	4 158	6 775

* The bond issue date was on July 2, 2013 so figures will be reported in Q3.