

Zignago Vetro S.p.A.

PRESS RELEASE

**Board of Directors of Zignago Vetro S.p.A. approves
the Interim Report at September 30, 2014**

Zignago Vetro Group revenues grow in the first nine months of 2014. Cash generation also improves (*).

Revenues total Euro 226.5 million, increasing 5% on 9M 2013; export revenues reach Euro 82.4 million, up 1.1% and 36.4% of total revenues.

EBITDA amounts to Euro 48 million (21.2% revenue margin, - 1.3%).

Operating profit totals Euro 27.4 million (12.1% revenue margin, - 4.5%).

Net debt of Euro 101.9 million (+1.7%).

Cash generation, before investments, rises to Euro 46.6 million (+24.6%).

Group 9M 2014 Results (*)

	9M 2014 <i>(in Euro millions)</i>	9M 2013 <i>(in Euro millions)</i>	Cge.%
Revenues	226.5	215.8	+ 5.0%
EBITDA	48.0	48.6	- 1.3%
EBIT	26.5	28.3	- 6.1%
Operating profit	27.4	28.7	- 4.5%
Profit before taxes	25.4	26.8	- 5.4%
Group Net Profit	16.3	17.3	- 5.8%
Capital expenditure	23.7	28.0	
Free cash flow			
(after investments)	22.9	9.4	
(before investments)	46.6	37.4	
	30.09.2014 <i>(in Euro millions)</i>	30.09.2013 <i>(in Euro millions)</i>	
Financial debt	(144.0)	(145.3)	
Liquidity	42.1	41.6	
Net financial debt	(101.9)	(103.7)	

Group Q3 2014 Results (*)

	Q3 2014	Q3 2013	Cge.
	<i>(in Euro millions)</i>	<i>(in Euro millions)</i>	%
Revenues	74.4	72.8	+ 2.2%
EBITDA	14.9	15.3	- 2.9%
EBIT	8.0	8.6	- 7.0%
Operating profit	8.0	8.5	- 6.0%
Profit before taxes	7.3	8.0	- 8.4%
Group Net Profit	4.8	5.2	- 7.8%

(*) The figures (and the subsequent comments) are based on the management view of the Group business, which provides for the proportional consolidation of the joint venture, in continuity with the accounting policies adopted until December 31, 2013.

Following the entry into force of the new “IFRS 11 – Joint Arrangements” and “IAS 28 – Interests in associates and joint ventures” the accounting policies changed for the consolidation of the joint ventures of the Zignago Vetro Group. In particular, from January 1, 2014 the joint ventures in Vetri Speciali SpA and in Vetreco Srl, may no longer be consolidated under the proportional method but must be recognised at equity.

The income statement, the comprehensive income statement, the balance sheet and the cash flows of the Zignago Vetro Group at September 30 and at June 30, 2014, prepared according to international accounting standards in force from January 1, 2014, in addition to the restated figures at September 30, 2013 and at December 31, 2013, are reported respectively at attachments 3, 4, 5 and 6 of the present press release.

Fossalta di Portogruaro, November 7, 2014 – The Board of Directors of **Zignago Vetro S.p.A** – a company listed on the STAR segment of the Italian Stock Exchange - in a meeting held today chaired by Franco Grisan, approved the Interim Report at September 30, 2014.

The **Zignago Vetro Group** companies produce high quality glass containers for the Food and Beverage, Cosmetics and Perfumery industries and Speciality Glass bottles for wines and spirits, for the domestic and international markets.

9M 2014 Group Highlights

In the first nine months of 2014, the European Food and Beverage hollow glass market showed signs of recovery in a number of countries – in particular Germany. Such signs were evident also in Italy, although to a contained extent and uneven among the various market segments. Sales were impacted by unfavourable climate conditions in the third quarter. Demand also continues to lag behind supply levels domestically.

Demand in the Perfumery markets continues to appear robust, also in view of operations undertaken by leading market players. A recovery was also apparent in the Cosmetics segment in the third quarter.

Consolidated **Revenues** in the first nine months of 2014 amounted to Euro 226.5 million compared to Euro 215.8 million in the same period of the previous year

(+5%). Export sales in the first nine months amounted to Euro 82.4 million, 36.4% of revenues (Euro 81.5 million in the first nine months of 2013: 37.8% of revenues).

Consolidated **Ebitda** in the first nine months of 2014 totalled Euro 48 million, a reduction of 1.3% compared to the same period in the previous year (Euro 48.6 million). The Ebitda margin was 21.2% (22.5% in 2013).

The consolidated **Ebit** in the first nine months was Euro 26.5 million (-6.1% compared to Euro 28.3 million in 2013), with a margin of 11.7% (13.1% in 9M 2013).

The consolidated **operating profit** amounted to Euro 27.4 million, decreasing 4.5% on the previous year (Euro 28.7 million) – a margin of 12.1% (13.3% in 9M 2013).

The **Consolidated profit before taxes** amounted to Euro 25.4 million in the first nine months of 2014 compared to Euro 26.8 million in the same period of 2013 (-5.4%), with a margin of 11.2% (12.4% in 9M 2013).

The consolidated **net profit** in the first nine months of 2014 amounted to Euro 16.3 million, a contraction of 5,8% compared to Euro 17.3 million in the first nine months of 2013 – a margin of 7.2% (8% in 9M 2013).

Group balance sheet and financial position at September 30, 2014

Group **capital expenditure** in the first nine months totalled Euro 23.7 million (Euro 28 million in 2013).

Fixed asset supplier payments amounted to Euro 22.7 million in 9M 2014 (Euro 27.9 million in 2013).

The Group generated **Free cash flow** in the first nine months of the year, after investments, of Euro 22.9 million (Euro 9.4 million in 9M 2013) - before investments amounting to Euro 46.6 million (Euro 37.4 million in 9M 2013).

The Group **net financial debt** at September 30, 2014 was Euro 101.9 million, compared to Euro 111.5 million at June 30, 2014 and Euro 105.8 million at December 31, 2013 and Euro 103.7 million at September 30, 2013. Dividends of Euro 19 million were distributed in 2014 compared to Euro 21.6 million in 2013.

Group liquidity at the end of September 2014 amounted to Euro 42.1 million compared to Euro 39.4 million at the end of 2013 and Euro 41.6 million at September 30, 2013.

Q3 2014 Group Highlights

Consolidated **revenues** in the third quarter of 2014 amounted to Euro 74.4 million compared to Euro 72.8 million in the same period of the previous year (+2.2%). Export sales amounted to Euro 26.2 million (Euro 26.7 million in 2013: – 1.9%).

Consolidated **Ebitda** in the third quarter of 2014 totalled Euro 14.9 million, a decrease of 2.9% compared to the same period in the previous year (Euro 15.3 million). The Ebitda margin was 20% (21% in the third quarter of 2013).

Consolidated **Ebit** amounted to Euro 8 million (-7% compared to Euro 8.6 million in the third quarter of 2013), with a margin of 10.7% (11.8% in Q3 2013).

The consolidated **operating profit** in the third quarter of 2014 was Euro 8 million, a decrease of 6% (Euro 8.5 million in the third quarter of 2013).

The consolidated **net profit** in the third quarter of 2014 amounted to Euro 4.8 million (Euro 5.2 million in Q3 2013; -7.8%).

Outlook

Signs of recovery are expected to continue in the final quarter of the year and results in line with the first nine months.

Declaration

The Executive Responsible for the preparation of the corporate and accounting documents, Mr. Roberto Celot, declares in accordance with Article 154 *bis*, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present Consolidated Interim Report at September 30, 2014 corresponds to the underlying accounting documents, records and accounting entries.

Interim Report at September 30, 2014

The Interim Report at September 30, 2014 will be made available to the public as soon as available and in accordance with law at the registered office of the company and on the company website www.zignagovetro.com

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All the figures in the Consolidated Reclassified Income Statement and Balance Sheet (attachments 1 and 2) reported below were prepared on the basis of management's view which considers the proportional consolidation of joint ventures appropriate, in line with the approach taken until December 31, 2013. Following the entry into force of the new "IFRS 11 – Joint Arrangements" and "IAS 28 – Interests in associates and joint ventures" the consolidation rules of Zignago Vetro Group investments in joint ventures were re-defined. In particular, from January 1, 2014 the joint ventures in Vetri Speciali SpA and Vetreco Srl may not be consolidated under the proportional method and should be recognised in the consolidated financial statements at equity.

The income statement, the comprehensive income statement, the balance sheet and the cash flows of the Zignago Vetro Group at September 30 and at June 30, 2014, prepared according to international accounting standards in force from January 1, 2014, in addition to the restated figures at September 30, 2013 and at December 31, 2013, are reported respectively at subsequent attachments 3, 4, 5 and 6.

ATTACHMENT 1

Zignago Vetro Group

Reclassified Consolidated Income Statement (*)

(Management's view based on IAS in force from December 31, 2013)

	9M 2014		9M 2013		Change
	Euro thou.	%	Euro thou.	%	%
Revenues	226,470	100.0%	215,781	100.0%	5.0%
Cge. in inventories of fin. and semi-fin. prod. and work in progress	3,067	1.4%	8,803	4.1%	n.s.
Internal production of fixed assets	264	0.1%	648	0.3%	n.s.
Value of production	229,801	101.5%	225,232	104.4%	2.0%
Cost of goods and services	(130,065)	(57.4%)	(125,464)	(58.1%)	3.7%
Value added	99,736	44.0%	99,768	46.2%	(0.0%)
Labour costs	(51,712)	(22.8%)	(51,118)	(23.7%)	1.2%
EBITDA	48,024	21.2%	48,650	22.5%	(1.3%)
Amortisation & depreciation	(20,855)	(9.2%)	(19,806)	(9.2%)	5.3%
Provisions	(634)	(0.3%)	(581)	(0.3%)	9.1%
EBIT	26,535	11.7%	28,263	13.1%	(6.1%)
Net recurring non-operating income	891	0.4%	454	0.2%	96.3%
Operating profit	27,426	12.1%	28,717	13.3%	(4.5%)
Net financial charges	(2,151)	(0.9%)	(1,785)	(0.8%)	20.5%
Net exchange gains/(losses)	75	---	(144)	---	n.s.
Profit before taxes	25,350	11.2%	26,788	12.4%	(5.4%)
Income taxes	(9,032)	(4.0%)	(9,472)	(4.4%)	(4.6%)
<i>(Tax-rate 9M 2014: 35.6%)</i>					
<i>(Tax-rate 9M 2013: 35.4%)</i>					
Net profit	16,318	7.2%	17,316	8.0%	(5.8%)

(*) Data unaudited

Zignago Vetro Group**Reclassified Consolidated Income Statement (*)**

(Management's view based on IAS in force from December 31, 2013)

	Q3 2014		Q3 2013		Change
	Euro thou.	%	Euro thou.	%	%
Revenues	74,423	100.0%	72,786	100.0%	2.2%
Changes in inventories of fin. & semi-fin. prods. and work in progress	1,759	2.4%	(1,741)	(2.4%)	n.s.
Internal production of fixed assets	73	0.1%	411	0.6%	n.s.
Value of production	76,255	102.5%	71,456	98.2%	6.7%
Cost of goods and services	(44,368)	(59.6%)	(40,079)	(55.1%)	10.7%
Value added	31,887	42.8%	31,377	43.1%	1.6%
Labour costs	(17,016)	(22.9%)	(16,056)	(22.1%)	6.0%
EBITDA	14,871	20.0%	15,321	21.0%	(2.9%)
Amortisation & depreciation	(7,032)	(9.4%)	(6,681)	(9.2%)	5.3%
Provisions	125	0.2%	(76)	(0.1%)	n.s.
EBIT	7,964	10.7%	8,564	11.8%	(7.0%)
Net recurring non-operating income	20	---	(74)	---	n.s.
Operating profit	7,984	10.7%	8,490	11.7%	(6.0%)
Net financial charges	(745)	(1.0%)	(670)	(0.9%)	11.2%
Net exchange gains/(losses)	74	0.1%	165	0.2%	(55.2%)
Profit before taxes	7,313	9.8%	7,985	11.0%	(8.4%)
Income taxes	(2,495)	(3.4%)	(2,758)	(3.8%)	(9.5%)
<i>(Tax-rate Q3 2014: 34.1%)</i>					
<i>(Tax-rate Q3 2013: 34.5%)</i>					
Net profit	4,818	6.5%	5,227	7.2%	(7.8%)

(*) Data unaudited

Zignago Vetro Group**Consolidated Income Statement (*)**

(based on IAS in force from January 1, 2014)

(Euro thousands)	Q3 2014	Restated (**) Q3 2013	9M 2014	Restated (**) 9M 2013
Revenues	57,854	58,331	174,671	169,279
Raw material, ancillary, consumables and goods	(14,273)	(14,577)	(42,235)	(34,025)
Services	(19,806)	(20,019)	(57,621)	(59,199)
Labour costs	(13,610)	(12,799)	(41,208)	(41,003)
Amortisation and depreciation	(5,789)	(5,463)	(17,343)	(16,409)
Other operating expenses	(491)	(778)	(2,291)	(2,326)
Other operating income	(30)	145	706	663
Investments valued at equity	2,598	2,272	7,993	7,412
Operating profit	6,453	7,112	22,672	24,392
Financial income	132	190	584	667
Financial charges	(662)	(656)	(2,062)	(1,899)
Net exchange gains/(losses)	69	173	71	(140)
Profit before taxes	5,992	6,819	21,265	23,020
Income taxes	(1,174)	(1,592)	(4,947)	(5,704)
Net profit	4,818	5,227	16,318	17,316
Minority interest profit/(loss)	---	---	---	---
Group net profit	4,818	5,227	16,318	17,316
Earnings per share:				
Basic (and diluted) earnings per share	0.057	0.061	0.192	0.203

(*) Data unaudited

(**) Figures restated in accordance with IFRS 11 – Joint Arrangements and IAS 28 – Interests in associates and joint ventures.

Zignago Vetro Group

Consolidated Comprehensive Income Statement (*)

(based on IAS in force from January 1, 2014)

(Euro thousands)	Q3 2014	Restated (**) Q3 2013	9M 2014	Restated (**) 9M 2013
Net profit	4,818	5,227	16,318	17,316
<i>Other comprehensive income statement items subsequently to be reclassified to the net profit (loss) for the period</i>				
Translation difference	(52)	297	(55)	(459)
Tax effect	---	---	---	---
	(52)	297	(55)	(459)
Total other comprehensive income statement items subsequently to be reclassified to net profit (loss) for the period	(52)	297	(55)	(459)
<i>Other comprehensive income statement items not subsequently to be reclassified to the net profit (loss) for the period</i>				
Actuarial losses on defined benefit plans	---	---	---	---
Tax effect	---	---	---	---
	---	---	---	---
Total other comprehensive income statement items not subsequently to be reclassified to net profit (loss) for the period	---	---	---	---
Total other comprehensive income statement items, net of taxes	(52)	297	(55)	(459)
Total comprehensive net profit	4,766	5,524	16,263	16,857
Attributable to :				
Group	4,766	5,524	16,263	16,857
Minority interests	---	---	---	---
	<u>4,766</u>	<u>5,524</u>	<u>16,263</u>	<u>16,857</u>

(*) Data unaudited

(**) Figures restated in accordance with IFRS 11 – Joint Arrangements and IAS 28 – Interests in associates and joint ventures.

Zignago Vetro Group

Consolidated Balance Sheet (*)

(based on IAS in force from January 1, 2014)

(Euro thousands)	30.09.2014	30.06.2014	Restated (**) 31.12.2013	Restated (**) 30.09.2013
ASSETS				
Non-current assets				
Property, plant & equipment	97,072	94,201	95,728	93,650
Goodwill	737	741	741	727
Intangible assets	66	106	193	98
Investments valued at equity	52,084	49,488	51,588	48,509
Equity investments	386	386	386	387
Other non-current assets	53	201	192	182
Deferred tax assets	2,619	2,667	2,580	1,989
Total non-current assets	153,017	147,790	151,408	145,542
Current assets				
Inventories	58,736	57,769	55,753	57,736
Trade receivables	51,461	53,075	50,007	47,806
Other current assets	4,119	2,432	3,050	1,544
Tax receivables	1,943	2,182	4,511	1,963
Cash and cash equivalents	40,986	40,672	39,272	41,547
Total current assets	157,245	156,130	152,593	150,596
TOTAL ASSETS	310,262	303,920	304,001	296,138
SHAREHOLDERS' EQUITY & LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	8,800	8,800	8,800	8,800
Reserves	35,521	35,521	35,521	35,521
Acquisition of treasury shares	(5,027)	(5,027)	(5,027)	(5,027)
Retained earnings and profit for the period	88,766	83,948	91,495	82,725
Other net equity items	(1,225)	(1,173)	(1,170)	(1,287)
TOTAL GROUP SHAREHOLDERS' EQUITY	126,835	122,069	129,619	120,732
MINORITY INTEREST EQUITY	---	---	-	---
TOTAL SHAREHOLDERS' EQUITY	126,835	122,069	129,619	120,732
LIABILITIES				
Non-current liabilities				
Provisions for risks and charges	2,861	2,998	2,547	2,436
Post-employment benefits	4,790	4,757	4,839	4,660
Medium/long term loans	8,628	12,299	17,565	19,208
Deferred tax liabilities	3,071	3,083	3,178	3,346
Total non-current liabilities	19,350	23,137	28,129	29,650
Current liabilities				
Bank payables and current portion of medium/long term loans	106,700	106,621	94,761	92,246
Trade and other payables	40,653	37,802	37,154	38,300
Other current liabilities	15,298	13,522	13,934	13,493
Current income taxes	1,426	769	404	1,717
Total current liabilities	164,077	158,714	146,253	145,756
TOTAL LIABILITIES	183,427	181,851	174,382	175,406
TOTAL SHAREHOLDERS' EQ. & LIAB.	310,262	303,920	304,001	296,138

(*) Unaudited

(**) Figures restated in accordance with IFRS 11 – Joint Arrangements and IAS 28 – Interests in associates and joint ventures.

Zignago Vetro Group

Consolidated Cash Flow Statement (*)

(based on IAS in force from January 1, 2014)

(Euro thousands)	30.09.2014	30.06.2014	Restated (**) 31.12.2013	Restated (**) 30.09.2013
CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit	21,265	15,273	33,616	23,020
Adjustments to reconcile net profit with cash flow generated from operating activities:				
Amortisation and depreciation	17,343	11,554	20,938	16,409
Losses/(gains) on disposals of property, plant & equipment	(88)	(88)	(185)	34
Doubtful debt provision	64	42	52	165
Net changes in post employment benefits	(49)	(82)	(263)	(60)
Net change in other provisions	314	450	341	230
Financial income and exchange gains	(584)	(452)	(961)	(667)
Financial charges and exchange losses	1,991	1,398	2,855	2,039
Income taxes paid in the year	(1,503)	(1,261)	(10,088)	(3,737)
Valuation of joint ventures at equity	(7,993)	(5,395)	(10,543)	(7,412)
Dividends distributed of joint ventures at equity	7,496	7,496	8,050	8,050
Change in operating assets and liabilities				
Decrease (increase) in trade receivables	(1,518)	(3,110)	1,652	3,741
Decrease (increase) in other current assets	(1,069)	618	681	2,187
Decrease (increase) in inventories	(2,983)	(2,016)	(4,643)	(6,626)
Increase (decrease) in trade and other payables	1,759	2,588	(4,279)	(4,211)
Increase (decrease) in other current liabilities	1,364	(412)	(169)	(610)
Other non-current assets and liabilities	139	(9)	(108)	(72)
Total operating adjustments and changes	14,683	11,321	3,330	9,460
Net cash flow from operating activities	(A) 35,948	26,594	36,946	32,480
CASH FLOW FROM INVESTING ACTIVITIES:				
Investments in intangible assets	(22)	(22)	(159)	(40)
Investments in tangible assets	(21,914)	(12,076)	(31,616)	(24,256)
Increase (decrease) in fixed asset payables	1,740	(1,940)	(527)	551
Investments (divestments) in financial assets	---	---	(2)	(3)
Sales price of property, plant and equipment	3,393	2,233	4,447	3,345
Net cash flow from investing activities	(B) (16,803)	(11,805)	(27,857)	(20,403)
CASH FLOW FROM FINANCING ACTIVITIES:				
Interest paid in the period	(2,092)	(1,511)	(2,676)	(2,189)
Interest received in the period	584	452	961	667
Increase (decrease) in short-term bank borrowings	12,040	11,973	12,117	9,718
New medium/long-term loans	---	---	11,000	---
Repayment of medium/long-term loans	(8,937)	(5,266)	(13,971)	(1,328)
Dividends	(19,047)	(19,047)	(21,645)	(21,645)
Net cash flow from financing activities	(C) (17,452)	(13,399)	(14,214)	(14,777)
Change in balance sheet accounts translation effect	(D) 21	10	15	(135)
Net change in cash and cash equivalents	(A+B+C+D) 1,714	1,400	(5,110)	(2,835)
Cash available at beginning of the period	39,272	39,272	44,382	44,382
Cash available at end of the period	40,986	40,672	39,272	41,547

(*) Data unaudited

(**) Figures restated in accordance with IFRS 11 – Joint Arrangements and IAS 28 – Interests in associates and joint ventures.

Zignago Vetro Group

Statement of changes in Shareholders' Equity ()*

(based on IAS in force from January 1, 2014)

	Share capital	Legal reserve	Revaluation reserve	Other reserves	Translation reserve	Capital paid-in	Treasury shares	Actuarial profits (losses) on individual deferred benefits	Retained earnings	Net result	Total consolidated equity
Bal. at June 30, 2013	8,800	1,760	27,334	6,270	(1,233)	157	(5,027)	(351)	65,409	12,089	115,208
<i>Consol net profit</i>	---	---	---	---	---	---	---	---	---	5,227	5,227
<i>Other profits/(losses) net of tax effect</i>	---	---	---	---	297	---	---	---	---	---	297
Total comprehensive profit	---	---	---	---	297	---	---	---	---	5,227	5,524
Bal. at September 30, 2013	8,800	1,760	27,334	6,270	(936)	157	(5,027)	(351)	65,409	17,316	120,732
<i>Consol net profit</i>	---	---	---	---	---	---	---	---	---	8,818	8,818
<i>Other profits/(losses) net of tax effect</i>	---	---	---	---	239	---	---	(122)	---	---	117
Total comprehensive profit/(loss)	---	---	---	---	239	---	---	(122)	---	8,818	8,935
Other changes	---	---	---	---	---	---	---	---	(48)	---	(48)
Balance at Dec. 31, 2013	8,800	1,760	27,334	6,270	(697)	157	(5,027)	(473)	65,361	26,134	129,619
<i>Consol net profit</i>	---	---	---	---	---	---	---	---	---	11,500	11,500
<i>Other profits/(losses) net of tax effect</i>	---	---	---	---	(3)	---	---	---	---	---	(3)
Total comprehensive profit/(loss)	---	---	---	---	(3)	---	---	---	---	11,500	11,497
Allocation of the result	---	---	---	---	---	---	---	---	26,134	(26,134)	---
Dividends	---	---	---	---	---	---	---	---	(19,047)	---	(19,047)
Balance at June 30, 2014	8,800	1,760	27,334	6,270	(700)	157	(5,027)	(473)	72,448	11,500	122,069
<i>Consol net profit</i>	---	---	---	---	---	---	---	---	---	4,818	4,818
<i>Other profits/(losses) net of tax effect</i>	---	---	---	---	(52)	---	---	---	---	---	(52)
Total comprehensive profit/(loss)	---	---	---	---	(52)	---	---	---	---	4,818	4,766
Balance at Sep. 30, 2014	8,800	1,760	27,334	6,270	(752)	157	(5,027)	(473)	72,448	16,318	126,835

(*) Data unaudited

(**) Figures restated in accordance with IFRS 11 – Joint Arrangements and IAS 28 – Interests in associates and joint ventures.