

Press Release May 19, 2015

Refresco Gerber shows volume growth and realises solid performance in first quarter 2015

First quarter highlights

- In the first quarter a volume of 1,377.3 million litres was reported, an increase of 1.8% compared to the period under review last year; slightly outperforming the market.
- Revenue at €458.2 million was in line with the same period last year (Q1 2014: €459.0 million).
- Gross profit margin per litre increased to 14.2 euro cents (Q1 2014: 13.8 euro cents).
- Recorded adjusted EBITDA of €37.1 million compared to €31.7 million in the same period last year.
- Adjusted for the costs related to the IPO process, net profit amounted to €2.6 million (Q1 2014: adjusted net loss of €1.7 million); including these costs net loss amounted to €15.3 million (Q1 2014: net loss of €1.9 million).
- Adjusted EPS amounted to 3.5 euro cents compared to a loss of 2.3 euro cents in the same quarter last year.
- A strong cash position at the end of Q1 amounted to €201.9 million which includes the proceeds from issuing new shares in the Initial Public Offering in March 2015.
- Refresco Gerber successfully listed on Euronext Amsterdam on March 27, 2015.
- Subsequent to the review period, Refresco Gerber announced refinancing of its credit facilities which going forward will reduce annual interest costs by more than 50% compared to 2014.

Key figures (in millions of euro unless otherwise stated)

	Q1 2015 un-audited	Q1 2014 un-audited
Sales in litres (millions of litres)	1,377.3	1,352.8
Revenue	458.2	459.0
Gross profit margin per litre (euro cents)	14.2	13.8
Adjusted EBITDA ¹	37.1	31.7
IPO related and other one-time costs	20.0	1.2
Operating profit (loss)	(3.3)	9.9
Net profit / (loss)	(15.3)	(1.9)
Adjusted net profit / (loss)	2.6	(1.7)
EPS (euro cents) – pro forma	(20.1)	(2.4)
Adjusted EPS ² (euro cents) – pro forma	3.5	(2.3)
Cash and cash equivalents at the end of the period	201.9	105.7

¹ Adjusted EBITDA is not a measure of our financial performance under IFRS. We apply adjusted EBITDA to exclude the effects of certain exceptional charges that we believe are not indicative of our underlying operating performance. Such adjustments relate primarily to substantial one-off restructurings, costs relating to acquisitions or disposals, and refinancing and IPO relating costs.

² Adjusted EPS has been calculated based upon adjusted net profit, which excludes the costs (in Q1) related to the IPO, discontinued business (2014) and relating tax effect. The number of issued shares has been determined on a pro forma basis of 74.2 million, excluding the newly issued (primary) shares in the IPO.

CEO Hans Roelofs:

“In the first quarter of 2015 we reported results in line with our expectations while we also concluded our search for a new capital structure and successfully listed Refresco Gerber on Euronext Amsterdam. At the beginning of our second year of integrating Refresco and Gerber Emig, progress is well underway, resulting in scale and efficiency synergies, cost advantages and commercial opportunities which for the most part will benefit our business throughout 2015. In the period under review we realized a volume increase of 1.8% with total volume up to 1,377.3 litres, slightly outperforming the market trend. Revenue was in line with the same quarter last year, with the first effects of the pass-on of lower input costs to customers already showing at the end of the first quarter. Margin per litre, the key indicator in the development of our business, improved by 2.6%, driven by our maintained focus on higher margin products in combination with synergy effects resulting from the merger. We experienced some softening of margins due to the product mix effect and expect this to continue in the quarters ahead. For this reason we anticipate margin per litre for the full year to be slightly lower than in 2014.”

Group volume and revenue development

We recorded a revenue of €458.2 million compared to €459.0 million in Q1 2014. The first results of passing on lower average input costs to customers due to lower raw material prices are starting to show.

Volume and revenue by location of sales are detailed in the table below. Overall Q1 volume showed an increase of 1.8% to 1,377.3 litres compared to the same period last year, with most regions showing a positive development.

Volume in France showed an increase, revenue was however mitigated by the pass on of lower average input prices. The increase of volume in North East Europe, which comprises Poland and Finland, is mainly the result of a favourable comparison base of Q1 2014. Iberia showed an increase in volume with revenue increasing marginally due to product mix effects. The decrease in volume in the Benelux was largely the result of a continuing weak retail market in the Netherlands. In the UK softening of the retail market resulted in lower volumes and although revenue per litre improved, this was impacted by some currency effects leading to a revenue decrease.

Sales in litres (x 1 million)	Three months ended March 31	
	2015 un-audited	2014 un-audited
Benelux	229.0	242.8
Germany	354.4	342.1
France	208.2	201.0
UK	144.1	153.9
Iberia	122.2	115.1
Italy	179.8	178.2
North East Europe	139.6	119.7
Total volume	1,377.3	1,352.8

Revenue by location of sales (in millions of euro)	Three months ended March 31	
	2015 un-audited	2014 un-audited
Benelux	89.2	99.3
Germany	104.5	103.6
France	74.2	74.3
UK	84.8	86.9
Iberia	33.7	33.3
Italy	30.5	30.2
North East Europe	35.3	31.4
Holding ³	6.0	0.0
Total revenue	458.2	459.0

³ Holding revenue mainly relates to the sale of packaging and raw materials to the divested Waibstadt manufacturing site.

Margin development

Gross profit margin per litre for the first quarter of 2015 amounted to 14.2 euro cents compared to 13.8 euro cents in the same period last year. The improvement reflects the synergies derived from the merger with Gerber Emig, slightly affected by some product mix effects.

Results of operations

Overall operating costs remained in line with the same period last year, but showed an increase to €198.9 million (Q1 2014: €177.3 million) mainly as a result of the costs related to the IPO process. Operating profit for the first quarter was affected by the increased operating costs and amounted to a loss of €3.3 million (Q1 2014: €9.9 million positive).

Reconciliation of operating profit to adjusted EBITDA

Adjusted EBITDA in the first quarter amounted to €37.1 million, an improvement of 5.4 million compared to the first quarter of 2014.

(in millions of euro)	Three months ended March 31	
	2015 un-audited	2014 un-audited
Operating profit / (loss)	(3.3)	9.9
Depreciation, amortization and impairment costs	20.4	20.6
EBITDA	17.1	30.5
Merger and restructuring costs	0.5	1.2
IPO related costs	19.8	0.0
Sales of fixed assets	(0.3)	0.0
Adjusted EBITDA	37.1	31.7

Finance result

Finance income amounted to €0.3 million compared to €0.1 million in the same period last year. Finance expenses decreased to €12.1 million compared to €12.6 million in the same period under review last year, resulting in a lower net finance result of €11.8 million, representing a decrease of 5.6% reflecting full repayment of the RCF in 2014.

Reconciliation of net result to adjusted net result

Adjusted for the costs related to the IPO process, net profit amounted to €2.6 million compared to a net loss of €1.7 million in the same period last year. Actual net loss for the first quarter was €15.3 million compared to a net loss of €1.9 million for the first quarter of 2014.

(in millions of euro)	Three months ended March 31	
	2015 un-audited	2014 un-audited
Net profit / (loss)	(15.3)	(1.9)
Non-controlling interest	0.4	0.1
Profit attributable to shareholders	(14.9)	(1.8)
Result of discontinued business	0.0	(0.8)
Merger and restructuring costs	0.5	1.2
IPO related costs	19.8	0.0
Sales of fixed assets	(0.3)	0.0
Tax effect	(2.5)	(0.3)
Adjusted net profit / (loss)	2.6	(1.7)
Pro forma no. of shares (in millions)	74.2	74.2
EPS (euro cents) – pro forma	(20.1)	(2.4)
Adjusted EPS⁴ profit / (loss) – pro forma (euro cents)	3.5	(2.3)

⁴ Adjusted EPS has been calculated based upon adjusted net profit, which excludes the costs (in Q1) related to the IPO, discontinued business (2014) and relating tax effect. The number of issued shares has been determined on a pro forma basis of 74.2 million, excluding the newly issued (primary) shares in the IPO.

Balance sheet and financial position as of March 31, 2015

Balance sheet total amounted to €1,753.3 compared to €1,643.1 million on December 31, 2014. The increase is mainly related to the proceeds received from the issue of primary shares in the IPO.

As of March 31, 2015, net debt amounted to €489.5 million consisting of €691.4 million in loans and borrowings and €201.9 million cash and cash equivalents, compared to a net debt of €593.1 million on December 31, 2014.

Capex spending for the quarter was €16.5 million compared to €13.6 million in the same period last year, this increase was mainly attributable to two contract manufacturing investments.

Working capital improved by €13.7 million in the period under review, adjusted for the accrued IPO expenses of €16.5 million, which will be cash out in Q2 2015, change in working capital was relatively flat.

Events subsequent to review period

As announced in the prospectus, the proceeds of the primary offering, in combination with cash reserves have been used to repay €100 million in total on the Floating Rate Notes, which was effectuated in April 2015.

On April 29, 2015 the refinancing of the existing Senior Secured Notes and Revolving Credit Facility, was announced, resulting in a new (unsecured) term loan totaling EUR 522.0 million. The syndicate loan agreement includes a Revolving Credit Facility of up to EUR 150.0 million to finance general corporate purposes, including capital expenditure investments and acquisitions, and working capital purposes.

The Company's total annual interest costs going forward are expected to amount to approximately EUR 20 million, a decrease of over 50% compared to 2014.

Upon completion, Refresco Gerber targets a leverage ratio of approximately 2.5 (defined as Net Debt divided by Adjusted EBITDA). The refinancing will provide sufficient headroom for Refresco Gerber to continue to execute its growth strategy of providing a high quality bottling platform to meet customer needs in each of the countries they operate and a pro-active approach towards consolidation.

Simultaneously Refresco Gerber has provided a Notice of Redemption to all currently registered note holders with more detailed information on the redemption terms and conditions. It is anticipated that redemption of both the Floating and the Fixed Rate Notes will be effectuated June 1, 2015.

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Next financial reporting

Refresco Gerber N.V.'s second quarter 2015 results will be published August 13, 2015.

Notes to the editors:

About Refresco Gerber N.V.

Refresco Gerber (Euronext: RFRG) is the leading European bottler of soft drinks and fruit juices for retailers and branded players with production in the Benelux, France, Germany, Iberia, Italy, the UK, Poland and Finland. The company realized full year volumes and revenue of circa 6.0 billion litres and circa €2.0 billion, respectively. Refresco Gerber offers an extensive range of product and packaging combinations from 100% fruit juices to carbonated soft drinks and mineral waters in carton, PET, Aseptic PET, cans and glass.

Focused on innovation, Refresco Gerber continuously searches for new and alternative ways to improve the quality of its product and packaging combinations in line with consumer and customer demand, environmental responsibilities and market demand.

Refresco Gerber is headquartered in Rotterdam, the Netherlands and employs circa 4,100 staff.

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Consolidated income statement

Consolidated balance sheet

Consolidated cash flow statement

CONSOLIDATED INCOME STATEMENT

(in millions of euro, unless stated otherwise)	Three months ended March 31	
	2015 un-audited	2014 un-audited
Revenue	458.2	459.0
Other income	0.3	0.0
Raw materials and consumables used	(262.9)	(271.8)
Gross profit margin	195.6	187.2
Gross profit margin %	42.7%	40.8%
Gross profit margin per litre, euro cents	14.2	13.8
Employee benefits expenses	(58.4)	(55.4)
Depreciation, amortization and impairment costs	(20.4)	(20.6)
Other operating expenses	(120.1)	(101.3)
Operating costs	(198.9)	(177.3)
Operating profit / (loss)	(3.3)	9.9
Finance income	0.3	0.1
Finance expense	(12.1)	(12.6)
Net finance result	(11.8)	(12.5)
Profit / (loss) before income tax	(15.1)	(2.6)
Income tax (expense) / benefit	(0.2)	(0.1)
Result discontinued operations	0.0	0.8
Profit / (loss)	(15.3)	(1.9)
Profit attributable to:		
Owners of the company	(14.9)	(1.8)
Non-controlling interest	(0.4)	(0.1)
Profit / (loss)	(15.3)	(1.9)

CONSOLIDATED BALANCE SHEET

(in millions of euro)	March 31 2015 un-audited	Dec 31 2014	March 31 2014 un-audited
ASSETS			
Non-current assets			
Property, plant & equipment	528.3	523.5	517.6
Intangible assets	429.7	428.4	422.0
Financial fixed assets	5.6	5.7	5.7
Deferred tax	6.0	4.2	9.6
Total non-current assets	969.6	961.8	954.9
Current assets			
Inventories	204.1	189.3	221.4
Derivative financial instruments	17.6	9.3	0.0
Current income tax receivable	0.2	0.2	1.3
Other current assets	358.1	382.1	373.1
Cash and cash equivalents	201.9	96.6	105.7
Total current assets	781.9	677.5	701.5
Asset classified as held for sale	1.9	3.8	8.7
Total assets	1,753.4	1,643.1	1,665.1
EQUITY & LIABILITIES			
Equity			
Share capital	9.7	5.9	5.9
Share premium	532.5	440.7	440.7
Reserves	(74.6)	(126.7)	(132.6)
Profit / (loss) for the period	(14.9)	38.6	(1.9)
Total	452.7	358.5	312.1
Non-controlling interest	0.0	2.8	3.5
Total equity	452.7	361.3	315.6
Non-current liabilities			
Loans and borrowings	685.9	684.2	785.0
Derivatives	11.3	11.1	10.6
Provisions and deferred tax	58.0	52.1	50.4
Total non-current liabilities	755.2	747.4	846.0
Current liabilities			
Loans and borrowings	5.5	5.5	5.8
Derivative financial instruments	4.2	1.9	4.2
Trade and other payables	513.6	498.0	482.2
Current income tax liabilities	8.6	12.3	2.1
Provisions	13.6	16.7	9.2
Total current liabilities	545.5	534.4	503.5
Total equity and liabilities	1,753.4	1,643.1	1,665.1

CONSOLIDATED CASH FLOW STATEMENT

(in millions of euro)	Three months ended March 31	
	2015 un-audited	2014 un-audited
Cash flows from operating activities		
Profit / (loss) after tax including discontinued operations	(15.3)	(1.9)
Adjustments for:		
Amortisation, depreciation and impairments	20.4	20.6
Net change in fair value derivative financial instruments recognized in profit and loss and premiums paid	(2.2)	0.4
Net finance costs	11.8	12.5
(Gain) / loss on sale of property, plant and equipment and other investments	(0.3)	0.0
Income tax expense / (benefit)	0.2	0.1
Movements in provisions pensions and other provisions	5.7	(3.4)
Cash flows from operating activities before changes in working capital and provisions	20.3	28.3
Change in:		
Inventories	(12.1)	(7.1)
Trade and other receivables	36.0	(23.3)
Trade and other payables	(15.7)	46.4
Total change in working capital	8.2	16.0
Interest received	0.3	0.1
Interest paid	(4.9)	(6.5)
Income taxes paid	(4.9)	(2.8)
Net cash generated from operating activities	19.0	35.1
Cash flows from investing and acquisition activities		
Proceeds from sale of property, plant and equipment	2.4	0.1
Purchase of property, plant and equipment	(16.3)	(13.6)
Purchase of intangible assets	(0.2)	0.0
Purchase / sale of other investments	0.2	0.2
Net cash used in investing and acquisition activities	(13.9)	(13.3)
Cash flows from financing activities		
Proceeds from loans and borrowings	(1.5)	(1.3)
Proceeds of new issued shares	100.0	0.0
Net cash (used in) / from financing activities	98.5	(1.3)
Translation adjustment	1.7	(0.3)
Movement in cash and cash equivalents	105.3	20.2
Cash and cash equivalents at beginning	96.6	85.5
Cash and cash equivalents at end	201.9	105.7
	105.3	20.2