

# Comment on Company Release of Full Year 2012 Results,

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## Frigoglass S.A. [Bloomberg Ticker: FRIGO:GA, Reuters Ticker: FRIR.AT] Sector: Ice-Cold Merchandisers (ICM) – Glass Bottle Producers

### Frigoglass Reported Full Year 2012 Results

Frigoglass Group, an international ice-cold merchandiser and glass bottle producer based in Athens, Greece, reported full year 2012 results on March 12, 2013. The major results of the Group are highlighted below:

	GROUP			COOL OPERATIONS			GLASS OPERATIONS		
	2012	2011	%	2012	2011	%	2012	2011	%
<i>(in € million)</i>									
Sales	581.3	555.2	5%	458.8	451.7	2%	122.4	103.5	18%
EBITDA	67.8	81.6	-17%	39.7	53.5	-26%	28.1	28.1	0%
Net Profit	-15.0	20.1	n/c						

- With regard to the Group's capital structure as reported in the 2012 financial statements, Frigoglass operates via an unbalanced capital structure of long-term and short-term items between the asset and liability side.

### Investment Highlights and Prospects

We underline the following points with regard to Frigoglass Group's investment characteristics and prospects:

- The management has set as priority stronger cash flow generation. Already in 2012, operating cash flows after investment activities and interest paid reversed their trend settling at a high positive territory versus their negative level in 2011. Strong operating cash flows drive from the Company's improving working capital and inventory management and are a safety net against incidents of loss making quarters, if arise again in future, as it was the case of the 4<sup>th</sup> quarter 2012.
- Frigoglass Group generates revenues from ice-cold merchandising (ICM) and glass bottle production (GBP). ICM represents by far the largest revenue stream however it posts lower margins than GBP. In the ICM market, the Company aims at constantly and technologically improving its products and solutions for its clients such as international bottlers helping them to tackle issues relating to their carbon footprint and the rising energy cost.
- With regard to the Company's overall expansion strategy, it is important that growth comes from investments in markets that can deliver higher returns on capital and profit margins. Technology driven actions and favorable economic conditions in emerging markets may be factors that will assist Frigoglass in realizing this goal in future.
- Finally, it is positive that Frigoglass has decreased its dependence on the mature markets of the W. Europe where growth potential is limited, and has concentrated on markets with more dynamic fundamentals. As of 2012, more than 50% of consolidated sales were realized in markets other than European, mainly in Africa, M. East and Asia. This trend is expected to continue however it also implies a higher risk profile for Frigoglass in future.

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Share Price (19/03/2013)	€ 4.47
Number of Shares (.000)	50,517
Market Cap (in € mn)	225.81
A.D. Volume (p)	38,381
Beta (vs. ASE G.I. – 1y)	1.12
<b>Statistical Data</b>	
Max 52 week	6.07 €
Min 52 week	2.99 €
1-M Rtn	-16.29%
6-M Rtn	-6.49%
12-M Rtn	-4.08%

Source: Company, Euro2day, Reuters, VRS.

### Geographic Breakdown – Group Sales Year 2012

<i>(in € million)</i>	Cons. Sales 2012	% of total
E. Europe	155.3	27%
W. Europe	75.7	13%
Africa / M. East	216.3	37%
Asia / Oceania	114.7	20%
America	19.3	3%
TOTAL	581.3	

### Share Price Performance (1 year, in €)

