



glaston



Glaston January-March 2017

26 April 2017



Q1 in brief

Orders received:
EUR 21.6 million, -14%

Net sales:
EUR 22.8 million, -22%

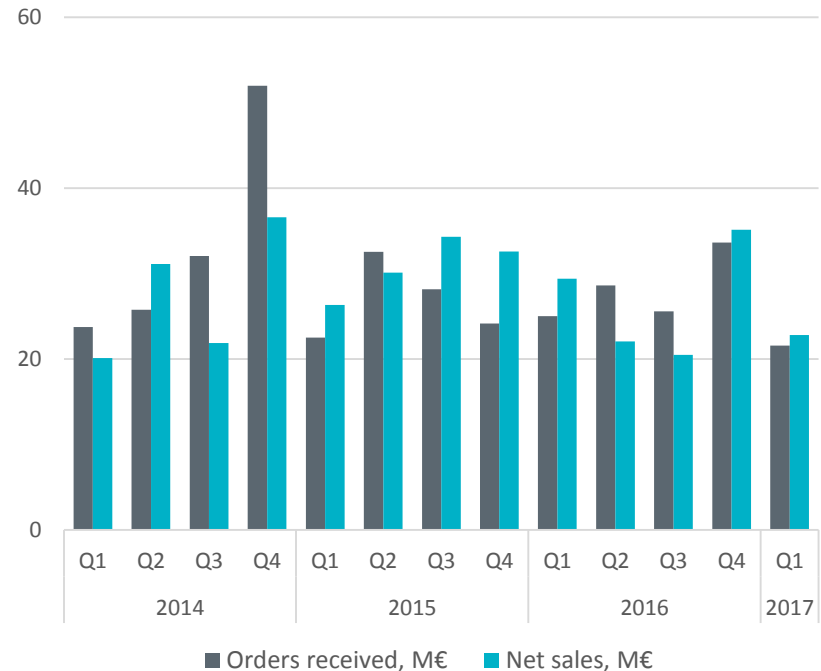
Comparable operating result:
EUR 0.0 million (EUR 0.7 million)

Order book:
EUR 45.1 million, +31%

- Market was quiet, as expected
- Machine orders 22% below previous year's level, Services business orders at previous year's level
- Due to few deliveries, low net sales and result
- Order book significantly higher than a year earlier
- Glaston is investing in future growth projects and has established Emerging Technologies unit

Operating environment

- EMEA quieter after busy end to 2016
 - In Middle East market demand picked up after a quieter period
 - In Eastern Europe and in certain Central and Southern European countries, customers' decision-making times lengthened
- The North American market remained relatively active. Competitive situation in market intensified
- In South America, the market continued to be quiet
- In China, the market was still in decline. In Australia and New Zealand, the market environment continued to be good



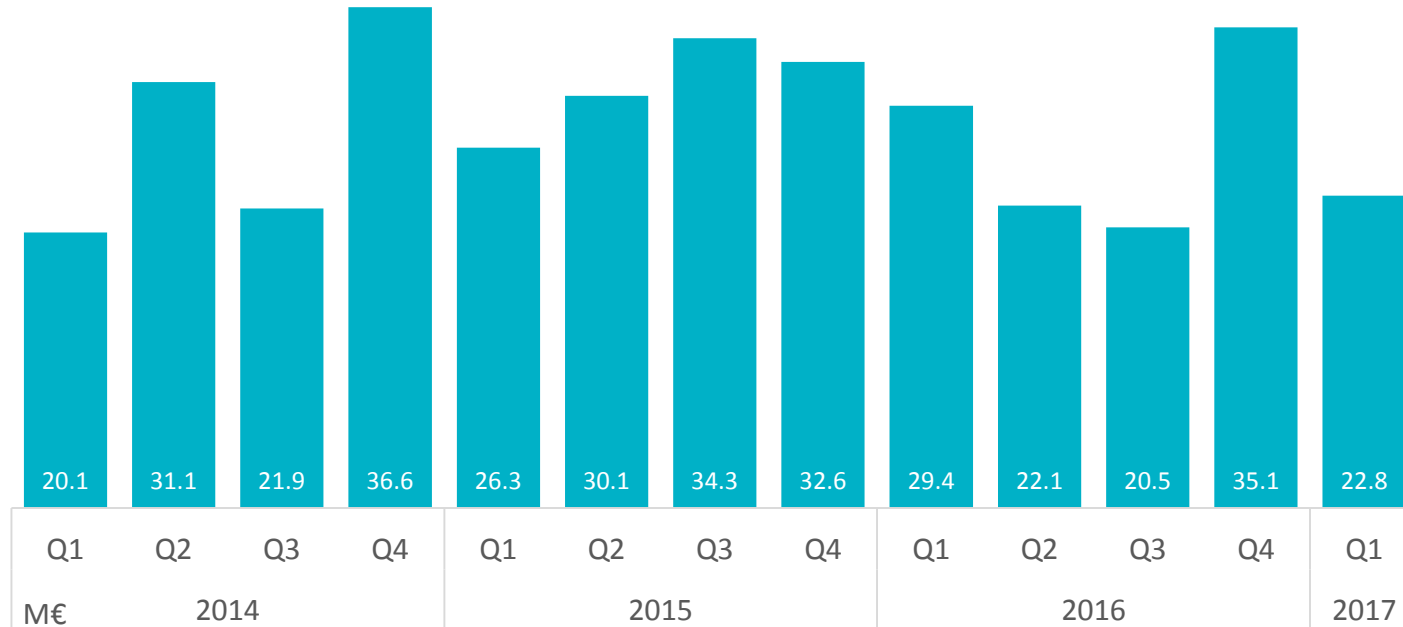
Emerging Technologies

- Glaston established the Glaston Emerging Technologies unit at the beginning of 2017
- The unit offers consulting and planning services for intelligent glass and energy glass window production as well as solar energy applications
- The unit also sells and delivers the production lines in question
- Glaston's investment in a Californian nanotechnology company is part of the Emerging Technologies unit's activities
 - The nanotechnology project focused on testing a prototype line and larger glass sizes and invested in product material development
 - Development of a pilot line also advanced in line with expectations
- As the technology leader in its field, Glaston held discussions with various companies on the development of new glass technologies and their practical application



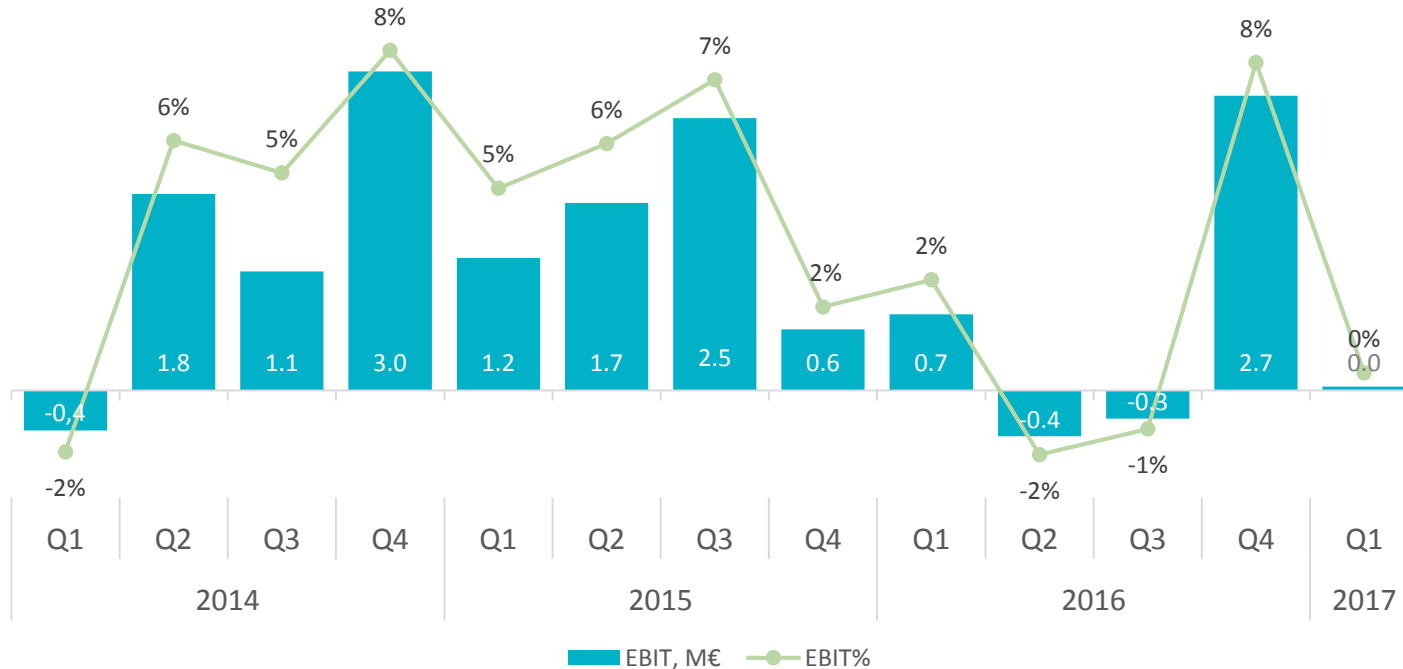
Q1 Net sales

Few deliveries during the period



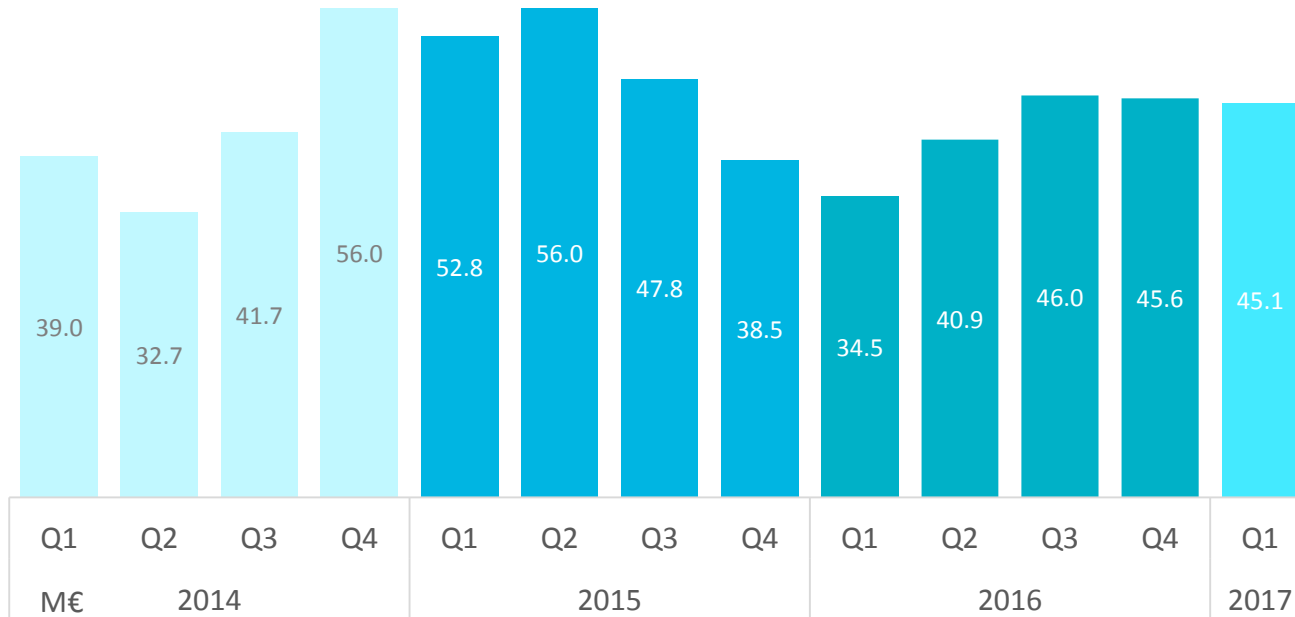
Q1 comparable operating result

Low net sales impacted the result



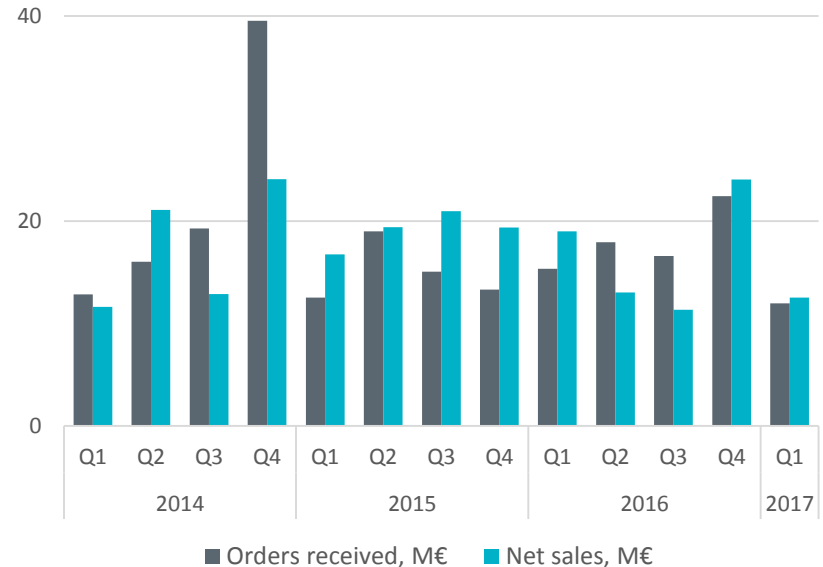
Order book

31% higher than the previous year



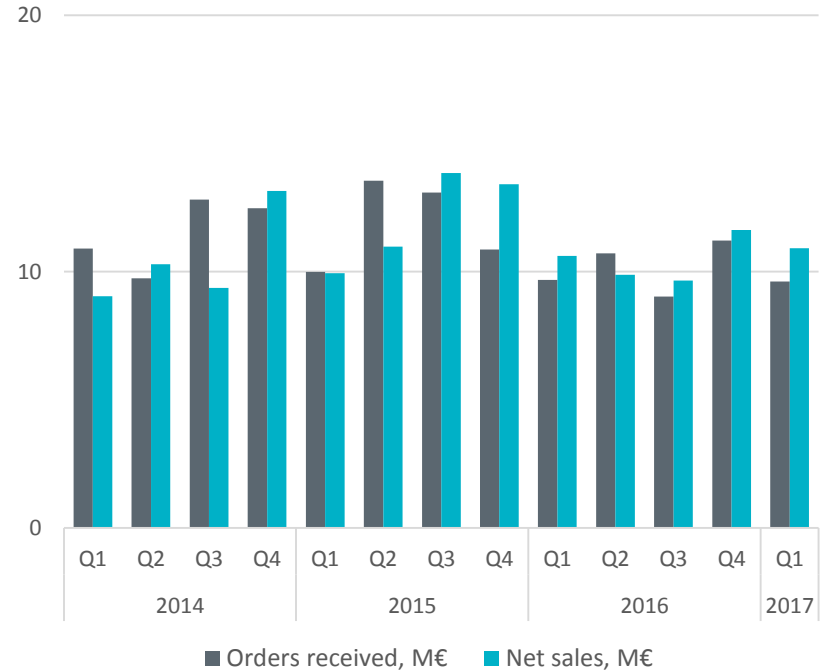
Machines Q1

- Quiet market environment
- EMEA was the Machine business' strongest area
- In North America, market activity continued to be reasonable and demand for machines was good. The laminated glass market especially is expected to grow in North America
- Low order intake, EUR 12.0 million, 22% down compared with corresponding period the previous year
- Low number of deliveries reduced net sales by 34% to EUR 12.5 million



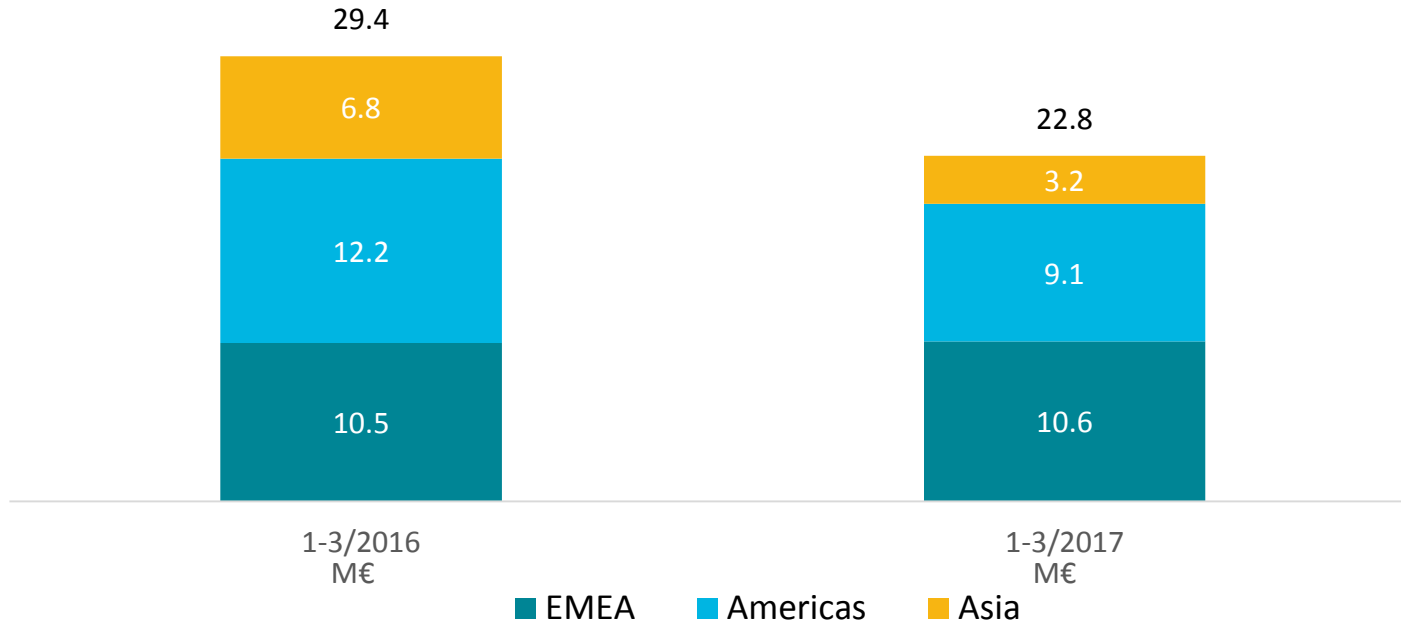
Services Q1

- Following a strong fourth quarter of 2016, the Services business market levelled off in January-March
- The market for upgrade products continued to be stable
- The order intake was at the previous year's level, EUR 9.6 million
- Net sales increased slightly: EUR 10.9 (10.6) million



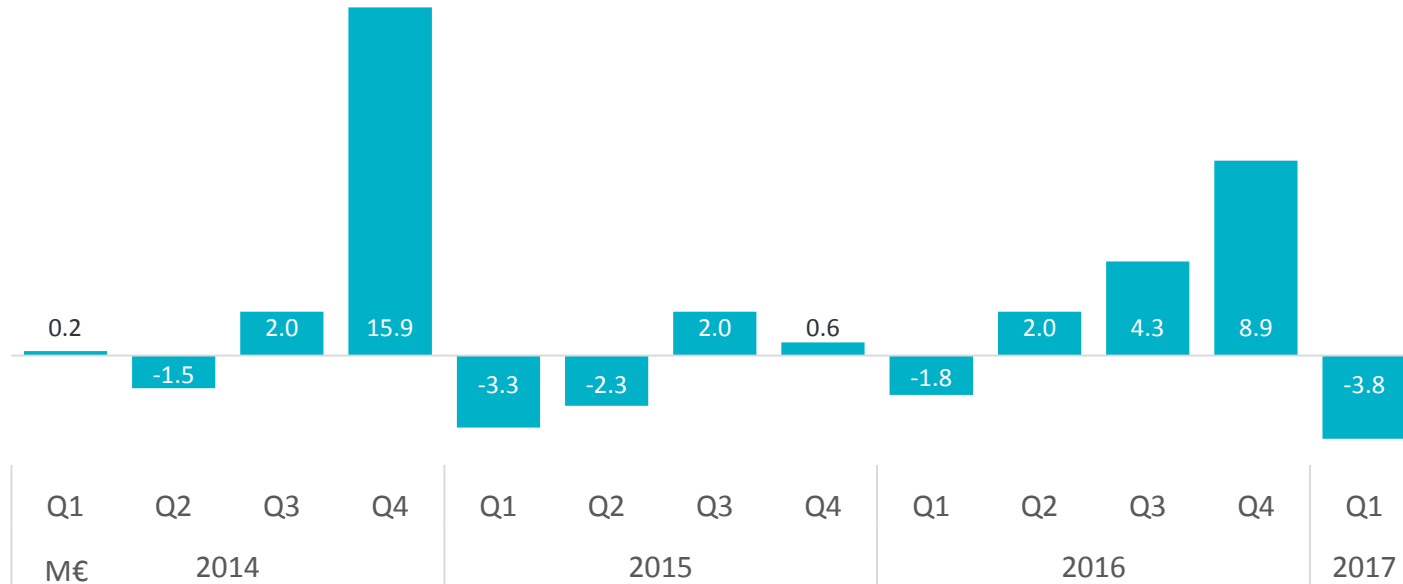
Net sales by area

EMEA's net sales stable; share of revenue 46%



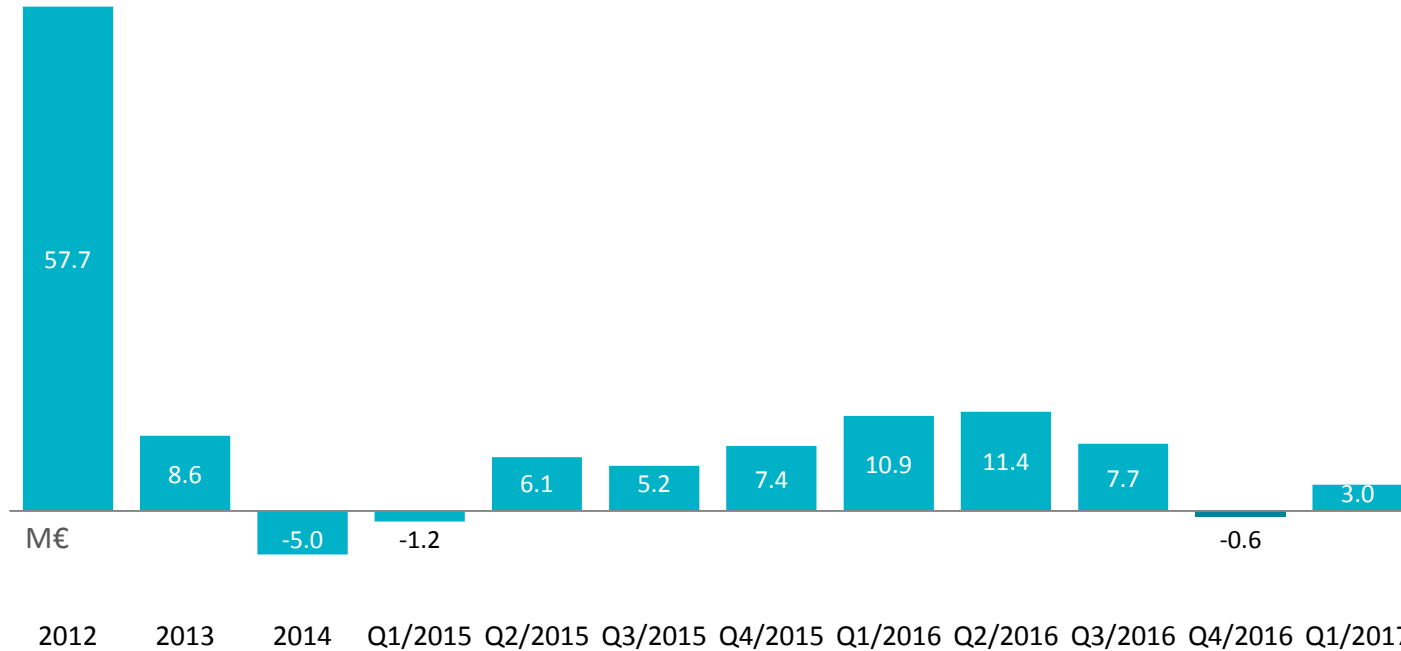
Cash flow from operating activities

Working capital grew, as expected



Net debt

Due to negative cash flow, modest increase in net debt



Outlook

- A higher order book than the previous year, positive market development and the cost-saving measures undertaken create good conditions for the development of operations in 2017
- We expect the full-year comparable operating result to improve from 2016. (In 2016 the comparable operating result was EUR 2.8 million.)

Shanghai Tower

glaston

- The Shanghai Tower, completed in 2015, is China's tallest and the world's second tallest building: 632 metres, a total of 133 floors (5 below ground)
- The double-glazed glass of the façade is designed to withstand large temperature changes. The double-layered insulating glass façade is designed to reduce the need for mechanical air-conditioning
- The façade glass was delivered by Glaston's customer SYP Group (Shanghai Yaohua Pilkington Glass Group Co., Ltd)

