

### PEGAS NONWOVENS SA recorded an EBITDA of EUR 34.1 million in the first nine months of 2016

**LUXEMBOURG/ZNOJMO (24 November 2016) – Based on unaudited results, PEGAS NONWOVENS SA (hereafter „PEGAS” or „Company”), a leading European producer of nonwoven textiles, recorded consolidated revenues of EUR 157.8 million in the first nine months 2016, down by 7.0% yoy.**

The decline in the price of polymers had a negative effect on the year-on-year comparison of revenues. Since the beginning of the year, polymer prices have been more or less stable and are at long term lows.

In the first nine months of 2016, EBITDA amounted to EUR 34.1 million, up by 14.6% yoy. The year-on-year growth in EBITDA is to a certain extent related to the revaluation of the share option plan. In terms of other effects, compared to last year, the impact of the polymer price pass-through mechanism was also less negative; whereas prices grew in the first nine months of last year, they remained stable in the same period this year. In this respect, it must nevertheless be noted that the long term low polymer prices are having a negative effect on financial results due to the polymer price pass-through mechanism arrangement. A further contribution to the growth of EBITDA was the increase in production volumes by 1.5% over the comparable periods.

In the first nine months of 2016, profit from operations (EBIT) amounted to EUR 22.0 million, up by 24.0% over the same period in 2015.

In the first nine months of 2016, Net profit reached EUR 13.0 million, down by 22.6% yoy primarily due to the reported unrealized foreign exchange changes in the compared periods.

*"The company's results in the third quarter were in line with our expectations and largely mirrored the preceding two quarters. EBITDA reached EUR 11.3 million and was not significantly affected by external factors since polymer prices remained stable. Production maintained a solid level of performance and kept up with sales. As a result, there was no significant change in the levels of inventories of finished products, which we continue to maintain at optimal levels.*

*With respect to the achieved results in the first nine months of this year, we can confirm our outlook for full year EBITDA.*

*Apart from the financial results, I would also like to point out the successful completion of building works on the new warehouse and production hall in Znojmo. In connection with this, investment is continuing into the new Compact production line, the installation of which was commenced recently. We expect the production line to be in full commercial operation from mid 2017.*

*I also sincerely believe that our shareholders were pleased this year with the dividend of EUR 1.25 per share, representing an annual return of approximately 4%", said František Řezáč, CEO and Member of the Board of PEGAS NONWOVENS SA.*

## Consolidated Financial Results of PEGAS NONWOVENS SA for the first nine months and the third quarter of 2016.

	9M 2015	9M 2016	Change in %
Revenues	169.6	157.8	(7.0%)
EBITDA	29.7	34.1	14.6%
Profit from operations	17.8	22.0	24.0%
Net profit	16.8	13.0	(22.6%)

In EUR mil.

	3Q 2015	3Q 2016	Change in %
Revenues	58.0	51.1	(11.8%)
EBITDA	8.2	11.3	38.0%
Profit from operations	4.2	7.3	76.6%
Net profit	0.5	5.5	980.4%

### Investor and Media Contact:

Jan Židek  
Head of External Reporting

PEGAS NONWOVENS  
Tel.: +420 515 262 408  
GSM: +420 727 964 218  
[jzidek@pegas.cz](mailto:jzidek@pegas.cz)

PEGAS NONWOVENS SA, société anonyme, is a holding company based in Luxembourg with operating companies based in Znojmo and Bucovice, Czech Republic and in the City of 6th October, Egypt. PEGAS NONWOVENS is a manufacturer of polypropylene / polyethylene nonwoven textiles for the hygiene, industrial, construction, agricultural, medical and other specialized sectors. These textiles are primarily used for the manufacture of baby diapers, feminine hygiene and adult incontinence products. The Company is active in developing new products demanded by the market and thereby maintains its position of technology leader in the European nonwovens market. PEGAS NONWOVENS currently has more than 570 employees.

PEGAS NONWOVENS SA is a publicly traded company on the Prague and Warsaw stock exchanges.

PEGAS NONWOVENS SA (société anonyme) is registered in the registry of commerce and companies R.C.S. in Luxembourg under number B 112.044. The seat of the company is 68-70, boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg.

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