

**RESULTS FOR THE FIRST QUARTER OF 2019
REVENUE UP BY 3.2% AND ECONYL® REVENUE UP BY 8%**

- **Revenue at March 31, 2019: € 145.3 million; +3.2% compared to Q1 2018 (€140.8 million);**
- **EBITDA at March 31, 2019: €19.1 million; -14.2% compared to Q1 2018 (€22.3 million);**
- **Adjusted EBIT at March 31, 2019: €11.0 million; -30.6% compared to Q1 2018 (€15.9 million);**
- **Net profit at March 31, 2019: €7.7 million; -21.9% compared to Q1 2018 (€9.8 million);**
- **Net Financial Position at March 31, 2019: €213.3 million, including the effect of the adoption of IFRS16 (€157.3 million at December 31, 2018).**

Arco, May 14, 2019 — The Board of Directors of Aquafil S.p.A. [ECNL IM] approved today the Company's operating and financial results at March 31, 2019.

The Group closed the first quarter of 2019 confirming its revenue growth trend.

Giulio Bonazzi, Aquafil's Chairman and Chief Executive Officer, stated:

"The uptrend in sales of ECONYL® branded products, which rose by 8%, continued also in the first quarter of 2019.

The market and consumers again showed a sharply increasing attention towards our ECONYL® branded products, which are an example of true circular economy. Revenue in North America and Asia & Oceania reported a further marked increase, whereas the European market continued to show a rather weak performance.

It should be noted that the reduced margins reported in the quarter compared to the previous year were partly expected, as a result of the European facilities' ongoing support to U.S. operations, in addition to a stronger weakness experienced by the EMEA carpet fiber market."

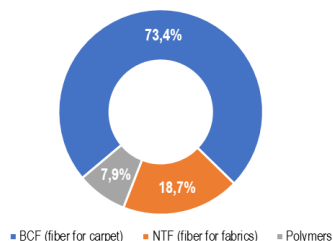
Revenue

In Q1 2019, revenue grew by 3.2% to €145.3 million (€140.8 million in Q1 2018, after application of IFRS 15).

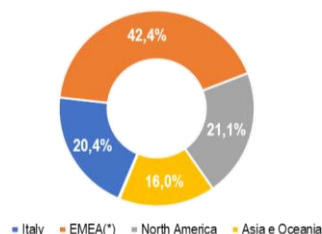
The growth was exclusively attributable to the increased revenue reported by the BCF Line within the North America and the Asia & Oceania geographical areas, partially offset by the slowdown of the European BCF Line market and lower sales levels due to planned in-house use of such polymers for fiber production.

A breakdown of sales in percentage terms by Geographical Area and Product Line at March 31, 2019 is given below:

**Turnover by Product Area
Q1 2019**



**Turnover by Geographic Area
Q1 2019**



Sales by Product Line

The following table shows the value and percentage change of sales, broken down by Product Line:

| Sales (€ million) by Product Line | Q1 2019 | | Q1 2018 | | Δ Val | % Δ |
|-----------------------------------|--------------|---------------|--------------|---------------|------------|-------------|
| | Q1 2019 | % | Q1 2018 | % | | |
| BCF | 106.6 | 73.4% | 97.2 | 69.0% | 9.4 | 9.7% |
| NTF | 27.1 | 18.7% | 26.5 | 18.8% | 0.7 | 2.6% |
| Polymers | 11.5 | 7.9% | 17.2 | 12.2% | (5.7) | -32.9% |
| TOTAL | 145.3 | 100.0% | 140.8 | 100.0% | 4.5 | 3.2% |

Compared to the first quarter of 2018, the Product Line:

- (a) BCF rose by 9.7%, as a result of the sharp increase in revenue in North America and Asia & Oceania, following one of our main competitors' withdrawal of some products from the market (North America) and the consolidation of the acquisition of Invista's assets (Asia & Oceania), offset by a decline in sales in EMEA;
- (b) NTF grew by 2.6% owing to increase sales prices;
- (c) Polymers declined by 32.9% to the in-house use of such polymers for fiber production.

Breakdown of sales by Geographical Area

The following table shows the value and percentage change of sales broken down by Geographical Area:

| Sales (€ million) by Geographical Area | Q1 2019 | % | Q1 2018 | % | Δ Val | % Δ |
|---|----------------|---------------|----------------|---------------|--------------|-------------|
| Italy | 29.6 | 20.4% | 33.8 | 24.0% | (4.1) | -12.2% |
| EMEA <i>(excluding Italy)</i> | 61.6 | 42.4% | 69.0 | 49.0% | (7.4) | -10.7% |
| North America | 30.7 | 21.1% | 22.3 | 15.8% | 8.5 | 38.0% |
| Asia & Oceania | 23.2 | 16.0% | 15.8 | 11.2% | 7.4 | 46.8% |
| RoW | 0.2 | 0.2% | 0.0 | 0.0% | 0.2 | 823.0% |
| TOTAL | 145.3 | 100.0% | 140.8 | 100.0% | 4.5 | 3.2% |

Compared to the first quarter of 2018, the Geographical Area:

- (a) Italy declined by 12.2%, mainly due to lower sales generated by the Polymers Product Line;
- (b) EMEA decreased by 10.7%, chiefly as a result of lower sales generated by BCF Product Line;
- (c) North America grew by 38.0% thanks to the increase in revenue generated by the BCF Product Line in the automotive sector, partially offset by a decline in Polymers Product Line's revenue;
- (d) Asia & Oceania rose by 46.8%, exclusively owing to the higher revenue of the BCF Product Line, as well as the consolidation of the acquisition of Invista's assets, as of April 27, 2018

The Group's revenue from sales of ECONYL® branded products rose by 8.0% compared to Q1 2018, accounting for approximately 37.5% of total synthetic fiber sales in the reporting period.

Operating Profit and Margins

EBITDA amounted to €19.1 million (of which €1.5 million associated with IFRS16 first-time adoption), down 14.2% compared to Q1 2018 (€22.3 million).

The EBITDA decline in the reporting period was mainly attributable to:

- a) the ongoing support offered by European manufacturing facilities to North American market where customs (8.4%) and shipping costs sharply erode sales margins, which are expected to recover in the second half of 2019 as a result of the investments already undertaken to implement local production;
- b) the decrease in European facilities' saturation as a consequence of the slowdown of this Geographical Area's end market;
- c) the start-up costs of the first Aquafil Carpet Recycling (ACR#1 in Phoenix).

EBITDA margin was 13.2%, lower compared to Q1 2018 (15.8%). The decline was generated by the above-mentioned factors that also impacted EBITDA.

Net profit for Q1 2019 amounted to €7.7 million, down 21.9% compared to Q1 2018 (€9.8 million).

This decrease was not only driven by EBITDA, but was also due to higher amortization and depreciation, offset by increased financial income (of which €1.0 million non-recurring financial income) and FX gains.

Net financial debt at March 31, 2019 was €213.3 million compared to €157.3 million at December 31, 2018.

The increase was mainly a result of (a) the recognition of the financial liability arising from IFRS16 first-time adoption (approximately €28.5 million), (b) the investments for the reporting period (about €18.5 million), and (c) higher working capital requirements in Q1 2019 than in Q4 2018.

Declaration of the appointed manager

"The Manager responsible for preparing the Company's financial reports, Sergio Calliari, declares, pursuant to Paragraph 2 of Article 154-*bis* of the Consolidated Finance Law, that the accounting information contained in this press release corresponds to the company's records, ledgers and accounting entries."

* * *

Founded in 1969, **Aquafil** is one of the main players, in Italy and worldwide, in the production of Polyamide 6 (nylon 6). The Aquafil Group operates in eight countries of three different continents, with over 2,700 employees at the 16 production plants located in Italy, Germany, Scotland, Slovenia, Croatia, Unites States, Thailand and China. For further details: www.aquafil.com

Aquafil is a pioneer in the circular economy also thanks to the ECONYL® regeneration system, an innovative and sustainable process able to create new products from waste and give life to an endless cycle. The Nylon waste is collected in locations all over the world and includes industrial waste but also products (such as fishing nets and rugs) that have reached the end of their useful life. Such waste is processed so as to obtain a raw material (caprolactam) with the same chemical and performance characteristics as those from fossil sources. The polymers produced from ECONYL® caprolactam are distributed to the Group's production plants, where they are transformed into BCF yarn and NTF yarn.

For further information

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Consolidated Balance Sheet at March 31, 2019

| CONSOLIDATED BALANCE SHEET €/000 | At March 31, 2019 | At December 31, 2018 |
|---|----------------------|-------------------------|
| Intangible Assets | 16.551 | 15.992 |
| Tangible Assets | 203.663 | 189.661 |
| Right of Use | 27.496 | - |
| Financial Assets | 401 | 404 |
| <i>of which related parties</i> | 79 | 79 |
| Other Assets | 2.191 | 2.189 |
| Deferred Tax Assets | 6.840 | 7.841 |
| Total Non-Current Assets | 257.143 | 216.087 |
| Inventories | 189.081 | 189.678 |
| Trade Receivable | 43.924 | 34.046 |
| <i>of which related parties</i> | 54 | 66 |
| Financial Current Assets | 2.475 | 2.878 |
| Current Tax Receivables | 725 | 451 |
| Other Current Assets | 15.714 | 14.297 |
| <i>of which related parties</i> | 1.947 | 1.859 |
| Cash and Cash Equivalents | 70.466 | 103.277 |
| Total Current Assets | 322.385 | 344.627 |
| Total Current Assets | 579.528 | 560.714 |
| Share Capital | 49.722 | 49.722 |
| Reserves | 94.073 | 62.969 |
| Group Net Profit for the year | 11.548 | 31.119 |
| Group Shareholders Equity | 155.344 | 143.810 |
| Net Equity attributable to minority interest | 1 | 1 |
| Net Profit for the year attributable to minority interest | (0) | 0 |
| Total Shareholders Equity | 155.345 | 143.811 |
| Employee Benefits | 5.627 | 5.702 |
| Non-Current Financial Liabilities | 237.333 | 224.345 |
| <i>of which related parties</i> | 9.521 | - |
| Provisions for Risks and Charges | 1.140 | 1.169 |
| Deferred Tax Liabilities | 3.803 | 3.582 |
| Other Payables | 11.174 | 11.833 |
| Total Non-Current Liabilities | 259.077 | 246.631 |
| Current Financial Liabilities | 48.884 | 39.090 |
| <i>of which related parties</i> | 2.529 | - |
| Current Tax Payables | 2.223 | 2.270 |
| Trade Payables | 92.466 | 106.895 |
| <i>of which related parties</i> | 425 | 762 |
| Other Liabilities | 21.532 | 22.017 |
| <i>of which related parties</i> | 230 | 230 |
| Total Current Liabilities | 165.105 | 170.272 |
| Total Equity and Liabilities | 579.528 | 560.714 |

Consolidated Income Statement at March 31, 2019

| CONSOLIDATED INCOME STATEMENT €/000 | First Quarter 2019 | <i>of which</i> <i>non-current</i> | First Quarter 2018 | <i>of which</i> <i>non-current</i> |
|---|-----------------------|---------------------------------------|-----------------------|---------------------------------------|
| Revenue | 145.328 | | 140.807 | |
| <i>of which related parties</i> | 17 | | 141 | |
| Other Revenue | 601 | 76 | 1 | 1 |
| Total Revenue and Other Revenue | 145.929 | 76 | 140.808 | 1 |
| Raw Material | (77.154) | (100) | (73.112) | (2) |
| Services | (24.781) | (803) | (23.368) | (204) |
| <i>of which related parties</i> | (103) | | (893) | |
| Personel | (26.712) | (139) | (25.589) | (142) |
| Other Operating Costs | (595) | (119) | (480) | (19) |
| <i>of which related parties</i> | (18) | | (17) | |
| Depreciation and Amortization | (8.038) | | (6.072) | |
| Provisions and Write-downs | (34) | | (300) | |
| Capitalization of Internal Construction Costs | 471 | | 2.644 | |
| EBIT | 9.086 | (1.086) | 14.530 | (366) |
| Other Financial Income | 1.091 | 1.082 | 16 | |
| Interest Expenses | (1.562) | | (1.377) | |
| <i>of which related parties</i> | (66) | | | |
| FX Gains and Losses | 961 | | (722) | |
| Profit Before Taxes | 9.576 | (4) | 12.448 | (366) |
| Income Taxes | (1.880) | | (2.598) | |
| Net Profit (Including Portion Attr. to Minority) | 7.696 | (4) | 9.850 | (366) |
| Net Profit Attributable to Minority Interest | 0 | | 23 | |
| Net Profit Attributable to the Group | 7.696 | | 9.827 | |
| <i>Basic earnings per share</i> | 0,15 | | 0,19 | |
| <i>Diluted earnings per share</i> | 0,15 | | 0,19 | |

Consolidated Cash Flow Statement at March 31, 2019

| CASH FLOW STATEMENT €/000 | At March 31, 2019 | At March 31, 2018 |
|--|----------------------|----------------------|
| <i>Operation Activities</i> | | |
| Net Profit (Including Portion Attr. to Minority) | 7.696 | 9.850 |
| <i>of which related parties</i> | -170 | -769 |
| Income Taxes | 1.880 | 2.598 |
| Other Financial Income | -1.091 | -16 |
| Interest Expenses | 1.562 | 1.377 |
| <i>of which related parties</i> | 66 | 0 |
| FX (Gains) and Losses | -961 | 722 |
| (Gain)/Loss on non - current asset Disposals | -249 | -92 |
| Provisions & write-downs | 34 | 300 |
| Amortisation, depreciation & write-downs | 8.038 | 6.072 |
| Cash Flow from Operating Activities Before Changes in NWC | 16.909 | 20.810 |
| Change in Inventories | 597 | -528 |
| Change in Trade and Other Receivables | -14.429 | -13.697 |
| <i>of which related parties</i> | -337 | -319 |
| Change in Trade and Other Payables | -9.898 | -12.225 |
| <i>of which related parties</i> | 12 | 39 |
| Change in Other Assets/Liabilities | -1.193 | -854 |
| <i>of which related parties</i> | 26 | 658 |
| Net Interest Expenses paid | -703 | -666 |
| Income Taxes paid | -31 | 0 |
| Change in Provisions for Risks and Charges | -212 | -165 |
| Cash Flow from Operating Activities (A) | -8.960 | -7.326 |
| <i>Investing activities</i> | | |
| Investment in Tangible Assets | -17.350 | -12.277 |
| Disposal of Tangible Assets | 280 | 924 |
| Investment in Intangible Assets | -997 | -4.474 |
| Investment in Right of Use | -28.802 | 0 |
| Cash Flow used in Investing Activities (B) | -46.869 | -15.826 |
| <i>Financing Activities</i> | | |
| Increase in no current Loan and borrowing | 0 | 30.000 |
| Decrease in no current Loan and borrowing | -4.413 | -21.576 |
| Net variation in current financial Assets and Liability | 27.432 | -591 |
| <i>of which related parties</i> | 12.049 | 0 |
| Cash Flow from Financing Activities (C) | 23.019 | 7.833 |
| Net Cash Flow of the Year (A)+(B)+(C) | -32.810 | -15.319 |

Consolidated Net Financial Position at March 31, 2019

| NET FINANCIAL DEBT €/000 | At March 31, 2019 | At December 31, 2018 |
|---|----------------------|-------------------------|
| A. Cash | 70.466 | 103.277 |
| B. Other cash equivalents | - | - |
| C. Securities held-for-trading | - | - |
| D. Liquidity (A + B + C) | 70.466 | 103.277 |
| E. Current financial receivables | 2.475 | 2.878 |
| F. Current bank loans and borrowing | (653) | (96) |
| G. Current portion of non-current loans and borrowing | (39.268) | (35.496) |
| H. Other current loans and borrowing | (8.963) | (3.498) |
| I. Current financial debt (F + G + H) | (48.884) | (39.090) |
| J. Net current financial debt (I + E+ D) | 24.057 | 67.066 |
| K. Non-current bank loans and borrowing | (151.528) | (159.492) |
| L. Bonds issued | (53.172) | (53.578) |
| M. Other non-current loans and borrowing | (32.630) | (11.274) |
| N. Non-current financial debt (K + L + M) | (237.330) | (224.344) |
| O. Net financial debt (J+N) | (213.274) | (157.279) |

Reconciliation of Consolidated Income Statement at March 31, 2019

| RECONCILIATION FROM NET PROFIT TO EBITDA €/000 | First Quarter 2019 | First Quarter 2018 |
|---|-----------------------|-----------------------|
| Net Profit (Including Portion Attr. to Minority) | 7.696 | 9.850 |
| Income Taxes | 1.880 | 2.598 |
| Amortisation & Depreciation | 8.038 | 6.072 |
| Write-downs & Write-backs of intangible and tangible assets | 34 | 300 |
| Financial items (*) | 379 | 3.093 |
| No recurring items (**) | 1.086 | 366 |
| EBITDA | 19.113 | 22.279 |
| Revenue | 145.328 | 140.807 |
| EBITDA Margin | 13,2% | 15,8% |

| RECONCILIATION FROM EBITDA TO EBIT ADJUSTED €/000 | First Quarter 2019 | First Quarter 2018 |
|---|-----------------------|-----------------------|
| EBITDA | 19.113 | 22.279 |
| Amortisation & Depreciation | 8.038 | 6.072 |
| Write-downs & Write-backs of intangible and tangible assets | 34 | 300 |
| EBIT Adjusted | 11.041 | 15.907 |
| Revenue | 145.328 | 140.807 |
| EBIT Adjusted Margin | 7,6% | 11,3% |

(*) The financial items include: (i) financial income of Euro 1.1 million at the end of March 2019 (ii) financial charges of Euro 1.6 million at the end of March 2019, compared to Euro 1.4 million at the end of March 2018, (iii) cash discounts of Euro 0.9 million at the end of March 2019, compared to Euro 1.0 million at the end of March 2018, and (iv) exchange gains of Euro 1.0 million, against losses of Euro 0.7 million.

(**) This includes (i) non-recurring charges related to the expansion of the Aquafil Group and other corporate transactions for Euro 0.5 million and 0.2 million respectively in the periods ending March 31, 2019 and March 31, 2018, (ii) other non-recurring charges of Euro 0.6 million and Euro 0.1 million respectively in the periods ending March 31, 2019 and March 31, 2018.