

Glaston Corporation publishes pro forma quarterly financial information related to the acquisition of Bystronic glass

Glaston Corporation publishes unaudited pro forma financial information per quarter for the year 2018 and for the first quarter of 2019.

The pro forma financial information is presented for illustrative purposes in order to reflect the hypothetical impact of the acquisition of Bystronic glass to the Company's results of operations, if it had taken place as of 1 January 2018. The pro forma information is presented separately for group level and for the segments.

On 1 April 2019, Glaston Corporation completed the acquisition of Swiss-German based globally operating Bystronic glass, a company offering high-end machinery, systems and services for the processing of glass. Bystronic glass is consolidated as part of Glaston Corporation as of 1 April 2019 and consequently, the Company has two reporting segments: Glaston and Bystronic glass. In addition, the company will report net sales, order intake and order book for Heat Treatment Technologies, Bystronic Glass Technologies, Emerging Technologies (combining Emerging Technologies of the Glaston segment and Bystronic glass display business), Services (combining the service sales of the heat treatment services in the Glaston segment and Services & Spare Parts in the Bystronic glass segment) and Other product areas as of 1 April 2019.

Additional information on the basis of presentation of the pro forma financial information is included in Glaston's Rights Issue Prospectus, dated 29 May 2019. The Finnish language prospectus is available on the company's website.

In the following tables unaudited pro forma financial information for the group as well as for the segments for the first quarter of 2019 and each of the quarters in 2018 are presented.

Glaston is applying the new leasing standard 'IFRS 16 leases' fully retrospectively from 1 January 2019 and has restated the comparable figures accordingly for 2018.

Glaston's half year financial report will be published on August 8, 2019 at 1 pm local time.

GLASTON GROUP GLASTON AND BYSTRONIC GLASS PRO FORMA 2018

CONDENSED STATEMENT OF PROFIT OR LOSS

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Net sales	44.3	44.9	47.3	55.4	54.2
Other operating income	0.6	0.4	0.4	1.2	0.2
Expenses	-41.8	-45.8	-43.4	-51.5	-49.6
Depreciation, amortization and impairment	-1.7	-1.8	-1.6	-1.6	-1.6
Depreciation of right-of-use assets	-0.6	-0.6	-0.6	-0.7	-0.6
Operating profit	0.8	-2.9	2.0	2.8	2.5
Financial items, net	-0.3	-0.7	-0.8	-0.6	-0.6
Interest expenses on lease liabilities	-0.1	-0.1	-0.1	-0.2	-0.2
Result before income taxes	0.3	-3.8	1.1	2.1	1.7
Income taxes	-0.7	0.7	-0.2	0.0	-0.8
Profit / loss for the period	-0.3	-3.0	0.9	2.1	1.0
Number of shares, average, adjusted with share issue (1.000) ⁽¹⁾	51 302	51 302	51 302	51 302	51 302
Earnings per share, EUR	-0.005	-0.059	0.017	0.042	0.019

⁽¹⁾ Reverse share split was implemented on 1 March 2019. Rights issue was implemented during the second quarter in 2019. The number of shares and the share price for the comparative period has been restated accordingly.

Unaudited Pro Forma Statement of Profit or Loss for the year ended 31 December 2018

EUR million	Glaston IFRS	Bystronic glass IFRS	Pro forma - adjustment PPA ⁽²⁾	Pro forma - adjustment Bystronic loans	Pro forma adjustment Financing costs	Glaston Pro Forma IFRS
Net sales	101.1	100.7				201.8
Other operating income	2.2	0.3				2.6
Changes in inventories of finished goods and work in progress	-1.7	7.3	-0.4			5.3
Own work capitalized	0.3	0.0				0.3
Materials	-49.2	-46.3				-95.5
Personnel expenses	-23.4	-36.4				-59.7
Other operating expenses	-20.8	-20.3				-41.1
Depreciation, amortization and impairment	-3.0	-1.2	-2.4			-6.6
Depreciation of right-of-use asset	-1.8	-0.7				-2.6
Operating result	3.8	3.3	-2.8			4.4
Financial income	0.1	0.1				0.3
Financial expenses	-0.8	-0.4		0.2	-2.0	-3.0
Net financial items	-0.7	-0.2		0.2	-2.0	-2.7
Interest expenses on lease liabilities	-0.5	-0.1				-0.6
Profit/loss before income tax	2.6	3.0	-2.8	0.2	-2.0	1.1
Income tax expense	-0.7	-0.6	0.6		0.4	-0.2
Profit/loss for the period	1.9	2.5	-2.1	0.2	-1.6	0.9
Attributable to non-controlling interest	-0.2					-0.2
Attributable to owners of the parent	2.1	2.5	-2.1	0.2	-1.6	1.0
Total	1.9	2.5	-2.1	0.2	-1.6	0.9

⁽²⁾ in Glaston's Rights Issue Prospectus, published on 29 May in 2019 the preliminary costs from purchase price allocation was EUR 3.9 million /year. Fair values have been revised and updated costs from purchase price allocation is EUR 2.8 million /year.

PRELIMINARY FAIR VALUE ADJUSTMENTS

	Fair value adjustments EUR million	Estimated useful life (years)	Depreciation/ amortization /year EUR million
Buildings	4.8	20	0.2
Land	5.4	N/A	-
Trademark	3.1	3	1.0
Customer relationships	11.4	10	1.1
Inventory	0.7	2	0.4
Total	25.4		2.8
Related deferred tax liability	5.9		

COMPARABLE EBITDA, EBITA AND OPERATING RESULT (EBIT)

Items affecting comparability

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Resturcturings and disposals of property, plant and equipment	-0.8	-1.8	-0.3	0.0	-0.2
Items affecting comparability	-0.8	-1.8	-0.3	0.0	-0.2

Comparable EBITDA

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Operating result (EBIT)	0.8	-2.9	2.0	2.8	2.5
Depreciation and amortization	2.3	2.4	2.3	2.2	2.3
EBITDA	3.1	-0.5	4.3	5.0	4.8
Items affecting comparability	0.8	1.8	0.3	0.0	0.2
Comparable EBITDA	3.9	1.3	4.6	5.0	5.0
% of net sales	8.8%	2.9%	9.8%	9.1%	9.1%

Comparable EBITA

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Operating result (EBIT)	0.8	-2.9	2.0	2.8	2.5
Amortization and purchase price allocation	1.2	1.2	1.2	1.2	1.2
EBITA	2.0	-1.7	3.2	4.0	3.7
Items affecting comparability	0.8	1.8	0.3	0.0	0.2
Comparable EBITA	2.8	0.1	3.5	4.0	3.9
% of net sales	6,4%	0.2%	7.5%	7.2%	7.1%

Comparable result EBIT

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Operating result (EBIT)	0.8	-2.9	2.0	2.8	2.5
Items affecting comparability	0.8	1.8	0.3	0.0	0.2
Comparable EBIT	1.6	-1.1	2.4	2.8	2.7
% of net sales	3.6%	-2.4%	5.0%	5.1%	4.9%

SEGMENT INFORMATION

Reportable segments in Glaston Group are Glaston and Bystronic glass from 1. April 2019.

The reportable segment applies Glaston Group's accounting and measurement principles. Glaston follows the same commercial terms in transactions between the segment as with third parties. The reportable segment consists of operating segments, which have been aggregated in accordance with the criteria of IFRS 8.12.

Operating segments have been aggregated, when the nature of the products and services is similar, the nature of the production process is similar, as well as the type or class of customers. Glaston's and Bystronic glass's business consists of the manufacture and sale of glass processing machines as well as the service operations for these machines. There is a high level of integration between machines and maintenance. Product development as well as sales and distribution are shared functions, serving both business areas. Their customers are the same, as is their market development, which is linked to the general development of the global market. Also the methods to distribute products or to provide services are similar.

GLASTON

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Comparable EBITA	0.5	3.0	1.6	1.4	1.6
% of net sales	2.5%	10.9%	6.8%	5.4%	6.3%
Net sales	20.8	27.8	23.0	25.6	24.8
Comparable EBIT	0.0	2.6	1.1	0.9	1.1
Comparable EBIT-%	0.2%	9.2%	4.7%	3.6%	4.4%
Items affecting comparability	-0.8	-1.3	-0.3	-0.0	-0.2
Operating result EBIT	-0.8	1.2	0.7	0.9	0.9
% of net sales	-3.8%	4.5%	3.2%	3.6%	3.8%

BYSTRONIC GLASS

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Comparable EBITA	2.3	-2.9	2.0	2.6	2.3
% of net sales	9.8%	-17.2%	8.1%	8.7%	7.8 %
Net sales	23.6	17.1	24.4	29.8	29.4
Comparable EBIT	1.6	-3.7	1.3	1.9	1.6
Comparable EBIT-%	6.7%	-21.5%	5.2%	6.4%	5.4%
Items affecting comparability	-	-0.5	-	-	-
Operating result EBIT	1.6	-4.2	1.3	1.9	1.6
% of net sales	6.7%	-24.6%	5.2%	6.4%	5.4%

Net sales by geographical areas

milj. euroa	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Americas	12.4	12.9	11.2	11.5	10.3
EMEA	22.9	24.2	29.4	30.7	27.9
APAC	9.0	7.7	6.7	13.2	16.0
Total Glaston Group	44.3	44.9	47.3	55.4	54.2

Order intake

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Glaston	22.9	33.9	21.7	25.4	26.5
Bystronic glass	22.4	29.5	22.6	27.4	29.7
Total Glaston Group	45.3	63.4	44.2	52.8	56.2

Order book

EUR million	31.3.2019	31.12.2018	30.9.2018	30.6.2018	31.3.2018
Glaston	42.8	38.2	36.3	37.3	36.0
Bystronic glass	61.4	61.7	48.1	49.7	52.7
Total Glaston Group	104.2	99.9	84.5	87.0	88.8

Net sales by product type

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Heat Treatment Technologies	12.4	17.3	14.4	17.2	16.0
Bystronic Glass Technologies	13.6	7.2	17.0	20.8	19.9
Emerging Technologies	0.0	-0.0	-2.6	0.1	0.6
Services	17.2	17,9	16.1	14.3	15.5
Other and intersegment sales	1.1	2.5	2.5	3.1	2.2
Total Glaston Group	44.3	44.9	47.3	55.4	54.2

Order intake by product type

EUR million	1-3/2019	10-12/2018	7-9/2018	4-6/2018	1-3/2018
Heat Treatment Technologies	13.5	26.6	12,7	16,4	18,0
Bystronic Glass Technologies	12.4	19.4	12,2	18,1	20,5
Emerging Technologies	0.6	-	-	-	-
Services	17.4	15.2	17,3	15,8	15,9
Other	1.3	2.2	2,1	2,6	2,0
Total Glaston Group	45.3	63.4	44,2	52,8	56,2

Order book by product type

EUR million	31.3.2019	31.12.2018	30.9.2018	30.6.2018	31.3.2018
Heat Treatment Technologies	38.9	35.2	30.6	32.5	31.1
Bystronic Glass Technologies	56.6	57.0	43.4	47.7	50.7
Emerging Technologies	5.6	5.1	5.1	2.5	3.0
Services	2.7	2.6	5.1	4.0	3.3
Other	0.4	0.1	0.3	0.3	0.7
Total Glaston Group	104.2	99.9	84.5	87.0	88.8

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Glaston Corporation

Glaston is the glass processing industry's innovative technology leader supplying equipment, services and solutions to the architectural, automotive, solar and appliance industries. The company also supports the development of emerging technologies integrating intelligence to glass.

As of April 2019, Bystronic glass is part of Glaston Group. Together we are committed to providing our clients with both the best know-how and the latest technologies in glass processing, with the purpose of building a better tomorrow through safer, smarter, and more energy efficient glass solutions. We operate globally with manufacturing, services and sales offices in 12 countries. Glaston's shares (GLA1V) are listed on Nasdaq Helsinki Ltd.

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