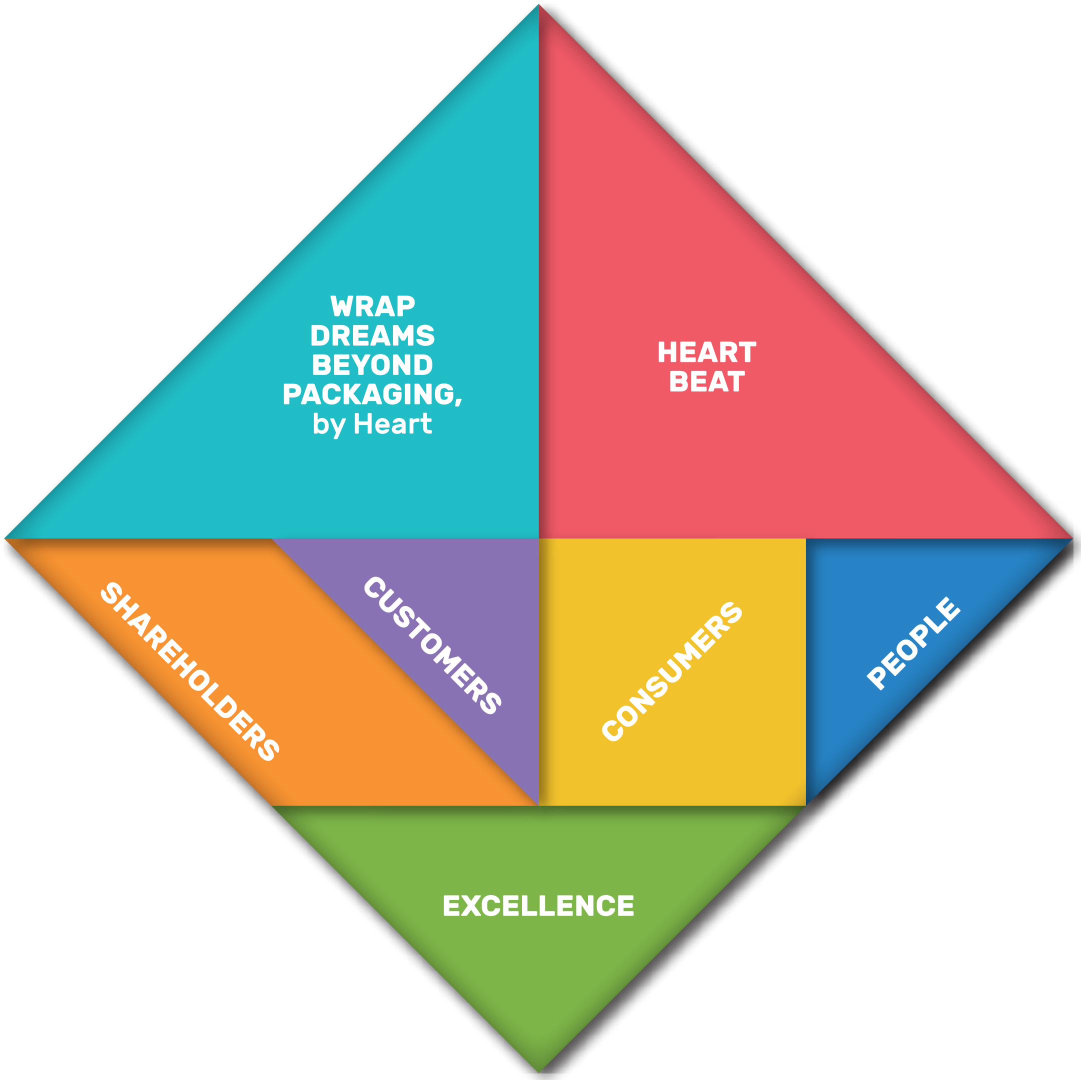
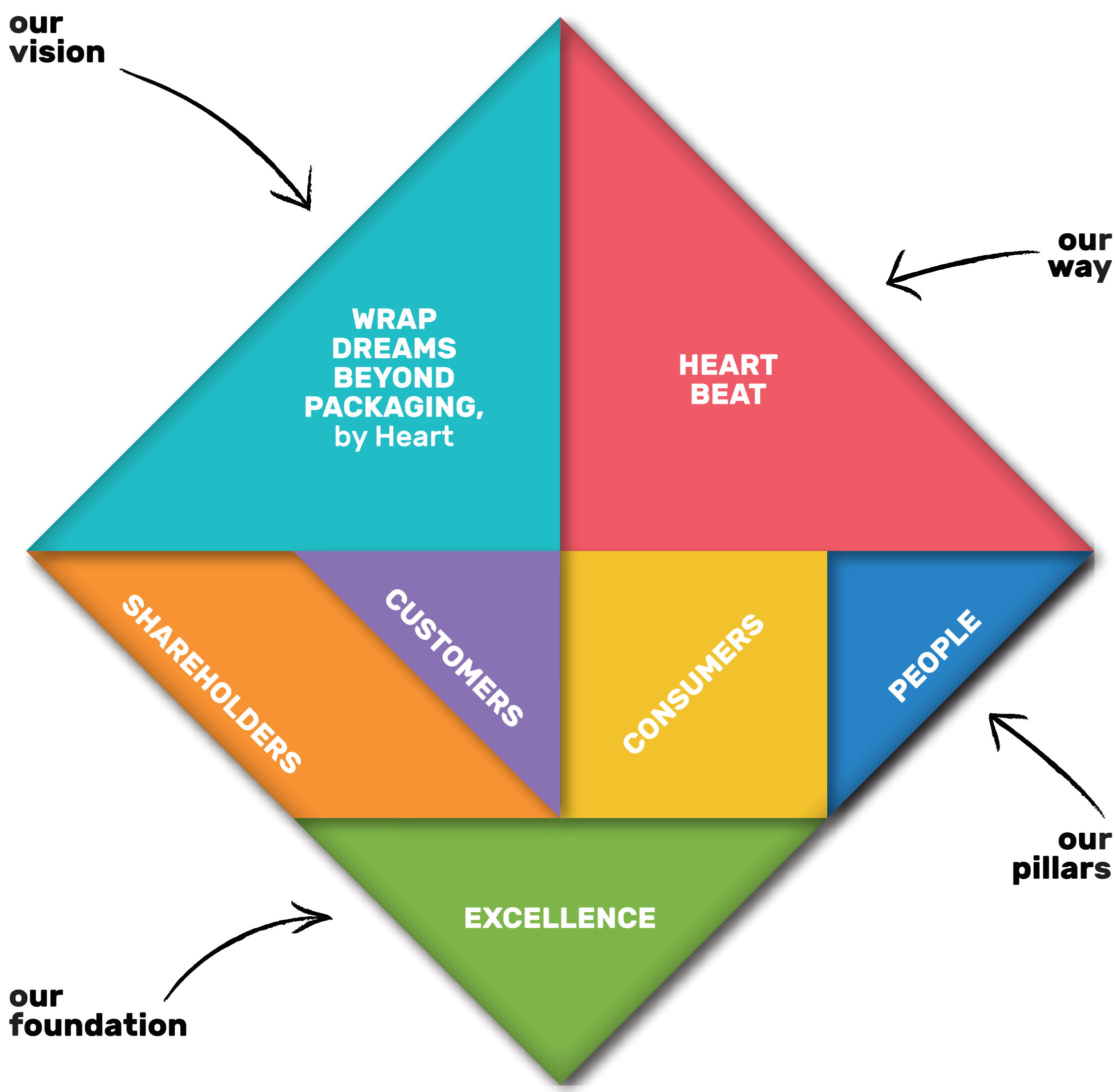


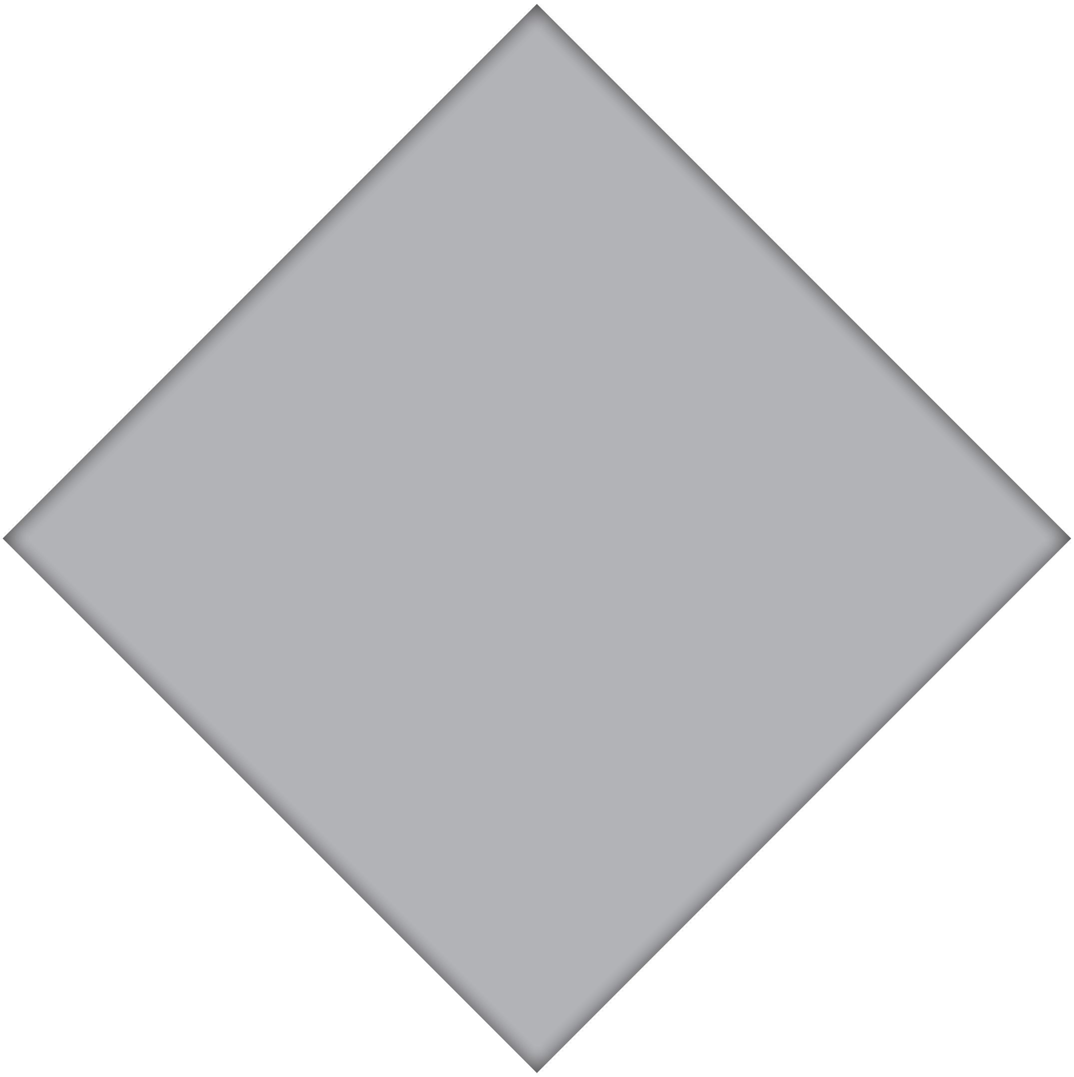
Play it

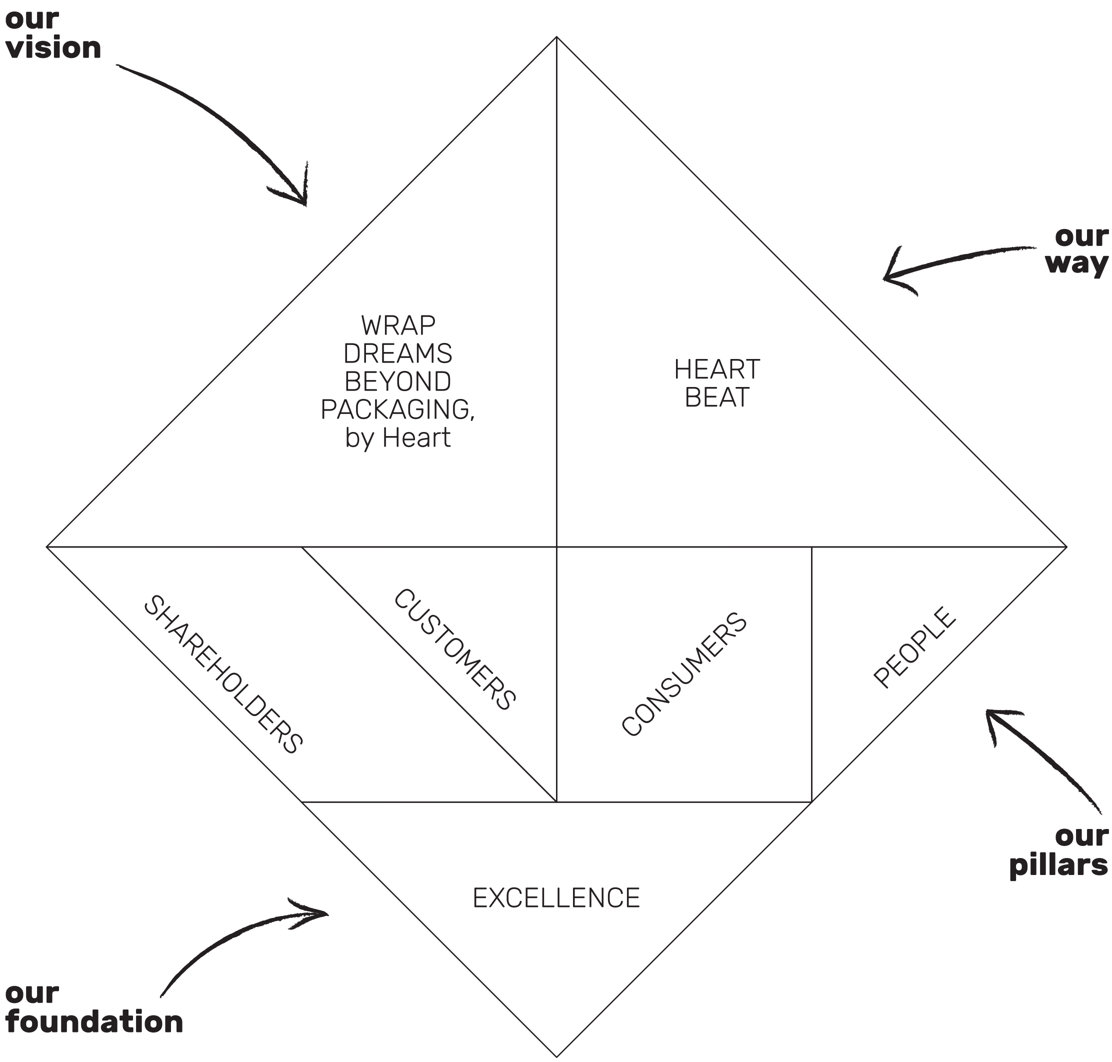
2016 ANNUAL REPORT

BA

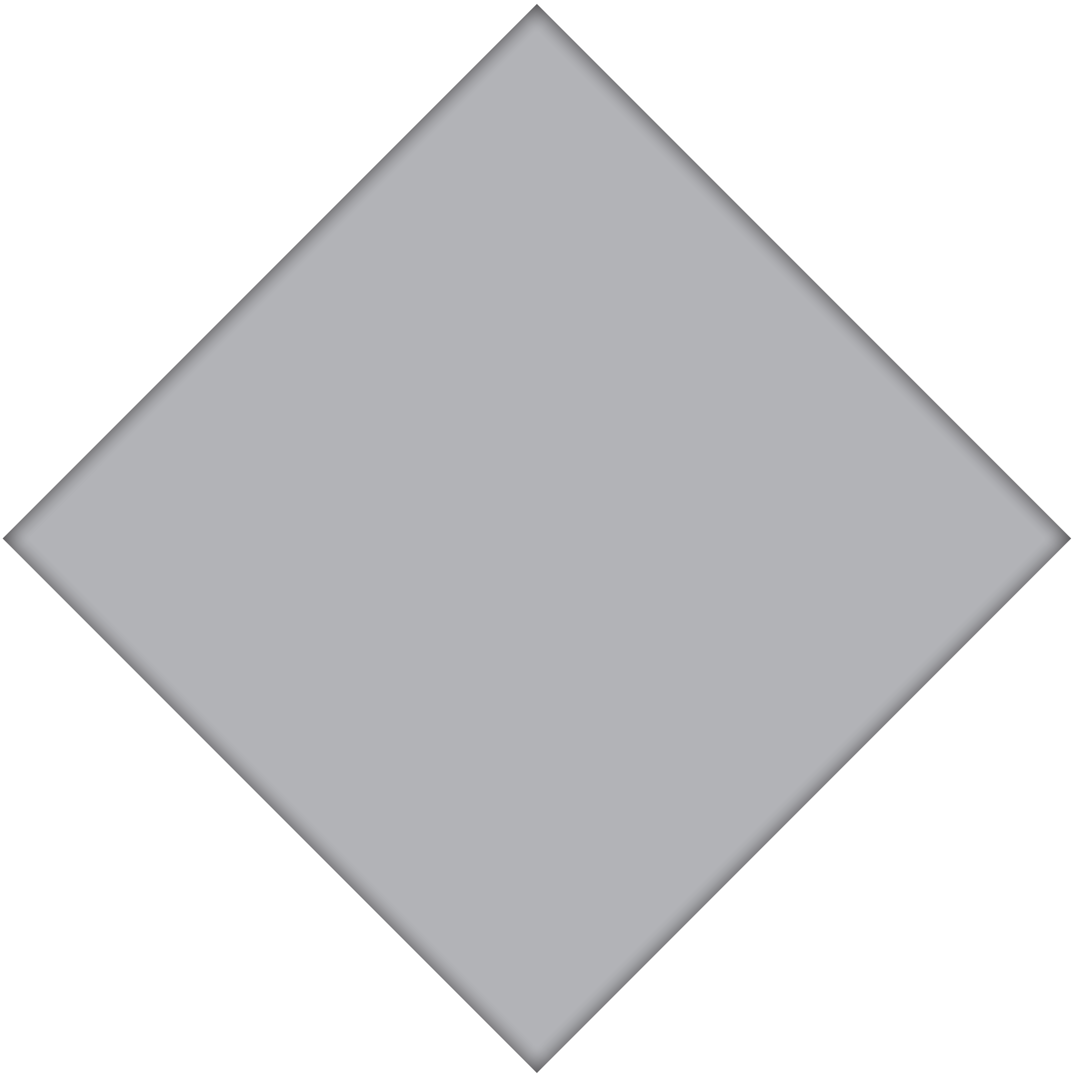


The tools are set





The tools are set



BA

2016 ANNUAL REPORT

SHAREHOLDERS

CUSTOMERS

HEART BEAT

EXCELLENCE

CONSUMERS

Play it

PEOPLE

A Vision is a long term ambition, something that we have not yet reached and will inspire all our policies, projects and decisions.

It is our road-map, the one that will guide us through all our transformational initiatives. It is the "WHY", the reason we make things happen.

We aim to deliver something that will be recognized as better, different or special. Our new Vision is much more ambitious than the last one.

"To wrap dreams" requires observation, anticipation, exploration, innovation. To do that successfully requires understanding what delights Consumers – our Vision's new pillar. To do that sustainably requires Excellence – our foundation.

We do not dare to replace our customers knowledge on their own markets and consumers. But we truly believe we can deliver them more value added proposals if we further develop our knowledge and experience. And we will do it by HEART!

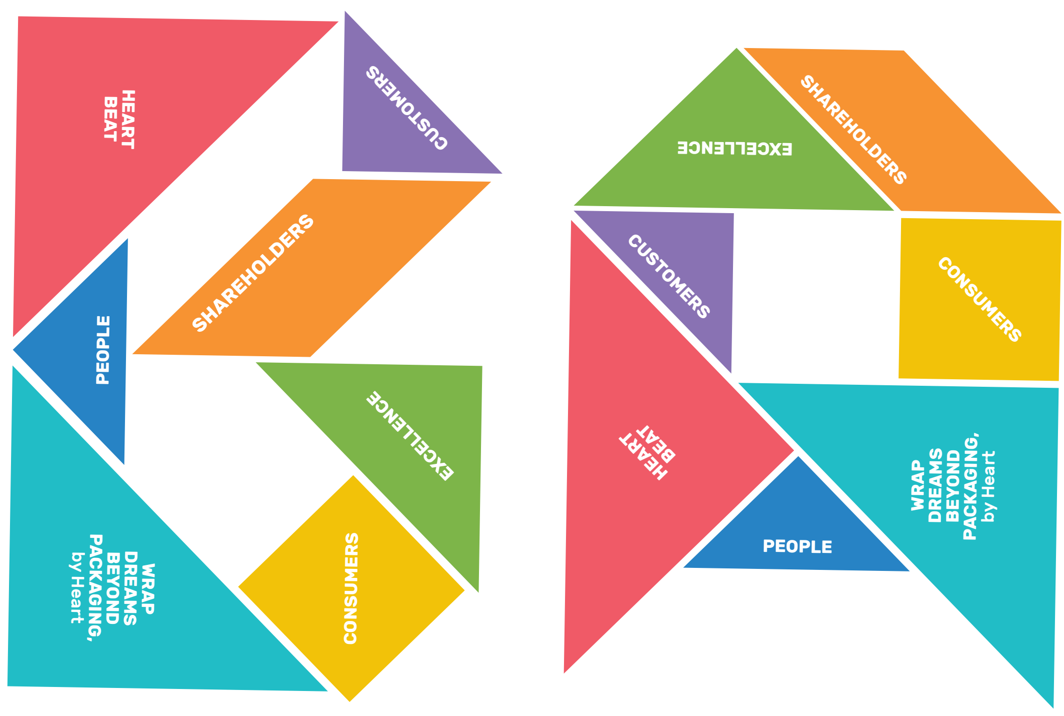
Today we believe the tools and the way are set.
We are prepared to play a new game. So… let us play it!

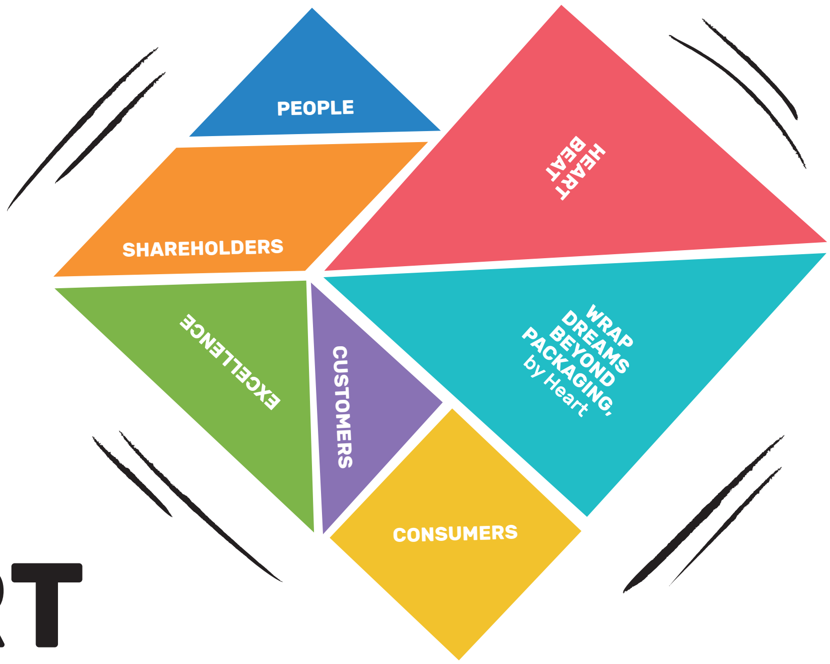
WRAP DREAMS BEYOND PACKAGING,
by Heart

"People don't buy what we do. They buy WHY we do it. And what you do simply proves what you believe "
Simon Sinek

Wrap Dreams Beyond Packaging, by Heart

In BA, we aim to enhance and magnify, as a gift, the never ending goals not yet reached, aiming to do more than just what we produce... We aim to **WRAP DREAMS BEYOND PACKAGING, by Heart**





HEART BEAT

We have an exciting and challenging journey ahead and we will make it our way, the BA way, built on our values, principles and beliefs. We will make it guided by our **HEART BEAT**

We had our values
HEART
Humbleness to learn
Emotion in everything we are engaged with
Ambition to set targets
Rigor when performing tasks
Transparency in internal and external relations

and we reinforced them with our
BEAT
Be focused on the customer
Empower your team
Act like an owner
Think about simple solutions

Be the choice of our **Customers**

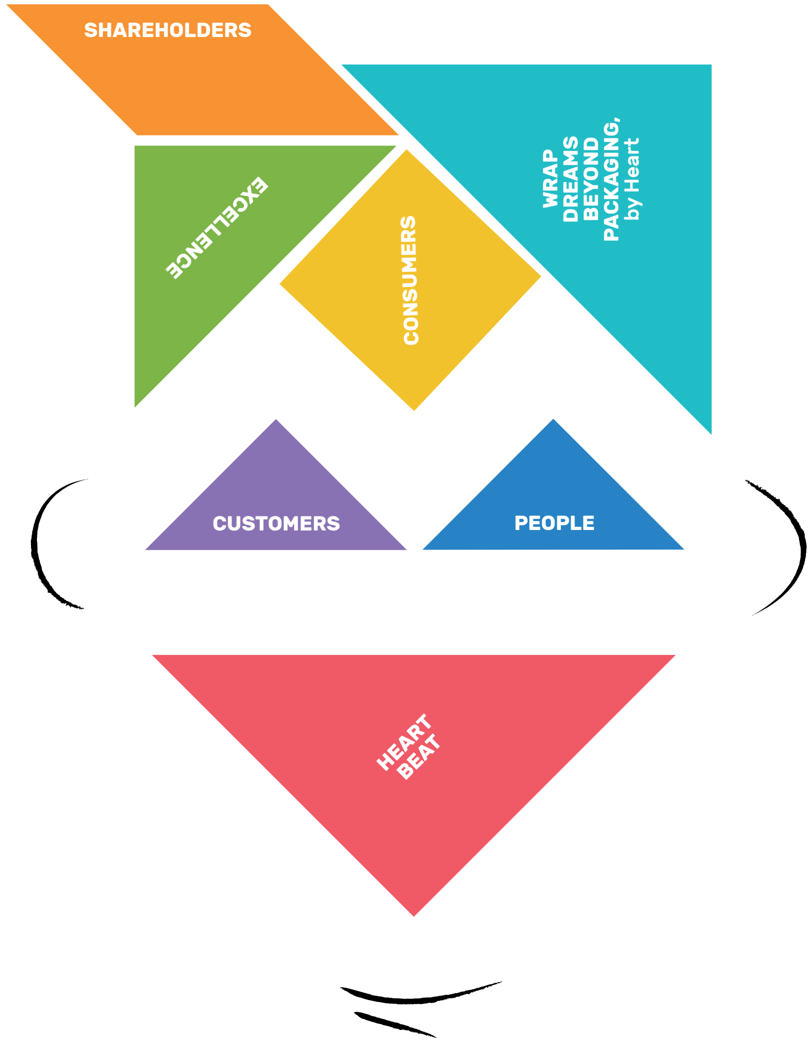
Provide unique experiences to **Consumers**

In BA we believe we can go beyond making glass containers. Over the last years we have been building partnerships and projects with our customers. Now we want to take a step further!

Consumers is a new pillar of our Vision because we believe that by knowing them better we can propose more value added solutions to our customers.

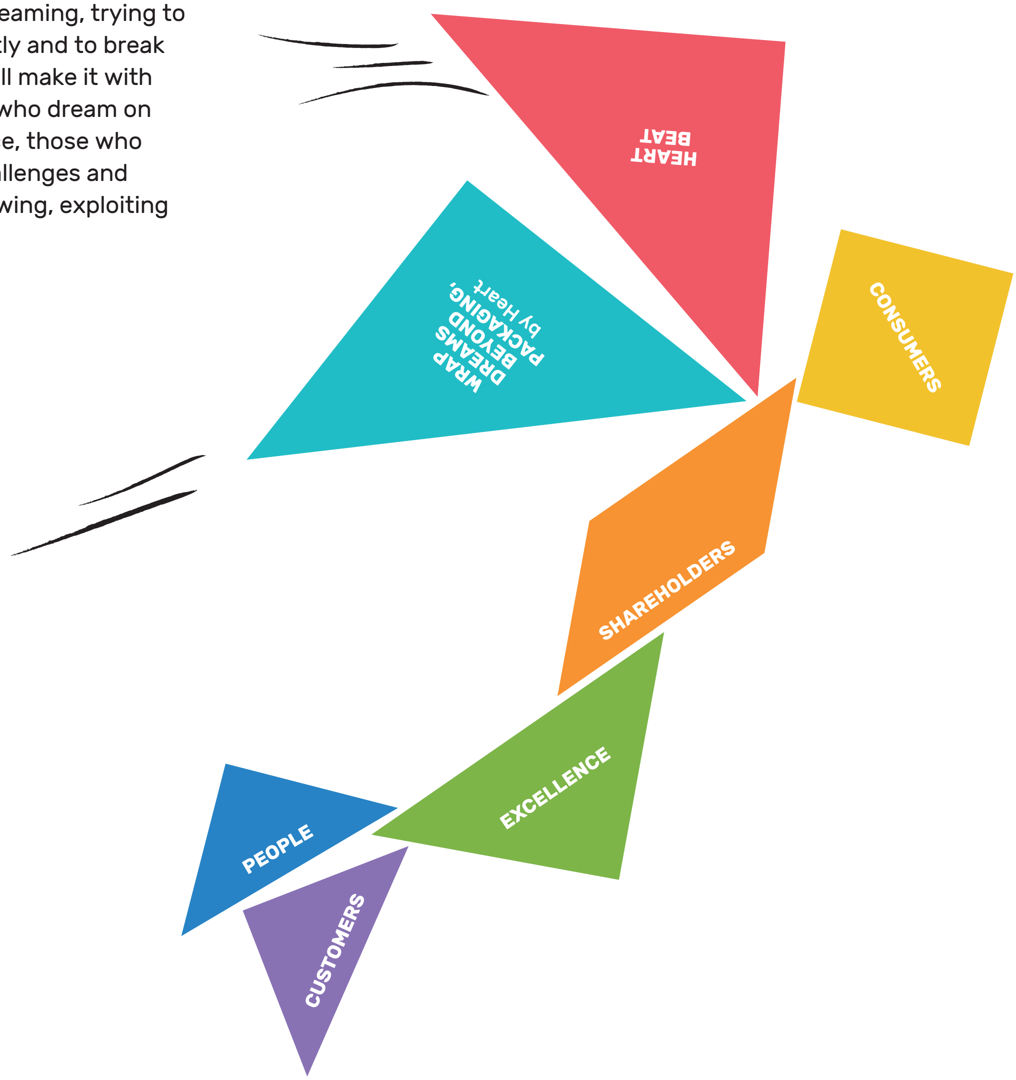
We aim to provide the best product and service quality and to be part of our customers creation and innovation processes, to leverage their dreams, desires, ambitions, growth and the aspiration of providing the consumers with unique experiences built on trust, convenience and emotions.

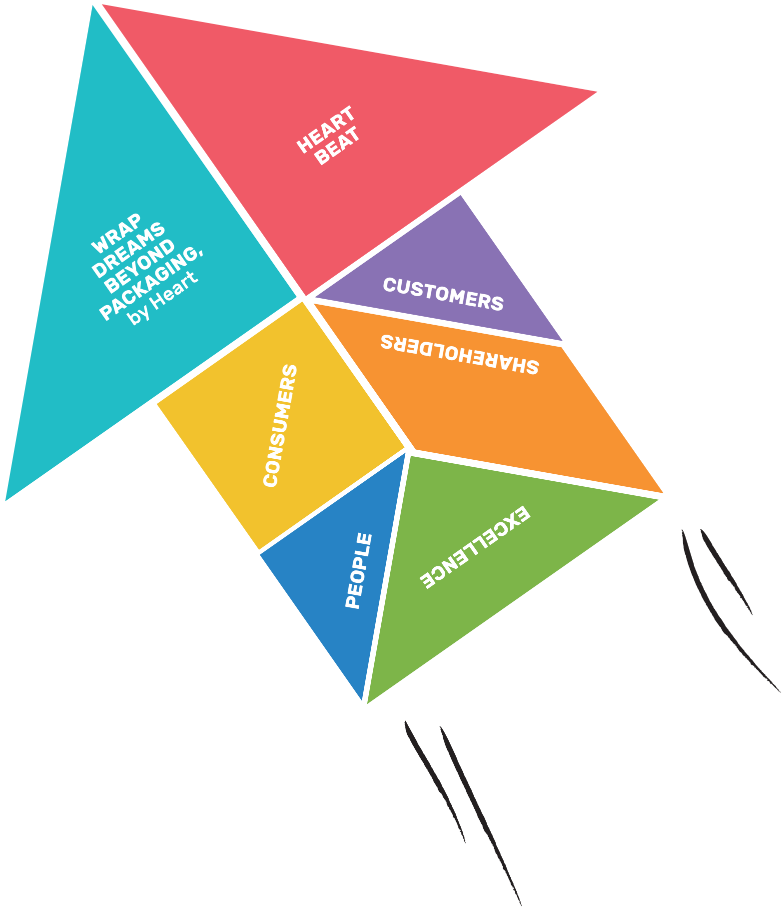
When dreams are fulfilled, new dreams come up, challenging us over and over again. Long term innovation relationships is what BA aims for, built on trust and the constant ability to surprise!


SHAREHOLDERS
WRAP DREAMS BEYOND PACKAGING, by Heart
EXCELLENCE
CONSUMERS
CUSTOMERS
PEOPLE
HEART BEAT

Enable the development of our **People**

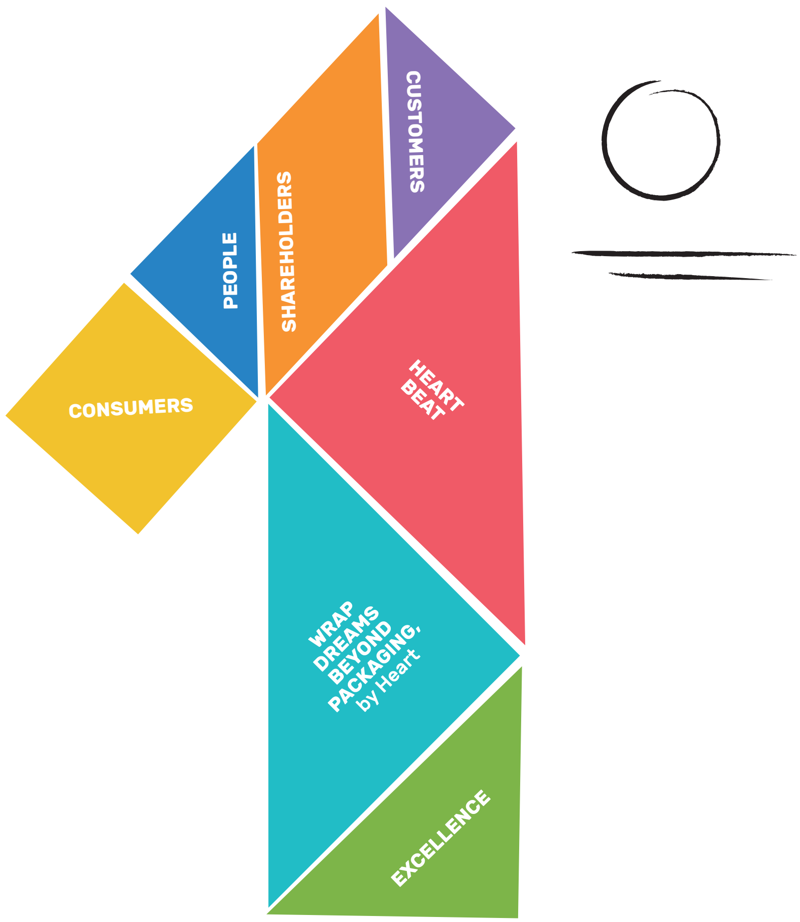
A transformation, a new ambition, a new dream are only possible with committement, dreaming, trying to do things differently and to break impossibles. We will make it with our people, those who dream on making a difference, those who engage on the challenges and opportunities, growing, exploiting and exploring.





Create value for our **Shareholders**

Value creation is what drives our Shareholders committment and support. We aim to create value through sustainable and profitable growth.



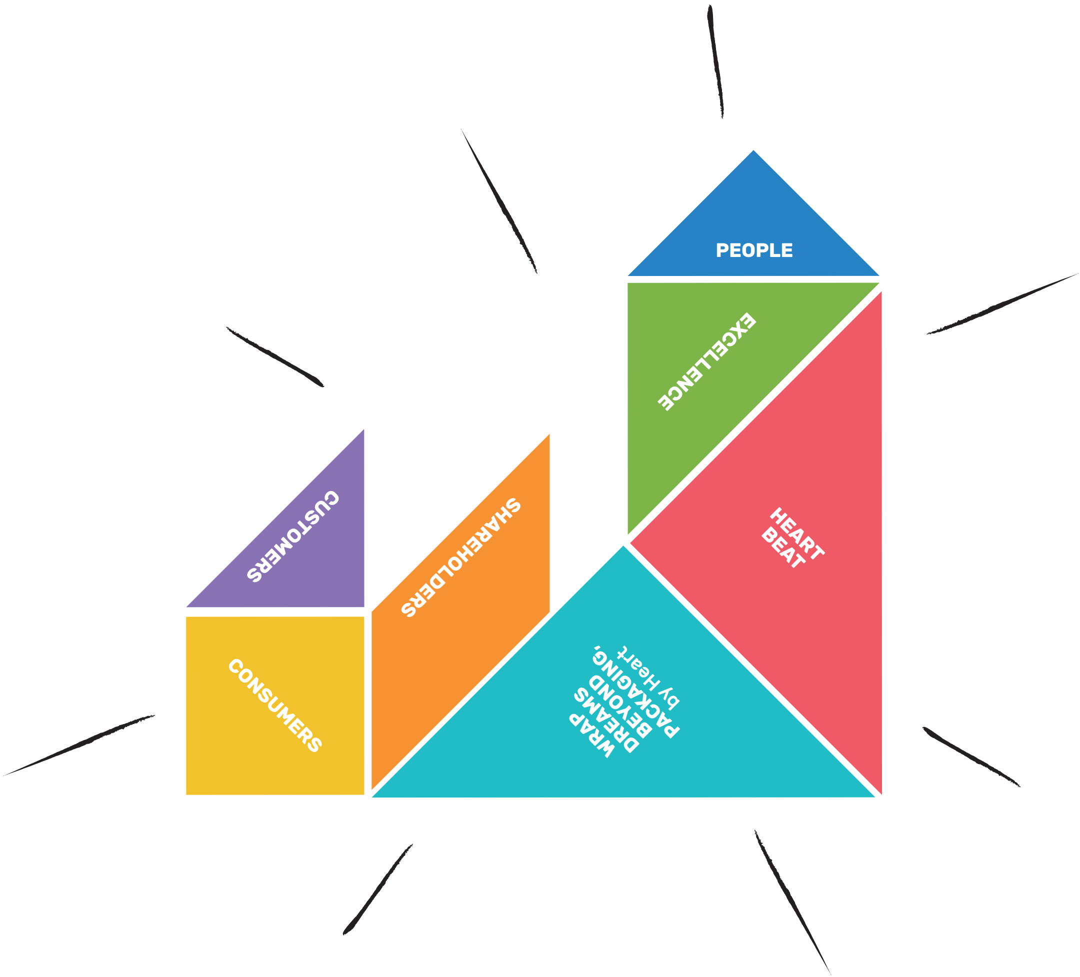
Excellence

The foundation of our Vision is the constant strive for excellence in everything we do. Our focus on excellence is the basis of this new aspiration. Sustainable innovation requires excellence, the bedrock we must protect and fortify.

7 Geographies

BA

Today the BA Group is present in 7 geographies, with 12 plants and 3800 people. We have the challenge of embracing new markets, new customers, new cultures. In an ever more complex, uncertain and demanding environment, this growth is our chance to further learn and improve. This is our opportunity!

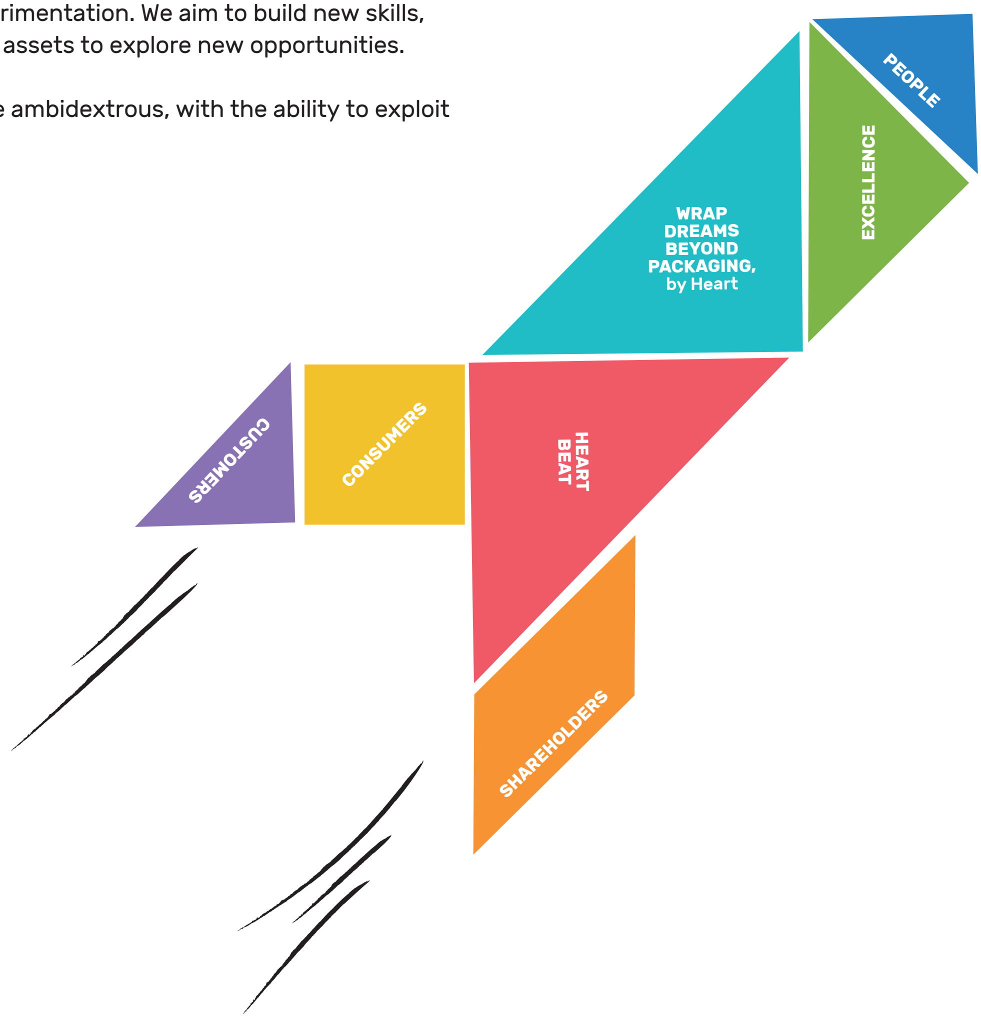


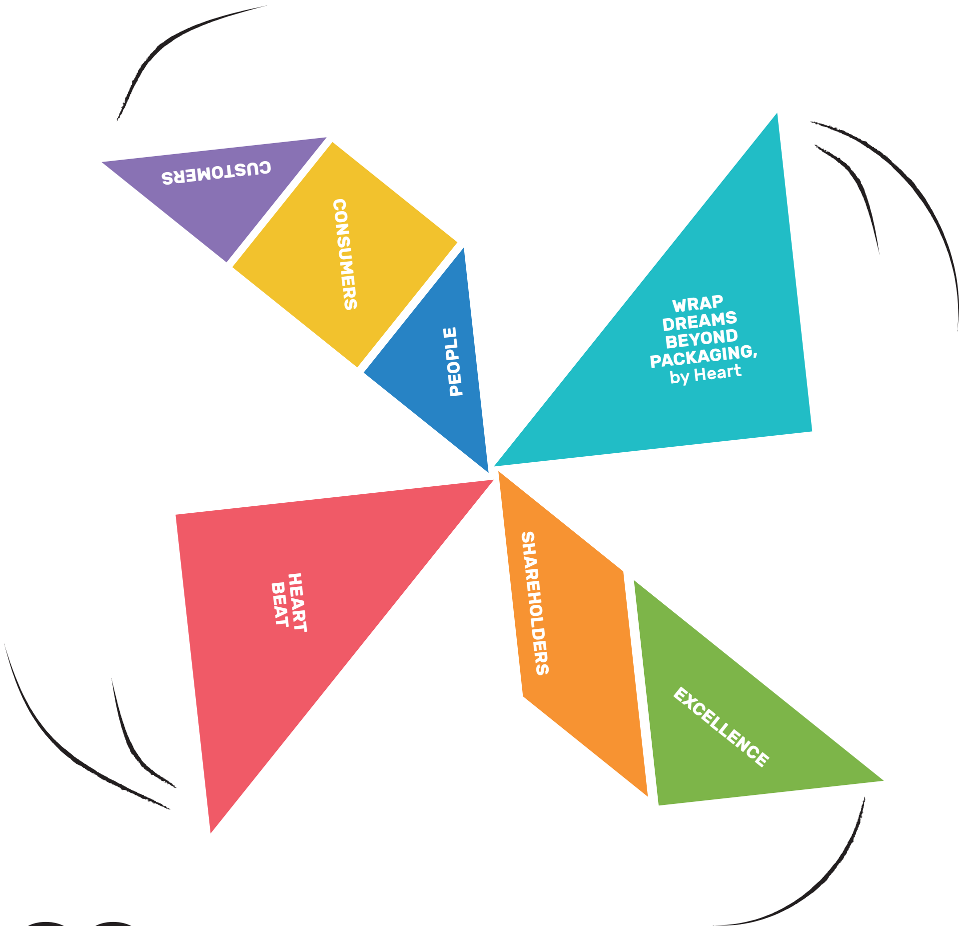
Exploit and Explore

Throughout its history BA consistently focused on continuously improving, on being close to its customers and on rigorous execution, taking advantage from its recipes and replicating them successfully.

We will protect and foster what took us here, and we aspire to go a step further to make many more new and innovative packaging solutions, conquer new markets and the trust of new customers, striving for flexibility and embracing creativity and experimentation. We aim to build new skills, leveraging existing assets to explore new opportunities.

We want to become ambidextrous, with the ability to exploit and explore!





Glass

Glass protects taste, is endlessly recyclable, magnifies its content and keeps it safe

Did you know that...

Glass was invented more than 5000 years ago

Glass packaging is not made from any non-renewable petrochemical derivatives and contains just three different minerals: sand, soda ash and limestone

Glass is an inert, neutral material which doesn't have any migration of its contents to the food and beverages it contains, protecting the health of consumers

Glass preserves the taste and the fundamental characteristics of the products it carries, making it perfect to taste the real taste of any product

Glass has eternal life and it is 100% recyclable: one glass bottle can be transformed in a new one without any losses... and that can be done over and over again!

The energy savings of recycling one glass bottle are enough to light a bulb for 3 hours!

Recycling one glass bottle saves the same CO_2 as can be sequestred by 4 trees in one day!

Every day, more than 70 million bottles and jars are recycled in Europe!

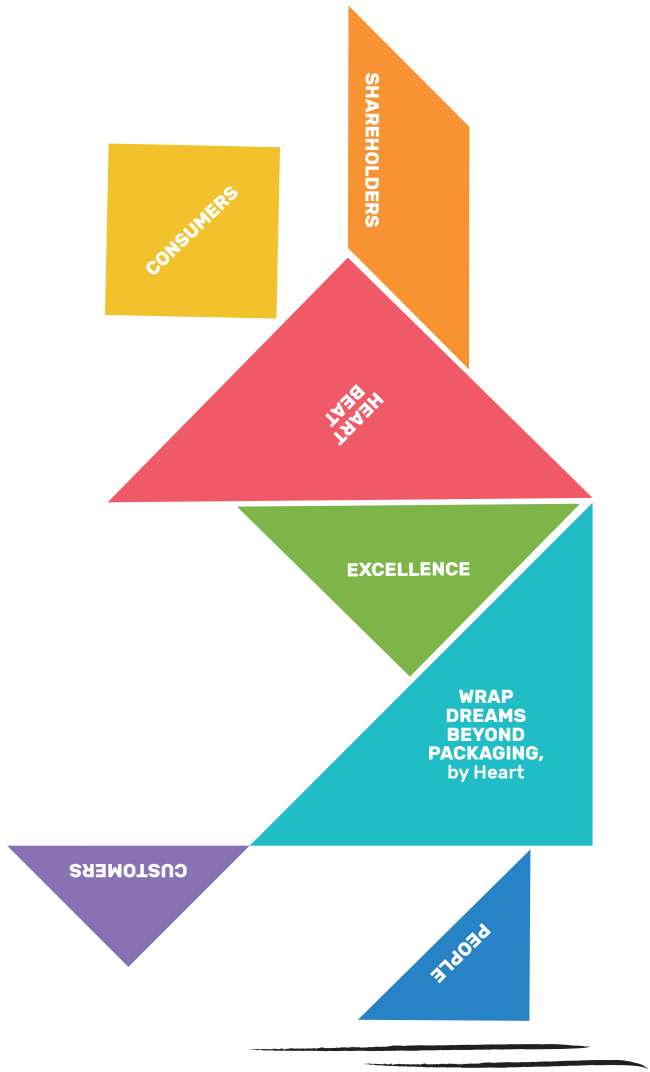
Glass is cool... even if that is an emotion that can be arguable... next time you try it, you will understand it... Happiness comes in glass!

Table of Contents

BA 2016 ANNUAL REPORT

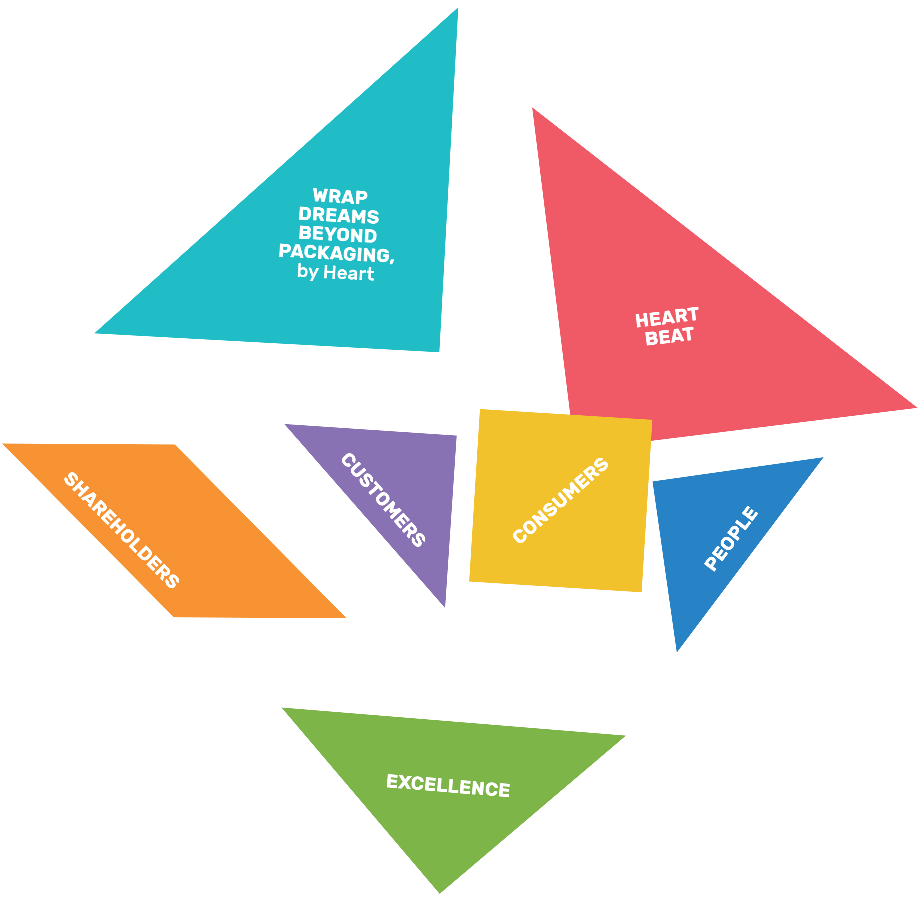
Annual Management Report

Sustainability Report



Message from the Chairman

BA 2016 ANNUAL REPORT



To all the stakeholders,

2016 has been a year of challenges to western civilization and to the progresses in freedom and living standards that have been achieved since World War II, and society has not yet found a new balance to accommodate and manage the major changes brought about by globalization. The search for a new equilibrium has been jeopardized by the inability to stimulate economic growth in the European economies, the continuation of high levels of youth unemployment and the lack of a common political solution for the Middle East refugees. As a consequence, the political system in Europe has been dragged to the frontiers of implosion.

As a company that has grown from its national and regional base to become a European player operating in 7 countries, employing 3,800 people, we are concerned about the possible outcome of some nationalistic initiatives that are becoming popular among political actors.

In our company 2016 was a year of great achievements: (1) we defined a new Vision for the company: "WRAP DREAMS BEYOND PACKAGING, by HeART" will be our mantra to guide us towards customer centricity; (2) we were very active in M&A, acquiring HNG Global in Germany, a 25% stake in Anchor Glass in the USA and the Southeast European Yioula Glass that was finally concluded in January of 2017; (3) finally and foremost we achieved a very good operational result with a record net income.

The process to reshape the corporate Vision, which had already started in 2015 by revisiting our values "HeART" and our "way of doing things" or the BA WAY - challenging and questioning beliefs, processes and behaviours -, was continued with a broad participation of our management to define the new Vision "WRAP DREAMS BEYOND PACKAGING by HeART", that will guide our attention and our collective energy to promote better and more emotive experiences to consumers, and thus improve the chances of success of our customers in the market place.

After some unsuccessful attempts to grow inorganically we were finally successful in the acquisition of two European companies – HNG Global and Yioula - and in acquiring a stake in the third largest USA operator - Anchor Glass. HNG Global (now BA Glass Germany) has been a target for some time with the objective of gaining a direct presence in the largest European market where our presence is already meaningful; Yioula Glass was a long acquisition process that finally closed in January of this year and is now the Southeast European Division with 4 industrial sites in Bulgaria, Greece and Romania; we aim to leverage its leadership position in the region to serve its growing market, supporting both our multinational clients and local food and beverage companies.

The acquisition of a 25% stake in Anchor Glass is first and most importantly an opportunity to learn and understand the American market where we already have a testimonial presence, but it also opens the way to widen our learning obsession through benchmarking, hopefully with important short and long term benefits for both companies. This joint venture with CVC Capital, a leading European financial sponsor, is our first experience of sharing the property of a glass company with a financial partner, and we are also committed to learn from it.

In 2016 sales increased by 9.5% to € 581.5 million, including 6 months of the German operation and the EBITDA margin rose 10 basis points to 32.8%. This figure, which is affected by a poor performance of the German subsidiary and extraordinary transaction costs, does not give credit to the operational improvement of the Polish Division that achieved increases of 11% and 37% in sales and EBITDA respectively, in spite of the rebuilding of the furnace 2 in Jedlice, that was successfully concluded in the Autumn.

Also, the Iberian Division achieved a benchmark operational performance with a record recurrent EBITDA margin.

These figures please us in two ways: first because they show an improvement on past performance and a benchmark for the industry; secondly, and more importantly, because we know that we can do things much better and thus continue progressing.

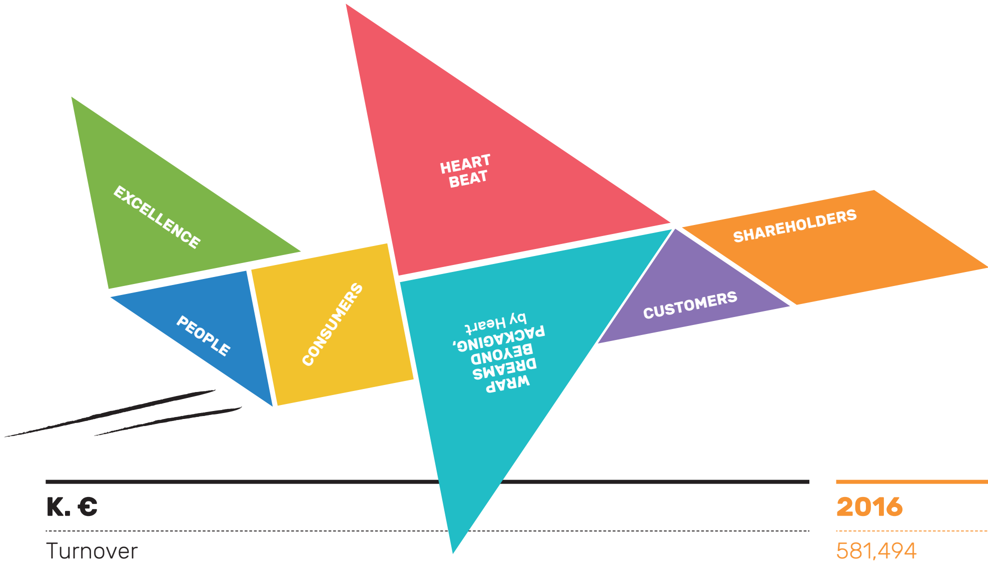
I want to thank our customers for their continued confidence and the privilege to serve them. I can promise the sustained investment in equipment, in product and process innovation and in supply chain optimization, now with a higher consumer awareness, hoping that this will reinforce our mutual relationships and support them in the market place.

My final word is to thank BA Glass employees in all geographies for their dedication, but I want to use this opportunity on behalf of the shareholders, of the Board of Directors and personally to welcome all the employees of our new companies in Bulgaria, Germany, Greece and Romania. Our plan is to develop all the new subsidiaries, improving the performance and investing to guarantee their long-term success. But we know that this is only possible with the knowledge and the committed contribution to change of all the employees, a call to everybody – new and old – for flexibility and capacity to adapt. I cannot promise a painless process, but we will act with transparency, without hidden intentions and will do our best to foster the conditions for the creation of mutual trust, the indispensable basis to set off on a new, ambitious and transformational adventure.

Amsterdam, 23 February 2017

Consolidated Key Figures

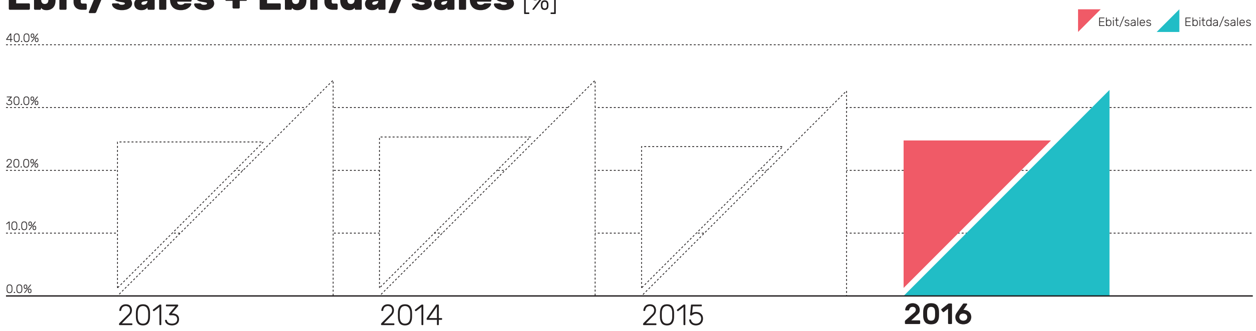
BA 2016 ANNUAL REPORT



K. €	**2016**	**2015**
Turnover	581,494	530,885
Operating profit (EBIT)	143,996	126,220
Financial results	(11,332)	(7,620)
Net income	103,295	86,526
Cash flow	**150,042**	**133,657**
Operating cash flow (EBITDA)	**190,743**	**173,351**

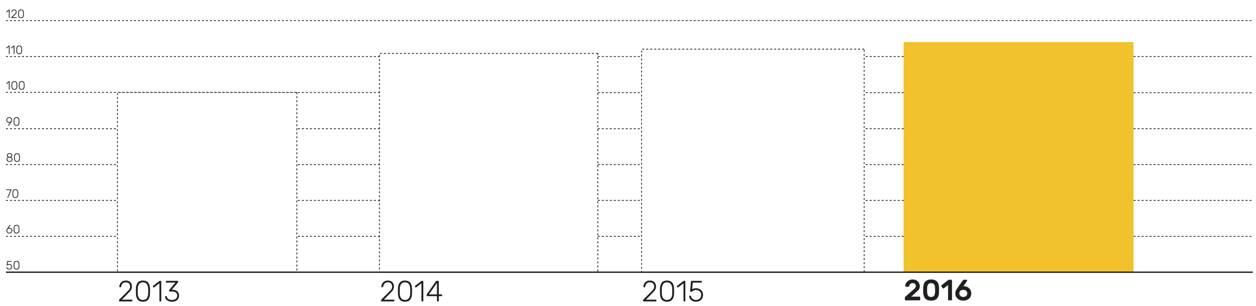
K. €	**2016**	**2015**
Net assets	1,090,855	749,236
Equity	360,083	260,133
Net debt	290,409	296,464
Net tangible fixed asset turnover	1,89	1,84
Net debt / EBITDA	1,52	1,71
Interest cover ratio	18,7	25,1
EBITDA / Sales	**32.8%**	**32.7%**
EBIT / Sales	**24.8%**	**23.8%**
Number of employees	2,408	2,237
Sales / Employee	241.5	237.3

Ebit/sales + Ebitda/sales [%]

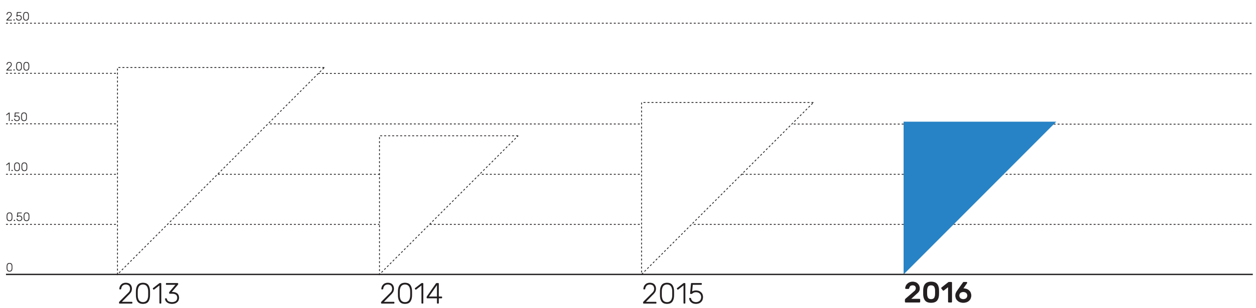


Consolidated net income [k.€]

Sales *per capita* [basis 100 = 2013]



Net debt/ebitda



BA glass group

NL
BA GLASS B.V.

- **100% PT** — **BA GLASS I** Serviços de Gestão e Investimentos S.A.
  - **90.11% PT** — **BA GLASS PORTUGAL** S.A. (own shares 9.89%)
    - **100% PT** — **MOLDIN** S.A.
    - **100% PT** — **BARBOSA & ALMEIDA** SGPS, S.A.
      - **100% ES** — **BA GLASS SPAIN** S.A.U.
        - **100% ES** — **BA VIDRIO** Distribución y Comercialización de Envases de Vidrio, S.A.U.
        - **100% ES** — **MINAS DE VALDECASTILLO** S.A.U.
- **80% PL** — **BA GLASS POLAND** Sp. Z O.O.
- **100% DE** — **BA GLASS GERMANY** GmbH
- **100% GR** — **BA GLASS GREECE** S.A.

Shareholder structure

BA Glass B.V. shareholders	Shares	% share capital and voting rights
FIM DO DIA, SGPS, S.A. Company indirectly majority-owned by the Moreira da Silva family and by the Silva Domingues family	17,064	47.40%
TEAK CAPITAL, S.A. Company owned by the Moreira da Silva family	9,468	26.30%
ATANÁGORAS, SGPS, S.A. Company owned by the Silva Domingues family	9,468	26.30%
TOTAL	**36,000**	**100%**

BA glass group macro-structure

Board of Directors

EXECUTIVE BOARD

Market & Planning	Finance & Consolidation
Investments	Management Control
Innovation & Development	Quality and H&S
People Development	Information Technologies
Legal	Strategic Procurement

IBERIAN DIVISION | **POLISH DIVISION**

GERMAN OPERATION

Plants

IBERIAN DIVISION	POLISH DIVISION	GERMAN OPERATION
Avintes	Sieraków	Gardelegen
Marinha Grande	Jedlice	
Villafranca de Los Barros		
León		
Venda Nova		

corporate bodies

Members of the group companies' Board of Directors and Supervisory Boards

- Carlos Moreira da Silva (Chairman)
- Sandra Maria Santos (CEO)
- Alberto Araújo Soares
- Alfredo José Pereira
- Álvaro Cuervo Garcia
- Filip Drofiak
- Francisco Silva Domingues
- Jakub Hoch
- Javier Teniente
- Jorge Alexandre Ferreira
- José Ignacio Comenge
- Leslaw Kanski
- Pedro Moreira da Silva
- Pieter Hallebeek
- Reinaldo Coelho
- Rita Silva Domingues
- Rokin Corporate Services
- Tiago Moreira da Silva
- Wojciech Kolpa

Executive Board

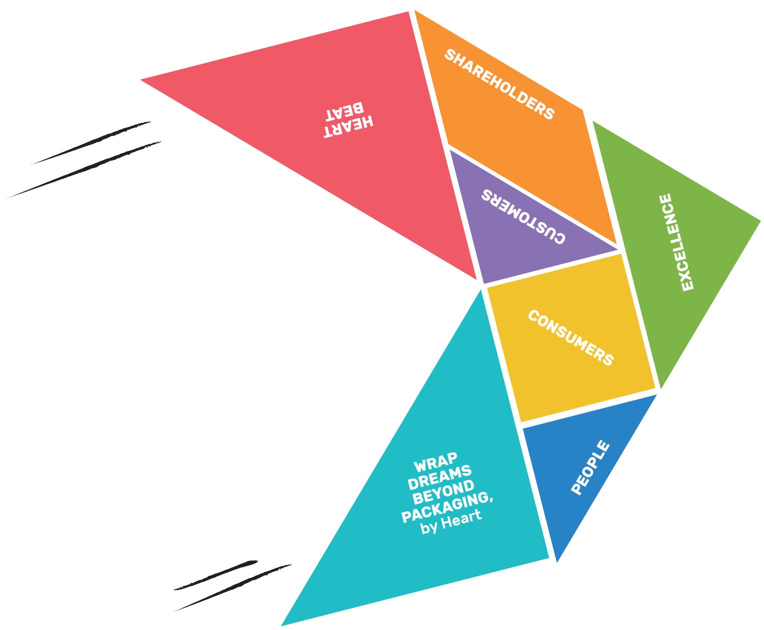
- Sandra Maria Santos (Chairman)
- Abelardo López
- Alfredo José Pereira
- Filip Drofiak (MD Poland)
- Javier Teniente (MD Iberia)
- Reinaldo Coelho
- Tiago Moreira da Silva

Departmental Directors

- Alberto Araújo Soares
- Ana Cristina Gonçalves
- Angel Luiz Díez
- António Magalhães
- António Sá Couto
- Fernando Amílivia
- Iva Rodrigues Dias
- Katrin Bahr
- Luís Cardoso
- Pedro Belo
- Pedro Correia
- Rafael Corzo
- Rui Guimarães
- Tomasz Karpiewski
- Venancio Roales
- Vitor Matoso
- Wolfram Seidensticker

Annual Management Report

BA 2016 ANNUAL REPORT



Introduction

To the Shareholders,

We hereby present the 2016 Annual Report and Consolidated Accounts.

A New Year is beginning, full of new goals, dreams and ambitions. 2016 was a special year in BA group!

The year of 2016 had a stormy start. Nevertheless, we believed that we would be able to find the clearness and quietness on the way. Quietness did not mean lack of new ambition and new projects. It simply meant to find a clear roadmap. Instead of stability, we were looking for a new ambition, something that would command our people next steps.

After some internal discussions and contributions, we have set a new Vision aiming to fulfill and even exceed the expectations of customers and consumers, and also of our people and shareholders, those who are already with us and those who will join us in the future.

A Vision is a long term ambition, a dream, a roadmap, a guide in all processes of transformation. Our new Vision was announced in May 2016 and, since then, we have been adjusting our internal processes and goals to it.

2016 was the culmination of some important internal projects in BA. A new Vision, our Way (Heart Beat) and our 10 principles were written down and communicated, through presentations and workshops, with the involvement of all employees.

All this internal work was triggered by our clear perception that we were not settled and wanted to deliver a better service to our customers and be better prepared for new acquisitions and integrations. To grow in new geographies, with new customers and products, it was required to do an internal reflection and revision of our processes and organization. A key project triggered by this reflection was the "New business" project, which involves several areas of the company beyond the Marketing & Sales department, including the plants, Quality department, Innovation & Development, Investments, Planning and others. The "New business" project is one of the key elements for our growth and Vision.

The year activity started stressfully due to the losses of sales connected to the stoppage of exports to Angola and the high pressure on glass packaging prices.

The external context was also not favorable to compensate those losses, and all the uncertainty required patient and extraordinary measures. In BA we accepted that the world's uncertainty would not disappear. Social and political instability was there to stay! And 2016 was the year of all unexpected events! They may reflect new beliefs, but mainly a lot of dissatisfaction. The Brexit, the Donald Trump victory, the increase of power of extreme (left or right) parties in the governments, the emigration and the excessive people turnover, even in countries full of opportunities, were clear signs that the world wants to change.

People, consumers, are looking for new experiences, breakthroughs, and it is our aim to help our customers on their new challenges and provide new challenges also to our people.

We can see uncertainty either as threat or opportunity. The world is changing and for us that means opportunities! This is our belief!

In 2016 and beginning of 2017, BA achieved a great step in its growth history, selling to new customers and buying other companies, first with the acquisition of the Gardelegen plant in Germany and then the Yioula group plants in Greece, Bulgaria and Romania.

We have a big challenge ahead, a lot to learn and to deliver. Integrations are never easy and demand humbleness and commitment of all our teams. Today we are a new BA with more than 2,400 people (3,800 since the incorporation of Southeast Division in the end of January 2017), running 8 glass facilities (12 with Southeast Division) and reaching 67 markets.

In 2016 we delivered 155 new products in the market, our turnover was EUR 581.5 million euros and we recycled over 1 billion bottles and jars. Our productivity (sales/capita (year average)) grew 4.5% and our service levels increased 18.8%.

BA group net profit grew 19.4% and our leverage stayed at a low level. The results of 2016 include non-recurring costs of around EUR 5.6 million, generated by BA's enrollment in M&A projects.

Some records were beaten but we are still not satisfied. The goals set for 2017 are even more ambitious in all our Vision pillars!

The shrinking of the Portuguese market, with the end of most of our customers businesses in Angola was compensated by our increasing presence in the export markets with products from all our 8 facilities. We were able to grow not only in our traditional markets as France and Italy, but also in Germany and some other export markets.

The improvements in the European economies and the good weather in the second half of the year helped to transform an ambitious and difficult growth target into something possible. It was another proof that there are no impossibilities.

Internally, all our processes related to new business and people development were reviewed and several actions were put in place. Operationally, the plants are much better prepared to deal with increasing complexity and more demanding markets and products. Relevant investments were done to improve our quality and food safety performance, already with clear results in 2016.

In the last quarter, the Jedlice plant successfully finished the rebuilding of the second furnace. The first part of our investment program for the Polish facilities renewal is concluded and we are now prepared with the latest technology to serve the most demanding segments and customers. The integration and development of young managers and supervisors is today the major challenge. Those will assure the operational performance improvement that in some areas is already visible and accomplished.

In the Iberian plants, the focus was on finding different ways of approaching the old and new complexities and on the improvements required to pursue the new ambition. The Iberian team gave also strong support to the improvement action plans developed in the Polish facilities. Internal benchmarking was, as always, key to do so.

The corporate teams were very involved in the acquisition and integration of the new companies and in finding a different way to tap growth and new opportunities. In the beginning of the year a new corporate department, Innovation and Development, was created, having product and process developments under the same coordination. The i-Teams and the Benchmarking and Improvement Teams were put in place to set the group standards among all geographies and to develop innovation projects with our customers. There is still a lot to do and all of them are bridging the gap with enthusiasm and dedication.

In the middle of the year we acquired a plant in the northeast part of Germany. It is our first step in this country and it is our aim to improve its portfolio and levels of quality and efficiency. The integration of the teams and processes was fast and quiet, thanks to the commitment of the people involved.

In October we agreed on the purchasing of the Yioula Glassworks packaging business in Greece, Bulgaria and Romania, buying 4 plants in those countries and a recycling operation in Serbia. The integration process will be implemented during the next months, with people from all geographies involved. That will be one of the greatest challenges for 2017, but also a source of opportunities. We are confident on the team that is joining us.

At the end of the year a minority stake of Anchor Glass business was bought in a partnership with CVC Capital Partners, a leading European private equity firm. Anchor Glass is a North America manufacturer of glass packaging products with $600 million of sales from 6 plants in USA.

At the end of the year the results accomplished were the reward of the work done so far. The operational cash-flow (EBITDA) increased EUR 17.4 million amounting to EUR 190.7 million, and 0.1 p.p. in sales margin reaching 32.8% in 2016. The operational results increased EUR 17.8 million amounting to EUR 144.0 million and 1.0 p.p. in sales margin reaching 24.8% in 2016.

The group sales were affected by the negative evolution of the average sales price, like in 2015, and partially influenced by the devaluation of the polish zloty. However, with the operational improvements in some of the plants and in the logistic operations, together with the gas price decrease in the first part of the year and the increase of production, we were able to grow our operational margin from 23.8% to 24.8%.

The group ended the year with a strong balance-sheet structure, with net assets of EUR 1,090.9 million and net debt of EUR 290.4 million. The equity ratio was of 33.0% and the net debt/EBITDA ratio of 1.52x EBITDA. After the incorporation of Yioula packaging business the leverage ratio will be under 3x EBITDA.

The financial results amounted to a loss of EUR 11.3 million (compared to a loss of EUR 7.6 million from last year). This increase was due to the exchange rate losses and to the increase of debt to finance the acquisitions of Gardelengen plant and, at year end, Anchor Glass and Yioula and to the cost of termination of a swap contract that took place during the German acquisition.

The consolidated results before taxes amounted to EUR 132.7 million representing an increase of 11.9% in comparison to 2015, and the net results amounted to EUR 103.3 million.

BA Glass group management systems are certified according to international standards for Quality, Food Safety, Environment, Social Accountability, Health & Safety and Energy.

All plants Quality and Food Safety management systems are certified according ISO 9001 and ISO 22000. For Iberian and Polish plants the FSSC 22000 Food Safety scheme is also recognized.

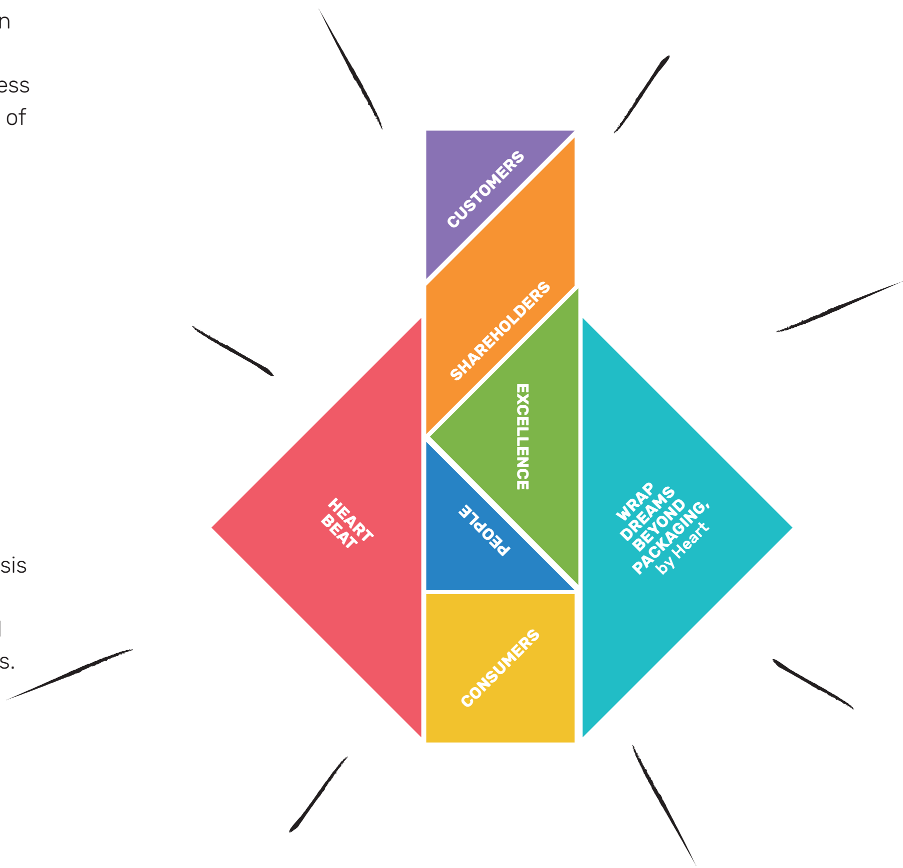
In what concerns Environmental referentials, the management systems of Iberian and Polish plants are certified according to ISO 14001 - *Environmental Management Systems*, while in Germany the plant is certified by ISO 50001 - *Energy Management Systems. Requirements with Guidance for use*.

Regarding social concerns and improving performance on labour conditions, Iberian plants are certified by SA 8000 - *Social Accountability* and Polish plants according to PN-N-18001 - *Occupational health and safety management systems – Requirements*.

We believe that the adoption of these international standards is an added value for the improvement of the group procedures and practices and that its certification is a guarantee for customers and for the whole value chain.

As in previous years, this publication will integrate a sustainability report where the group's vision, the business pillars and the performance in each of its components are communicated.

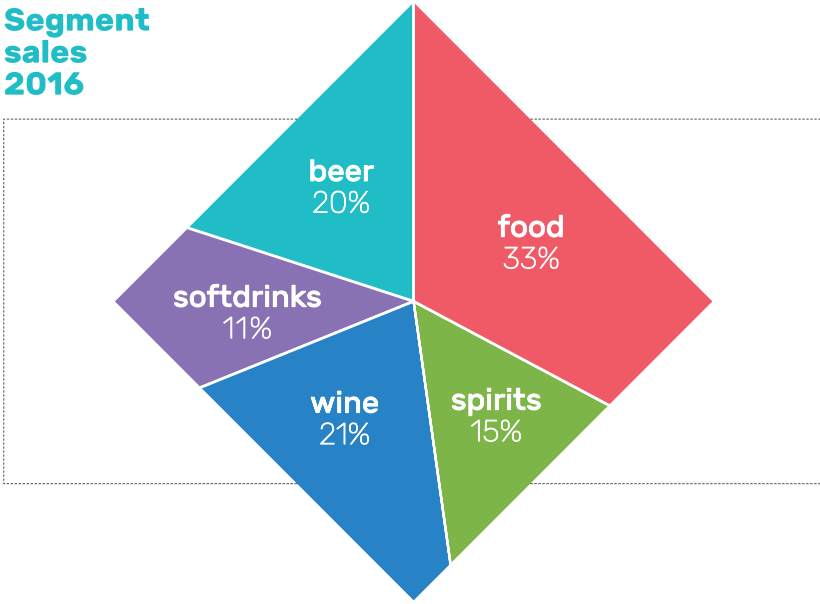
The group or its subsidiaries are members of the AIVE – *Associação dos Industriais de Vidro de Embalagem*, of the ANFEVI – *Asociación Nacional de Empresas de Fabricación Automática de Envases de Vidrio*, of the PIO – *Polska Izba Opakowań* and of the FEVE – *Fédération Européenne du Verre d'Embalage*, continuing to be an active participant in these associations, with particular emphasis on promoting glass as a packaging material and on monitoring national and community legislative initiatives.



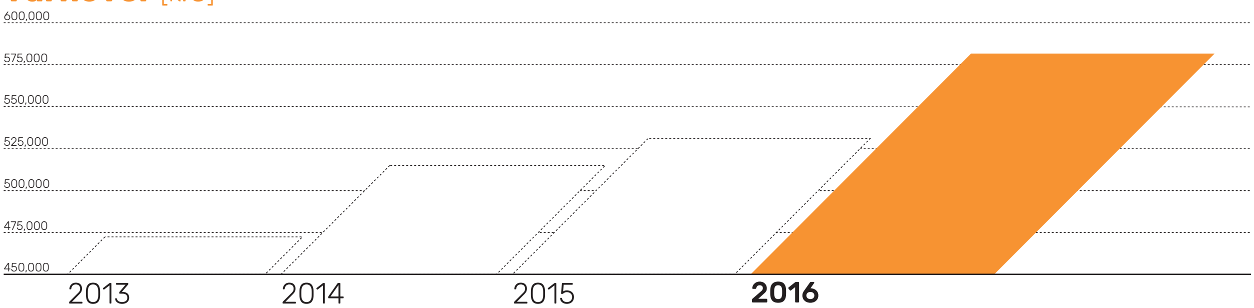
Markets and Customers

2016 was a very uncertain and surprising year with diverse events. While it started with most of the market drivers in line with 2015, the second half of the year showed a slight change to a more positive trend, where the slow improvement of employment and private consumption helped to invert the demand trends all around Europe. In our main markets inflations reached around 0.9% in Portugal, 1.4% in Spain, 0.9% in Poland, 1.7% in Germany and 0.8% in France.

Segment sales 2016



Turnover [k.€]



Most of the sources of uncertainty for the future remain the same. However, the political events of the last quarter of 2016 will surely bring a new turn to it. Remarkably, the Christmas time showed, across Europe, consumer confidence indexes at the levels of 2009.

Due to this uncertainty, there were no major revolutions in the packaging industry, but the importance of consumer orientation and differentiation has today a higher weight than before.

In this environment BA Glass turnover reached EUR 581.5 million, representing an increase of 9.5% over the previous year. Exports grew again 2 digits, and today we sell our products in 67 different countries.

The main consumer segments stayed the same, with slight changes, namely the increase in the share of spirits with the acquisition of the Gardelegen plant. Thus, in 2016 food represented 33%, Wine 21%, Beer 20%, Spirits 15% and Soft Drinks 11% of our sales.

Spirits remained the strongest growth driver, but wine and olive oil also played an important role in our main markets. BA Glass was able to grow its sales in most of the segments and to consolidate its offer to multinational and medium size customers, aiming to perform an excellent service to more than 1,000 customers and ensuring a diversified and balanced product portfolio. Today 85 customers represent 80% of the portfolio.

Once again, an independent company carried out a customer satisfaction survey where BA Glass reached +39% in Net Promoting Score, demonstrating clear opportunities for improvement. We have been already developing several actions and projects to improve customer satisfaction and continue to provide a differentiated service to them.

Our focus on value added projects for our customers and consumers certainly contributed to BA Glass results. In 2016, we developed more than 380 new products and introduced in the market 155, increasing the success rate of market implementation by 7.2 p.p..

Innovation & Development

The focus on being the first choice of our customers by providing them with value added products and solutions became even more emphasized in 2016 with the new company Vision, which has now embraced consumers as one of its key pillars. With this new approach, our focus on answering to the end consumer needs gains a new dimension, on a quest to deliver creative packaging solutions and by doing this, making our customers more competitive.

In 2016, as a result of this change there was already a boosting and a record on the innovation initiatives and projects with our customers, which tripled. This reinforced the bonds and proximity relationship with our customers. Other records were achieved: the new projects success rate reached 41% and new products were introduced in the market at a cadence of 3 per week.

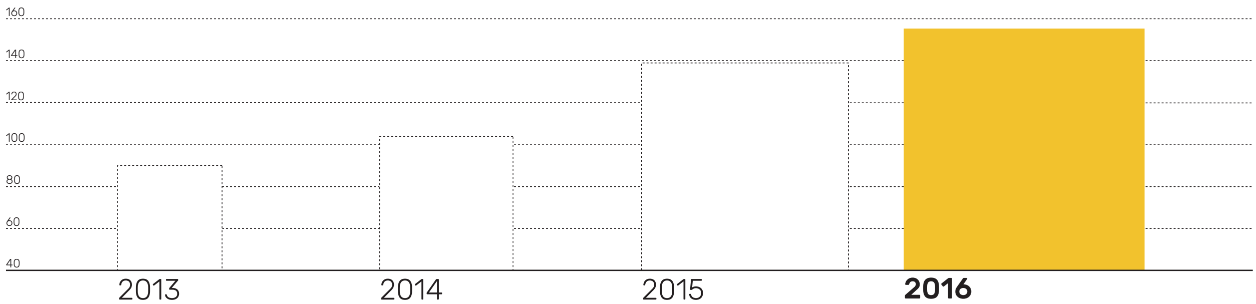
In 2016, we must also highlight the consolidation of our expansion in the Polish market, namely in the spirits segment, where we developed and implemented several solutions with bold designs and complex shapes.

In order to further incentivize and better measure the innovation process, new key performance indicators (KPIs) were introduced in the daily business management, like the innovation success rate, first deliveries quality index and new models sales index. This will allow us to closely monitor the accomplishments in our innovation process and target ambitious goals for the future.

Built on our aim to understand more about consumer needs and creatively discover the best packaging solutions to meet those needs, the 5th edition of Glassberries design contest was promoted. Design schools from Portugal, Spain and Poland participated with projects, the potential of young designers was challenged, and numerous innovative solutions were presented. This year the challenge was for vodka bottles.

Successful innovation has become a more collaborative and continuous process. This has been a must, particularly in markets that are constantly changing and increasingly demanding in time to market. We believe we are now better than ever prepared for the new challenges that will come.

New products in the market



Operations and Supply Chain

During 2016 the main focus of all our plants was on further improving the quality and service towards our customers, placing special attention on food safety requirements and transports for increasingly distant destinations. We must also highlight the repair of one furnace in Avintes (Portugal) and a furnace reconstruction in Jedlice (Poland).

In Iberian Division the operational performance was much better than in the previous period. The plants were able to manage a more complex portfolio and still improve their efficiency and quality levels.

After a period of furnace repairs, Avintes returned to stability which allowed the plant, particularly during the second part of the year, to achieve slight improvements in the main KPIs related to quality, efficiency and flexibility. In Marinha Grande plant, the stability of the product mix enabled a very strong focus on quality and service improvements. Despite the increase of complexity, the plant of Villafranca de los Barros continued its good performance. The significant improvements the plant achieved in terms of quality, service, and flexibility, for an increasingly demanding market, are remarkable. As for Villafranca, León plant is also following a very good trend, achieving several records in quality, productivity and flexibility indexes, despite having reached in 2016 the largest number of change overs in its history. In Venda Nova, important organizational changes and an intense and sustained effort in training took place in 2016, showing a significant evolution and reaching records in the main operational KPIs.

In the Polish Division the focus was on the start-up of the new furnace in Jedlice plant and on the new range of products produced in Sierakow plant.

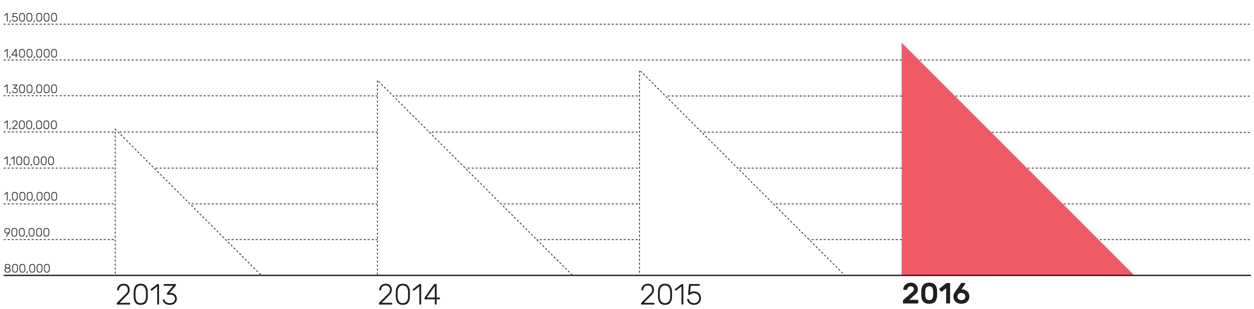
The Sierakow plant has consolidated the good investment done in 2015 and converted that into a very visible productivity evolution. The quality levels of this plant had also a very positive evolution throughout the year.

The Jedlice plant went through many challenges during 2016 related not only to the rebuilding of the furnace 2, but also to the high turnover of people in key positions and the integration of employees of other nationalities into the organization. It is important to highlight that, with the strong commitment of the plant and the investment teams, the furnace 2 could start up before the scheduled date, allowing to shorten the stoppage time and to produce more than expected in the last quarter of 2016.

The Gardelegen plant (Germany) was acquired by the group in July 2016. With one furnace serving 3 production lines, the Gardelegen plant is a glass container production facility well prepared to serve all kinds of markets and segments. In the last months of 2016, the efforts have been on successfully integrating this facility in the group structure and organization, focusing on better understanding the German market, its dynamics and opportunities, and capturing synergies between operations and corporate activities.

The benchmarking processes among plants enabled the sharing of knowledge and the implementation of the best practices in most areas, such as efficiency, job changes, quality, costs, and energy consumption. With

Production [ton]



the recent acquisitions and a resulting larger company, the opportunities to take advantage of its diversity became now more abundant. Structured internal benchmarking will be in our focus and can be more fruitful than ever for all plants in the 7 geographies of the new BA group.

Regarding the logistics operation, the leading challenge continued to be the customer service improvement, not only due to the increasing level of customer requirements but also due to the diversity of geographies which BA Glass covers at present. In 2016, three main areas of focus were identified to be further developed. It is important to highlight the construction of new warehouses, needed to support the Polish plants operations. In 2016, the construction of two warehouses was completed in Sierakow. For the transport operations, a comprehensive management tool is at its final stage of development, and will allow a more efficient communication with the transport suppliers, concerning planning, service requests, and the monitoring of vehicles position and customer deliveries. Finally, the complexity that the reverse logistics represents today, namely the returnable packaging materials, requires its management in an integrated and centralized manner for all plants of the group, ensuring both the returns planning optimization and a greater cost efficiency.

Regarding the operations of the group whose scope is the treatment of the recycled glass in Portugal and Spain, it is to remark the consolidation of the investments made during the previous year, with significant achievements in the quality and quantity of the recycled glass, protecting the quality of our containers production, and allowing a dramatic reduction of the environmental impact due to waste reduction.

Concerning the group's other activities, it is important to underline the good operational performance of Minas de Valdecastillo, which exploits the silica deposit in the province of León (Spain), supplying the León plant with the highest quality sand.

Finally, Moldin, whose activity is the repair of moulds, had in 2016 a step change in its growth by moving to larger and more modern facilities that allowed a significant improvement of the moulds repair service level for our plants in Iberia.

In general, and following the strategy of improving the efficiency and the service to customers pursued for several years, the group continues to make changes to its organizational processes, following in-house and external benchmarking initiatives and continuously monitoring its critical business processes. The new company Vision has and will have an increasingly strong impact in our activities and all our operations. The aim for excellence will continue to be key and the base of all our processes. Innovation and flexibility to create and deliver more and more value added solutions to our customers efficiently, on time and with quality, are our quest.

Investments

In 2016, the BA group investments reached EUR 36.8 million.

The main project was done in Jedlice plant (Poland), on the last quarter of the year, with the rebuilt of the furnace 2. Together with the furnace rebuilt, we took the opportunity to incorporate improvements and upgrades in all areas. Energy reduction was one of the main objectives, with the furnace redesign and the use of new combustion technology. Productivity and quality were equally important goals, achieved with state of the art forming equipment and last generation automatic inspection machines and palletizating equipment. Environment was also a concern in this project, with the last furnace in the group being connected to the electrostatically precipitator filter.

The second largest project was the intermediate repair of furnace 2 in Avintes. Besides the general maintenance of the installation, several technological upgrades were performed, with the goal to increase the quality of its products.

In Sieraków the investment cycle was closed with the construction of the last warehouse and the installation of the new high voltage power supply station.

People

The new Vision and the new size of the group were the two key elements that guided the People Development priorities and actions during the year of 2016. Together with the spread of the BA Way principles through workshops in all geographies, the new vision highlighted the challenges of innovation, of going beyond customers and consumers expectations, which required the development of new skills in our people. The integration of the new plant in Germany also required and challenged the revision of the current processes and procedures, in order to decode the complexity of a wider organization and also to disseminate the culture as our people and business guide.

The evolution of the functions in a more complex organization stimulated the revision of each position role. Therefore new job descriptions for more than 100 positions were done and the corresponding job grading was reviewed. The output of this process was a new organizational pyramid which is being used to support the definition of a new remuneration and benefits policy.

In 2016 we successfully finished the first cycle of the new People Assessment and Development System, which was an essential tool for the development of our people skills and the promotion of a more integrated process of career and succession management. Also the communication had a privileged role, as the main tool to integrate and develop people. A new department was created focused on developing new ways of spreading the Vision and values of the company and reaching all BA Glass population.

Considering the new dimension of the group, the increase of employer branding efforts, namely in international and non-usual recruitment markets, was a challenge in 2016. Several participations in events, job fairs and universities and schools job weeks were a priority in the people development department agenda. We must highlight the continuous recruitment in Poland, to face the dynamics of the current labour market, where it is still difficult to attract and keep qualified and committed professionals.

Apart from the usual investment in training, in 2016 we have materialized an old dream: The BA Academy. The Academy is a corporate training program, designed to develop our people in a structured and sustainable way. It combines theoretical and practical knowledge, across the different business areas. For this reason, the BA Academy is the place for sharing and developing these skills through the establishment of training paths aligned with the business needs.

The BA Academy is for all employees that seek personal and professional growth as a priority for their development and is built under the shape of schools. In 2016, the Operations and the Leadership & Management schools gave their first steps. Furthermore, a school was established for the new employees: the New Comers' school, which combines a structured general program with individual needs for each one job position, maturity on the job and know-how.

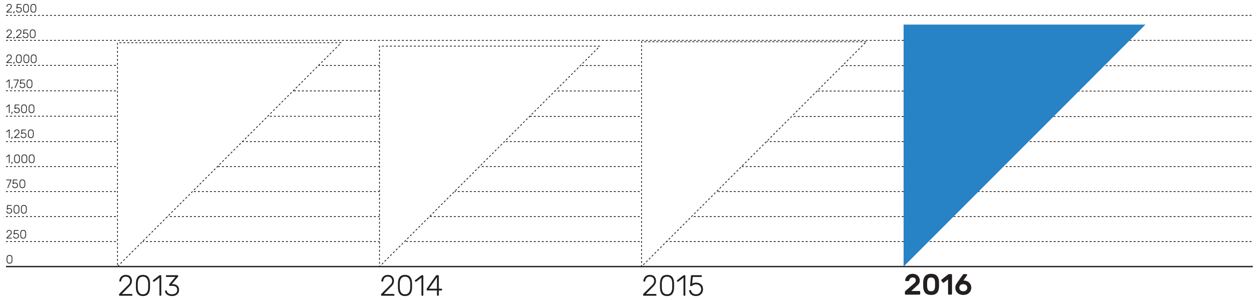
Due to the youth of the Polish team we also bet on an intensive leadership program: the Leadership Toolbox, which consists of a cycle of workshops where managers and supervisors can acquire skills and techniques that are useful for every leader. Through participation in practical exercises and activities, the program develops the leadership skills that are necessary to delegate tasks on a daily basis, support employees, enhance motivation, intervene in case of mistakes and negative approaches and stimulate the employees to develop their professional competences in the production environment reality.

The first edition of the BA MDP – Managers Development Program, should also be highlighted. This program is a combination of technical and managerial learnings that allow our managers to be ready for dealing with increasing complexity, searching for new solutions and leading and inspiring others to reach better results.

At the end of the year, all these initiatives resulted in a record training volume of 51,103 hours, meaning an average of more than 21 hours per employee.

The absenteeism rate had a slight decrease, ending the year with 6.0% (against 6.2% in 2015). Several preventive measures were taken and the effects of those were visible in the two Polish plants that markedly

Number of Employees



decreased this indicator. On the other hand, the Portuguese plants suffered an increase in absenteeism, mainly due to the increase of sickness leaves.

Although the number of accidents had a sharp decrease compared with the previous year, the "Zero accidents" goal was not yet reached and new measures are already being taken.

At the end of the year, the consolidated number of the group headcount was 2,408, with 1,078 employees in Portugal, 540 in Spain, 648 in Poland and 142 in Germany.

Results

In compliance with the European Commission Regulation 1606/2002 of the European Parliament, with the Council dated July 19, 2002 and the European Commission Regulation 1725/2003 dated September 29, 2003, BA Glass prepares its consolidated financial statements since 2005 in conformity with the International Financial Reporting Standards (IFRSs), as published by the International Accounting Standards Board (IASB) and adopted by the European Union.

In 2016, the most relevant variation in the prices of the main production factors was on energy. Gas had a price decrease mainly as a result of the brent price fall. However at year end this trend suffered a complete change. There was also an increase in the transport costs, consequence of higher share of exports. The decrease of the average sales price slowed down during the year.

With regards to the investments, the greatest impact on 2016 depreciation was generated by the reconstruction of the furnace 1 in the Sieraków plant in 2015 and the intermediate repair of furnace 2 in Avintes plant at the beginning of 2016.

Hence,

- The operating cash-flow (EBITDA) amounted to EUR 190.7 million, EUR 17.4 million higher when compared to the previous year. The EBITDA margin was 32.8%, showing an increase of 0.1 p.p. compared to the prior year. This increase is closely linked to stronger sales performance, slightly lower industrial costs, and the inorganic growth. The acquisition of the Gardelegen plant slightly dampened the EBITDA margin growth for being lower than the group average.

- The operating profit (EBIT) amounted to EUR 144.0 million, equivalent to 24.8% of sales, EUR 17.8 million and 1.0 p.p. higher than 2015.

- The net tangible assets turnover increased to 1.89, slightly higher than 2015. Improving the net tangible assets turnover remains a key focus point for the group to ensure the enhancement of its financial position.

- The workforce productivity increased 1.8%, mainly due to the increase of production.

- The financial results amounted to a loss of EUR 11.3 million (compared to a loss of EUR 7.6 million from last year). This increase was due to the exchange rate losses (namely the euro-polish zloty), to the increase in debt raised to finance the acquisitions made in 2016 and to the termination cost of a swap contract that took place on the acquisition of the company in Germany.

- Profit before taxes amounted to EUR 132.7 million, 11.9% higher than in the previous year (2015: EUR 118.6 million), and the net profit totaled EUR 103.3 million, 19.4% higher than in the previous year (2015: EUR 86.5 million).

Financial Analysis

In 2016, the consolidated assets increased to EUR 1,090.9 million (2015: EUR 749.2 million) as a result of the investment in Germany and the debt raise for the acquisition of Yioula.

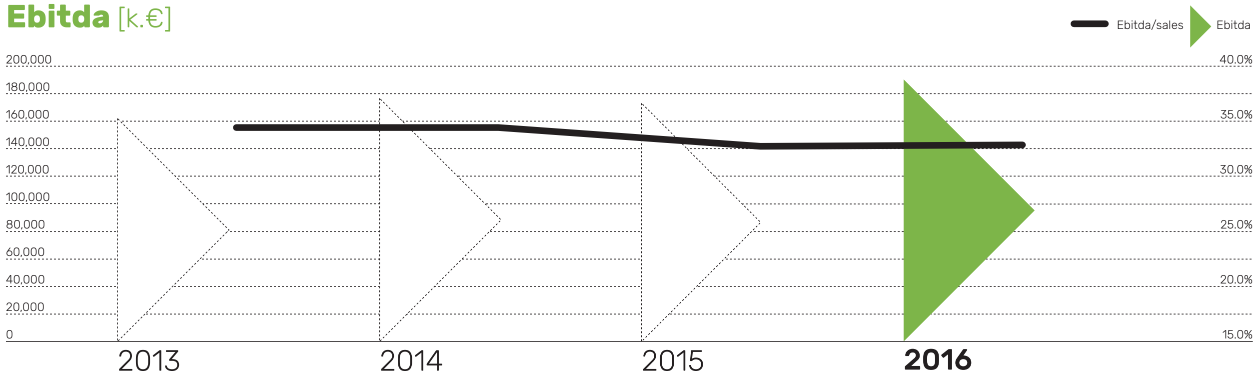
The working capital decreased significantly to 18.5% of sales, EUR 9.6 million lower when compared to the previous year, mainly due to the decrease in the level of stocks. The reduction of stocks resulted essentially from the sales performance and the temporary capacity reduction generated by the rebuild of furnace 2 in Jedlice.

At the end of the year, the total liabilities were of EUR 730.8 million, EUR 241.7 million more than in the previous year. The group liabilities include, already in 2016, loans raised for the acquisition of Yioula. It is also important to highlight that the group liabilities already take into account the possible exercise of the put option held by the minority shareholders of the Polish company.

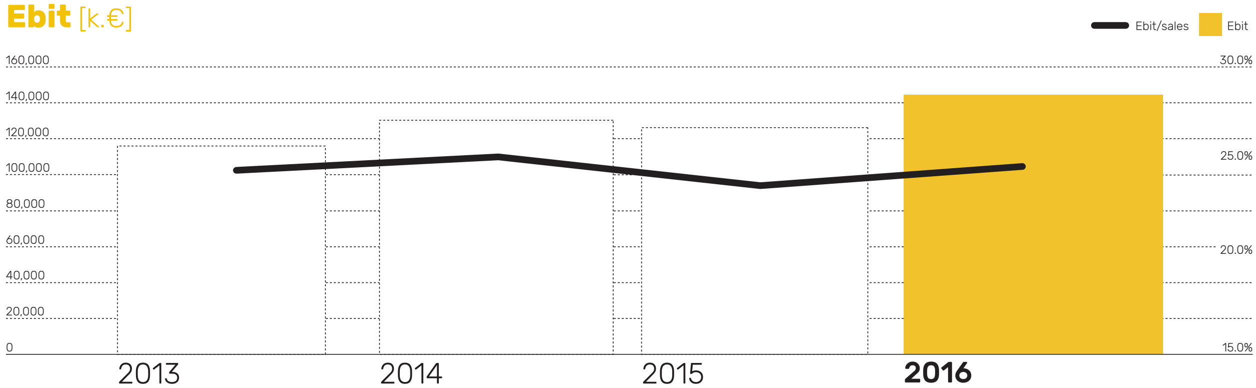
The group's net debt amounted to EUR 290.4 million (2015: EUR 296.5 million). The decrease in debt is mainly related to the working capital reduction.

The net debt / EBITDA ratio presents a value of 1.52 (2015: 1.71) and the group's equity ratio reached 33.0% (2015: 34.7%) of assets, revealing the financial robustness of the group.

Ebitda [k.€]



Ebit [k.€]



Net profit [k.€]

Outlook

There is still a lot of uncertainty around us, but that cannot stop us from having plans and dreams.

The consumption and GDP indicators in Europe are growing, but the unemployment rates continue to be very high and the tax environment very unfavorable, which constrains the European families purchase power growth. The inflation rates increases on the last months can trick our analysis, as they reflect namely the energy price increase. The devaluation of the euro and polish zloty favors the competitiveness of exports outside Europe, but not the development of the domestic markets.

Despite this storm, our customers continue to invest in exploring opportunities in new markets and products, which gives us the confidence that we can be part of those growth projects.

In BA we will continue to strive to "Wrap dreams beyond packaging", investing in innovative ways of being more than a glass producer, developing innovative projects with our customers. Operational excellence is key and we are glad and expect that, being a larger organization, the internal benchmarking discipline will be strengthened and leveraged. In BA group, we consider this as one of the main benefits of being bigger.

The energy price increase expected for 2017 is a threat. However we expect that the sales prices will slightly follow this trend. We do not foresee relevant reductions on the costs of raw materials and other materials. The transformation of our way of doing business and of our organization will be key to ensure a successful year.

The group's growth has been supported by the sustainability of the current business and the transformation of the acquired businesses, and by the confidence of its customers, shareholders and debtholders. BA Glass team aims at further strengthening that confidence in 2017, reinventing ways of doing, questioning and benchmarking. We believe in "doing to learn" but also in "learning with others".

The group will focus on its current and future customers, working to be recognized as one of their preferred partners. Innovation, service and consistency are key to build and keep that trust.

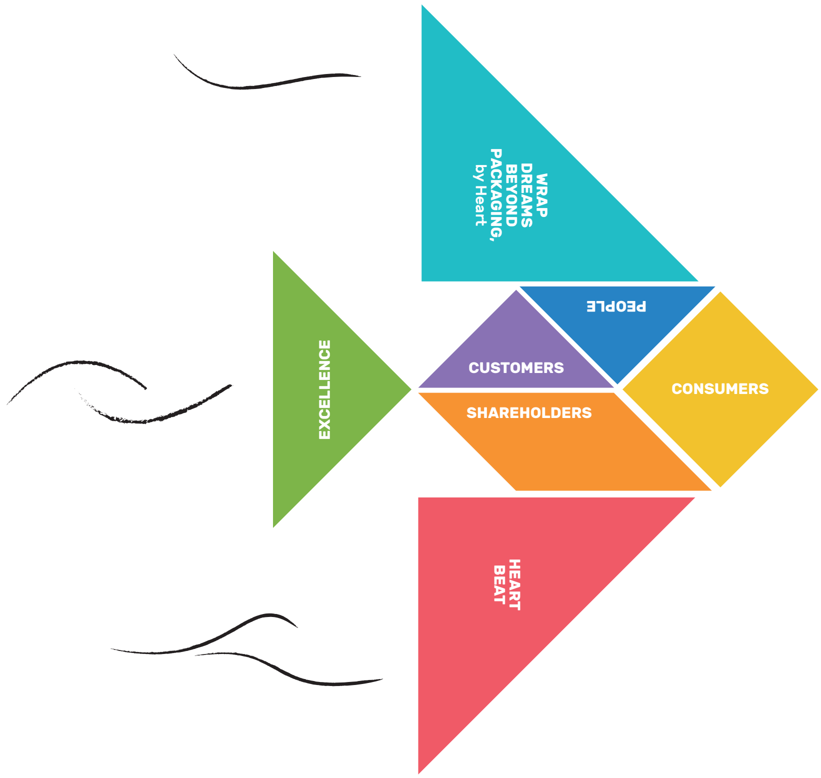
The development of capabilities and skills of all BA employees and the creation of opportunities are, and will continue to be, another priority. The People processes to create a strong base to build a unique BA team, are still under revision. It is a big challenge, one of the biggest, but also one of the most rewarding. The accomplishment of our new Vision depends on them. The active search for new solutions, the creativity and the excellence are the base of any transformation. We are committed to maintain a transparent and trustworthy relationship with all employees, providing opportunities for their own development and rewarding their commitment and accomplishments.

The active relationship with the local communities, mainly with the institutions devoted to training and development of youngsters, is one of the contributions of the group to the enrichment of society.

We started 2015 striving to convert the impossible into possible. In 2016 some paradigms were overthrown and "see differently" was the motto. In the beginning of 2017 we believe we have the main pieces and we aim to play a different game.

Now… let's play it!

Acknowledge-ments



The Board of Directors wishes to thank, firstly, the employees of all the group's organic units whose hard work, enthusiasm, dedication and commitment were the most important contribution to the results achieved, not only from the customer and people satisfaction point of view but also with respect to the return on the capital employed.

We also extend our gratitude to the central, regional and local Authorities of the Netherlands, Portugal, Spain, Poland and Germany who monitored and supported our activities and projects. We appreciate the cooperation of the banks and other financial institutions with whom the group worked during the year and that have been the support of our growth and ambition.

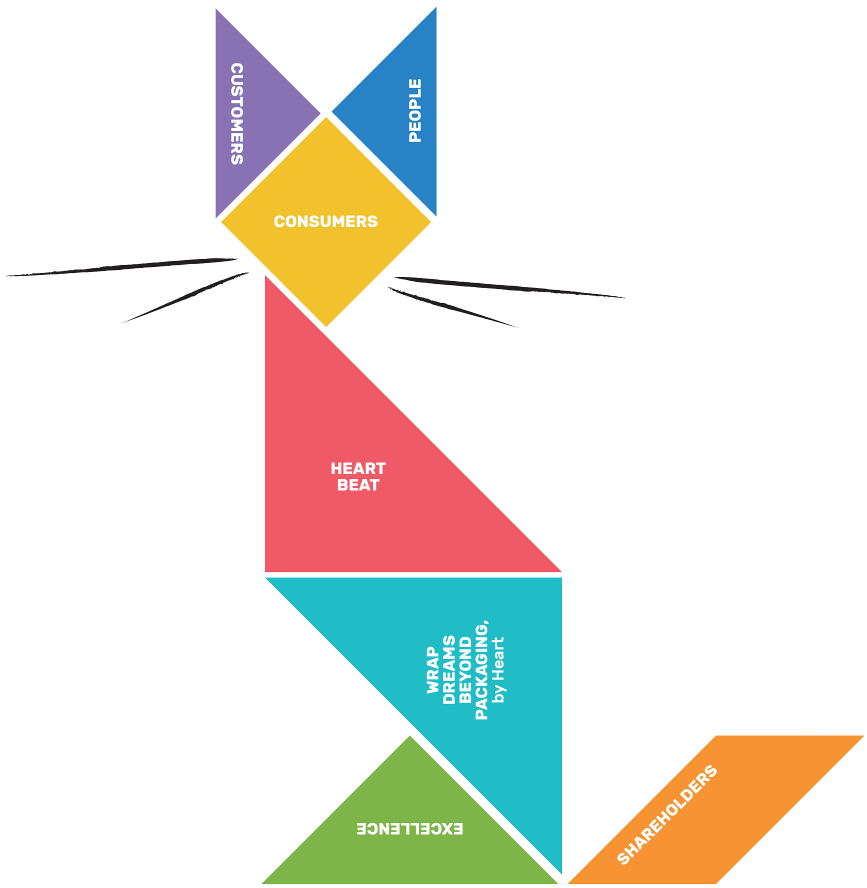
Our appreciation is also due to the Auditors of all the group companies for their permanent collaboration and mindset of critical dialogue in monitoring and examining the companies' financial statements and processes.

Our sincere gratitude is due to our customers for their preference, trust and quality-related demands, which serve as the key driver in BA group quest for excellence and differentiation.

A final word to all the consumers that, on a recurrent basis, use glass as their preferred packaging for the food and beverage provided to their families and friends.

Consolidated Financial Statements

BA 2016 ANNUAL REPORT



Consolidated Statement of Financial Position

(Amounts expressed in Euro)

Assets	Notes	Dec 31, 2016	Dec 31, 2015
Non-current assets			
Goodwill	6	197,832,943	187,860,131
Intangible assets	7	19,915	1,480,470
Property, plant and equipment	8	307,378,369	288,876,121
Investment in an associate - Equity method	9	65,051,806	-
Financial investments	9	2,309,150	2,286,365
Investment properties	10	4,126,418	4,401,733
Other non-current assets	11	7,670,312	9,365,809
Deferred tax assets	12	14,617,672	3,272,390
		599,006,584	**497,543,020**
Current assets			
Inventories	13	80,692,885	89,340,086
Trade receivables	14	107,032,745	103,660,357
Other current debtors	15	19,546,335	18,248,238
Other current assets	16	2,622,093	553,699
Cash and short term deposits	17	281,954,589	39,890,641
		491,848,646	**251,693,021**
Total assets		**1,090,855,231**	**749,236,041**

Equity and liabilities	Notes	Dec 31, 2016	Dec 31, 2015
Issued capital	18	36,000	36,000
Legal and other reserves	18	36,784,861	35,198,510
Retained earnings	18	220,744,784	135,562,791
Other components of equity	18	1,211,974	3,775,667
Profit for the year		101,305,408	85,559,991
Equity attributable to equity holders of the parent		**360,083,027**	**260,132,958**
Non-controlling interests		-	-
Total equity		**360,083,027**	**260,132,958**
Non-current liabilities			
Interest-bearing loans and borrowings	19	408,400,616	222,932,595
Provisions	20	2,111,496	2,251,046
Other non current liabilities	19.2	21,913,227	20,072,323
Deferred tax liabilities	12	10,550,388	12,366,233
		442,975,726	**257,622,197**
Current liabilities			
Interest-bearing loans and borrowings	19	163,962,580	113,421,863
Trade payables	21	84,454,132	82,576,563
Other payables	22	11,764,133	7,520,464
Other current liabilities	23	27,615,633	27,961,995
		287,796,478	**231,480,885**
Total liabilities		**730,772,204**	**489,103,082**
Total equity and liabilities		**1,090,855,231**	**749,236,041**

Consolidated Statement of Profit or Loss

(Amounts expressed in Euro)

	Notes	Dec 31, 2016	Dec 31, 2015
Continuing operations			
Operating revenue			
Sales and services rendered	24	581,494,040	530,884,707
Changes in finished goods		(12,825,100)	5,750,216
Other operating income	25	5,502,578	8,739,938
		574,171,518	**545,374,860**
Operating expenses			
Raw materials and consumables used		173,965,991	177,333,447
Supplies and external services		139,028,316	131,208,976
Personnel costs		65,118,878	60,897,209
Depreciation and amortisation	7/8	48,016,052	47,136,999
Impairment		(1,269,123)	(5,800)
Other operating expenses	26	5,315,250	2,584,298
		430,175,365	**419,155,128**
Operational cash flow (EBITDA)		**190,743,082**	**173,350,931**
Operating income		**143,996,153**	**126,219,732**
Financial result	**27**	**(11,331,683)**	**(7,619,725)**
Profit before tax from continuing operations		**132,664,470**	**118,600,007**
Income tax expense	28	29,369,792	32,073,716
Profit for the year from continuing operations		**103,294,677**	**86,526,291**
Discontinued Operations		-	-
Profit for the year		**103,294,677**	**86,526,291**
Attributable to:			
Equity holders of the parent		101,305,408	85,559,991
Non-controlling interests		1,989,270	966,300
Earnings per share			
Basic		**2,814.04**	**2,376.67**
Diluted		**2,814.04**	**2,376.67**

Consolidated Statement of Other Comprehensive Income
(Amounts expressed in Euro)

	Dec 31, 2016	Dec 31, 2015
Profit for the year	**103,294,677**	**86,526,291**
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):		
Exchange differences on translation of foreign operations	(3,204,617)	(100,555)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**(3,204,617)**	**(100,555)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):		
Re-measurement gains (losses) on defined benefit plans	-	-
Put option granted to non-controlling interests	-	2,419,950
Other	(139,992)	415,654
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**(139,992)**	**2,835,603**
Other comprehensive income for the year, net of tax	**(3,344,609)**	**2,735,048**
Total comprehensive income for the year, net of tax	**99,950,069**	**89,261,339**
Attributable to:		
Equity holders of the parent	98,601,722	88,315,150
Non-controlling interest	1,348,346	946,189

Consolidated Statement of Changes in Equity

(Amounts expressed in Euro)

	Attributable to the equity owners of the parent							
	Issued capital	Legal and other reserves	Retained earnings	Profit for the year	Foreign currency translation reserve	Total	Non-controlling interest	Total equity
As at January 1, 2015	**36,000**	**33,022,811**	**173,480,863**	**85,475,833**	**3,856,111**	**295,871,619**	**-**	**295,871,619**
Profit for the year	-	-	-	85,559,991	-	85,559,991	966,300	86,526,291
Other comprehensive income	-	-	2,835,603	-	(80,444)	2,755,159	(20,111)	2,735,048
Total comprehensive income	**-**	**-**	**2,835,603**	**85,559,991**	**(80,444)**	**88,315,150**	**946,189**	**89,261,339**
Put option granted to non-controlling interests	-	-	946,189	-	-	946,189	(946,189)	-
Dividends	-	-	(125,000,000)	-	-	(125,000,000)	-	(125,000,000)
Appropriation of prior year net profit	-	2,175,697	83,300,136	(85,475,833)	-	-	-	-
Other changes in equity	-	-	-	-	-	-	-	-
As at December 31, 2015	**36,000**	**35,198,508**	**135,562,791**	**85,559,991**	**3,775,667**	**260,132,958**	**-**	**260,132,958**
As at January 1, 2016	**36,000**	**35,198,508**	**135,562,791**	**85,559,991**	**3,775,667**	**260,132,958**	**-**	**260,132,958**
Profit for the year	-	-	-	101,305,408	-	101,305,408	1,989,270	103,294,677
Other comprehensive income	-	-	(139,992)	-	(2,563,693)	(2,703,685)	(640,923)	(3,344,609)
Total comprehensive income	**-**	**-**	**(139,992)**	**101,305,408**	**(2,563,693)**	**98,601,722**	**1,348,346**	**99,950,069**
Put option granted to non-controlling interests	-	-	1,348,346	-	-	1,348,346	(1,348,346)	-
Dividends	-	-	-	-	-	-	-	-
Appropriation of prior year net profit	-	1,586,352	83,973,639	(85,559,991)	-	-	-	-
Other changes in equity	-	-	-	-	-	-	-	-
As at December 31, 2016	**36,000**	**36,784,861**	**220,744,785**	**101,305,408**	**1,211,974**	**360,083,027**	**-**	**360,083,027**

Consolidated Statement of Cash Flows
(Amounts expressed in Euro)

	Dec 31, 2016	Dec 31, 2015
Cash flow statement - operational activies		
Receipts from costumers	581,657,839	537,909,631
Payments to supliers	(325,844,325)	(325,818,739)
Payments to personnel	(63,718,433)	(59,157,902)
Cash generated from operations	**192,095,080**	**152,932,990**
(Payment) / reimbursement of corporate income tax	(36,821,292)	(34,086,498)
Other proceeds / (payments) relating to the operating activity	(1.699,685)	(281,045)
Cash flow from operating activities (1)	**153,574,104**	**118,565,446**
Cash flow statement - investing activities		
Receipts from:		
Financial Investments	-	326,102
Fixed assets	550,500	31,502
Investments subsidies	-	-
Other assets	588,356	4,774,705
	1,138,856	**5,132,309**
Payments related to:		
Financial Investments	(65,051,806)	(547,384)
Acquisition of a subsidiary, net of cash acquired	(20,098,595)	-
Fixed assets	(39,297,294)	(34,372,513)
Other assets	-	(1,990,186)
	(124,447,695)	**(36,910,083)**
Cash flow from investing activities (2)	**(123,308,840)**	**(31,777,773)**
Cash flow statement - financial activities		
Receipts from:		
Loans	79,261,332	146,817,781
Investments subsidies	-	-
Interests received	70,408	162,987
Olther financing activities	-	-
	79,331,740	**146,980,768**
Payments related to:		
Loans	(106,980,864)	(83,086,361)
Interest and similar expense	(11,598,033)	(7,340,869)
Dividends	-	(125,000,000)
Capital decrease and other capital instruments	-	-
Other financing activities	-	-
	(118,578,898)	**(215,427,230)**
Cash flow from financing activities (3)	**(39,247,158)**	**(68,446,463)**
Net cash flow variation for the year (4)=(1)+(2)+(3)	**(8,981,894)**	**18,341,210**
Net foreign exchange differences	**1,045,842**	**2,406**
Cash and its equivalents at the beggining of the year	**39,890,641**	**21,547,025**
Cash and its equivalents at the end of the year	**31,954,589**	**39,890,641**
Notes to the consolidated cash-flow statement:		
Cash	17,146	12,250
Short term bank deposits	31,937,444	39,878,391
Cash and its equivalents (note 17)	**31,954,589**	**39,890,641**

Notes to the Consolidated Financial Statements

1. Corporate information

The consolidated financial statements of the BA Glass B.V. (hereinafter the "Company") for the year ended December 31st, 2016 were authorized for issue in accordance with a resolution of the directors on February 23rd, 2017.

The Company is a limited liability company incorporated and domiciled in the Netherlands. The registered office is located at Prins Bernhardplein 200, 1097 JB Amsterdam.

The group's main corporate purpose is to provide management, marketing, and advertising consulting services to companies selling or manufacturing glass containers and glass products; organizes promotional events and actions to promote such companies and their products and sales; manufactures, trades, and intermediates purchases and sales of glass products, as well as operates related trading establishments and distribution channels; invests, manages, and administers direct and indirect holdings in glass containers and glass products manufacturers and suppliers; invests in real estate, namely for purposes of buying and selling property, for own account or for resale, and of developing property for sale, urban development, and parceling; acquires, manages, and sells equity holdings in companies incorporated in Portugal and abroad, regardless of their statutory purpose; and stores, warehouses, handles, reprocesses, recycles, and sells recyclable or upgradeable waste.

The Company together with its subsidiaries (the "group") is the one of the most profitable players on the glass packaging business and has operating activities in Portugal, Spain, Poland and Germany.

The group operates in the glass industry, more specifically in the manufacturing of glass containers, owning three manufacturing plants in Portugal, two in Spain, two in Poland and one in Germany through the associated companies BA Glass Portugal, S.A. (operating in Portugal), BA Glass Spain, S.A.U. (operating in Spain), BA Glass Poland Sp. z o.o. (operating in Poland) and BA Glass Germany GmbH (operating in Germany).

No distinguishable components apply either with reference to its products or to its manufacturing processes, nor do distinguishable components apply, either with reference to the type of customer or to distribution channels, which may warrant analysis in terms of business segmentation.

Moreover, we also consider that the risks, returns, opportunities, or prospects applicable to the units operating in the aforementioned countries do not differ to the extent that their treatment as separate reportable geographical segments is warranted.

2. Accounting policies

2.1. Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), as adopted by the European Union and in accordance with title 9 of Book 2 of the Dutch Civil Code.

These consolidated financial statements were prepared on the basis of the Company's continued operation as a going concern and are based on the accounting books and records of the consolidated companies (refer to note 5). The carrying amounts of recognized assets are carried on a historical cost basis, except for land and derivative financial instruments that have been measured at fair value. The consolidated financial statements are presented in euros.

2.2. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31st, 2016.

Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the group controls an investee if, and only if, the group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the group has less than a majority of the voting or similar rights of an investee, the group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group assets and liabilities, equity, income and expenses are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interest;
- Derecognizes the cumulative translation differences recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the group had directly disposed of the related assets or liabilities.

The consolidated financial statements are presented in euros. The functional currency of foreign subsidiaries is generally their local currency. The assets and liabilities of these companies are translated into euros at the year-end exchange rate and statement of profit or loss items are translated at the average exchange rate for the year. The resulting currency translation adjustment is recorded in equity.

Foreign currency goodwill arising on the acquisition of these investments is remeasured at the official exchange rate at the balance sheet date directly against equity.

2.3. Summary of significant accounting policies

a.] Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 *Financial Instruments: Recognition and Measurament*, is measured at fair value with the changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. In accordance with IAS 36, goodwill is not amortized but is tested for impairment at least once a year and more often if there is an indication that it may be impaired. For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs). A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Put option granted to non-controlling interest

When the facts and circumstances indicate that the group has no present ownership on the shares subject to the put option, the group elects to follow the approach of partial recognition of non-controlling interests, under which the non-controlling interest continues to receive: (i) an allocation of profit and loss; (ii) a share of changes in appropriate reserves, and (iii) dividends declared before the end of the reporting period. At the end of each reporting period, the group recognizes a financial liability (fair value of the put option) as if the acquisition took place at that date. The put option is valued at fair value at the year-end. Changes in the financial liability are treated as reclassifications in equity and therefore have no impact on profit or loss. There is no separate accounting for the unwinding of the discount due to the passage of time.

In the event that the option expires unexercised, the financial liability is unwound such that non-controlling interest is recognised at the amount it would have been as if the put option was not granted.

b.] Investment in an associate

An associate is an entity in which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control over those policies. The group's investment in its associate is accounted for using the equity method.

Under the equity method, the investment in the associate is carried on the statement of financial position at cost plus post acquisition changes in the group's share of net assets of the associate.

Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the group's share of the results of operations of the associate. When there has been a change recognised directly in the equity of the associate, the group recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the group and the associate are eliminated to the extent of the interest in the associate.

The share of profit of associates is shown on the face of the statement of profit or loss. This is the profit attributable to equity holders of the associate and therefore is profit after tax and non-controlling interests in the subsidiaries of the associates.

The financial statements of the associate are prepared for the same reporting period as the group. When necessary, adjustments are made to bring the accounting policies in line with those of the group.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss in profit or loss.

Upon loss of significant influence over the associate, the group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c.] Intangible assets

Intangible assets acquired separately are measured on initial recognition date, at cost. Intangible assets generated internally, excluding capitalised development costs, are not capitalised and the cost is reflected in the income of the year in which the cost is incurred.

After the initial recognition, the assets are carried at cost net of accumulated depreciation and impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

The assets with finite useful lives are amortized during the expected economic useful life and evaluated in terms of impairment whenever there is an indication that the asset may be impaired. For an asset with a finite useful life, the amortisation methods, estimated useful life and residual value, are reviewed at the end of each year and the effects of the changes are treated as changes to estimates, i.e. the effect of the changes is treated in a prospective way.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually as at December 31st either individually or at the cash generating unit level.

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

c.1] CO_2 Emission rights

CO_2 emission licenses were granted to the group's plants that fall under the European greenhouse gas emissions trading scheme. For as long as the IASB fails to set out an accounting policy to cater for this issue subsequent to the removal of IFRIC 3, and based on Paragraph 23 of IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance, the group decided to adopt the "net liability approach" method.

Accordingly, the allocation and usage of such emission rights is reflected in the financial statements as follows:

- Emission rights allocated free of charge, as well as the corresponding emissions allowed under such licenses, do not give rise to recognition of any asset or liability;
- Purchased permits are accounted for at cost and reported as intangible fixed assets;
- Should annual CO_2 emissions exceed annual emission rights, a liability is raised and set against "Other operating costs", which are then marked to the market value of such emission rights as at the reporting date;
- Gains arising from sales of emission rights are reported as other operating income.

In 2013 was the beginning of the new allocation period of CO_2 emission rights that will last until 2020. For 2016 the group expensed all the acquired licenses in order to fulfil the gap of free licenses attributed to the plants.

c.2] Patents

The patent for the use of the trademark "Warta Glass" has been granted for a period of five years, starting in 2011, and it will be depreciated over this period.

d.] Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced in intervals, the group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land is measured at fair value less accumulated impairment losses recognised after the date of the revaluation. Valuations are performed frequently to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is credited to the assets revaluation reserve included in the equity section of the statement of financial position, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Useful life
Buildings and other constructions	20 - 50
Property, plant and equipment - production equipment	7 - 9
Property, plant and equipment - others	3 - 20
Transport equipment	4 - 12
Tools	3 - 15
Administrative equipment	3 - 15
Packaging	3 - 7
Other tangible assets	3 - 15

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate. It is assumed that the residual value is nil; hence the amount to be depreciated, over which the depreciation is calculated, coincides with the cost.

Assets acquired through finance lease are depreciated using the same rates as those for the other tangible assets, i.e. taking into account the corresponding useful life.

Capitalisation of borrowing costs

Where funds are borrowed specifically, costs eligible for capitalisation are the actual costs incurred less any income earned on the temporary investment of such borrowings. Where funds are part of a general pool, the eligible amount is determined by applying a capitalisation rate to the expenditure on that asset. The capitalisation rate will be the weighted average of the borrowing costs applicable to the general pool.

Capitalisation should commence when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation should be suspended during periods in which active development is interrupted. Capitalisation should cease when substantially all of the activities necessary to prepare the asset for its intended use or sale are complete. If only minor modifications are outstanding, this indicates that substantially all of the activities are complete.

Where construction is completed in stages, which can be used while construction of the other parts continues, capitalisation of attributable borrowing costs should cease when substantially all of the activities necessary to prepare that part for its intended use or sale are complete.

e.] Impairment of non-financial assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The group discloses information about the fair value measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal and about the discount rates that have been used when the recoverable amount is based on fair value less costs of disposal using a present value technique.

The following assets have specific characteristics for impairment testing:

e.1] Goodwill

Goodwill is tested for impairment annually (as at December 31st) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

e.2] Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually as at December 31st either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

f.] Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Group as a lessee

Finance leases that transfer to the group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term.

Group as a lessor

Leases in which the group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

g.] Financial investments at cost

The group uses the cost method to value the financial investments in other companies, which are not subsidiaries, joint ventures or associates. The financial investments are recognised initially at cost, which includes transaction costs, being subsequently decreased by impairment losses, whenever applicable.

h.] Investment properties

Investment properties comprises land and buildings held for purposes of income generation or capital appreciation, or both, that are not used in the conduct of the group's regular business.

Investment properties are measured initially at cost, including transaction costs. Subsequently, they are measured at cost.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of derecognition.

i.] Financial instruments - initial recognition and subsequent measurement

i.1] Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. They are recorded on the following balance sheet items: "Other non-current assets" (note 11), "Other current debtors" (note 15), "Cash and short term deposits" (note 17) and "Equity" (note 18).

An asset is current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent.

All other assets are classified as non-current.

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as described below:

- **Financial assets at fair value through profit or loss**
  Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with net changes in fair value recognised in finance costs in the statement of profit or loss.

  The group evaluates its financial assets held for trading, other than derivatives, to determine whether the intention to sell them in the near term is still appropriate.

  Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Re-assessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

- **Loans and receivables**
  This category is the most relevant to the group. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

  This category generally applies to trade and other receivables.

- **Held-to-maturity investments**
  Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to maturity when the group has the positive intention and ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortised cost less impairment.

  As at December 31st, 2016 and 2015 the group has no financial assets classified under this category.

- **Available-for-sale (AFS) financial investments**
  AFS financial assets include equity investments and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in market conditions.

  After initial measurement, AFS financial assets are subsequently measured at fair value with unrealised gains or losses recognised in OCI and credited to the AFS reserve until the investment is derecognised, at which time, the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of profit or loss in finance costs. Interest earned whilst holding AFS financial assets is reported as interest income using the EIR method.

  The group evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the group is unable to trade these financial assets due to inactive markets, the group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

  For a financial asset reclassified from the AFS category, the fair value at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

  As at December 31st, 2016 and 2015 the group has no financial assets classified under this category.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired;

- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and what extent it has retained the risks and rewards of the ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the group's continuing involvement in the asset. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Impairment of financial assets
The group assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Impairment of financial assets carried at amortized cost
For financial assets carried at amortized cost the group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the statement of profit or loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

i.2] Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, and other financial liabilities measured at amortized cost. They are recorded on the following balance sheet items: "Other non-current liabilities" (note 19), "Trade payables" (note 21) and "Other current liabilities" (note 23).

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The group classifies all other liabilities as current or non-current depending on the period the cash-flow will be generated.

Subsequent measurement
The measurement of financial liabilities depends on their classification as described below:

- **Financial liabilities at fair value through profit or loss**
  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

  Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered by the group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

  As at December 31st, 2016 and December 31st, 2015, the group has no financial liabilities classified under this category. Please refer to the measurement of the Put option in note 2.3., a).

- **Loans and borrowings**
  After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method (EIR). Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the statement or profit or loss.

- **Trade payables**
  Trade payables are initially recognised at the respective fair value and are subsequently measured at amortized cost.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss.

i.3] Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

j.] Derivative financial instruments and hedge accounting

The group uses derivative financial instruments, such as interest rate swaps to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and is subsequently remeasured at fair value.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;

- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the group formally designates and documents the hedge relationship to which the group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss as other operating expenses.

k.] Foreign currencies

The group's consolidated financial statements are presented in euros, which is also the parent company's functional currency. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

k.1] Transactions and balances

Transactions in foreign currencies are initially recorded by the group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

The following currency exchange and conversion rates are used to translate receivables and payables expressed in foreign currency as at the reporting date:

Currency		Exchange rate as at December 31st, 2016	Exchange rate as at December 31st, 2015
American Dollar	USD	1.059	1.093
British Pound	GBP	0.860	0.737
Polish Zloty	PLN	4.424	4.262

k.2] Group companies

On consolidation the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

l.] Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the cash flow statement, cash and cash equivalents comprise cash and short-term deposits as defined above, net of outstanding bank overdrafts.

m.] Inventories

Inventories are valued at the lower of cost and net realisable value.

The measurement of inventories and the corresponding valuation methods are the following:

	Measurement	Valuation method
Goods for resale	Purchase cost (*)	Average cost
Raw and subsidiary materials	Purchase cost (*)	Average cost
Finished and semi-finished goods	Production cost (*)	Average cost
Work in progress	Production cost	Average cost

(*) - or net realizable value, the lowest of the two

The cost of the inventories includes:

- Purchasing costs (purchase price, import duties, non-recoverable taxes, freight, handling and other costs directly attributable to the purchase, less any commercial discounts, rebates and other similar items);
- Production costs (cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs).

The net realizable value is the selling price during the normal course of business less estimated completion costs and the costs required to make the sale.

n.] Equity items

n.1] Issued capital

All of BA Glass B.V.'s subscribed share capital has been totally paid.

n.2] Reserves and retained earnings

- **Legal reserves**
  The balance comprises the amounts that, in accordance to the law are not available for distribution and may only be used to increase share capital or to cover losses.

- **Revaluation reserves of land and buildings**
  Annually, a transfer is made from "Revaluation reserves" to "Retained earnings", based on the amounts that have become realised through the use (difference between the depreciation based on the revalued amount and the depreciation based on the original cost of the asset) or the disposal of the asset.

- **Retained earnings**
  This item relates exclusively to retained earnings available for distribution to shareholders.

n.3] Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

o.] Taxes

Taxes are calculated according with each country tax rate. Income taxes include current taxes on taxable income as well as deferred taxes.

o.1] Current income tax

Current income tax is calculated based on book profit or loss adjusted in accordance with the tax legislation in place for each country and is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

o.2] Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

o.3] Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position (please refer to note 15 and 22).

p.] Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

p.1] CO_2 emission rights

The group receives free emission rights as a result of the European Emission Trading Schemes. The rights are received on an annual basis and, in return, the group is required to remit rights equal to its actual emissions. The group has adopted the net liability approach to the emission rights granted. Therefore, a provision is recognised only when actual emissions exceed the emission rights granted and still held. The emission costs are recognised as other operating costs. Where emission rights are purchased from other parties, they are recorded at cost, and treated as a reimbursement right, whereby they are matched to the emission liabilities and remeasured to fair value. The changes in fair value are recognised in the statement of profit or loss.

p.2] Restructuring provisions

Restructuring provisions are recognised only when the recognition criteria for provisions are fulfilled. The group has a constructive obligation when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline. Furthermore, the employees affected have been notified of the plans main features.

q.] Employee Benefits

q.1] Provisions for pensions - defined benefit plan

The group has committed to grant some of the former employees of BA Glass Portugal regular payments in lieu of retirement pension and supplementary pension benefits, which benefits conform to a defined benefit plan.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognised in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognised in retained earnings and are not reclassified to profit or loss in subsequent periods.

Unvested past service costs are recognised as an expense on a straight line basis over the average period until the benefits become vested. Past service costs are recognised immediately if the benefits have already vested immediately following the introduction of, or changes to, a pension plan.

The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less unrecognised past service costs.

Under the current Polish legislation in force the Polish companies have a commitment to grant employees one month salary on the date of retirement which is fully recognised in the financial statements.

q.2] Special Funds

In accordance to the Polish law, if a company employees more than 20 employees (with full time contracts) is obliged to create a Social Fund. This fund must be used for social activities for its employees.

q.3] Other employee benefits

According to the Portuguese labour legislation in force, employees are entitled to holiday pay and subsidy in the year following the one when the service is provided. Consequently, an accrual for this amount was recognised in the profit and loss account with a counterpart in “Other current liabilities” (note 23).

In the case of the group decided to distribute profits to employees they are recognised in personnel expenses in the year to which it relates to and not as a reduction in equity.

r.] Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The group has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

r.1] Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods were transferred to the buyer, usually on the delivery of the goods.

Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied:

- The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

r.2] Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss.

r.3] Dividends

Revenue is recognised when the group's right to receive the payment is established, which is generally when shareholders approve the dividend.

r.4] Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue due to its operating nature.

s.] Own works

Costs incurred with own work, such as, labour, materials and transport, incurred in the production of tangible assets and inventories, are capitalized only when the following conditions are met: (i) assets are identifiable and reliably measurable; and (ii) it is highly probable that those assets will generate future economic benefits. No internally generated margin income is recognised.

t.] Accruals

Income and expenses are recorded in the period when they occur on an accrual basis, whereby they are recognised as and when generated regardless of the point in time at which they are effectively received or paid. The differences between amounts received and paid and the corresponding income and expenses are recognised in the consolidated balance sheet under "Other current assets" and "Other current liabilities", respectively.

u.] Fair value measurement

The group measures financial instruments such as derivatives at fair value at each balance sheet date.

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in note 19.

v.] Subsequent events

The group recognises in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements.

The group does not recognise subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but that arose after the balance sheet date.

3. Estimates and assumptions

The preparation of the group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the group. Such changes are reflected in the assumptions when they occur:

(a) Goodwill's impairment analysis

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit (CGU) being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 6. The group tests goodwill for impairment on an annual basis.

(b) Recognition of provisions and adjustments

The group is party to legal proceedings which are running their course on account of which it judges whether to raise a provision for contingent legal expenses based on the opinion of its legal advisors (refer to note 20).

Adjustments to receivables are calculated based on an age analysis of such receivables, the risk profile of the clients involved, and their financial standing. Estimates related to adjustments to receivables differ from business to business (refer to note 14). A detailed analysis of the changes in annual provisions clearly demonstrates that there is almost no risk of collection. Moreover, the group has access to major databases of relevant market information which, together with the experience of its technical analysts, enable it to clearly assess and minimize its credit risk.

With respect to years open to tax inspections, Management believes that any adjustment to the tax returns that could result from reviews carried out by the tax authorities will not have any significant impact in the financial statements.

(c) Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) Post-retirement benefits

The present value of liabilities for retirement benefits is calculated based on actuarial methods, which methods employ certain actuarial assumptions. Any changes to these assumptions will have an impact on the book value of those liabilities. The main actuarial assumptions used to calculate the group's liabilities for post-retirement benefits are described in note 29.

Those estimates were based on the best available information as of the date of preparation of the consolidated financial statements. However, situations may occur in subsequent periods which were not foreseeable at the time and which, as such, were not taken into account by those estimates. Changes to those estimates occurring after the reporting date of the financial statements are recognised in net income on a prospective basis, in accordance with IAS 8.

4. Changes in accounting policies and disclosures

(a) New and amended standards and interpretations adopted by the group

The group's consolidated financial statements have been prepared in accordance with International Financing Reporting Standards as published by the International Financial Reporting Standards ("IASB"), including IFRSs, IASs and Interpretations, and endorsed by the European Union applicable to 31st December 2016 year-end.

The group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after January 1st, 2016. The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below. Although these new standards and amendments applied for the first time in 2016, they did not have a material impact on the annual consolidated financial statements of the group. The nature and the impact of each new standard or amendment are described below:

- **IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception - Amendments to IFRS 10, IFRS 12 and IAS 28**

The amendments address three issues that have arisen in applying the investment entities exception under IFRS 10 Consolidated Financial Statements.

The amendments to IFRS 10 clarify that the exemption in paragraph 4 of IFRS 10 from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures its subsidiaries at fair value. Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. The amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests.

- **IAS 27: Equity Method in Separate Financial Statements - Amendments to IAS 27**

The amendments to IAS 27 Separate Financial Statements allow an entity to use the equity method as described in IAS 28 to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. Therefore, an entity must account for these investments either:

- At cost;
- In accordance with IFRS 9 (or IAS 39); or
- Using the equity method.

The entity must apply the same accounting for each category of investments.

A consequential amendment was also made to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment to IFRS 1 allows a first-time adopter accounting for investments in the separate financial statements using the equity method, to apply the IFRS 1 exemption for past business combinations to the acquisition of the investment.

- **IAS 1: Disclosure Initiative – Amendments to IAS 1**

The amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, existing IAS 1 requirements.

The amendments clarify:

- The materiality requirements in IAS 1;
- That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated;
- That entities have flexibility as to the order in which they present the notes to financial statements;
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and other comprehensive income.

- **Annual Improvements 2012-2014 Cycle**
  In the 2012-2014 annual improvements cycle, the IASB issued the following amendments:

IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations

Changes in methods of disposal Assets (or disposal groups) are generally disposed of either through sale or distribution to owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in IFRS 5.

The amendment must be applied prospectively.

IFRS 7 Financial Instruments: Disclosures

Servicing contracts:

The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and the arrangement against the guidance for continuing involvement in IFRS 7.B30 and IFRS 7.42C in order to assess whether the disclosures are required.

The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures would not need to be provided for any period beginning before the annual period in which the entity first applies the amendments.

Applicability of the offsetting disclosures to condensed interim financial statements:

The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report.

The amendment must be applied retrospectively.

IAS 19 Employee Benefits Discount rate: regional market issue

The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

The amendment must be applied prospectively.

IAS 34 Interim Financial Reporting

Disclosure of information 'elsewhere in the interim financial report'.

The amendment clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report (e.g., in the management commentary or risk report).

The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time.

The amendment must be applied retrospectively.

- **IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments to IAS 16 and IAS 38**
  The amendments clarify the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.

- **Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests**
  The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant

IFRS 3 Business Combinations principles for business combination accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation if joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are applied prospectively. These amendments do not have any impact on the group as there has been no interest acquired in a joint operation during the period.

- **IAS 16 and IAS 41 Agriculture: Bearer Plants – Amendments to IAS 16 and IAS 41**
  The amendments to IAS 16 and IAS 41 Agriculture change the scope of IAS 16 to include biological assets that meet the definition of bearer plants (e.g., fruit trees). As a result of the amendments, bearer plants will be subject to all the recognition and measurement requirements in IAS 16, including the choice between the cost model and revaluation model for subsequent measurement. Agricultural produce growing on bearer plants (e.g., fruit growing on a tree) will remain within the scope of IAS 41. In addition, government grants relating to bearer plants will be accounted for in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, instead of IAS 41.

(b) Standards endorsed by the European Union but not yet effective nor earlier applied

- **IFRS 9 Financial Instruments** - effective for financial years beginning on or after 1 January 2018;
- **IFRS 15 Revenue from Contracts with Customers** - effective for financial years beginning on or after 1 January 2018.

None of these new standards/ amendments are expected to have a material impact on the group´s consolidated financial statements.

(c) Standards not endorsed by the European Union

- **IFRS 14 Regulatory Deferral Accounts** – effective for financial years beginning on or after 1 January 2016;
- **IFRS 16 Leases** – effective for financial years beginning on or after 1 January 2019.
- **Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture** - effective for financial years beginning on or after 1 January 2016;
- **IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12** – effective for financial years beginning on or after 1 January 2017
- **IAS 7 Disclosure Initiative – Amendments to IAS 7** – effective for financial years beginning on or after 1 January 2017
- **Clarifications to IFRS 15** – effective for financial years beginning on or after 1 January 2018
- **IFRS 2 Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2** – effective for financial years beginning on or after 1 January 2018
- **Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - Amendments to IFRS 4** – effective for financial years beginning on or after 1 January 2018
- **IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration** – effective for financial years beginning on or after 1 January 2018
- **Transfers of Investment Property (Amendments to IAS 40)** – effective for financial years beginning on or after 1 January 2018
- **Annual Improvements 2014-2016 Cycle** (issued on December 2016)

None of these new standards/ amendments are expected to have a material impact on the group´s consolidated financial statements, with exception of IFRS 16 which impact is still being assessed.

5. Subsidiaries

The table below contains information on the subsidiaries, together with the location of their head offices and the group's respective percentage holdings, as at December 31st, 2016 and December 31st, 2015:

Subsidiary		Head office	% Own	
			Dec 31st 2016	Dec 31st 2015
BA Glass B.V.		Amsterdam (The Netherlands)	Parent	Parent
BA Glass I - Serviços de Gestão e Investimentos, S.A.		Avintes (Portugal)	100%	100%
BA Glass Portugal, S.A.	(***)	Avintes (Portugal)	100%	100%
BA Glass Spain, SAU	(****)	León (Spain)	100%	100%
BA Glass Poland Sp. Z o.o.		Poznan (Poland)	80%	80%
BA Glass Germany GmbH		Gardelegen (Germany)	100%	-
Moldin, S.A.		Avintes (Portugal)	100%	100%
BA Vidrio Distribución Comerc. Envases, S.A.		Mérida (Spain)	100%	100%
Sur wil Sp. Z o.o.	(**)	Poznan (Poland)	-	80%
Minas de Valdecastillo, SAU		León (Spain)	100%	100%
Barbosa & Almeida - SGPS, S.A.		Avintes (Portugal)	100%	100%
BA Vidro II Marinha Grande, SGPS, S.A.		Avintes (Portugal)	100%	100%
Artividro - Arte em Vidro, Lda	(*)	Leiria (Portugal)	-	-
BA Glass Greece, SA	(*)	Athens (Greece)	100%	-
Huta Szklana sp. z o.o.	(*)	Sieraków (Poland)	81.6%	80%

(*) Companies were excluded from consolidation because they have not any activity.
(**) In 2016 Sur will merged with BA Glass Poland Sp. Z o.o.
(***) BA Vidro, S.A. changed the name to BA Glass Portugal, S.A.
(****) BA Vidrio, S.A.U. changed the name to BA Glass Spain, S.A.U.

Acquisition of BA Glass Germany

In July 2016, BA Glass BV acquired 100% of the share capital of HNG Global GmbH, a company located in Gardelegen, Germany and playing in the glass packaging market. The acquisition is in line with the strategy of the group of expanding its operations by the way acquisitions and increases the footprint of the group in Central Europe. Germany is the biggest European market for the sector and this acquisition allows for a bigger presence of the group in this market.

The new subsidiary has as the main market segments the production of glass for the food and beverages industry, mainly food, spirits and soft drinks.

BA Glass Germany (formerly HNG Global), operates with one furnace with a total capacity of approximately 100,000 tons per year and revenues of EUR 40 million.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of BA Glass Germany as at the date of acquisition were:

	Fair value recognised on acquisition (k. €)
Assets	
Property, plant and equipment	31,067
Trade receivables	3,267
Inventories	9,201
Cash and banks	2,956
Other assets	526
	47,017
Liabilities	
Trade payables	1,581
Other liabilities	1,672
Interest-bearing loans and borrowings	34,007
	37,260
Total identifiable net assets at fair value	**9,757**
Goodwill	13,890
Real estate taxes to be paid	592
Purchase consideration	**23,054**

The goodwill of EUR 13,890 thousand comprises the value of expected synergies arising from the acquisition. Goodwill is allocated to a single Cash Generating Unit (CGU). The customer list is not separable. Therefore, it does not meet the criteria for recognition as an intangible asset under IAS 38 and no other adjustments to the acquired assets were identified that could impact on the initial recognition value of the goodwill. None of the goodwill recognised is deductible for income tax purposes.

No contingent consideration has been agreed as part of the purchase agreement with the previous owner.

Transaction costs were expensed and are included in Supplies and external services.

From the date of acquisition, BA Glass Germany contributed EUR 17,217 thousand of revenue. If the combination had taken place at the beginning of the year, the group revenue would have been EUR 600,364 thousand.

6. Goodwill

Goodwill is subject to an annual test for impairment and whenever there are signals an impairment may exist.

	Net amount as at Dec 31st 2016	Net amount as at Dec 31st 2015
Iberia	81,223,866	81,223,866
Poland	102,719,358	106,636,265
Germany	13,889,718	-
	197,832,943	**187,860,131**

Changes in goodwill are shown as follows:

	Dec 31st 2016	Dec 31st 2015
Opening balance	**187,860,131**	**187,840,116**
Additions	13,889,718	-
Foreign exchange differences	(3,916,906)	20,015
Closing balance	**197,832,943**	**187,860,131**

Impairment testing of goodwill

Goodwill has been allocated to the distinguishable CGU's (Iberia plants, Polish plants and Germany plant), for impairment testing purposes.

The group performed its annual impairment test as at December 31st, 2016.

The recoverable amount of the CGU's has been determined based on a fair value less costs of disposal calculation using cash flows projections from budgets approved by senior management covering a five year period.

Assumptions with respect to gross margins, discount rates, raw materials price inflation, market share during the forecast period and growth rates used to extrapolate cash flows beyond the forecast period are deemed to be conservative and in line with past performance of the group.

The discount pre-tax rate applied to cash flow projections is 6.8% and cash flows beyond the five-year period are extrapolated using a 1% growth rate. The tests performed at year-end 2016 show that recoverable amount is higher than the carrying amount by an amount that does not preclude any risk of impairment even in case some adverse events occur.

Key assumptions

The calculation of the recoverable amount for the group of CGUs referred previously was made with reference to:

- The discount rate calculation is based on the specific circumstances of the group and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the group's investors. The cost of debt is based on the interest bearing loans the group has;

- Regarding the main components (raw materials and energy) that have significant impact on the glass business, the management considered an increase in prices based on data available from our main suppliers, otherwise past actual raw material and energy price movements are used as an indicator of future price movements;

- The capital expenditures plans used in impairment test of goodwill are in accordance with the projections approved by the Board.

Sensitivity to changes in assumptions

With regard to the assessment of fair value less cost to sell of the group of CGUs, management believes that no reasonably possible change in any of the above key assumptions would cause the group of CGUs' carrying amount to exceed its recoverable amount.

At December 31st, 2016, only a substantial improbable increase of more than 5.0 p.p. in the discount pre-tax rate in the next twelve months would have caused their recoverable amount to fall below goodwill carrying amount.

7. Intangible assets

	Dec 31st 2016	Dec 31st 2015
CO_2 Emission rights	19,915	1,446,153
Trademark - Warta Glass	-	34,317
	19,915	**1,480,470**

Intangible assets comprise CO_2 emission rights the group acquired to face the deficit vs the free granted rights and that were expensed to cover the period's deficit. The trade mark in Poland of Warta Glass is totally depreciated as at 31 December 2016.

8. Property, plant and equipment

	Land	Buildings and other constructions	Equipment	Transport equipment	Administrative equipment	Other fixed assets	Fixed assets under construction	Total amount fixed assets
Gross assets								
Balance as at Jan. 1st, 2016	**47,704,980**	**182,796,651**	**638,492,957**	**2,180,775**	**9,322,757**	**12,975,336**	**1,418,530**	**894,891,984**
Acquisition of BA Glass Germany	1,199,131	9,958,468	18,125,093	1,320,385	241,837	203,387	18,269	31,066,569
Foreign exchange differences	(32,210)	(1,278,046)	(4,304,319)	(11,676)	-	(28,609)	46,139	(5,608,721)
Additions	56,669	6,299,368	29,395,313	31,398	398,857	67,027	2,309,403	38,558,034
Disposals	(465,881)	(87,538)	(1,489,845)	(89,963)	(304,628)	(113,896)	(694)	(2,552,445)
Transfers	5,646	19,082	2,705,527	-	16,450	32,451	(2,779,155)	-
Balance as at Dec. 31st, 2016	**48,468,334**	**197,707,984**	**682,924,726**	**3,430,918**	**9,675,272**	**13,135,695**	**1,012,492**	**956,355,422**
Depreciation and impairment								
Balance as at Jan. 1st, 2016	**272,297**	**95,624,724**	**493,828,763**	**2,032,644**	**8,967,795**	**5,289,638**	**-**	**606,015,863**
Foreign exchange differences	(10,002)	(356,186)	(2,196,074)	(10,921)	-	(24,775)	-	(2,597,958)
Depreciation charge of the year	-	5,634,727	41,521,283	269,628	332,823	91,874	-	47,850,335
Disposals	-	(81,250)	(1,489,843)	(89,963)	(304,581)	(113,447)	-	(2,079,084)
Transfers	-	(212,104)	-	-	-	-	-	(212,104)
Balance as at Dec. 31st, 2016	**262,295**	**100,609,912**	**531,664,130**	**2,201,389**	**8,996,037**	**5,243,290**	**-**	**648,977,053**
Net book value as at Dec. 31st, 2016	**48,206,039**	**97,098,072**	**151,260,596**	**1,229,529**	**679,235**	**7,892,405**	**1,012,492**	**307,378,369**
Net book value as at Dec. 31st, 2015	**47,432,683**	**87,171,926**	**144,664,193**	**148,130**	**354,961**	**7,685,697**	**1,418,530**	**288,876,121**

In 2016, the amount of additions is mainly related with the reconstruction of one furnace in Jedlice's plant. It is the last investment that has been planned by the time the acquisition of the Polish operations by the group took place and it is in line with the business plan developed.

Disposals are related with assets that reached the end of life and were replaced by the investment in the new furnace; no disposals of property, plant and equipment able to be used in the normal operations of the group occurred.

9. Financial investments

a) at equity method

	Investment in an associate
Cost	
As at January 1st, 2016	**-**
Additions	65,051,806
As at December 31st, 2016	**65,051,806**
Impairment	
As at January 1st, 2016	**-**
Additions	-
As at December 31st, 2016	**-**
Net book value at December 31st, 2016	**65,051,806**
Net book value at December 31st, 2015	**-**

Additions in the period are related to an investment the group made in the company Anchor Glass, a company established in the USA. The group has acquired a minority stake of 25% being the remaining 75% acquired by CVC Capital Partners. This investment is the first of the group outside Europe.

Anchor Glass is headquartered in Tampa, Florida and is one of the three major producers of glass packaging in the United States. The company operates six manufacturing facilities in Florida, Georgia, Indiana, Minnesota, New York and Oklahoma, in addition to an engineering and spare parts facility in Illinois and a mould design and manufacturing facility in Ohio.

This investment took place during December 2016 and the carrying value at the end of the year had no changes being the acquisition cost considered as the fair value of the participation at the reporting date.

The determination fair value of the identifiable assets and liabilities as at the date of acquisition (the Purchase Price Allocation exercise) arising from the transaction is in progress and will be completed before the end of December 2017.

No contingent considerations has been agreed, transaction costs were expensed and are included in Supplies and external services.

b) at cost

	Investment in subsidiaries	Other financial assets	Total
Cost			
As at January 1st, 2016	**1,932,842**	**2,306,009**	**4,238,851**
Additions	24,063	-	24,063
Impairment loss	-	(1,019)	(1,019)
Foreign exchange differences	-	(259)	(259)
As at December 31st, 2016	**1,956,905**	**2,304,730**	**4,261,637**
Impairment			
As at January 1st, 2016	**1,932,842**	**19,645**	**1,952,486**
Additions	-	-	-
As at December 31st, 2016	**1,932,842**	**19,645**	**1,952,486**
Net book value at December 31st, 2016	**24,064**	**2,285,086**	**2,309,150**
Net book value at December 31st, 2015	**-**	**2,286,365**	**2,286,365**

The value of previous years refers to the participation in Artividro – Arte em Vidro, Lda (EUR 1.9 million) which balance is fully provided for.

10. Investment properties

	Investment properties
Gross Assets	
Balance as at January 1st, 2016	**5,328,436**
Foreign exchange differences	(5,840)
Balance as at December 31st, 2016	**5,322,597**
Depreciation	
Balance as at January 1st, 2016	**926,704**
Increases	269,475
Balance as at December 31st, 2016	**1,196,179**
Net Value as at December 31st, 2016	**4,126,418**
Net Value as at December 31st, 2015	**4,401,733**

Investment properties consist of properties measured at cost which are held for renting in Portugal and Poland. As of December 31st 2016 no revenues are being generated by those properties as no rental agreements are in place.

11. Other non-current assets

The balance of this item comprises subsidies awarded by the Spanish Investment Agency amounting to EUR 7.3 million.

All the obligations established by the Spanish Agency Investment under the investment contracts were accomplished by the company so no adjustments on the final values to be received are expected.

12. Deferred taxes

	Dec 31st, 2016	Dec 31st, 2015
Deferred tax assets		
Provisions for pensions	473,369	541,094
Allowance for bad debts	27,772	405,284
Tax depreciation	975,608	1,097,559
Goodwill (*Fundo de Comércio*) - BA Vidrio	343,791	488,639
Tax revaluation of tangible fixed assets	11,637,140	-
Other	1,159,991	739,814
	14,617,672	**3,272,390**

Deferred tax liabilities		
Uniform depreciation criteria (adjustment of useful lives)	3,720,968	4,177,300
Libertad de amortización (depreciation deduction fiscal benefit)	2,040,349	3,264,049
Revaluation reserves of tangible assets	1,019,451	1,080,877
Fair value adjustment on Land	3,767,802	3,767,802
Other	1,818	76,205
	10,550,388	**12,366,233**

BA Glass Portugal recognized during the year a deferred tax asset in accordance with a tax revaluation tangible fixed assets under a Portuguese specific legislation that entered in force during the year. The tax revaluation, reported as December 31st 2015 is subject to a special taxation of 14%, paid in three equal installments, in 2016, 2017 and 2018. The increase in depreciation resulting from the revaluation can be considered for tax purposes as from the taxation period beginning in 2018 for the following 8 years. The deferred taxes will be used starting in 2018. The liability for the special taxation is accounted under Other payables.

The balances of deferred tax liabilities arising on *"Libertad de Amortización"* were generated by BA Glass Spain, in Spain. The tax balances in question originated as a result of a tax allowance applicable under Spanish legislation which allows deductibility of depreciation in advance for tax purposes on all investments made during the applicable years. In order to benefit from those allowances, the company was required to comply with specific objectives through the years mentioned previously, which objectives were fully met.

The balance shown under tax depreciation relate to a tax adjustment in Spain where during the periods of 2013 and 2014 an amount equal to 30% of accounting depreciations should be added for tax purposes being recovered in the periods starting 2015. This reduced the tax depreciations for those periods allowing for the use of the accrued depreciations in future years as tax cost through a positive adjustment in the Corporate Income Tax for the period.

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same Tax Authority.

13. Inventories

	Dec 31st, 2016	Dec 31st, 2015
Raw materials (at cost)	11,178,621	12,639,060
Finished goods and work in progress (at cost)	69,241,185	76,149,973
Goods for resale (at cost)	1,171,440	789,745
	81,591,246	**89,578,777**
Impairment losses	(898,361)	(238,691)
	80,692,885	**89,340,086**

Stocks decreased mainly by the increase of the sales and decrease of the production of the year, due to the reconstruction of one furnace in Jedlice plant. Quality of stock is reviewed periodically and non-quality stock is destroyed immediately.

14. Trade receivables

	Dec 31st, 2016	Dec 31st, 2015
Trade receivables	108,061,887	104,385,247
Notes receivables	103,326	41,912
Overdue receivables	3,922,033	5,970,216
	112,087,246	**110,397,376**
Impairment losses	(5,054,501)	(6,737,019)
	107,032,745	**103,660,357**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

As at December 31st, the amounts to be received that are overdue are completely adjusted. During the period no incidents with impact to the financial situation of the group occurred.

15. Other current debtors

	Dec 31st, 2016	Dec 31st, 2015
State and other state entities	6,838,769	8,068,034
Other	12,707,566	10,180,204
	19,546,335	**18,248,238**

The current amount of “State and other state entities” includes EUR 3.0 million (2015: EUR 4.3 million) regarding the corporate income tax of the year (cash advanced and withholdings net of current income tax in the jurisdiction) and two payments made in 2013 and 2016 in connection to an extraordinary regularization of tax litigation in Portugal. Despite the payments, the group does not consider likely to lose the respective tax litigation. This caption includes also EUR 3.8 million (2015: EUR 3.8 million) related with VAT.

“Other” relates to subsidies awarded by the Spanish Governmental Agency amounting to EUR 9.2 million (2015: EUR 7.3 million).

16. Other current assets

	Dec 31st, 2016	Dec 31st, 2015
Accrued income	339,484	14,241
Deferred costs - Insurances	516,970	503,232
Financial expenses	1,167,524	-
Other	598,115	36,226
	2,622,093	**553,699**

"Financial expenses" are related to the loans taken for the Yioula acquisition (note 36).

17. Cash and short-term deposits

	Dec 31st, 2016	Dec 31st, 2015
Cash on hand	17,146	12,250
Bank balance	281,937,444	39,878,391
Total Cash on hand and Bank balance	**281,954,589**	**39,890,641**
Not available for use	250,000,000	-
Total cash and cash equivalents	**31,954,589**	**39,890,641**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash needs of the group, and earn interest at the respective short-term deposit rates.

The total in cash and short-term deposits includes an amount not available for use by the group, of EUR 250 million. The amount relates to a business combination in progress as at 31 December 2016 (note 36).

18. Equity

As at December 31st, 2016, the group's share capital, totaling EUR 36,000 was fully subscribed and realized.

The following table details the group's shareholding structure, as at December 31st, 2016 and December 31st, 2015:

	Dec 31st, 2016		Dec 31st, 2015	
	No. of Shares	%	No. of Shares	%
Fim do Dia, SGPS, S.A.	17,064	47.4%	17,064	47.4%
Teak Capital, S.A.	9,468	26.3%	9,468	26.3%
Atanágoras, SGPS, S.A.	9,468	26.3%	9,468	26.3%
	36,000		**36,000**	

19. Interest-bearing loans and borrowings

	Dec 31st, 2016	Dec 31st, 2015
Interest-bearing loans and borrowings		
Non-current	408,400,616	222,932,595
	408,400,616	**222,932,595**
Current	163,962,580	113,421,863
	572,363,196	**336,354,458**
Cash and banks (Note 17)		
Cash	17,146	12,250
Bank deposits	281,937,444	39,878,391
	281,954,589	**39,890,641**
	290,408,606	**296,463,817**

The group's bank loans bear interest at the Euribor interest rate plus a spread which is contractually negotiated with a number of financial institutions, for set repayment terms, and are all denominated in euros.

The net position of bank balances (hereinafter as "net debt") is as follows:

	Short term	Long term	Dec 31st, 2016	Dec 31st, 2015
Bank loans	32,164,521	75,953,340	108,117,860	134,952,475
Bonds	115,250,000	323,800,000	439,050,000	177,749,586
Bank overdrafts	13,661,331	-	13,661,331	12,756,460
Finance leasing	742,638	8,647,276	9,389,914	10,895,936
Bank deposits	(279,810,498)	-	(279,810,498)	(39,890,641)
	(117,992,009)	**408,400,616**	**290,408,607**	**296,463,817**
Fair value of interest rate derivatives	-	-	-	-
	(117,992,009)	**408,400,616**	**290,408,607**	**296,463,817**

There are some covenants attached to the loans negotiated by BA Glass Poland with BZWBK and Millennium bank. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

The EUR 250 million loans contracted in the last quarter of the year to be used in a business combination which is in progress carries a leverage covenant based on the indebtedness of the group.

All group debt is secured with Negative pledge (with certain carve-outs and thresholds available), cross default and Pari Passú clauses.

No mortgages or pledges are in place as guarantee for the accomplishment of the obligations in any financing contract.

Group uses Commercial Paper programs as a way to have flexibility in the management of the available financing lines. A mix of short term and long term is used to adapt repayment schedule of the debt to the expected cash flow generated for debt repayment.

The group has liquidity available to face possible negative movements in the finance markets. Debt is followed with strict control and some indicators are measured and controlled as a way to guarantee a solid and safe financial structure. Main indicator considered as a key control to guarantee financial stability is net debt / EBITDA which the Board follows strictly in order to ensure it is not above 4,0x.

19.1. Maturity of debt

Year	Dec 31st, 2016
2017	148,157,159
2018	104,870,204
2019	39,853,837
2020 & following years	263,676,574
	556,557,775

The group excludes from the detail of the maturities of the debt the amount of bank overdrafts and bank deposits, since these captions are revolving.

19.2. Other non-current liabilities

The "Other non-current liabilities" includes the fair value of the non-controlling interest in BA Glass Poland which has been estimated in accordance with the terms of the shareholders agreement. Through a valuation technique that was calculated based on the discounted cash flow methodology and that was prepared applying the level 3 of the value measurement hierarchy. As at December 31st, 2016 the group recognizes a financial liability amounting to EUR 20.1 million (2015: EUR 20.1 million) which corresponds to the actual value of the put option granted to the non-controlling interests.

Put option may be exercised by minority Shareholders starting this year and is active until December 2018.

19.3. Fair value measurement

The management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The carrying amount of interest-bearing loans and borrowings (which are reported at amortised cost) constitutes a fair approximation of its fair value. The most significant loans that the group has at the year-end were renegotiated in 2016, which means that their fair value is close to the carrying amounts.

Given that the applicable interest rates are available and given their maturity dates, there are no materially significant differences between the carrying amounts and the fair value of these financial liabilities.

Derivatives

BA group enters into derivative financial instruments namely in Interest rate swaps whenever the Board considers it as an effective way to mitigate interest rate variation risk. Fair value is determined using valuation techniques, which employs the use of market observable inputs. The applied valuation technique includes forward pricing and swap models, using present value calculations. The model incorporate various inputs including interest rate curves and forward rate curves of the underlying commodity. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the group's own non-performance risk. As at 31 December 2016, no market derivatives exist in the group.

20. Provisions

	Pensions (note 29)	**Environmental liabilities** (note 32.2)	**Others**	**Total**
Balance as at January 1st, 2016	**1,940,479**	**193,238**	**117,330**	**2,251,046**
Acquisition of BA Glass Germany	-	-	44,538	44,538
Foreign exchange differences	(2,444)	-	(4,310)	(6,754)
Utilization in the year	(229,907)	-	(2,112)	(232,019)
Increase in the year	(12,773)	-	67,457	54,684
Balance as at December 31st, 2016	**1,695,355**	**193,238**	**222,903**	**2,111,496**

Minas de Valdecastillo, SAU is liable for restoration of land allocated to its mining operations which are estimated to an amount of EUR 193 thousand (refer to note 32.2).

Pensions plans are closed to new entrants.

21. Trade payables

	Dec 31st, 2016	**Dec 31st, 2015**
Trade payables	80,426,728	77,809,900
Fixed assets suppliers	4,027,403	4,766,663
	84,454,132	**82,576,563**

The carrying amount of these liabilities (which are reported at their nominal value) constitutes a fair approximation of its amortized cost and fair value.

Trade payables are non-interest bearing and are normally settled on 60 to 90-day terms.

The amount for fixed assets suppliers in 2016 comprises several invoices related with the investment in Jedlice' plant that finished in November 2016.

22. Other payables

	Dec 31st, 2016	Dec 31st, 2015
State and other state entities	11,211,000	6,900,902
Other	553,133	619,562
	11,764,133	**7,520,464**

The caption "State and other state entities" as at December 31st, 2016 comprises an amount of EUR 6.7 million (2015: EUR 3.0 million) related to corporate income taxes, value added tax in the amount of EUR 2.3 million, social security contributions related with December payroll totaling EUR 1.5 million (2015: EUR 1.4 million) and personnel income taxes withheld (amounting to EUR 765 thousand, EUR 916 thousand in prior year).

23. Other current liabilities

	Dec 31st, 2016	Dec 31st, 2015
Accrued costs		
Payroll expenses	5,596,926	5,398,481
Financial expenses	91,661	229,864
Other external supplies and services	560,512	354,543
Bonus granted (rappel)	2,054,729	2,127,855
Other	4,029,127	747,002
Deferred income		
Investment subsidies	14,447,966	18,886,835
Other	834,712	217,416
	27,615,633	**27,961,995**

"Payroll expenses" includes EUR 694 thousand (2015: EUR 834 thousand) related to personnel bonus to be paid in the following years. For this payment to take place it is necessary that some activity KPI's are achieved by the Polish companies as a whole. Remaining amount is related to the liability for holidays granted by the Portuguese law to all employees at service by the end of the year.

The group accounts for the liability for commercial bonus (rappel) in accordance with the sales agreements in place. As at December 31st, 2016 this balance amounts to EUR 2.1 million (2015: EUR: 2.1 million). Amount of bonus is reduced in revenues the same moment the recognition of the revenues take place.

Other accrued costs are mainly related to the process of Yioula Group acquisition (note 36).

Deferred income related to investment subsidies is released to income on a straight line basis over the expected useful life of the related assets (please refer to note 25). There are no unfulfilled conditions or contingencies attached to these grants.

"Other deferred income" include EUR 191 thousand related to bonus granted by suppliers in advance.

24. Revenues

	Portugal Spain Poland Germany	Other EU countries	Other countries	Total Dec 31st, 2016	Total Dec 31st, 2015
Glass packaging	426,232,181	118,384,219	36,636,749	581,253,148	530,469,601
Other	240,892	-	-	240,892	415,106
Total Dec 31st, 2016	**426,473,073**	**118,384,219**	**36,636,749**	**581,494,040**	**530,884,707**
Total Dec 31st, 2015	**388,749,970**	**111,443,356**	**30,691,381**	**530,884,707**	

The group operates mainly in Europe and in EUR having a low exposure to other currencies as well as to countries with high risk of receivables recoverability.

25. Other operating income

	Dec 31st, 2016	Dec 31st, 2015
Investment subsidies	4,288,118	4,597,440
Gain on disposal of assets	427,153	11,600
Indemnities related with insurance claims	106,678	2,921,484
Rentals	12,008	9,263
Other	668,621	1,200,150
	5,502,578	**8,739,938**

Government grants have been awarded for the purchase of certain items of property, plant and equipment linked with the reconstruction of furnaces. Grants are recognised as income in a straight line basis over the expected useful life of the related asset. There are no unfulfilled conditions or contingencies attached to these grants.

Indemnity related with insurances in 2015 is related with the incident in the plant of León in December 2014. The group opted to not register any profit in that year as no confirmation was given by the insurance company of its acceptance by the end of the year, which was subsequently obtained and reimbursed in 2015.

26. Other operating expenses

	Dec 31st, 2016	Dec 31st, 2015
Taxes	1,861,029	1,689,790
CO_2 emission rights usage	2,859,478	111,600
Donations	48,591	35,774
Other	546,152	747,134
	5,315,250	**2,584,298**

"Taxes" relates mainly to real estate property charges and local taxes directly connected with the operations of the plants.

27. Financial results

	Dec 31st, 2016	Dec 31st, 2015
Interest-bearing loans and borrowings	(7,721,646)	(5,115,619)
Interest earned from deposits	161,004	168,451
Discounts granted	(1,531,438)	(1,207,931)
Discounts obtained	287,727	220,916
Foreign exchange differences	(1,861,713)	(608,651)
Impairment losses on financial investments	(74,207)	(539,759)
Other financial costs	(609,643)	(537,182)
Other financial income	18,233	52
Share of profit of an associate	-	-
	(11,331,683)	**(7,619,725)**

"Interest-bearing loans and borrowings" increased when compared with the previous year mainly due to the increase of the leverage related to the acquisitions that took place in the year and that will close during 2017, where some debt was disbursed during the current year and due to the termination costs of an interest SWAP derivative in connection with the acquisition of the new subsidiary in Germany.

In 2016 the change in exchange rate differences results mainly from the fluctuations of the Polish zloty against Euro during the year.

28. Income tax

The group is subject to taxation under a Special Taxation Basis for Groups of Companies in Portugal and Spain.
The major components of income tax expense for the years 2016 and 2015 are:

	Dec 31st, 2016	Dec 31st, 2015
Profit / (loss) before tax	**132,664,470**	**118,600,007**
Current tax for the period	(42,530,919)	(33,941,805)
Deferred tax for the period (note 12)		
Goodwill BA Vidrio (*fundo de comércio*)	(144,848)	(91,082)
Tax losses	-	(6,871)
Allowance for bad debts	(377,512)	(79,608)
Pensions	(67,725)	(116,785)
Uniform depreciation criteria	(456,332)	(202,604)
Revaluation reserves	61,426	138,465
Libertad de amortización (depreciation deduction fiscal benefit)	1,223,701	1,770,761
Limitation on deduction of depreciations	(121,951)	(40,650)
Tax revaluation of tangible fixed assets	11,637,140	-
Other deferred taxes	1,407,228	496,463
	13,161,126	**1,868,088**
Income tax	(29,369,792)	(32,073,716)
Consolidated net profit for the period	**103,294,677**	**86,526,291**
Effective tax rate for the period	**22.1%**	**27.0%**

BA Glass Portugal in Portugal is subject to Corporate Income Tax (IRC), at the rate of 21% applied to the taxable amount, under the Article 87º of the Corporate Income Tax Code, which is increased by the municipal tax at a maximum rate of 1.5%, resulting in a maximum aggregate tax rate of 22.5%. When the taxable income exceeds EUR 1,500,000 entities are subject to an addition state tax rate, in accordance to the Article 87º - A of the same Code, as follows:

- amounts between EUR 1.5M and EUR 7.5 M - 3%
- from EUR 7.5 M to EUR 35 M – 5% and
- above the latter amount – 7%.

According to the Article 88º of the Corporate Income Tax Code, the Portuguese group entities are subject to autonomous taxation, on a set of charges at the rates provided for the mentioned article.

The nominal tax rate for Spain is 25%, for Poland 19% and for Germany 30%.

The main difference between the nominal tax rate and the effective tax rate is mainly related to tax benefits.

29. Post-retirement benefits

The subsidiary BA Glass Portugal offers to actual pensioners' retirement pension plans which liabilities are annually calculated based on actuarial studies. The group prepared a valuation to assess the fair value of that liability as of December 31st, 2016 for responsibilities with pensions. As at December 31st, 2016 a valuation methodology based on a "projected unit credit model" was used and were conducted under the following actuarial assumptions and technical bases:

	2016	2015
Mortality Rate	TV 88/90	TV 88/90
Disability Rate	1 980	1 980
Retirement Age	65 years	65 years
Rate of annual increase to salary	0.0%	0.0%
Discount Rate	1.5%	2.0%
Rate of annual growth of pensions	0.0%	0.0%

It was assumed that the amounts related to pensions will be valuated at the rate of 1.5%, assumption defined in the Index iBoxx € Corporate Bonds AA 10+. The benefit plan includes 139 participants with an average age of 79.8 years old.

Liabilities to pensioners are fully covered by a specific provision (refer to note 20) calculated in accordance with the aforementioned actuarial studies. The plans have been closed for some years therefore no new entrants will join it.

Liabilities for pension and post-retirement benefit under Polish law comprise one month payment in the moment employees retire and cover all current employees that are working in the polish companies. The main assumptions for calculation of the actual responsibility were computed according to the table mentioned above. There is no other long-term responsibility in addition to this employee's retirement benefits.

Sensitivity analysis:

At December 31st, 2016, the sensitivity of provisions for pensions to a change in discount rate is as follows: a 0.25-point decrease in the discount rate would lead to increase of 1.7% in the projected benefit obligation. The impact on the cost for the year would not be material.

30. Number of personnel

The number of employees at December 31st, 2016 is 2,408 (2,237 at December 31st, 2015).

31. Related party transactions

Intercompany balances and transactions reported to the companies included in the consolidation perimeter, as referred to in note 5, were eliminated for purposes of preparing the consolidated financial statements.

The key management personnel team comprises 25 people who are based in The Netherlands, Portugal, Spain, Poland and Germany. Their compensation is limited to short-term benefits and include deferred compensation linked to the group´s performance in a three year-period. No other long-term employee benefits are earned by directors. The group does not have in place any share-based payments scheme and during the period no termination benefits have been paid. Overall, compensation of key management is aligned with market and industry practices. Fixed compensation represents 50-60% of total compensation.

32. Environmental matters

In the conduct of its business, the group incurs in a variety of expenses of an environmental management nature which, depending on their characteristics, are capitalized or recognised as an operating expense in its operating results for the reporting period.

32.1. CO_2 Emission rights

In 2013 started a new program of allocation of CO_2 emission rights that will last until 2020. According the new allocations rules, the CO_2 emissions rights were reduced and will suffer a reduction every year till 2020.

During 2016 the group accounted under other operating expenses all the deficit of used versus free licenses. During the year the group's total emissions were of 621,486 tons. At the end of the year the group has already in the registries enough licenses to surrender the used during the year.

32.2. Environmental restoration expenses

Minas de Valdecastillo, SAU carries a legal and constructive liability to restore land allocated to its mining operations which is estimated to amount to EUR 193 thousand (refer to note 20).

32.3. Liability for environmental damages

The group's subsidiaries which operate in Portugal have contractual reserves under equity in order to comply with the provisions of Decree-Law no. 147/2008.

33. Commitments and contingencies

33.1. Bank guarantees

As at December 31st, 2016, the group provided bank guarantees to third parties totaling EUR 17.1 million, which balance includes a bank guarantee provided to the European Investment Bank ("EIB") as security for finance in the amount of EUR 16.5 million.

33.2. Contingencies

The group has several open tax matters/tax inspections with Portuguese and Spanish Tax Authorities, as a result of additional tax settlements. No provision was booked in the financial statements due to the fact that the Management Board believes that the likelihood of the group incurring costs to settle those liabilities is remote. The group has filed an objection to those tax adjustments in the courts.

The group has EUR 6.1 million booked in "Other current debtors" (as "State entities") related with an exceptional regularization of tax debts. This regularization regime applies to debts which are being challenged by the group in Court and the group believes that the likelihood of having an unfavorable assessment is remote. In spite of the group has paid this amount, it does not mean that the group will not have a favorable assessment in what concerns the debts aforementioned.

These payments in advance were performed by the companies BA Glass Portugal and BA Glass I.

34. Structure of the members of the Board

The board is composed of 4 members:

- Carlos António Rocha Moreira da Silva
- Rita Mestre Mira da Silva Domingues
- Pieter Albert Cornelis Hallebeek
- Intertrust (Netherlands) B.V.

35. Fees paid to the statutory auditors

Audit fees are as follows:

	2016 amount	%	2015 amount	%
Audit services				
Statutory and contractual audit services				
Portugal and Spain	73,775	47%	62,775	61%
Netherlands	30,000	19%	18,000	17%
Germany	31,000	20%	-	-
Poland	23,150	15%	22,500	22%
Total	**157,925**	**100%**	**103,275**	**100%**

36. Events after the balance sheet date

The company has entered in a Share Purchase Agreement on the 8th of October 2016 where the terms and conditions for the acquisition of 100% of the assets related to the production of glass containers of the Yioula group in Greece, Bulgaria and Romania were defined.

Yioula Group has operations in these three countries with one production unit in Greece, two in Bulgaria and one in Romania.

Yioula Group is the major player in the South East Europe with a market share of approximately 50% and revenues of EUR 200 million.

At the reporting date the transaction was already made effective on 26th of January 2017 and the group has acquired full control over the mentioned assets.

The calculation of the goodwill arising from the transaction is in progress.

Independent Auditor’s Report

EY

Building a better working world

Ernst & Young Accountants LLP
Cross Towers, Antonio Vivaldistraat 150
1083 HO Amsterdam
P.O. Box 7883
1008 AB Amsterdam

Tel: +31 88 407 10 00
Fax: +31 88 407 10 05
ey.com

Independent auditor’s report

To: the shareholders of BA Glass B.V.

Report on the financial statements

We have audited the accompanying financial statements 2016 of BA Glass B.V., Amsterdam, which comprise the consolidated and company statement of financial position as at 31 December 2016, the consolidated and company statement of profit or loss, changes in equity and cash flows for the year then ended and notes, comprising a summary of the significant accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.
We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.
This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of BA Glass B.V. as at 31 December 2016 and of its result and its cash flows for the year then ended in accordance with International

Building a better working world

Ernst & Young Accountants LLP
Cross Towers, Antonio Vivaldistraat 150
1083 HO Amsterdam
P.O. Box 7883
1008 AB Amsterdam

Tel: +31 88 407 10 00
Fax: +31 88 407 10 05
ey.com

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

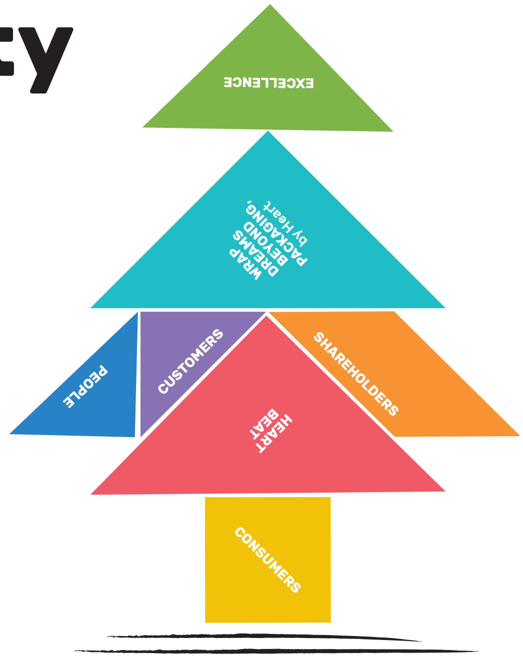
Amsterdam, 23 February 2017

Ernst & Young Accountants LLP

signed by T. Wiffrie

Sustainability Report

BA 2016 ANNUAL REPORT



Introduction

As in former years, the Sustainability report is published together with BA Glass Annual Report.

The present report reflects how the pillars of the group new Vision support its sustainable development. BA assumes also a public commitment to develop its activities in a balanced manner from various perspectives - economic, environmental and social, complying with applicable legal requirements and with other requirements which the organization subscribes.

A New Vision

The BA group new Vision is to "**Wrap Dreams Beyond Packaging**, by Heart".

The previous Vision was very powerful and successfully guided us throughout the last 16 years. However, the external environment has been changing and the world became more complex, uncertain and demanding. We believe this world transformation can be an opportunity, but that requires a transformation also in our company, a new ambition, a new dream that will inspire our people, our customers, and all stakeholders.

In BA we believe we can go beyond making glass containers. Over the last years we have been building partnerships and projects with our customers, and now we aim to take a step forward by taking part in more of our **Customers**' creation and innovation processes on a quest to support them in providing the **Consumers** with unique experiences.

The journey ahead is as exciting as it is challenging and we will make it the **BA Way**, built on our values, commandments, principles and beliefs (what we named our HEART BEAT). We will make it with our **People**, the ones that dream on making a difference, growing, exploiting and exploring.

Our focus on **Excellence** is the basis of this new aspiration. We believe that sustainable innovation requires excellence, and that is our bedrock which we must protect and fortify.

Value creation is what drives our **Shareholders** commitment and support. And we believe the pursuit of our vision will create value through sustainable and profitable growth.

our vision	Wrap dreams beyond packaging, by HeART
our way	beat
our pillars	Customers · Shareholders · People · Consumers
our foundation	EXCELLENCE

In our new **VISION**, every word has a meaning.

WRAP: to elevate and magnify (as a gift)
DREAMS: the never ending goals not yet reached,
BEYOND: aiming to do more than just...
PACKAGING: what we produce

All the four **PILLARS** of our new vision have very ambitious goals behind.

Be the choice of our **CUSTOMERS**, because we aim for them to see BA as a partner on their growth, innovations and disruptions, providing consistently quality and an excellent service in each delivery.

Provide unique experiences to **CONSUMERS**, because we aim for them to associate our products with safety, convenience and great emotions.

Enable the development of our **PEOPLE**, by creating the conditions to provide them with exciting challenges and opportunities in current and future projects, engaging them on the options and the outcomes of each decision and, afterwards, providing them with the deserved recognition of the results accomplished.

Create value for our **SHAREHOLDERS**, by ensuring the expected growth, profitability and return on equity.

Our way, the **BA WAY** is guided by our **HEART BEAT**.

We had our values...

HEART

Humbleness to learn
Emotion in everything we are engaged with
Ambition to set targets
Rigor when performing tasks
Transparency in internal and external relations

... and in 2015 we reinforced them with our

BEAT

Be focused on the customer
Empower your team
Act like an owner
Think about simple solutions

Striving for **EXCELLENCE**, in everything we do, is the foundation of this new aspiration.

We cannot afford not having it.

BA Sustainable Development

Shareholders

Customers and Consumers

People

Social and environmental responsibility

The pillars of BA new vision together with BA social and environmental concerns are the base for its sustainable development. We have been incorporating all their components into our integrated management system, which we believe is key to succeed in achieving our mid and long term goals.

Every year BA sets new and more ambitious goals built on previously achieved targets and the best accomplishments in the industry. To achieve these goals, some of them transversal, action plans, covering each and every pillar of the vision, are built and monitored at different levels of the organization through the regular analysis of performance indicators. These goals are established as a challenge to all the teams and guide the continuous improvement of performance in all areas of the organization. Those challenges provide an opportunity for everybody to do their best and be part of the achieved success.

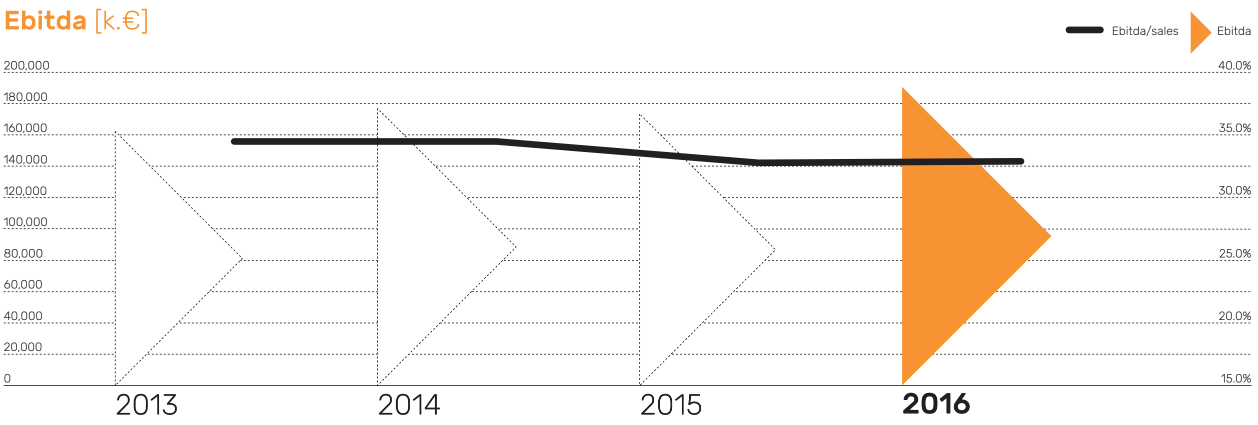
Shareholders

Create value for our **SHAREHOLDERS**, by ensuring the expected growth, profitability and return on equity.

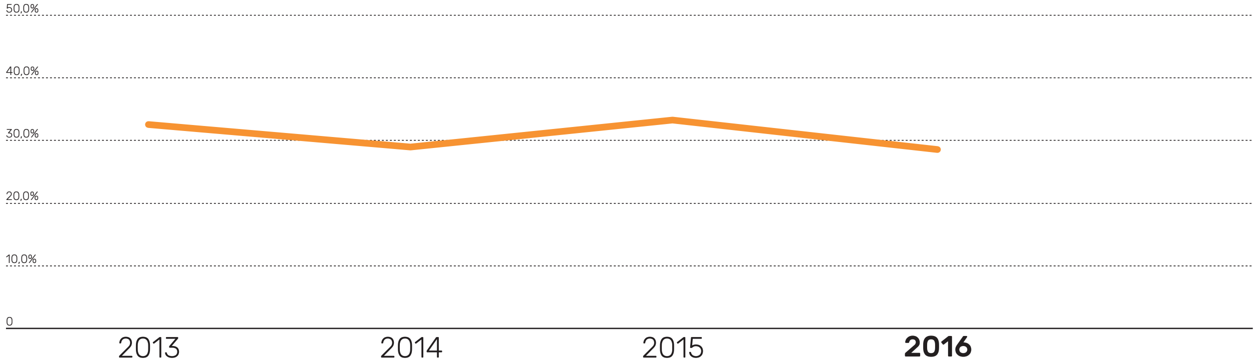
One of the main roles of a company is to create value for its shareholders. While doing so, BA also creates value for the entities and people to whom it relates, namely the customers, the suppliers, the employees and the community. In fact, managing sustainability means to consider these several parts not only in the daily management and decision processes, but also in the projects and activities which will have long-term impact on the value creation and sustainable growth of our business.

The group has been showing its sustainable growth capacity, with the creation of value for its shareholders at very satisfactory levels, a result of the actions and projects implemented during recent years. These have generated very meaningful improvements on productivity, operational efficiency, asset turnover, and ultimately on profitability, minimizing the impact of the negative macroeconomic environment experienced over the last few years.

Ebitda [k.€]

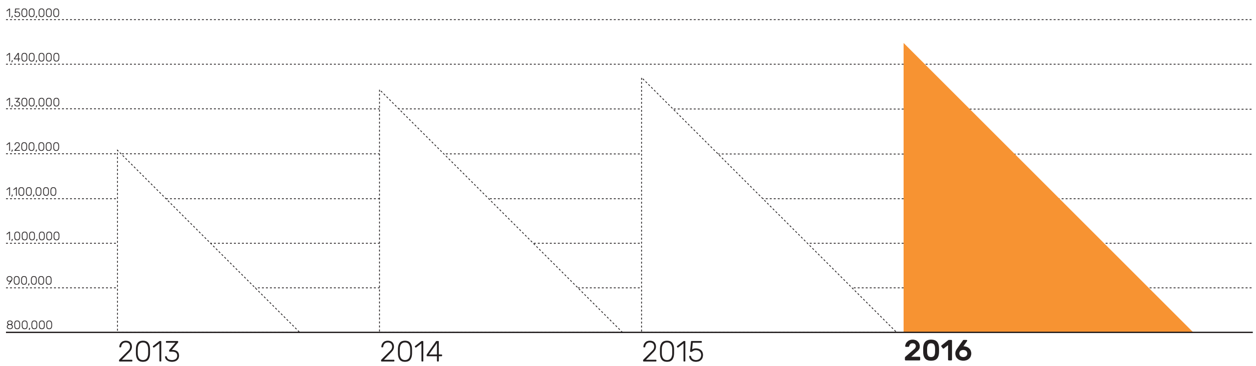


Return on equity (%)

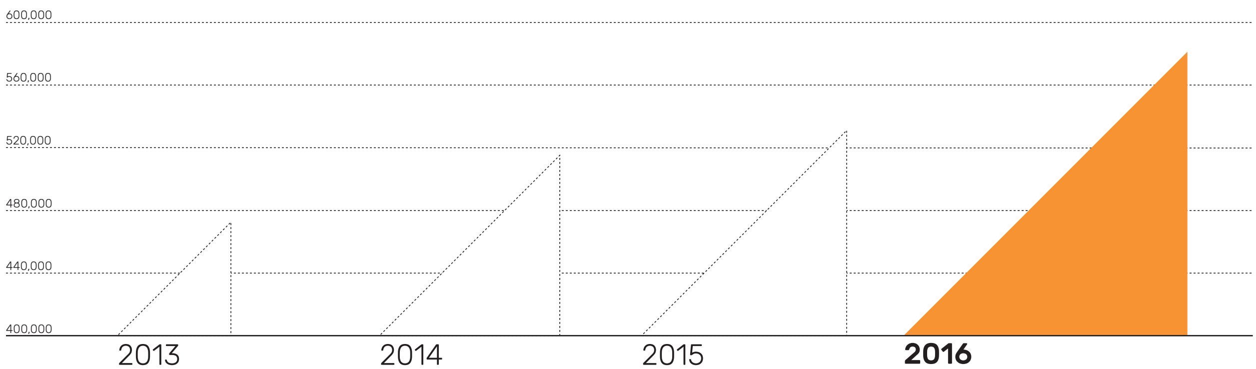


The shareholders have been consistently promoting the reinvestment of the company's results in its growth (either organic or by acquisitions) and operational excellence. Over the last four years the group has grown its production by 20% and its turnover by 23%. In 2016 and beginning of 2017, BA achieved a great step in its growth history with the acquisition of a plant in Germany, two plants in Bulgaria, a plant in Greece and other in Romania. By the end of January 2017, the BA group has 12 plants operating in 7 different geographies.

Production [ton]



Turnover [k.€]



In BA we believe the relationship with all our stakeholders must be supported by transparency, rigor, trust and responsibility, which are important values for the group.

The group keeps close partnerships with its suppliers with the purpose of always seeking the best technical solutions that benefit both parties and lead to their sustainable development. All suppliers play an important role in the development of BA and its ability to provide an excellent and innovative service. That is why BA continues to apply its suppliers' evaluation methodology, to ensure a solid base of suppliers able to find innovative and efficient solutions and compliant with appropriate ethical and environmental principles.

Customers and Consumers

BA customer's activity was strongly affected in the last years by the depressed economy in Europe and emerging markets. In Europe however, economy started to reveal some positive effects of the increased consumption in the second semester of 2016. We focused again in export markets to balance the contracting demand of our domestic markets. With the exports outside domestic markets, we found a destination for part of our products, thereby ensuring an efficient use of our production capacity. The sales outside Iberia, Poland and Germany represent today more than 20% of BA's total business volume. The consolidated turnover reached EUR 581.5 million, representing a growth of 9.5% compared to the previous year. The sales increase was volume driven, as the average sales price of the group has dropped given the impact of the decreasing trend of the last two years.

BA has continued to expand its customer portfolio, ensuring the market diversification and the reduction of its credit risks, and expanding its potential for future business in new markets.

In 2016, the emersion of the BA group new Vision brought a more comprehensive approach to the value chain, with even more focus on current and future customers by placing on our spot light also their final consumers.

Be the choice of our **CUSTOMERS**, because we aim for them to see BA as a partner on their growth, innovations and disruptions, providing consistently quality and an excellent service in each delivery.

We will continue to privilege direct contact with our customers. We want to be closer, ready for their ambitions and to surprise them and their consumers. This direct sales model enables a unique and differentiated way of serving them. In the end it enables us to bring our customers closer, generating opportunities of innovation and value creation for both.

BA will continue to respond with quality and reliability, developing models of cooperation with its customers (called "Innovation Challenge") in order to differentiate the final product and/or service and to increase productivity and/or reduce costs for both parties. Furthermore, BA sets new targets in understanding the final consumer in order to provide better solutions that fit our customers' strategy. Having a motivated, focused and flexible team, able to enhance long-term relationships makes it possible.

Provide unique experiences to **CONSUMERS**, because we aim for them to associate our products with safety, convenience and great emotions.

Focused on providing value added solutions and to be more prepared to answer the continuous changes in market drivers, BA has realized that today the importance of the whole value chain gained another dimension, the consumers. Consumers today are changing more often and unpredictably. The arrival of the millennial generation to our products' consumer groups urges us to be closer and more knowledgeable of their wishes and make an effort to understand the consumers in a different and more detailed way. As a result of this recognized need we decided to introduce this pillar in our new Vision, humbly accepting that today we still have a lot to learn but being ambitious enough to take the challenge of knowing more of the consumer behaviour. BA has already started several projects in this direction. By engaging in joint innovation projects with partners, benchmarking with innovation leading companies, studying consumer journeys and doing our own consumer research, BA expects to be better prepared to supply our customers with products and services that meet their expectations and excite their consumers.

People

Enable the development of our **PEOPLE**, by creating the conditions to provide them with exciting challenges and opportunities in current and future projects, engaging them on the options and the outcomes of each decision and, afterwards, providing them with the deserved recognition of the results accomplished.

Challenges and opportunities

2016 was a year of change and growth for the BA group. With the growth, new challenges came and it was time to redefine some people policies that, despite having been successful in the past, were not appropriate any more to deal with the challenges of the growth and with the enlargement of the group.

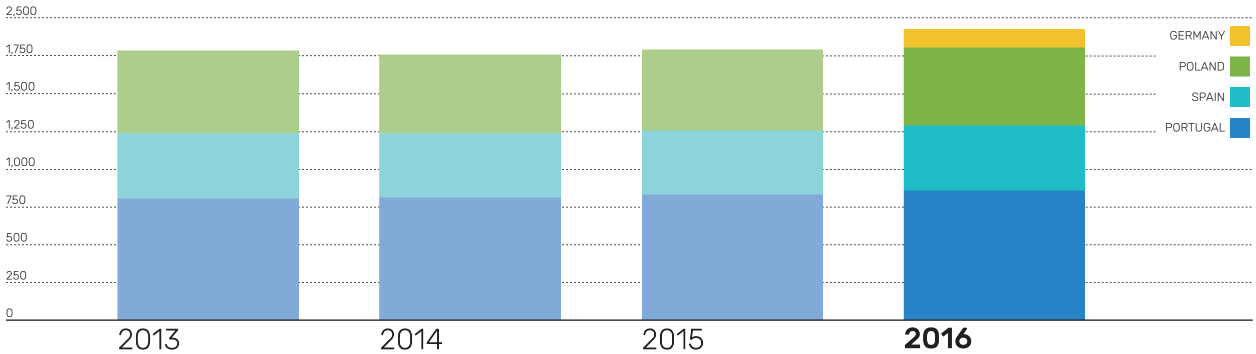
The group ended 2016 with 2,408 people as the result of the acquisition of one more plant in Germany. By the end of the year, the headcount structure was composed by 42% Portuguese, 24% Spanish, 27% Polish, 6% German and 1% of other different nationalities, a structure that changed in the beginning of 2017 with the new acquisitions in the Southeast Europe.

The average age of our population was 40 years old, a level that has remained unchanged for the last two years, and we keep a balanced distribution among the different age groups.

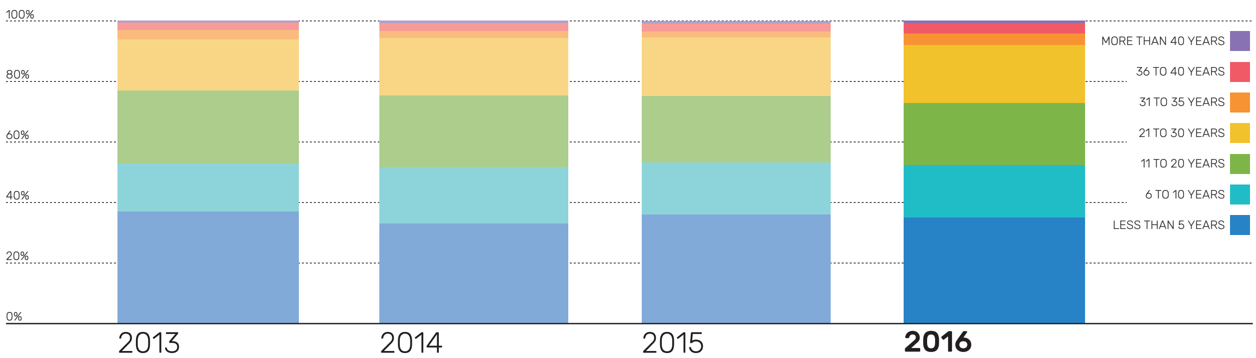
The majority of BA employees continues to be men (about 83%), mainly due to the type and characteristics of the industry, more specifically the work by shifts. The group follows the principles of non-discrimination, as they are established, communicated and subscribed in SA8000 regulation.

The new companies that joined the group in 2016 did not change the seniority breakdown. The group has an average seniority of 12 years and the highest share is kept by the employees in the company for less than 5 years.

Total number of employees per geography



Seniority evolution [%]



The competencies and skills, the recruitment and rewarding policies, and the training and development programs were and will continue to be adjusted or redefined according to the new Vision and size of the group. At the same time, retention and change management strategies started to be rethought.

BA Academy

For a long time, the idea of building a more structured way of training and developing our people has been in our plans and several seeds were sown over the last years. With BA's growth, this idea became one of our main priorities to allow a sustainable development of all employees, regardless of their geographical location.

For this reason, in 2016, the group launched the "BA Academy", a privileged space, in which it is possible to facilitate the learning process and to inspire the transformation. It is an opportunity for participants to rethink ways of developing their work, with the goal of reaching a higher performance and growing both personally and professionally.

We believe that by facilitating our people's learning experiences we are increasing BA's internal know-how and preparing our people for changing scenarios. The BA Academy is an important bet on our people development, supported by the best practices, and aims at consolidating a culture of excellence and innovation.

BA academy
thrive for more

Considering the structure of the BA Academy, in 2016 the focus was on the conception and development of schools and programs. The New Comers, Operation and Leadership & Management Schools gave their first steps.

Besides the specific schools, the creation of transversal programs that combine technical and behavioral skills is also one of the goals of the "BA Academy", and for this reason the first edition of the BA MDP – BA Managers Development Program took place in April 2016. This is a two weeks immersion program, where senior managers can develop their skills and get inspired for the development of their teams.

Finally, to boost leadership skills, young teams participated in a specific cycle of workshops in Poland: the Leadership Toolbox program. Throughout a several months program, the participants learned basic knowledge for team leading. This program also constitutes a key element for shaping the company's culture based on the BA WAY principles.

The focus on developing and improving the BA people skills, together with the constant knowledge update and renewal in order to differentiate and specialize people, resulted in a total training volume of 51 thousand hours.

People Assessment and Development

In 2016, we successfully finished the first cycle of the new People Assessment and Development System, which was an essential tool to boost our people's performance, and to promote the development and succession plans.

In 2016, the communication about the process itself was reinforced, through new initiatives such as workshops for appraisers and appraisees, handouts and a new IT platform.

Furthermore, BA recognizes the importance of feedback as a critical point in the promotion of the performance and development plan. Therefore, new initiatives were created to improve the feedback culture.

Engagement

Our values and our Vision continued to be the main pillars for all people policies and the basis to sustain our transformations. For this reason, the spread of the BA Way and the explanation of our new Vision gained a special importance, not only among new comers, but also among all BA people.

The BA Way principles were reinforced through workshops in all geographies, orienting behaviors, challenging people, empowering professional paths and boosting development.

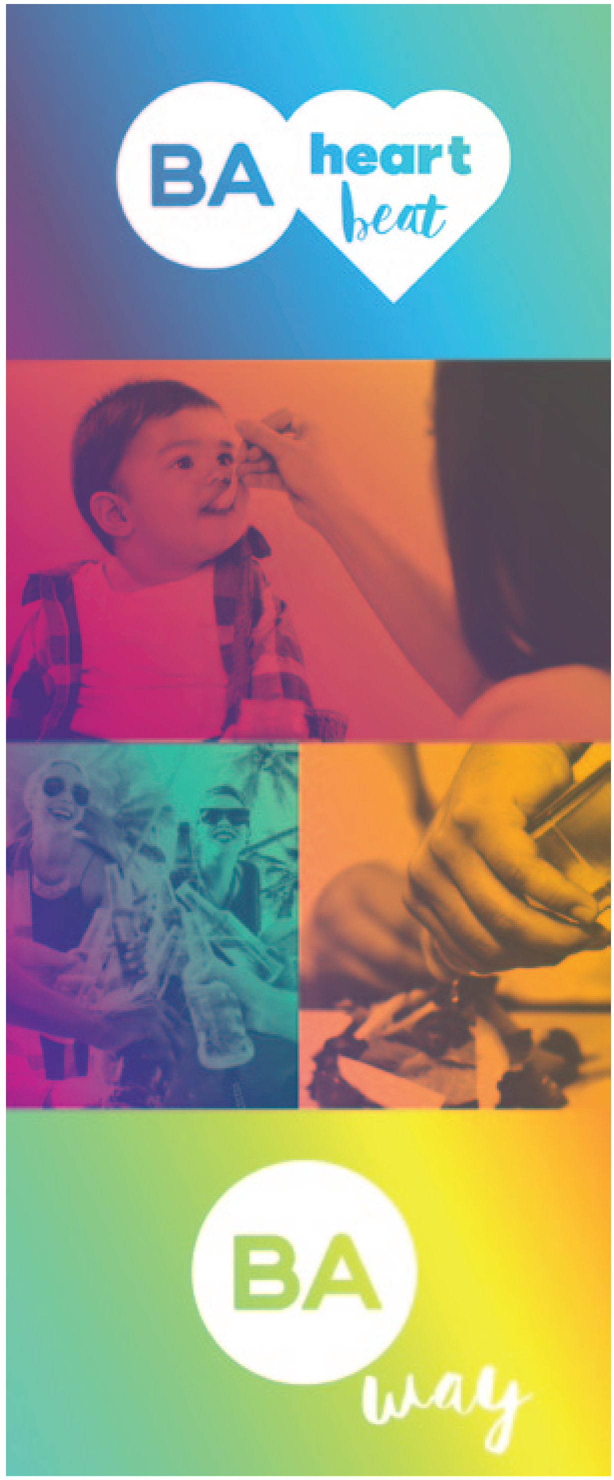
Employer Branding

The development of employer branding, onboarding practices and integration standards started to be prepared to accommodate larger groups of people – new and existing in the recently acquired companies.

In 2016, BA reinforced and strengthened bonds with the students' community through employer branding actions, in order to bring young people and our company together. These initiatives allow the identification of new young talents to join our teams. Also, as a company, BA recognizes its responsibility in promoting measures to bring young people closer to the labor market.

It is important to highlight the:

- Support of several academic and professional internships. In 2016, we accepted 68 active internships. Some of those interns came from entities with which we made Employer Branding campaigns during 2016, and some others from already established partnerships, supported by our continuous availability to receive students and give them professional training;
- Participation in job fairs in different geographies and in several events in schools and universities;
- Visits to our production units for students, namely in technical and university paths;
- Participation in classes and seminars. Several BA employees gave classes on subjects that contributed to the training and development of youngsters;



- Reinforcement of the partnership in the Project "Alliance for Youth", assuming, along with other companies, the responsibility for active participation in the European labor market. This year, we had one workshop with several companies, which highlighted the importance of our role in alerting young people for an effective job application;

- Implementation of the Junior Achievement projects, organizing "Right Arm" days, Innovation Challenges and teaching classes to primary and middle schools.

Apart from the traditional job fairs and presence in universities and schools, this year, BA was also present at the Young Talent Conference in Lisbon, at the European Students of Industrial Engineering and Management (ESTIEM) in FEUP (Portugal) and at the InCharge Coaching day in Madrid (Spain).

In Poland, some unusual, but powerful, employer branding measures were taken to reach a wider population.

Annual Meeting

As in previous years, BA held an Annual Management Meeting which took place in Tróia (Portugal) in September. This is an important moment to develop the business knowledge, promote personal development and share different experiences among our people. This year, the Annual Meeting was a special moment, due to its focus on BA's new Vision *"Wrap dreams beyond packaging, by heart"*, a Vision which will allow us to embrace new challenges with a new inspirational statement, in a much more complex, uncertain and demanding external environment. Besides Iberian and Polish people, the meeting also welcomed our new colleagues from Germany.

Internal Communication

Following BA's belief that well-informed employees are highly engaged ones, this year, the investment on Internal

Communication was even stronger than in previous years. Beyond the usual publication of the internal newsletter, in 2016 several other initiatives were put in motion to improve BA's Internal Communication.

Among others, these included an easy communication program which aimed to transform procedures in easy consulting manuals. Also, improvements in our internal portal were made, to make it more appealing and user friendly.

Additionally, an effort to integrate the group's image into all plants started at the end of the year. In a joint work with the recently created Communication Department, some of the plants began redoing their means of communication, namely restyling their space with some of the BA Way features.

Moreover, innumerous engagement activities took place in 2016 in all BA plants, such as Open Days, family picnic, celebration of the Children's day and Christmas dinners and lunches. These activities, namely the Open Days in the plants, were very well received by the employees, who had the opportunity to share with their families a different day where they got to see our plants.

All these actions are now to be part of an overarching communication plan. In 2016, BA gave the first steps to create a corporate communication plan, which will cover all the communication that is made by the group, both internally and externally, a matter that is becoming increasingly urgent considering the growth it has been experiencing.

Recognition

The remuneration policy is in accordance with the markets where BA operates and the performance of BA employees. Benchmarking tools and assessment systems that allow a structured and transparent analysis are annually used to define the remuneration policies. The BA growth, and the increasing presence in different geographies, triggered in 2016 a thorough work of benchmarking with the support of specialized companies in that area, in order to ensure that BA remuneration policies are implemented in all the different geographies in a consistent way.

The remuneration package includes a share of the profits generated by the group, aligning strategic and operational goals with individual performance.

At the end of 2016, the group registered costs in the amount of EUR 65.1 million, representing an annual value of EUR 28.0 thousand *per capita.*

Beyond the remuneration packages, the BA group also bets in other forms of recognizing extraordinary performance and engagement in the company's culture. In 2016 several awards were given to BA Way ambassadors, plant shifts with zero accidents, and outstanding employee suggestions.

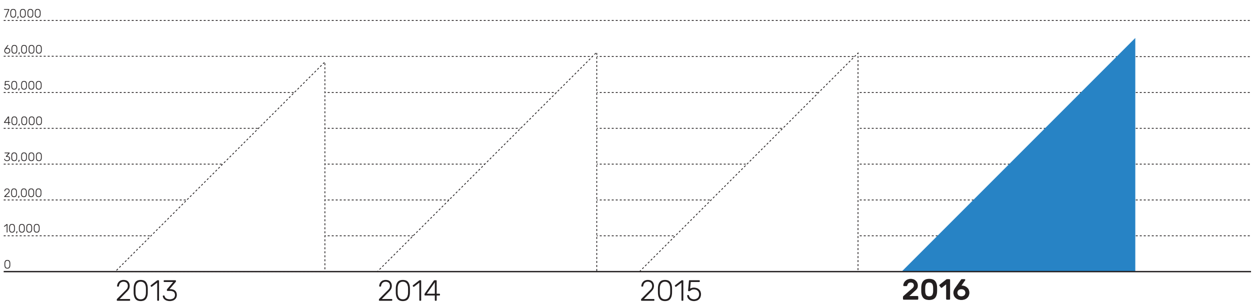
Other local and singular actions were put in place to celebrate even the small accomplishments of the teams.

To understand whether the BA policies and recognition systems were in line with the expectations, at the end of the year BA carried out the Social Survey in order to give all the employees the opportunity to express their opinions and ideas anonymously.

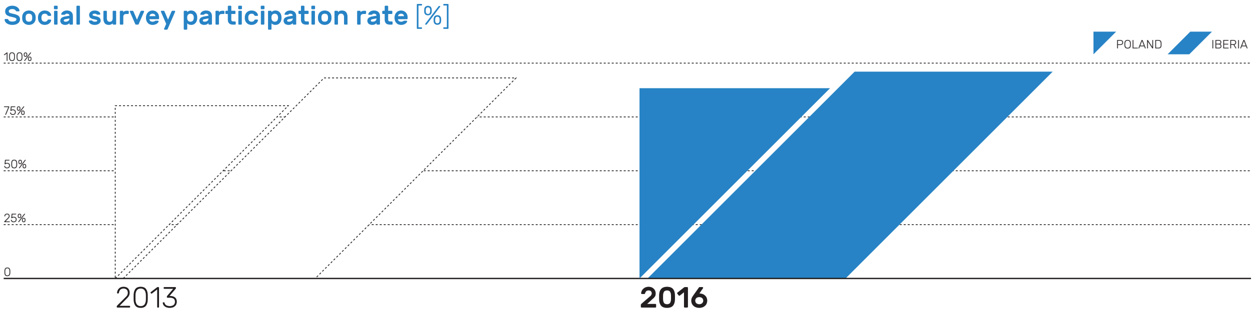
In 2016, we reached a successful participation rate of 95.1% in Iberia and 88.1% in Poland.

Regarding the Global Satisfaction, the results continue to be positive, despite a slight decrease in Iberia score, mainly due to a more instable labor environment period lived in the last 2 years in Portugal.

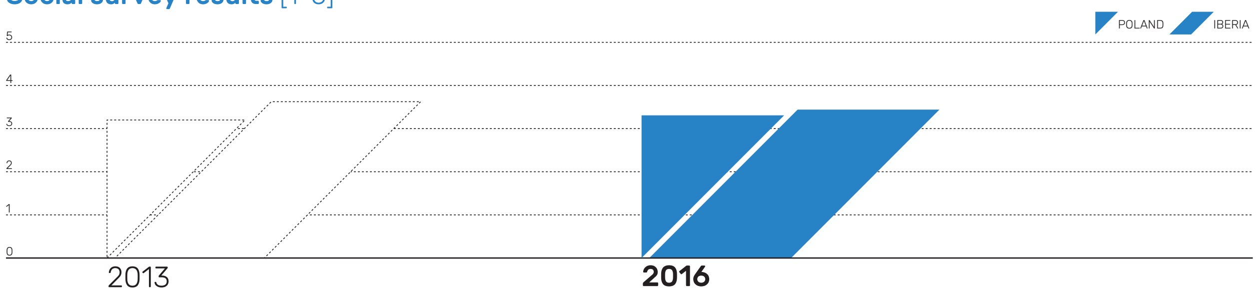
Personnel costs [k.€]



Social survey participation rate [%]



Social survey results [1-5]



For both Iberia and Poland, the most positively highlighted questions were related to the autonomy, the challenges, the high-level performance requirements and the goal of doing always better.

The Social Survey will be held also in Germany in 2017.

Social Responsibility

BA is committed to integrate social concerns into its decision-making process, to guarantee ethical behavior in the business conduct, to recognize and use the Fundamental Principles of Human Rights and to assure compliance with legal rules and any others voluntarily subscribed.

Health & Safety

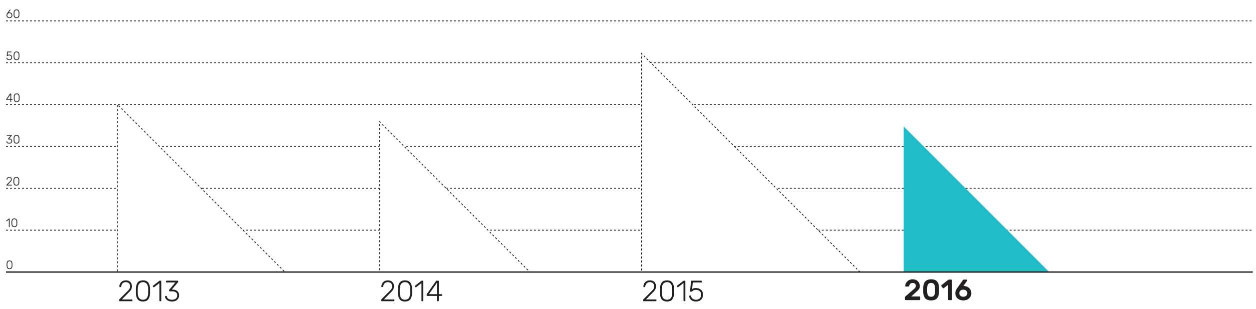
Recognizing that the safety of all the employees is a fundamental condition in our activity, BA is committed to create a culture that enables a change of habits and the achievement of our “Zero Accidents” goal.

In 2016, we invested on training our teams, namely in the sharing of knowledge through benchmarking with companies of other industries which apply high standards of Health & Safety at work, which triggered several actions for improvement, that are now part of the Safety action plan for 2017.

To achieve the goal of eliminating work accidents, it is necessary to build an attitude based on risk prevention. This is why, along with several training actions, a safety campaign was carried out, focusing on the compliance with the safety rules, the use of individual protective equipment and the avoidance of unsafe behavior. Knowing that leadership is key in this process, all managers and supervisors were instigated to put safety in their list of priorities.

In spite of the 32% reduction in the number of accidents achieved in 2016 in comparison to the previous year, BA’s “Zero Accidents” goal was not yet reached. Therefore, a strong effort will continue to be made to further decrease the accidents index.

Accidents [no.]



In 2016, we observed a decrease of the employees' absenteeism rate which stood at 6.0%, a 0.2 p.p. decrease from the previous year. Despite this slight improvement, the absenteeism rate remains high for BA standards. Poland had a successful decrease of 1.3 p.p. and will ensure all efforts to continue to lower the absenteeism values. Iberia reached the highest absenteeism rate (5.6%) of the last years. We will continue to improve and strengthen our ongoing campaigns and measures to help minimizing absenteeism over the next years.

Social responsibility and its management system

BA is proud of its Social Responsibility policy, which integrates social, environmental and educational concerns, and it is a platform for the economic, technological and human development. It is this policy that guarantees our people's personal development, the protection and compliance with social standards and the respect for ethical values and principles. Furthermore, it is an opportunity for the group to be close to the general community, allowing the understanding of its difficulties in challenging contexts and the contribution to minimize them.

In 2016, the group continued to develop actions to promote socially correct practices at the workplace. All the Iberian units are certified by the international social responsibility standard SA8000, which recognizes the fundamental and universal human rights embodied in International Conventions and Treaties, such as the United Nations Universal Declaration of Human Rights and the International Labor Organization, and other legislation, namely the international conventions relating to working hours, forced labor, freedom of association, right of organization and collective negotiation, equal remuneration for men and women for similar work, discrimination, minimum wage policy, worker's representation, minimum working age, health and occupational safety, vocational rehabilitation and employment for handicapped people and maternity protection.

The group expressly subscribes the following principles:

a.] Child Labor

The group's companies do not employ, neither are they involved directly or indirectly in child labor, and repudiate practices involving it, nor do they accept suppliers that keep such practices. It is assumed by the group that the minimum age for employees is 18 years old. There are written procedures to ensure the compliance with this principle, as well as procedures that guarantee the definition of actions to mitigate the consequences of child labor in any situation that might happen within the premises of the group or of its suppliers and sub-suppliers, and which BA acknowledges.

b.] Forced and compulsory labor

The group's companies do not have, neither are they directly or indirectly involved in practices using forced or compulsory work, nor do they accept suppliers that keep such practices. The company will never retain original personal documents nor create any other situation that could force the employee to remain in the company against his/her will. Furthermore, the company will never become involved in or support the traffic of human beings, arbitrary detention or torture.

c.] Health and Safety

The promotion of health and safety amongst BA's employees is an overriding priority for the group. Accordingly, BA commits to guarantee the necessary conditions to ensure a healthy and safe work environment for the entire group's workforce, preventing health and safety risks for employees, as well as for all other people who enter its premises (customers, suppliers, members of the community or any other entity or individual).

All employees must comply and make others comply with the workplace hygiene and safety rules, regardless of these being internal rules, national and community regulations or legislation, and must also report any infringements detected. Therefore, the group provides regular training to all the company's employees. In the event of serious and imminent danger, employees are entitled to leave the concerned area without prior authorization.

d.] Freedom of association and right to collective negotiation

The group's companies are in favor of pacific freedom of organization and association, ideological and religious freedom, as well as freedom of expression and opinion. BA will not interfere in the exercise of workers' rights relating to membership of a trade union and to their rights of collective negotiation; the company arranges the necessary means available for exercising such rights. Under no circumstances will trade union representatives be subjected to any form of discrimination.

e.] Discrimination and equality of opportunities

The group repudiates discriminatory practices. Thus, it will not be involved in nor support any situation that does not uphold the principle of non-discrimination based on race, gender, nationality, language, parentage, sexual orientation, marital status, physical disability, religion, political or religious convictions, trade union membership, family responsibilities, as well as the principle of equal opportunities amongst all its employees, and it shall not accept as suppliers entities which adhere to such practices, either in contracting activities, remuneration, access to training, promotion, termination of contract or any other activity.

f.] Disciplinary practices

BA shall treat all employees with dignity and respect, not being involved or tolerating the use of corporal or mental punishment or physical and verbal intimidation. Violence, harassment and abuse of power are strongly repudiated. Thus, any suspicion of such practices must be immediately brought to the attention of the group's management.

g.] Working hours

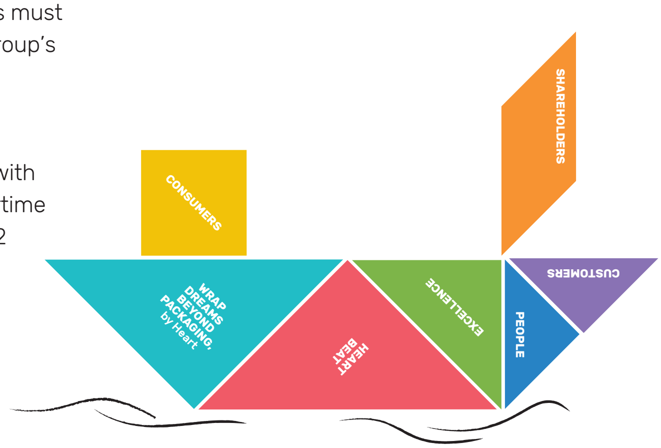
The company's working hours are in conformity with the applicable laws and industry standards. Overtime work is done voluntarily and should not exceed 12 hours per week per person.

h.] Remuneration

The remuneration policy reflects the group's objectives of attracting, developing and retaining high-performing and motivated employees in a more and more competitive market. With the purpose of sustainable long–term value creation for the company, the remuneration policy was designed to align the strategic business objectives with the teams and individual operational objectives. Therefore, a competitive remuneration package, a fair salary according to their performance and to the market conditions is presented to all employees.

Due to BA's growth, new social responsibility representatives were nominated in 2016 in Iberian and Polish Divisions. The Managing Director of each division is now directly responsible for ensuring that all the requirements under the standard SA8000 are met, and committed to analyze and respond, when necessary, to all the concerns and complaints raised by employees.

All the social responsibility policies are properly documented, effectively implemented and maintained, communicated and widely accessible to all employees, directly or indirectly hired. Furthermore, BA keeps the commitment to make this policy available in an effective manner to interested parties, whenever requested.



Relationship with local and educational entities

BA also favors initiatives related to education and trainings, namely those which promote and develop the youngsters' skills. Therefore, the group maintains partnerships with local universities, schools, students' associations and new young entrepreneurs.

The group continued to organize student visits to its plants, where our best practices are publicized, namely regarding environmental matters, such as recycling.

Regarding support and donations to educational, cultural and social welfare institutions in 2016, it is important to highlight the support to EPIS - Entrepreneurs for Social Inclusion, Portuguese Red Cross, Serralves Foundation, Associação Bagos D'Ouro, Fundación General Universidad de León, Expobarros 2016, Sieraków Volunteer Firefighters, Schodnia Volunteer Firefighters, Centrum Edukacyjne Międzychód (Education Center in Międzychód) among others.

BA continues to be part of "Porto de Futuro" ("Oporto of the Future"). It is a project launched by the Oporto City Hall in 2007, which aims to "bring the business and educational sectors closer, with the purpose of transferring the business world's best practices and knowledge to the city schools, as well as promoting a culture based on merit, creativity, innovation and entrepreneurship". BA's partner is "Agrupamento Infante D. Henrique", in which BA integrated 9 volunteers to give some sessions about entrepreneurship, citizenship, ethics, financial literacy, economy and career development to students from the 1st, 2nd and 3rd cycles. Furthermore, BA participated in other initiatives, such as giving merit awards to 6th and 4th graders (laptops) and 9th graders (Summer Course in England for two weeks); took part in the Junior Achievement Program, the "Innovation & Creativity Challenge", and was part of a judge panel to elect a decoration to be painted on a bottle at BA's decoration department.

Environmental responsibility

BA group is dedicated to the development, production and sales of glass containers mainly for the food and beverage industries.

BA considers environmental affairs as an integrant part of its overall management, and all its 8 plants have an Environmental Management System which, in Iberia and Poland, is certified according to ISO 14001. Additionally, the Gardelegen plant has implemented an Energy Management System certified by ISO 50001:2011.

BA Environmental Management System is focused on minimizing the environmental impact of its industrial activities. By setting, yearly, actions which aim to increase the glass recycling levels and the rationalization of water consumption, energy and raw materials, and to continuously reduce the weight of the glass containers produced, a rational use of the resources is ensured.

The continuous improvement of the environmental performance is one of BA's commitments.

The year 2016 is marked by the acquisition of a new plant in Germany (Gardelegen), the reconstruction of one furnace in Poland (Jedlice), and the intermediate repair of a furnace in Avintes plant (Portugal).

The cooperation with the official entities which define the legal requirements for the glass manufacturing industrial activity is very important for BA.

Transparency and collaboration with these authorities has allowed BA to show its industrial reality, the compliance with the relevant legal obligations and to keep an open relationship with the interested parties.

Glass recycling

The use of recycled glass (cullet) in glass production has a strong environmental impact, as the replacement of raw materials by cullet enables to decrease the deposition of waste in landfills, the extraction of natural resources, the energy consumption of the furnaces (cullet melts at a lower temperature than the raw materials) and CO_2 emissions. Glass is 100% and endlessly recyclable, which means there are no material nor quality losses in the process, and there is no limitation in the number of times it can be recycled.

The increase of cullet consumption is a permanent goal for the company but difficult to achieve, not only due to the difficulty in acquiring good quality cullet at competitive prices, but also due to the inexistence of selective collection by colors, limiting the introduction of external cullet into the composition of the flint glass, which is the main color produced in BA.

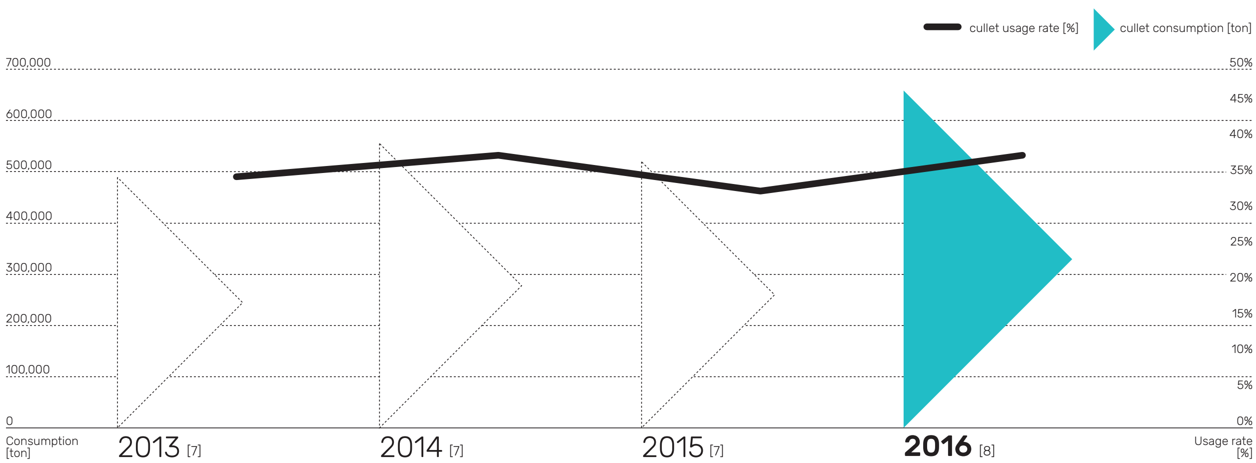
The group cullet comes from its own production activity, domestic post-consumption and imported waste from other countries and from the food and beverage industry (packages that overcome its due date and breakages in filling lines).

In 2015, the cullet treatment facility in Avintes had an equipment upgrade, which made the process of treatment and contaminant screening more efficient, allowing a larger recovery of glass and, consequently, a decrease of the waste sent to landfills. This improvement had its first full year impact in 2016.

The year 2016 was once again marked by a great difficulty in acquiring cullet at competitive prices and quality. Nevertheless, an overall increase of the cullet incorporation rate was achieved, mainly driven by Avintes, Villafranca and Jedlice plants, and also by the Gardelegen plant which impacted positively the overall cullet usage rate, for being higher than the group's average.

The consolidated value of the cullet incorporation rate in the eight plants stood at an average of 38%.

Cullet consumption and cullet usage rate



Notes:

(7) – consolidated value of 7 plants: Avintes, Marinha Grande, Villafranca de los Barros, León, Venda Nova, Sieraków and Jedlice

(8) – consolidated value of 8 plants: Avintes, Marinha Grande, Villafranca de los Barros, León, Venda Nova, Sieraków, Jedlice and Gardelegen

Environmental performance

Water and Energy consumption

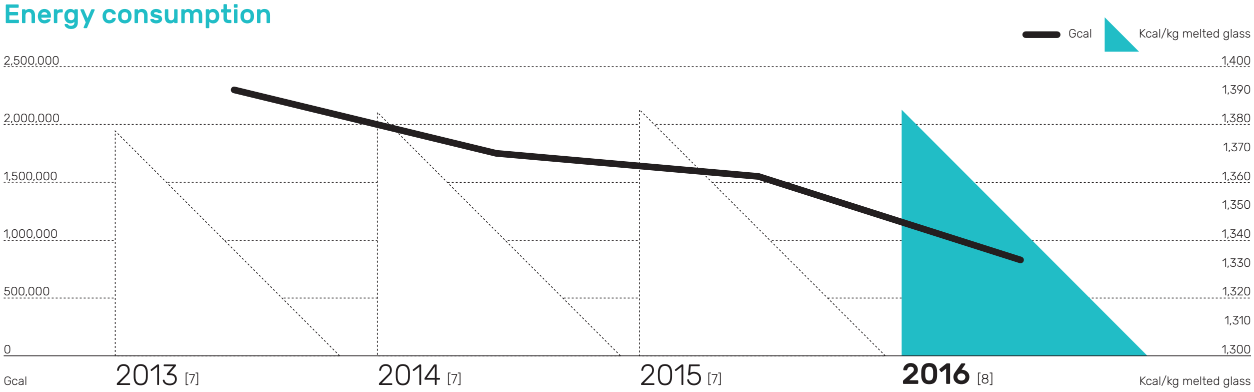
The glass production is an intensive consumer of energy. One of BA's goals is to continuously decrease the energy and water consumption and, to do so, BA has made several investments in its facilities, applying the best available technologies and implementing and improving monitoring systems of those parameters, thus making them progressively more effective.

In 2016, there was a relevant improvement regarding the energy consumption. The consolidated value for the specific consumption of the eight plants was 1,333 kcal per kg of melted glass (2.2% lower than 2015).

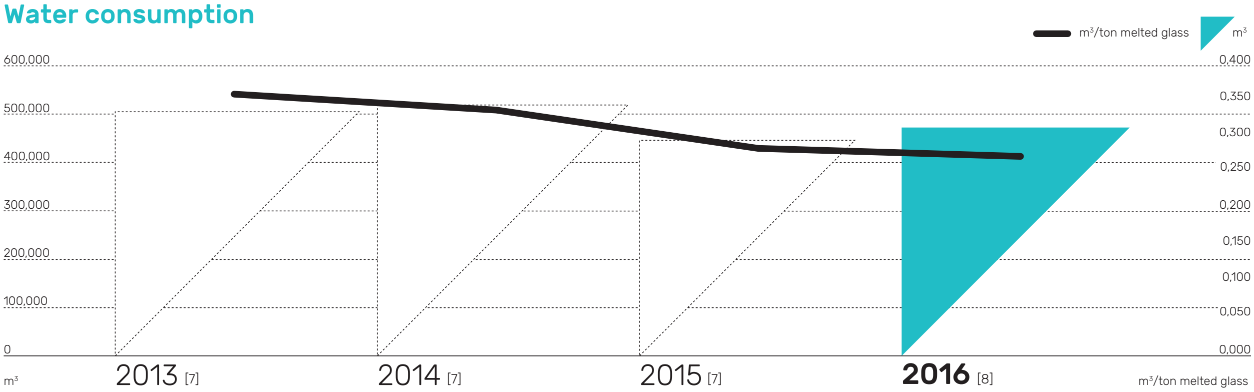
It is important to highlight that, in 2016, 4 BA furnaces were placed in the top ten of the world energy consumption Celsian ranking, with 3 BA furnaces in the top three positions.

During 2016, BA continued to develop actions towards the decrease of water consumption in the plants. The consolidated value was 0.28 m^3 per ton of melted glass (3.7% lower than in 2015).

Energy consumption



Water consumption



Waste Management

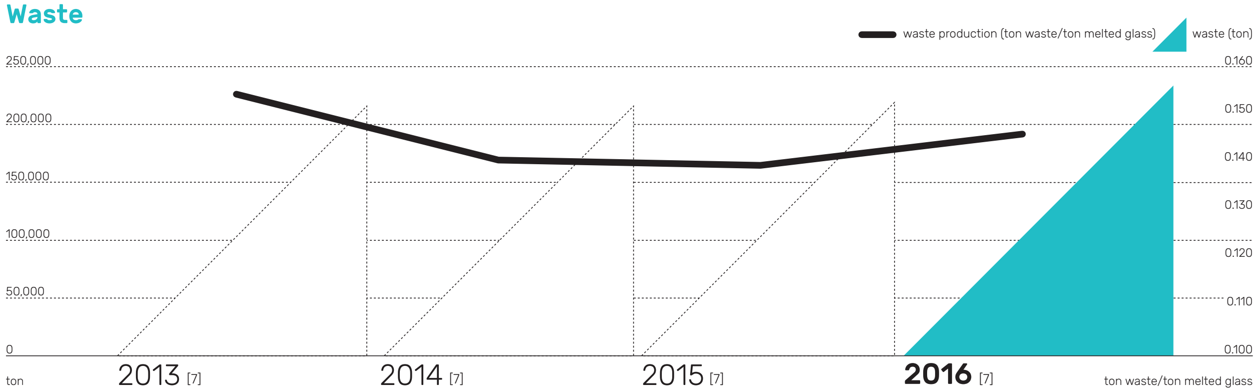
All plant facilities within BA group have implemented a waste management system which purpose is to reduce the waste generated and increase its recovery.

BA recovers the waste generated in the glass production (internal cullet), in the electrostatic precipitators and in the industrial waste-water treatment equipment. Overall, the rate of recovery for waste generated in its activity is very high (around 99%).

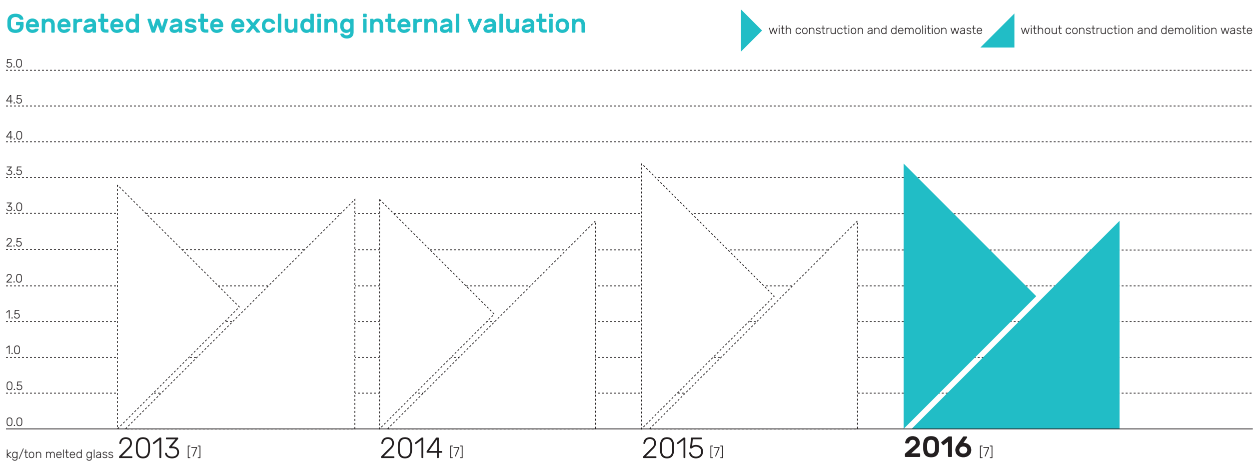
Due to some furnace maintenances, the reconstruction of one furnace in Jedlice, the intermediate repair of one of Avintes' furnaces, and the construction of two warehouses in Poland, the specific rate of total waste generated during 2016 was about 145 kg of waste per ton of melted glass, which represents a slight increase over the previous year.

The current rate of waste generated in the production activity, excluding construction and demolition waste as well as the waste recovered internally, is of about 2.9 kg of waste per ton of melted glass, in line with the previous year.

Waste



Generated waste excluding internal valuation



Atmospheric emissions

Carbon dioxide emissions (CO_2)

All 8 glass container production plants are covered by the European Union (CO_2) Emission Trading Directive. In order to comply with the referred Directive, BA has implemented a management system that allows to monitor the CO_2 emissions.

In 2016 there was a decrease in the consolidated value of carbon dioxide emission (ton of CO_2 released per ton of melted glass) due to the energy consumption improvement and the cullet incorporation increase.

Emissions of particles, sulphur dioxide (SO_2) and nitrogen oxide (NO_x)

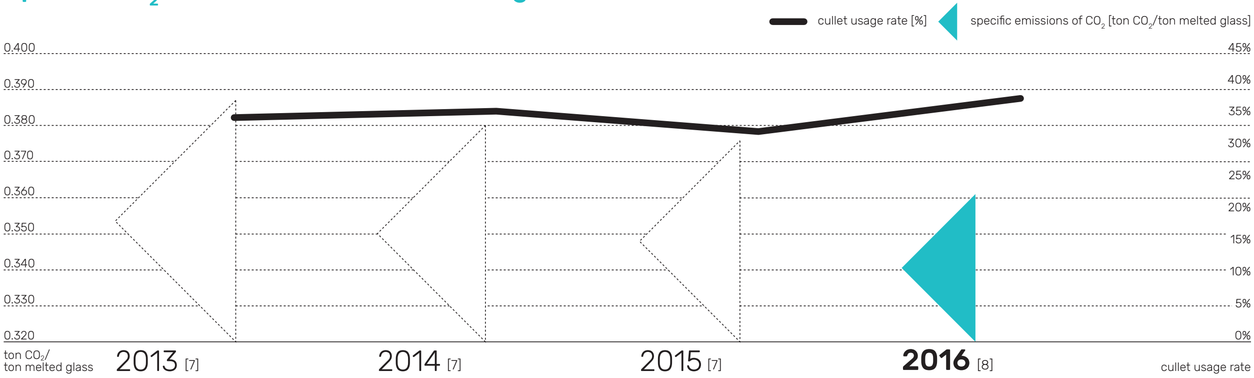
The BA plant facilities are covered by the Industrial Emission Directive (IED).

In order to comply with the regulation established in the environmental licenses of each plant, BA carries out sporadic monitoring of the existing fixed sources. In two of the plants (Marinha Grande and Venda Nova), the monitoring of the NO_x parameter is performed continuously.

All plants have an electrostatic precipitator and low-NO_x content burners. The Germany plant has a catalyst system to reduce the NO_x emissions.

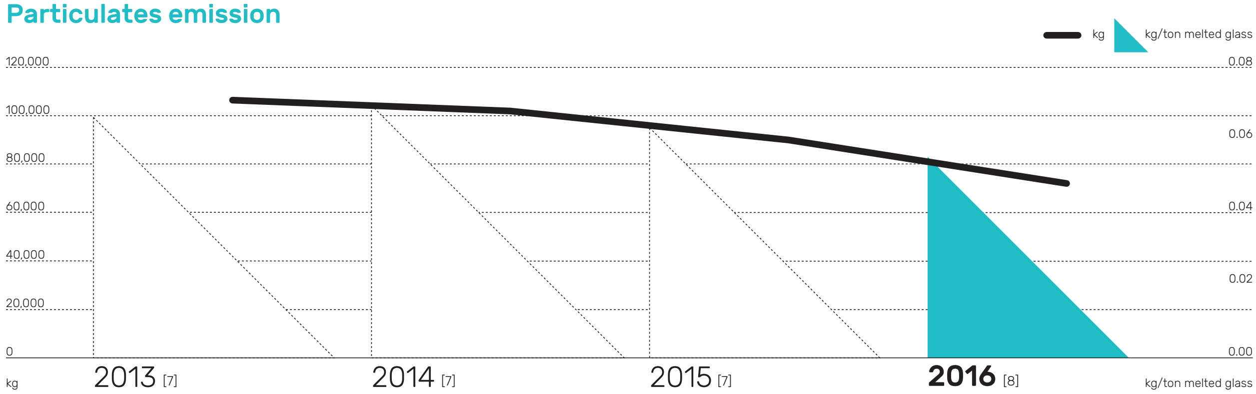
In 2016, the BA group achieved improvements in all parameters with the reduction of emission of NO_x, SO_2 and particulates.

Specific CO_2 emissions *versus* cullet usage rate

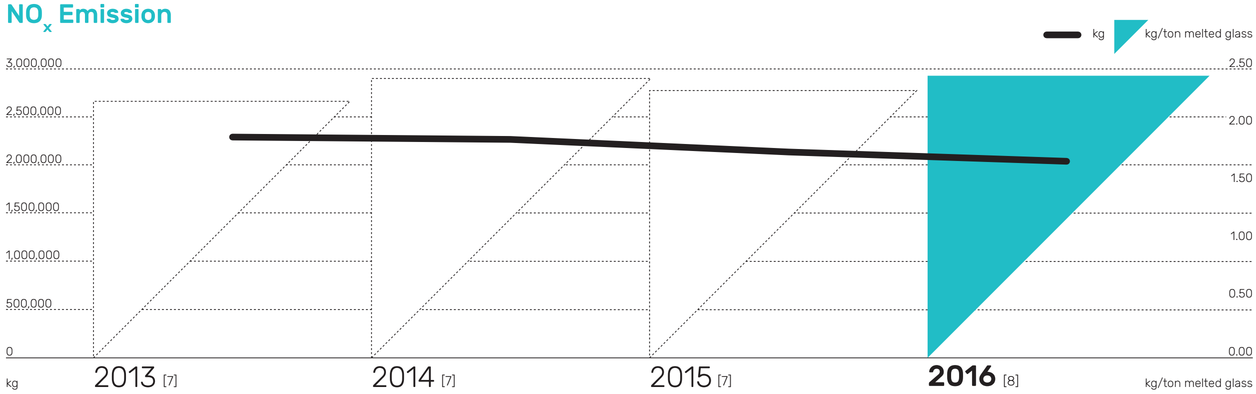


BA

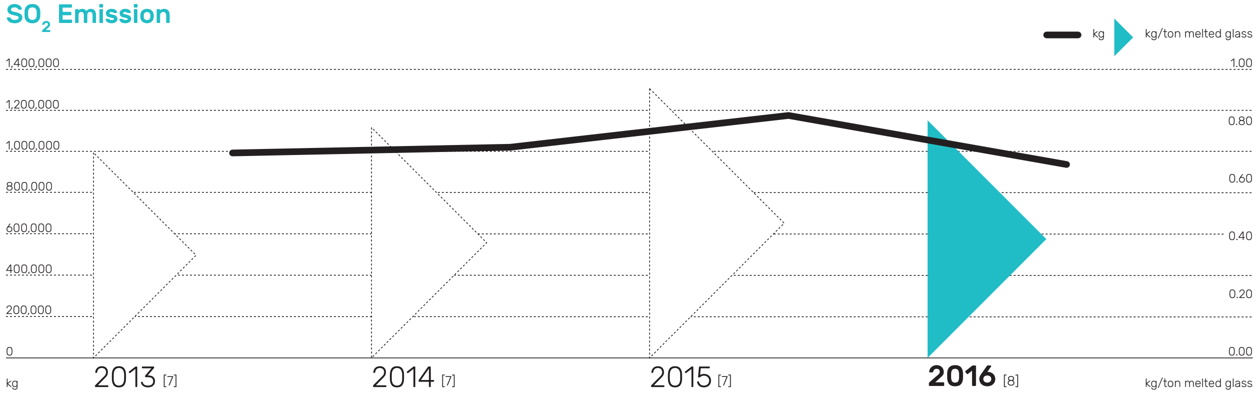
Particulates emission



NO_x Emission



SO_2 Emission



Business Risks

The use of a risk assessment methodology allows the identification of exogenous and endogenous factors that can have a very significant influence on BA Glass profitability, being an integrant part of its management process and sustainable development. By analyzing the critical points, potential situations of value destruction or creation can be identified, leading to decisions and actions to avoid, mitigate or even leverage the business risks.

These risks and how to deal with them are described in management procedures, emphasizing the procedure of “Crisis Management”, where the rules and responsibilities of communication in case of exceptional events are specified. All the established procedures and management practices are regularly reviewed and optimized, with the collaboration of all areas involved in order to ensure the continuous improvement of processes and reduction of potential risks and/or their impact on the group business and sustainability.

Based on these principles and methodologies the following risks were identified, evaluated and mitigated:

- **Glass packaging industry evolution:** *the group’s business depends intrinsically on the level of consumption of glass packaging in the markets, the level of confidence of economic players in that market and on the products’ life cycle. The constant and growing innovation and development of new solutions/alternatives to the glass packaging is also a factor that can add uncertainty to the customers and markets where the group operates.*

  BA group customers include some of the world’s well-known companies in the segments of Wine, Spirits, Food, Beer and Soft drinks, with an important reputation in their local markets and across borders. The group’s exposure to this risk is naturally mitigated by its diversified presence in several customers, segments and products. Additionally, its geographical diversification minimizes the potential impact that an unfavorable evolution of a given market could bring.

  The glass packaging industry has proved to have a significant resilience to the macro-economic cycles and, in some segments, has been experiencing a slight growth even in periods of economic recession.

- **Customer habit risk:** *a significant change in the preferences of the final consumer may lead, ultimately, to the disappearance of brands in the market, for which the group produces glass containers. Events of customer concentration could also have a significant impact on the group, in terms of business volume and profits.*

  BA Glass strives to diversify its customer and market portfolio. In 2016, the 30 largest customers accounted for 57% of its total sales, and levels of concentration in any given customer below what could represent a high risk for the continuity of the business. A significant share of these largest customers is multinational companies with presence / operations in several countries which mitigates the impact of specific changes on consumption habits.

- **Customer credit risk:** *given the worldwide economic context, the group cannot rule out the possibility of having one or more customers disabled to honor certain contracts due to financial distress.*

  The management of credit risk related to customers and other receivables is carried out in such a manner that minimizes the risk of non-receivables in the customers’ portfolio.

  BA Glass has access to an international database of credit risk analysis which is used to define its credit policy and for further monitoring of possible changes in the risk of non-receivables from its customers. This information is complemented with the assessment of the customers’ account managers. The non-recourse factoring is a tool that the group can use to anticipate receivables and eliminate their risk.

  The group does not use credit insurance for managing the credit of its customers on a recurrent basis, due to the fact that BA Glass customer portfolio presents a very low probability of bad debt. In situations of higher risk, namely in the exports, BA Glass uses export letters of credit.

  The customer credit management policy has shown effectiveness in its results. In the last five years the bad debts represented less than 0.05% of the group's consolidated sales.

- **Risks related to suppliers:** *should some of the group's main suppliers of raw materials declare bankruptcy, or experience lack of capacity to respond to the group's needs, or have quality problems, or any other incident disrupting its business, BA's operations could be significantly impacted, leading to additional costs or even impossibility to manufacture.*

  The group has built a large base of suppliers in different countries for its raw materials, materials for production support and other equipment. The 20 biggest suppliers together accounted for 51% of the total consolidated purchases in 2016. Additionally, BA Glass closely monitors the quality and reliability of the products from its suppliers as well as their operations in order to guarantee that the value chain is assured and anticipate any potential disruption.

- **Risks related to energy price and power cuts:** *the natural gas and electricity supply are vital for the operational activity of BA Glass. These sources of energy represent, on average, 27% of the total costs of the group. A substantial increase of the energy price could boost the operational costs of the group, with a strong negative impact on its profitability. On the other hand, the slight possibility of experiencing a power cut for longer than 24 hours could lead to a total disablement to manufacture in the affected plants.*

  The natural gas contracts have an underlying formula that allows the adjustment of price in accordance to the variation of parameters which influence the gas price in the international markets (the exchange rate EUR/USD and the price of the brent). The group does not have as a policy to carry out risk coverage contracts', regarding energy price variations, thus the group is exposed to positive or negative variations of the market. However, part of the energy price variation is reflected on the sales price, sometimes with a time delay.

  The group has contracted with its suppliers, in the different countries of its plants, energy supply assured uninterruptedly. Additionally, contingency plans are in place to ensure the functioning of the production units for a certain period of time, until the power is supplied again.

- **Risks related to operational stoppage:** *the glass packaging manufacturing process is significantly capital-intensive and implies a permanent use of the furnaces and specific equipment for that purpose. A stoppage of a furnace in order to perform a non-planned or extraordinary repair work impacts significantly the operational results of the group, due both to the repairing costs and to the resulting production losses.*

  There is a detailed investment and repair plan for each furnace, which is periodically reviewed by an internal technical team, based on periodical inspections of the furnaces. A set of preventive and corrective measures, intended to lengthen the life of the furnaces and prevent extraordinary events, are included in their normal operation.

  The group has contracted an all-risks policy which assures compensation for lost earnings, in case of accident.

- **Risks related to inorganic growth:** *as part of its growth strategy, the group made, and envisages in the future, acquisitions of other companies, entailing risks such as:*

  - *inaccuracy of business plans and consequent companies' valuation based on assumptions which may prove incorrect, especially in respect to future synergies and forecasts of the market evolution;*
  - *failure in integrating the acquired companies, their employees and technologies;*
  - *inability to retain some key employees, customers or suppliers of the acquired companies;*
  - *the group may be forced to keep contractual relationships with costly and/or unfavorable conditions;*
  - *the increase of the group's debt to finance these acquisitions or refinance the debt of the acquired companies.*

All acquisition projects are analyzed within several scenarios, including the most pessimistic ones, in order to evaluate their impact on the target companies and establish realistic boundaries for their valuation. Strategies are designed to overcome those worst case scenarios from the beginning of the acquisition in a way that all necessary measures will be taken to minimize the impact of such events.

On an annual basis, the real development is tracked against the original business plan to validate the strategy initially defined at the moment of acquisition, evaluate the need for adjustments and learn for future acquisitions.

The Mergers & Acquisitions team is closely involved in the group's operations, in order to have a more thorough knowledge of the business and take into account all the relevant variables when analyzing new acquisition opportunities.

- **Risks related to the internationality of the business:** *the internationalization of the group forces it to be exposed to the economic, political, fiscal, legal and environmental risks of several countries.*

The group relies on the expertise of its financial, tax, legal and labor teams which permanently analyze, monitor and anticipate changes in the legislation and labor subjects of the several countries where the group operates, using external specialized support to overcome more complex matters, whenever is needed.

The group's exports are generated mostly in markets of the European Union where such risks are not higher than in Portugal, Spain, Poland and Germany. Therefore, the additional risk in the increasingly international presence that BA Glass has been experiencing is limited.

- **Risks related to competition:** *the main competitors of the group are: Owens-Illinois, Verallia, Vidrala, Santos Barosa, Ardagh, among others with low presence in the market. The group faces significant competition from those glass container producers, as well as from the makers of alternative forms of packaging, such as aluminum cans, plastic containers and cardboard packaging. Competition is based mainly on price, innovation, quality, delivery and customer service as a whole. Decisions from competitors could result in excessive capacity in certain countries, leading to significant price pressure in the packaging market, and consequently a strong impact on profitability.*

Innovation and product development represent the two major challenges for the group, and the strong focus on those aspects is what enables it to remain competitive. In 2016, BA group developed 381 new products and launched 155 new products in the market.

On a continuous effort to maintain the technology of its operations at the industry's forefront, in order to answer and even anticipate the market needs, the group regularly makes investments on refurbishments and on its operating structure, that are significantly above the industry average.

The rising international exposure that the group has been pursuing also aims to seek for new markets, diluting the competitive pressure in the markets where BA Glass operates, markets which have not been experiencing any significant growth.

- **Interest rate risk:** *the group is exposed to the risk of changes in market interest rates due to the existence of assets and liabilities negotiated with fixed or floating interest rates.*

As a standard rule, the group does not use hedging of interest rate risks as the management controls closely the leverage of the group by following closely the level of Net debt / EBITDA and keeping it on levels considered to be conservative as well as the level of EBITDA / Interests guaranteeing those do not reach values that can imply risks to the financial stability of the group. Keeping these two indicators under strict control and under certain limits lowers significantly the risk to interest rate fluctuations.

- **Foreign exchange risk:** *the group is exposed to exchange rate risks due to its share of sales and purchases in currencies different from the Euro. The changes that occur in the exchange rates can have an impact in the group in terms of direct competitiveness of the subsidiaries in their markets as well as in the balance* *sheet by the consolidation of subsidiaries with currency different than euro.*

The group's activities performed in currencies other than euro account for a small percentage of the total activity and almost all those transactions allow to have natural hedging of cash flows between currencies. Sales other than Euro (in the subsidiaries) are of 10% of total revenues and purchases account for 20% of total purchases (12% of total revenues).

- **Liquidity risk:** *in order to finance its own investments and operational activity, BA Glass has to contract debt with both financial institutions and financial markets.*

The group's profitability has enabled it to continuously ensure healthy equity/debt ratios, ensuring that the cash-flows generated by the business enable the regular repayment of its debt to keep it at safe levels.

BA group works with the largest banks in the local markets where it operates, in order to create local relationships. There is a wide diversification of its debt portfolio, to avoid an excessive dependency on any specific financial institution. The group always keeps partially unused overdraft lines in order to face the constraints that could arise from an unforeseen event.

- **Legal risks related to disputes:** *with the exception of the Disputes disclosed in the note 33.2 of the notes to the consolidated accounts, there are no other arbitration, judicial or governmental proceedings that may have a meaningful impact on the accounts and present a risk.*

All disputes are periodically analyzed by the group's legal department. When necessary, and in accordance with the international accounting standards, provisions are created to surpass potential risks which may arise from disputes. At the date of this report, there are no outstanding cases which could have a meaningful impact on the equity and financial structures of the group.

- **Industrial intellectual property risk:** *the group possesses all the necessary licenses for the use of all the technology and equipment needed in order to carry out its activity.*

- **Property, industrial and environmental risks:** *the group's properties, plants and equipment are exposed to various risks: fire, explosion, natural disasters, system failures, pollution, non-compliance with the legal limits of emissions, among other factors.*

Periodic audits to the safety systems against fire and intrusion and even to the control systems at the plants are performed. With the objective of minimizing this risk, there are several simulations that BA Glass performs on a regular basis to test the emergency plans in the case of fire, unanticipated power cut and even glass leakage.

BA group regards environmental considerations as an integrant part of its overall management, having implemented an Environmental Management System, certified according to ISO 14001.

On a daily basis, all plants of the group are focused on the minimization of the environmental impact of its activities (reduction of the air and noise pollution) and on the promotion of a rational use of the resources, by setting, annually, actions aiming to increase the glass recycling, rationalization of water consumption, energy and raw materials and the weight reduction of the glass containers produced.

It is imperative to highlight that all assets of the group have insurances guaranteed by well-known insurance companies in the market, offering a guarantee of solvability in case of accident. On a regular basis, BA Glass performs, together with the insurance companies, audits to the risks in order to execute improvement plans and reduction of property risk. Adding to this, BA Glass also has insurances that guarantee the compensation in the case of business interruption, in order to minimize the impact of possible accidents.

BA GROUP

Over 100 years of history

Capital
Capital social
Devedores e Credores
Lucros e perdas
Saldo d'esta conta
Porto, 31 de Dezembro de 1912

1912

Incorporation of Barbosa & Almeida

1947

Introduction of Automatic **Technology**

1969

Start of Operation at the **Avintes** Industrial Unit

2008

Acquisition of **Sotancro**

2012

Acquisition of **Warta**

1993

Acquisition of **CIVE**

1998

Start of Operation at **Villafranca de los Barros** Industrial Unit

1999

Acquisition of **Vidriera Leonesa**

2016

Acquisition of **HNG Global**

Acquisition of 25% **Anchor Glass**

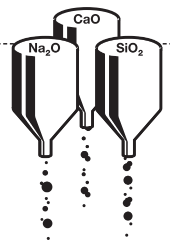
2017

Acquisition of **Yioula**

GLASS PACKAGING

Manufacturing Process

STAGE 1



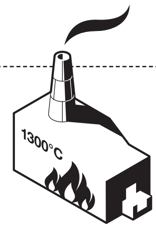
GLASS COMPOSITION

At this stage, all raw materials are stored, measured and mixed to create the mass composition to be vitrified, which will be brought to furnaces where fusion will take place. The basic composition of glass package is:

Silicon Dioxide (SiO_2) .... 70 › 72%
Sodium Oxide (Na_2O) .... 12 › 14%
Calcium Oxide (CaO) .... 9 › 11%
Magnesium Oxide (MgO) .... 0 › 3%
Aluminium Oxide (Al_2O_3) .... 1 › 2%
Potassium Oxide (K_2O) .... 0 › 1%

This composition incorporates treated used glass, ground glass wastes from internal and/or external recycling.

STAGE 2

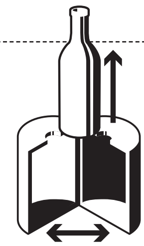


RAW MATERIALS FUSION

At the refractory furnaces, the material fusion is processed at a 1,500 to 1,600°C temperature.

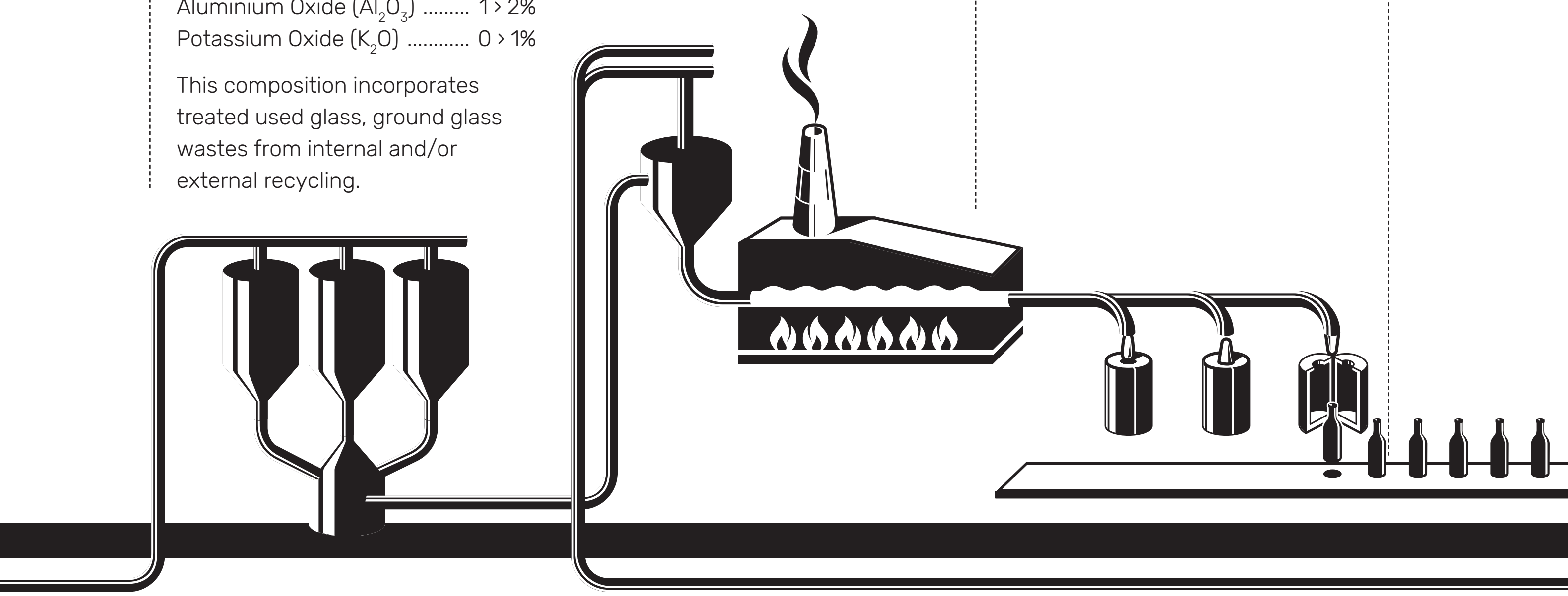
The liquefied glass moves along the large container under gravity action of the dropping material and goes through a "tuning" stage, where thermal homogeneity of the whole melted mass has to be guaranteed, as it is a crucial condition to obtain a product of quality.

STAGE 3



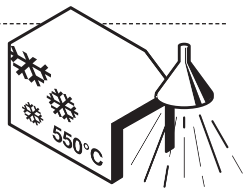
GLASS FORMING

There are two stages in the moulding process of a piece: in the first one, glass is introduced in the start mould located at one of the sides of the machine, where it takes its first shape (pre-form); in the second stage, the pre-form is transferred into the final mould located at the opposite side of the machine, where the final shape is given to the piece.



BA

STAGE 4

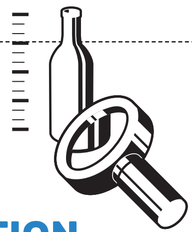


ANNEALING AND SURFACE TREATMENT

During the moulding process, the glass is in contact with the mould walls, which are at relatively low temperatures.

As such, the external layers of the pieces are much colder than the internal ones, and this temperature differential tends to be kept due to the poor conductivity of glass, therefore a thermal treatment, called annealing, is performed. This treatment consists of a thermal homogenisation of the whole glass mass, eliminating thus all tensions.

STAGE 5



INSPECTION AND QUALITY CONTROL

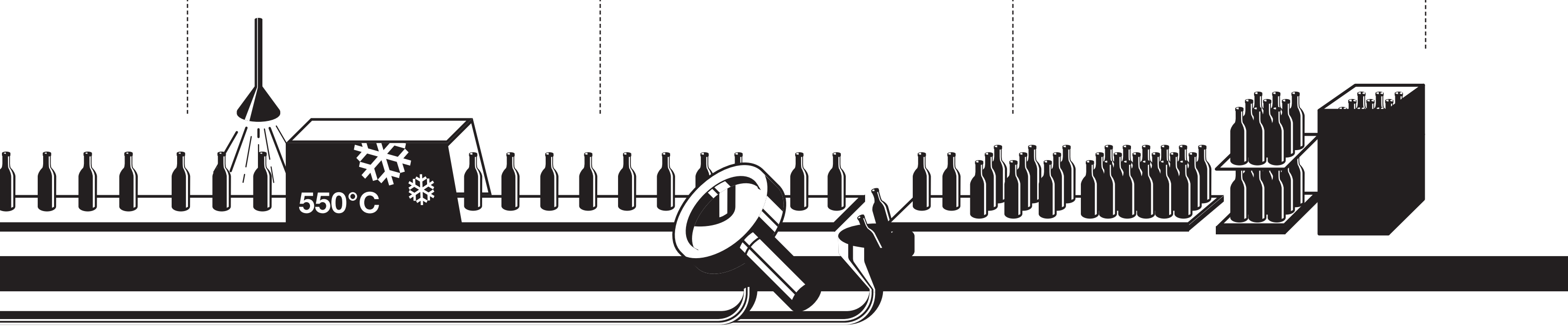
After concluding the annealing procedure, the pieces are taken into automatic inspection machines that through several defect detection mechanisms dispose of faulty pieces.

STAGE 6

PACKAGING

At the production line end, glass packages are grouped together by layers in pallets.

These are covered with plastic film to protect each unit and make transport easier; these packages are then shrinked in an adequate furnace, and afterwards pallets are conveyed to the storage area.



PLANTS

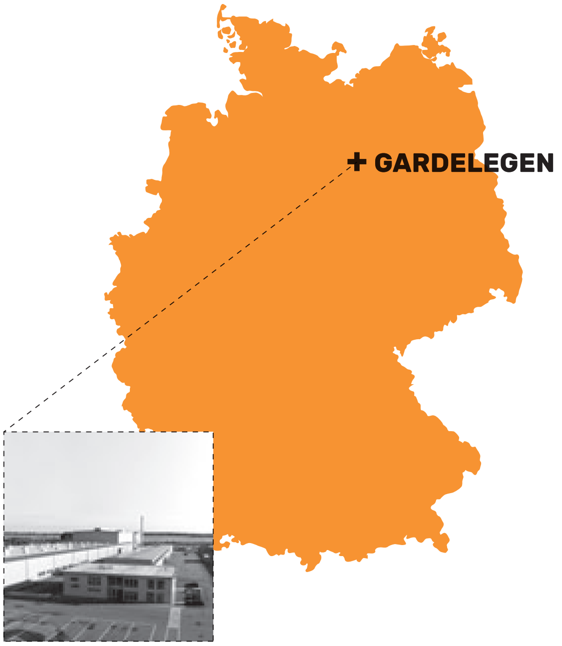
Geographical Location

PORTUGAL

SPAIN

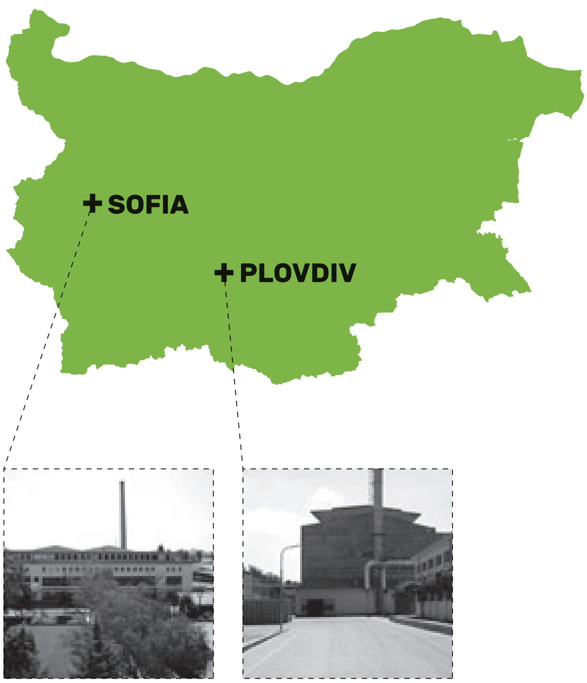
POLAND

GERMANY



GREECE

BULGARIA



ROMANIA

ADDRESSES

Plants

BA GLASS B.V.
Prins Bernhardplein 200
1097 JB, Amesterdam
– The Netherlands
Mail: babv@bavidro.com

BA GLASS PORTUGAL, S.A.

HEADQUARTERS
Avenida Vasco da Gama, 8001
4434-508 Avintes – Portugal
T. +351 227 860 500
F. +351 227 860 501
www.baglass.com
Mail: baglass@baglass.com

AVINTES PLANT
Avenida Vasco da Gama, 8001
4434-508 Avintes – Portugal
T. +351 227 860 500
F. +351 227 860 501
Mail: baglass@baglass.com

MARINHA GRANDE PLANT
Travessa da Liberdade
2430-229 Marinha Grande – Portugal
T. +351 244 575 200
F. +351 244 575 201
Mail: baglass@baglass.com

VENDA NOVA PLANT
Rua Vice-Almirante
Azevedo Coutinho, 1 Venda Nova
2700-843 Amadora – Portugal
T. +351 214 967 500
F. +351 214 967 509
Mail: baglass@baglass.com

BA GLASS GERMANY, GmbH

GARDELEGEN PLANT
Dr.-Kurt-Becker-Str. 1,
39638 Gardelegen – Germany
T. +49 390 777 5780
www.baglass.com
Mail: baglass@baglass.com

BA GLASS SPAIN, S.A.U.

VILLAFRANCA PLANT
Polígono Industrial 'Los Varales', s/n
06220 Villafranca de Los Barros
(Badajoz) – Spain
T. +34 924 527 812
F. +34 924 527 813
Mail: bavfb@baglass.com

LEÓN PLANT
Carretera de Zamora, km 6
Apartado 368,
24080 Léon – Spain
T. +34 987 218 270
F. +34 987 212 459
Mail: baglass@baglass.com

BA GLASS POLAND, SP. z o.o.

HEADQUARTERS
Ulica Ostroroga, 8
60-349 Poznan – Poland
T. +48 612 227 010
www.baglass.com
Mail: info@baglass.com

JEDLICE PLANT
Jedlice 46-040 Ozimek – Poland
T. +48 774 005 540
F. +48 774 005 545
Mail: jedlice@baglass.com

SIERAKÓW PLANT
Ul Poznanska 35
64-410 Sieraków – Poland
T. +48 612 955 220
F. +48 612 955 202
Mail: sierakow@baglass.com

BA GLASS GREECE, S.A.

ATHENS PLANT
5 Orizomilon St.
122 44 Egaleo (Athens) – Greece
Mail: baglass@baglass.com

Commercial Offices

LISBOA OFFICE
Rua Marquês de Fronteira, 8, 4°
1070-296 Lisboa – Portugal
T. +351 213 826 070
F. +351 213 826 071
Mail: comercial@baglass.com

MADRID OFFICE
Calle Alberto Alcocer, 46-B
Planta 8 – Oficina C
28016 Madrid – Spain
T. +34 914 583 680
Mail: comercial@baglass.com

BARCELONA OFFICE
C/ Josep Vicenç Foix,1 Baixos A
08720 Vilafranca del Penedès
Barcelona – Spain
T. +34 938 175 286
F. +34 938 910 978
Mail: sventura@baglass.com

RIOJA OFFICE
Avda. Del Pilar, 1, 1° Dtcho
26500 Calahorra,
La Rioja – Spain
T. +34 941 136 573
F. +34 941 136 569
Mail: comercial@baglass.com

LEVANTE OFFICE
Calle Progreso, 25
30500 Molina de Segura,
Murcia – Spain
T. +34 968 641 073
Mail: comercial@baglass.com

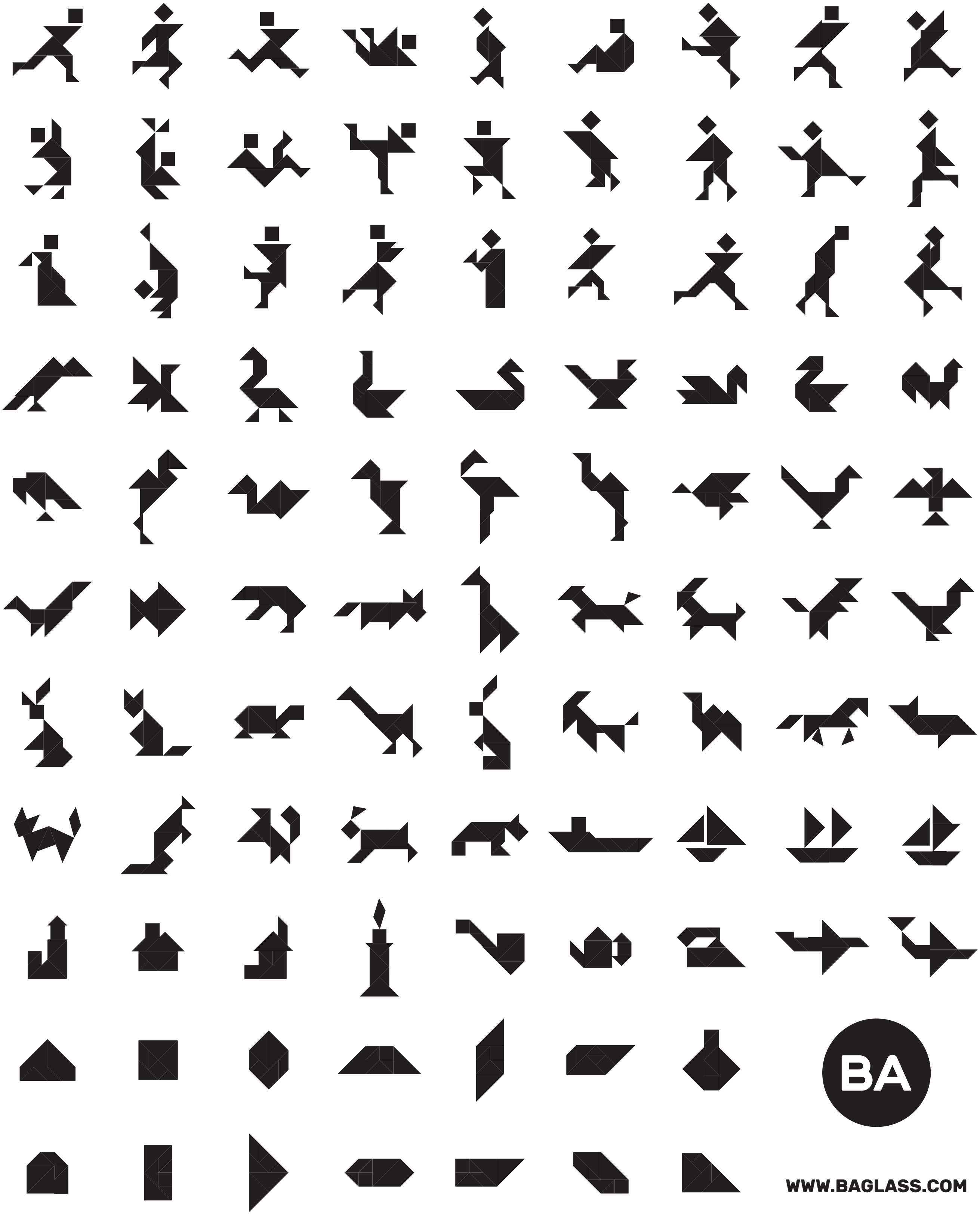
ANDALUZIA OFFICE
Ctra. de la Esclusa, 11
Edificio Galia Puerto
Planta 1ª, oficina 11
- Centro de negocios
41011 Sevilla – Spain
T.+34 954 996 109
F.+34 955 658 239
Mail: jcaballero@baglass.com

LEGAL DEPOSIT
407569/16

ISSN
2182-8741

CONCEPT/DESIGN
WWW.GODESIGN.PT

PRINT
LIDERGRAF



WWW.BAGLASS.COM