



Press Release

Arques, Monday 25 March 19

Agreement for new funding allows Arc to further support its transformation and growth plans

Looking towards the future, Arc continues the transformation launched after its recapitalization in 2015. The company has returned to commercial success with growth in sales volume and a renewed focus on innovation. Following this success, last year the company moved on to the second phase of its transformation.

In January 2019, Arc France launched the Synergie 2020 plan aimed at strengthening its operational performance. To implement this plan, the company had to find an agreement with French unions – signed on January 30th – and mobilize its financial partners.

"With the agreement reached on Saturday March 23rd, Arc is delighted to be able to count on a financing of 120 million euros, which will enable the Group to accelerate its transformation by modernizing its industrial footprint, reducing its operational costs and ensuring the continuation of its sales dynamic. The agreement will be formally approved this week and Arc understands the responsibility it has to make good use of these funds," said Nicholas Hodler, CEO of Arc.

A funding agreement achieved through the involvement of all stakeholders

The company reached this agreement thanks to the financial partners that have supported the Group since its recapitalization in 2015, mainly because of the decision of its main shareholder to provide new funds and to transform most of the loans granted since 2015 into quasi-equity, showing his confidence in the future of the group.

This agreement is also based on the resolute involvement of the public authorities – French State, Hauts-de-France Region and Communauté d'Agglomération du Pays de Saint-Omer - which facilitated the discussions and gave their confidence to the group by agreeing to complete the financing needs with loans.

Arc would like to thank the French unions who worked tirelessly to reach an agreement signed unanimously on January 30th.

Today, the priority for the management, the social partners and all Arc employees, is the success of our transformation plan across the group, and in particular the Synergie 2020 plan in France. It is based on a renovated industrial footprint, which will receive € 120 million in investments over the next 2 years, and includes 108 projects covering all Arc France business areas. This major plan will enable the Group's historic site to improve its operational efficiency, double its profitability in France by the end of 2020 and regain its financial autonomy.

Arc

Arc employs more than 10,500 people worldwide, including 5,200 in France. The Group, whose head office is located in Arques, in the French Pas-de-Calais region, achieved gross sales of €939 million in 2017. Armed with its know-how in glassware, it developed globally and currently markets its complete tableware ranges to more than 160 countries.

The Group covers the Consumer Goods and Food Service markets through a portfolio of brands – Luminarc®, Arcoroc®, Arcopal®, Cristal d'Arques® Paris, Eclat Cristal d'Arques® Paris, Chef&Sommelier®. For over 40 years, the Group has also been serving professional customers – industrial groups, wholesalers, manufacturers of semi-finished and finished products, service providers – with a wide range of tailor-made solutions to meet their specific needs (industry, advertising, premiums, loyalty).

Arc is present in five continents with its production sites (France, United States, China, United Arab Emirates, Russia), distribution subsidiaries (United States, Spain, Portugal, Italy, United-Kingdom, Russia, India, Australia, Brazil, Japan, South Africa, Singapore, South Korea) and sales offices.

The Group has adopted a strategy of sustainable development in order to balance economic requirements, social responsibility and respect for the environment, and joined the U.N.'s Global Compact in 2003.

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