

Stock Index Packaging

Q4 2016



Key Topics

- Selected Global Packaging Company News
- Global Packaging Stock Index by Sector
- Global Packaging Valuations by Sector
- Selected M&A Transaction Highlights
- Global Packaging Company Operating Statistics and Valuation Parameters

Market Intelligence

- Several companies are exploring strategic alternatives, including **Charter NEX Films** (Pamplona Capital Management), **Transcendia** (The Jordan Company), **Peninsula Packaging** (Odyssey Investment Partners), **Coveris** (Sun Capital Partners), **Consolidated Container** (Bain Capital), **Linpac** (SVP Global), **Excelsior Technologies** (Endless), **Letica** and **Mauser** (Clayton, Dubilier & Rice)
- 12/2016 — **Logoplaste** (The Carlyle Group) is searching for acquisition targets in Spain and the U.S.
- 12/2016 — **Transcontinental** (TSE:TCL.A) is actively seeking M&A opportunities in both the U.S. and Canada to grow its packaging segment
- 12/2016 — **Albea** (Sun Capital Partners) was previously exploring strategic alternatives, however the process has recently been put on hold due to bids not meeting valuation expectations
- 11/2016 — **WestRock** (NYSE:WRK) is exploring a potential sale of its soap and perfume packaging business, formerly known as Calmar
- 10/2016 — **Graphic Packaging** (NYSE:GPK) has a strong pipeline of potential acquisitions within its folding carton business to enhance geographic, customer and product profiles
- 10/2016 — **Sonoco** (NYSE:SON) is actively seeking M&A opportunities across a variety of product categories
- 10/2016 — **Gateway Plastics** is considering adding a \$20 million factory with \$10 million worth of equipment near Dayton, OH to increase injection molding capacity

Recent Lincoln International Transactions

Pritzker Group
has acquired

ProAmpac

from

WELLSPRING CAPITAL MANAGEMENT LLC

BROOKSTONE PARTNERS
has sold

Anomatic
DESIGN, MANUFACTURE, FINISH

to

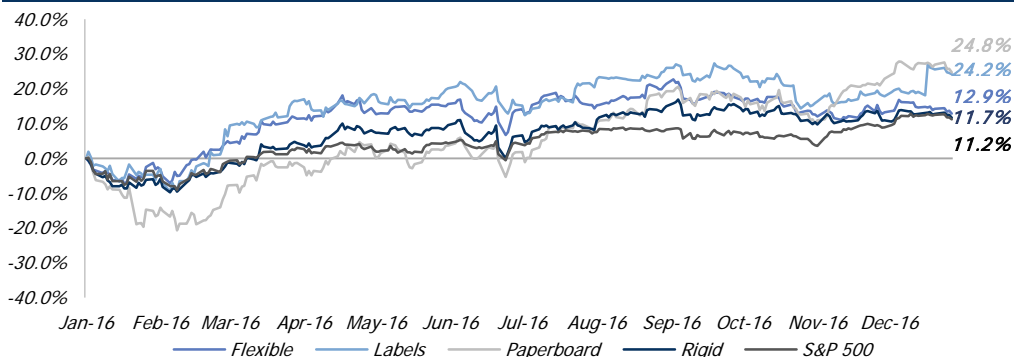
Thyssen'sche Handelsgesellschaft m.b.H.

Imperial
Bag & Paper Co., LLC

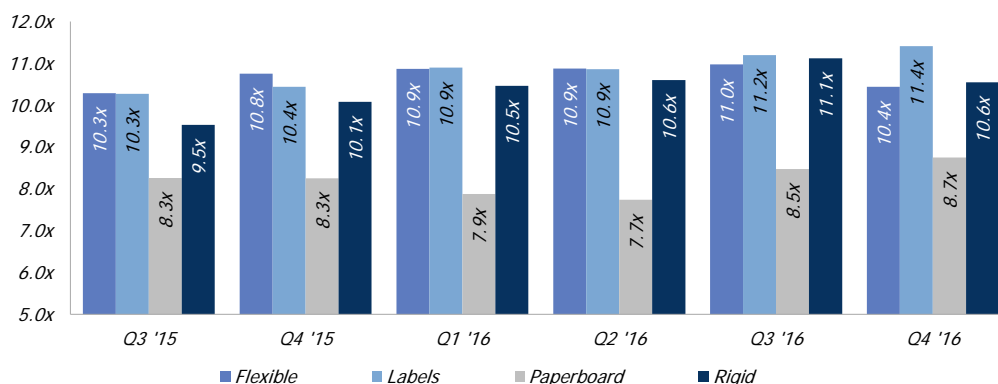
has received a growth investment from

Audax Group

LTM Relative Stock Price Performance



Historical Enterprise Value / EBITDA Valuation Performance



Selected M&A Transactions

(\$ in millions)

Date	Status	Target Company	Acquiring Company	Enterprise Value	EV/LTM Revenue	EV/LTM EBITDA
Dec-16	Announced	Astrapak Limited	RPC Group Plc	\$88	0.9x	10.0x
Dec-16	Announced	ESE World B.V.	RPC Group Plc	273	n/a	n/a
Dec-16	Announced	Novolex	The Carlyle Group, LP	n/a	n/a	n/a
Dec-16	Announced	Innovia Group	CCL Industries Inc.	844	n/a	n/a
Dec-16	Announced	Sistema Plastics Limited	Newell Brands Inc.	474	3.1x	n/a
Dec-16	Announced	Parish Manufacturing Inc.	DS Smith Plc	n/a	n/a	n/a
Dec-16	Announced	BSN Medical Luxembourg Group Holding	Svenska Cellulosa Aktiebolaget SCA	2,863	3.2x	13.6x
Dec-16	Closed	Behrens Manufacturing, LLC	Mill City Capital, L.P.	n/a	n/a	n/a
Dec-16	Closed	Paragon Films, Inc.	Wind Point Partners	n/a	n/a	n/a
Dec-16	Closed	Bottles Unlimited Inc.	Consolidated Container Company LLC	n/a	n/a	n/a
Dec-16	Closed	Anchor Glass Container Corporation	CVC Capital Partners	1,000	n/a	n/a
Dec-16	Closed	The UBEECO Group Pty Ltd	Universal Forest Products	n/a	n/a	n/a
Dec-16	Closed	Mactac Americas, LLC	LINTEC Corporation	375	n/a	n/a
Dec-16	Closed	Amsterdam Metallized Products B.V.	API Group plc	n/a	n/a	n/a
Nov-16	Closed	Columbus Container Inc.	Packaging Corporation of America	100	n/a	3.3x
Nov-16	Closed	Plastiaple S.p.A.	RPC Group Plc	159	2.5x	n/a
Nov-16	Closed	ProAmpac LLC	Pritzker Group Private Capital	n/a	n/a	n/a
Nov-16	Closed	Saxon Packaging Limited	Smurfit Kappa	n/a	n/a	n/a
Oct-16	Closed	Plastic Packaging Inc.	Sonoco Products Company	65	n/a	n/a
Oct-16	Closed	Vitex Packaging Group, Inc.	ProAmpac LLC	n/a	n/a	n/a
Oct-16	Closed	FLEXSTAR Packaging Inc.	Transcontinental Inc.	33	1.2x	7.3x
Oct-16	Closed	Ralpet Plastics Pty Ltd	Precision Valve Corporation	n/a	n/a	n/a
Oct-16	Closed	3M Company, Temporary protective films business	Pregis Corporation	n/a	n/a	n/a
Oct-16	Closed	NORPAC Paper	Weyerhaeuser NR Company	40	0.2x	n/a

Public Comparables Analysis

(\$ in millions, except per share data)

Company Name	Stock Price	% of 52 Week High	Market Cap	Enterprise Value	LTM		YoY Revenue Growth	EBITDA Margin	Enterprise Value / LTM	
					Revenue	EBITDA			Revenue	EBITDA
Flexible										
AEP Industries Inc.	\$116.10	96.5%	\$594	\$741	\$1,089	\$107	(4.6%)	9.8%	0.7x	6.9x
Arcor Limited	10.81	89.8%	12,455	16,232	9,421	1,380	0.8%	14.6%	1.8x	12.0x
Bemis Company, Inc.	47.82	88.2%	4,481	5,905	3,999	588	(1.8%)	14.7%	1.5x	10.0x
Berry Plastics Group, Inc.	48.73	94.3%	5,958	11,438	6,489	1,138	32.9%	17.5%	1.8x	10.1x
Huhtamaki Oyj	36.55	83.3%	3,868	4,640	3,174	432	7.2%	13.6%	1.6x	11.4x
Sealed Air Corporation	45.34	85.8%	8,765	13,093	6,788	1,083	(3.5%)	15.9%	1.9x	12.1x
Winpak Ltd.	33.81	89.2%	2,198	2,025	813	194	2.0%	23.9%	2.5x	10.7x
Mean		89.6%					4.7%	15.7%	1.7x	10.4x
Median		89.2%					0.8%	14.7%	1.8x	10.7x
Labels										
Avery Dennison Corporation	\$70.22	88.6%	\$6,249	\$7,342	\$5,991	\$708	(2.1%)	11.8%	1.2x	10.4x
Brady Corp.	37.55	94.8%	1,911	1,961	1,118	152	(2.3%)	13.6%	1.8x	12.9x
CCL Industries Inc.	196.39	95.6%	6,778	7,663	2,831	539	29.2%	19.0%	2.8x	14.4x
Cenveo Inc.	6.99	66.6%	60	1,099	1,722	143	0.3%	8.3%	0.6x	7.7x
Multi-Color Corp.	77.60	97.3%	1,314	1,782	902	153	6.2%	16.9%	2.0x	11.7x
Mean		88.6%					6.3%	13.9%	1.7x	11.4x
Median		94.8%					0.3%	13.6%	1.8x	11.7x
Paperboard										
Cascades, Inc.	\$9.01	88.6%	\$851	\$2,131	\$3,045	\$324	9.4%	10.6%	0.7x	6.3x
DS Smith Plc	5.04	94.6%	4,764	6,278	5,458	672	(7.1%)	12.3%	1.1x	9.2x
Graphic Packaging Holding Company	12.48	84.9%	3,963	6,173	4,266	738	2.5%	17.3%	1.4x	8.3x
International Paper Company	53.06	97.0%	21,819	30,178	21,141	2,926	(5.5%)	13.8%	1.4x	9.7x
KapStone Paper and Packaging Corporation	22.05	95.3%	2,131	3,617	3,064	361	9.8%	11.8%	1.2x	10.0x
Mondi plc	20.57	97.9%	9,960	11,771	7,410	1,465	0.1%	19.8%	1.7x	8.6x
Packaging Corporation of America	84.82	95.9%	7,921	10,315	5,693	1,124	(0.8%)	19.7%	1.8x	9.2x
Sonoco Products Co.	52.70	95.0%	5,262	6,217	4,908	654	(1.1%)	13.3%	1.3x	9.4x
WestRock Company	50.77	94.8%	12,582	18,145	14,172	2,260	12.9%	15.9%	1.3x	8.0x
Mean		93.8%					2.3%	15.0%	1.3x	8.7x
Median		95.0%					0.1%	13.8%	1.3x	9.2x
Rigid										
Arcor Limited	\$10.81	89.8%	\$12,455	\$16,232	\$9,421	\$1,380	0.8%	14.6%	1.8x	12.0x
AptarGroup, Inc.	73.45	90.1%	4,605	5,091	2,339	473	0.9%	20.2%	2.2x	10.8x
Ball Corporation	75.07	91.3%	13,123	20,682	8,405	1,243	5.1%	14.8%	2.5x	16.5x
Berry Plastics Group, Inc.	48.73	94.3%	5,958	11,438	6,489	1,138	32.9%	17.5%	1.8x	10.1x
Crown Holdings Inc.	52.57	91.4%	7,349	12,400	8,388	1,329	(4.3%)	15.8%	1.5x	9.3x
Greif, Inc.	51.31	88.5%	2,810	3,826	3,324	436	(8.1%)	13.1%	1.2x	8.8x
Nampak Limited	1.35	72.5%	866	1,226	1,392	156	21.6%	11.2%	0.9x	7.9x
Owens-Illinois, Inc.	17.41	85.6%	2,824	8,239	6,686	1,160	8.6%	17.3%	1.2x	6.8x
RPC Group Plc	13.15	96.3%	4,345	5,415	2,694	385	18.8%	14.3%	2.1x	14.8x
Silgan Holdings Inc.	51.18	91.8%	2,817	4,543	3,637	460	(3.4%)	12.7%	1.2x	9.9x
Sonoco Products Co.	52.70	95.0%	5,262	6,217	4,908	654	(1.1%)	13.3%	1.3x	9.4x
Mean		89.7%					6.5%	15.0%	1.6x	10.6x
Median		91.3%					0.9%	14.6%	1.5x	9.9x

Source: Bloomberg, Capital IQ and company filings, as of December 30, 2016

Global Industry Groups

Aerospace & Defense
Automotive & Truck
Building & Infrastructure
Business Services
Chemicals
Consumer
Distribution
Electronics
Energy & Power
Financial Institutions
Food & Beverage
Healthcare
Industrials
Packaging
Technology & Media

Global Locations

Amsterdam
Beijing
Chicago
Dallas
Frankfurt
London
Los Angeles
Madrid
Milan
Moscow
Mumbai
Munich
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Valuations & Opinions
Special Situations
Joint Ventures & Partnering

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