



Stock Index Packaging

Q2 2018



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

- 6/2018 – **Wendel** is considering the sale of its portfolio company, **Constantia Flexibles**
- 6/2018 – **Weener Plastics** (3i) is seeking acquisitions in an attempt to double revenues ahead of a potential sale or IPO in 2019 or 2020
- 6/2018 – **VPK Packaging** has stated it is currently looking for acquisition targets
- 6/2018 – **Lumson** is rumored to be entering the second phase of a sale process with multiple potential acquirers, including **Cobepa, Ardian, EPIC** and **L Catterton**
- 6/2018 – **Bosch** is considering a sale of its Packaging Technology business, which generated approximately \$1.5 billion in sales last year
- 6/2018 – **Graeme Hart** is considering the sale of its portfolio company, **Graham Packaging**
- 6/2018 – **Rhône Capital** is considering the sale of its portfolio company, **Ranpak**
- 6/2018 – **International Paper** (NYSE:IP) has ended its attempts to acquire **Smurfit Kappa** (ISE:SK3) after making two hostile takeover bids
- 6/2018 – **DS Smith** (LON:MDS) launched a strategic review to consider the sale of its Plastics division
- 5/2018 – **Treofan** (M&C) is rumored to be considering a sale process following its divestment of Terofan Americas to **CCL Industries** (TSX:CCL.B) earlier this year
- 4/2018 – **Antalis International** (EPA:ANTA) is seeking European acquisitions to grow its Packaging segment
- 4/2018 – **Avery Dennison** (NYSE:AVY) is evaluating a pipeline of potential targets to grow its Industrial and Healthcare Materials segments

Recent Lincoln International Transactions

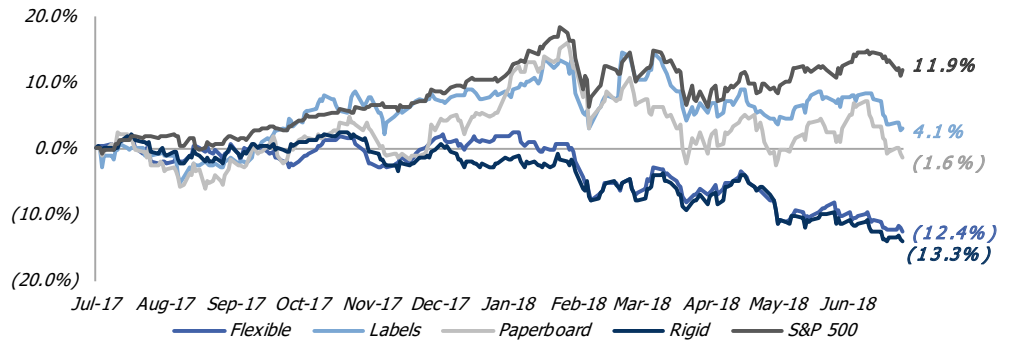
SUN CAPITAL PARTNERS INC. has agreed to sell **COVERIS RIGID** to **LINDSAY GOLDBERG**

SAW MILL CAPITAL has sold **GATEWAY PACKAGING COMPANY** to **ProAmpac** a portfolio company of **PPC Partners**

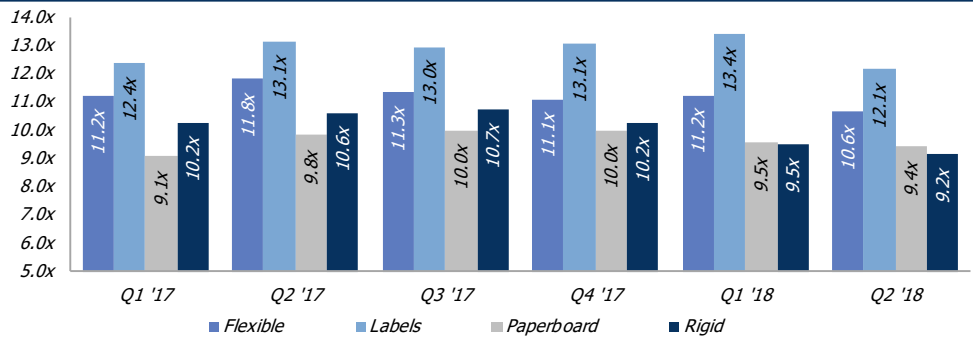
Sentinel CAPITAL PARTNERS has sold **ROTOMETRICS**

COMMAND PACKAGING has been sold to **Delta Plastics**

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
Jun-18	Announced	Georgia-Pacific (European nonwovens business)	Glatfelter	\$185	n/a	n/a
Jun-18	Announced	Free-Flow Packaging International	Pregis	n/a	n/a	n/a
Jun-18	Announced	Industrial Container Services	BWAY	\$1,000	n/a	n/a
Jun-18	Announced	Papeles y Cartones de Europa	DS Smith	\$2,101	2.0x	10.3x
May-18	Announced	Gruppo Cordenons	Fedrigoni	n/a	n/a	n/a
May-18	Announced	Corrugated Container	DS Smith	n/a	n/a	n/a
Apr-18	Announced	Coveris Rigid	Lindsay Goldberg	n/a	n/a	n/a
Apr-18	Announced	Proenfar	Weener Plastics Group	n/a	n/a	n/a
Apr-18	Announced	Guala Closures	Space4	\$623	0.9x	4.6x
Jun-18	Closed	CGL Pack Anney	R. Faerch Plast	\$95	1.7x	n/a
Jun-18	Closed	The Waddington Group	Novolex	\$2,300	2.5x	n/a
Jun-18	Closed	Rowmark	Windjammer Capital Investors	n/a	n/a	n/a
Jun-18	Closed	National Company for Paper Products and Import & Export	Mondi	\$29	0.9x	4.8x
Jun-18	Closed	Comar	Morgan Stanley Private Equity	n/a	n/a	n/a
Jun-18	Closed	PFP	Graphic Packaging International	n/a	n/a	n/a
Jun-18	Closed	Drew Foam Companies	Branford Castle Partners	n/a	n/a	n/a
Jun-18	Closed	Powerflute Group	Mondi	\$432	n/a	n/a
May-18	Closed	CupPrint	Huhtamäki	\$37	2.2x	n/a
May-18	Closed	Nortec International	CCL Industries	\$9	0.9x	n/a
May-18	Closed	Wisconsin Packaging Corporation	Green Bay Packaging	n/a	n/a	n/a
May-18	Closed	Fermatex Vascular Technologies	Spectrum Plastics Group	n/a	n/a	n/a
May-18	Closed	Manucor	Pillarstone Italy	n/a	n/a	n/a
May-18	Closed	Gateway Packaging	ProAmpac	n/a	n/a	n/a
May-18	Closed	Coveris Americas	Transcontinental	\$1,320	n/a	n/a
Apr-18	Closed	Multisorb Technologies	Filtration Group	n/a	n/a	n/a
Apr-18	Closed	Tailored Packaging	Huhtamäki	\$65	n/a	n/a
Apr-18	Closed	Creative Polypack	Constantia Flexibles Group	n/a	n/a	n/a
Apr-18	Closed	Highland Packaging Solutions	Sonoco	\$150	1.7x	6.5x
Apr-18	Closed	ePak Resource	OEP Capital Advisors	n/a	n/a	n/a
Apr-18	Closed	Pactech Packaging	ProAmpac	n/a	n/a	n/a
Apr-18	Closed	PolyCycle Solutions	Consolidated Container	n/a	n/a	n/a
Apr-18	Closed	Signode Industrial Group	Crown Holdings	\$3,910	n/a	10.2x

Public Companies 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										
Amcor	\$10.66	87.4%	\$12,337	\$16,521	\$9,136	\$1,436	0.4%	15.7%	1.9x	12.0x
Bemis Company	42.21	84.7%	3,840	5,357	4,078	553	1.4%	13.6%	1.3x	9.6x
Berry Global Group	45.94	74.4%	6,050	11,793	7,530	1,333	14.6%	17.7%	1.6x	8.8x
Huhtamäki Oyj	36.97	84.1%	3,858	4,752	3,665	476	8.4%	13.0%	1.4x	10.5x
Sealed Air Corporation	43.45	85.0%	6,841	9,919	4,560	775	6.8%	17.0%	2.2x	12.8x
Wipac	33.45	74.7%	2,174	1,902	880	193	3.2%	22.0%	2.2x	10.0x
Mean		81.7%					5.8%	16.5%	1.8x	10.6x
Median		84.4%					5.0%	16.4%	1.7x	10.3x
Labels										
Avery Dennison Corporation	\$102.10	82.6%	\$8,988	\$10,491	\$6,818	\$907	10.4%	13.3%	1.5x	11.6x
Brady Corporation	38.55	94.3%	1,995	1,922	1,166	170	5.4%	14.6%	1.6x	11.3x
CCL Industries	49.00	95.1%	8,625	10,089	3,816	762	11.2%	20.0%	2.7x	13.5x
Multi-Color Corporation	64.65	72.1%	1,322	2,855	1,301	234	40.0%	18.0%	2.2x	12.2x
Mean		86.0%					16.7%	16.4%	2.0x	12.1x
Median		88.4%					10.8%	16.3%	1.9x	11.9x
Paperboard										
Cascades	\$8.95	64.7%	\$848	\$2,150	\$3,422	\$308	7.5%	9.0%	0.6x	6.9x
DS Smith	6.88	89.4%	7,387	9,638	7,933	943	28.2%	11.9%	1.3x	10.6x
Graphic Packaging Holding Company	14.51	86.7%	4,502	8,283	4,818	747	11.6%	15.5%	1.7x	11.1x
International Paper Company	52.08	77.8%	21,566	31,791	22,232	3,440	11.3%	15.5%	1.4x	8.7x
KapStone Paper and Packaging Corporation	34.50	98.5%	3,374	4,851	3,349	443	6.6%	13.2%	1.4x	10.9x
Mondi plc	27.06	95.6%	13,093	15,028	8,521	1,671	7.7%	19.6%	1.8x	9.2x
Packaging Corporation of America	111.79	85.3%	10,460	12,858	6,599	1,362	8.5%	20.6%	1.9x	9.4x
Sonoco	52.50	94.1%	5,227	6,411	5,169	656	9.3%	12.7%	1.2x	9.6x
WestRock	57.02	79.7%	14,454	20,953	15,667	2,541	8.7%	16.2%	1.3x	8.1x
Mean		85.7%					11.1%	14.9%	1.4x	9.4x
Median		86.7%					8.7%	15.5%	1.4x	9.4x
Rigid										
Amcor	\$10.66	87.4%	\$12,337	\$16,521	\$9,136	\$1,436	0.4%	15.7%	1.9x	12.0x
AptarGroup	93.38	96.9%	5,826	6,355	2,571	498	9.5%	19.4%	2.5x	12.8x
Ball Corporation	35.55	82.2%	12,415	19,511	11,295	1,833	6.5%	16.2%	1.7x	10.5x
Berry Global Group	45.94	74.4%	6,050	11,793	7,530	1,333	14.6%	17.7%	1.6x	8.8x
Crown Holdings	44.76	71.9%	6,012	12,029	8,994	1,390	8.2%	15.5%	1.3x	8.7x
Greif	52.89	80.6%	2,640	3,706	3,804	466	11.2%	12.3%	1.0x	7.9x
Nampak	1.14	75.7%	737	1,177	1,607	240	15.1%	14.9%	0.8x	5.7x
Owens-Illinois	16.81	64.9%	2,718	8,279	6,990	983	4.0%	14.1%	1.2x	7.8x
RPC Group	9.87	72.5%	3,990	5,519	5,260	801	31.8%	15.2%	1.1x	7.3x
Silgan Holdings	26.83	82.7%	2,967	5,726	4,297	598	13.9%	13.9%	1.3x	9.6x
Sonoco	52.50	94.1%	5,227	6,411	5,169	656	9.3%	12.7%	1.2x	9.6x
Mean		80.3%					11.3%	15.2%	1.4x	9.2x
Median		80.6%					9.5%	15.2%	1.3x	8.8x

Source: Bloomberg, Capital IQ and company filings, as of June 30, 2018

Global Industry Groups

Business Services
Consumer
Energy, Power & Infrastructure
Healthcare
Industrials
Technology, Media & Telecom

Global Locations

Amsterdam
Beijing
Chicago
Dallas
Frankfurt
London
Los Angeles
Madrid
Milan
Moscow
Mumbai
Munich
New York
Paris
San Francisco
São Paulo
Stockholm
Tokyo
Vienna
Zurich

Advisory Services

Mergers & Acquisitions
Debt Advisory
JV & Partnering
Valuations & Opinions
Special Situations

About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, debt advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and joint venture and partnering advisory services on a wide range of transaction sizes. With twenty offices in the Americas, Asia and Europe, Lincoln International has strong local knowledge and contacts in key global economies. The firm provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at www.lincolninternational.com.

Lincoln's Packaging Team

North America

Luke Webb
Managing Director
lwebb@lincolninternational.com
+1 (312) 506-2747

Brian Goodwin
Vice President
bgoodwin@lincolninternational.com
+1 (312) 506-1953

Joe Sulentic
Analyst
jsulentic@lincolninternational.com
+1 (312) 628-1532

Disclaimer

This document contains significant assumptions and has been prepared based on publicly available information, or additional information supplied by the owners and/or managers of the company(ies) described in this document, which has not been independently verified. Accuracy and completeness of the information provided has been presumed and, therefore, its content may or may not be accurate and complete. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information or statements made in this document and Lincoln International, its affiliates, directors, officers, employees and representatives expressly disclaim any and all liability with regards thereto. This document has been prepared for informational purposes only, is not a research report (as such term is defined by applicable law and regulations) and is not to be relied on by any person for any purpose. In addition, it is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form, or redistributed, without the prior written consent of Lincoln International.