For additional information or inquiries, please contact one of our team members:

John D. Hart  
248.223.3468  
john.hart@pmcf.com

Matt G. Jamison  
248.223.3368  
matt.jamison@pmcf.com

Ryan R. Shuchman  
248.603.5372  
ryan.shuchman@pmcf.com

Scott S. Rohlig  
248.603.5232  
scott.rohlig@pmcf.com

Erik K. Wittbold  
248.603.5397  
erik.wittbold@pmcf.com

www.pmcf.com
PMCF Transaction Announcements

About PMCF

P&M Corporate Finance (“PMCF”) is an investment banking firm, focused exclusively on middle market transactions, with professionals in Chicago, Detroit, and across the globe through Corporate Finance International associates. Our dedicated Plastics and Packaging Group has deep industry knowledge and covers a wide range of processes including thermoforming, sheet and film extrusion, blow molding, injection molding, and resin and color compounding. Offering a breadth of advisory services, the Plastics and Packaging Group has helped clients worldwide meet their sale, acquisition, financing, and strategic growth objectives.

Investment Banking Services:

- Mergers & Acquisitions
- Sales & Divestitures
- Capital Raising
- Sale Planning

JOHN HART
Managing Director
248.223.3468
john.hart@pmcf.com

RYAN SHUCHMAN
Vice President
248.603.5372
ryan.shuchman@pmcf.com

Packaging: Food and Healthcare
Blow and Injection Molding
Company Sale to Financial Buyer

Packaging: Health and Beauty
Injection Molding and Metalizing
Company Sale to International Buyer

Packaging: Food
Injection Molding and Decorating
Strategic Acquisition
Advisory
First Quarter 2015 Market Summary & Outlook

Following the flurry of plastics and packaging M&A in Q4 2014, totaling 101 transactions, Q1 ’15 transaction volume not surprisingly reflected a more normalized trend. When reviewing Q1 ’15 deal volume, of 80 transactions, the level was in line with the quarterly average of 80+ deals that have occurred in the last two years. The healthy level of M&A activity was supported by continued private equity interest, at 27 transactions, while strategic buyers also remained acquisitive with 53 deals through Q1 ’15.

With sustained volume near recent quarterly averages, the first quarter of 2015 marks a strong start for plastics and packaging M&A this year and an extension of the positive transaction environment. This is encouraging as 2014 was largely considered the most active year for global M&A since 2007, driven by strong balance sheets, low-cost debt, and steady organic growth, factors which may continue through 2015. We believe that the plastics and packaging sector will likely remain a focus for strategic and financial buyers given these robust market conditions.

Key Q1 2015 plastics and packaging M&A trends included the following:

• Despite experiencing a larger year-over-year decline in deal activity, strategic buyers remained the most acquisitive buyer segment, accounting for approximately 66% of first quarter transactions, while private equity firms completed 14 and 13 add-on and platform acquisitions, respectively

• Deal activity was flat or down across all major processing types through Q1 ’15; however, transaction mix shifted as deals involving injection molders and film manufacturers both became larger percentages of overall volume

• Packaging deals, including rigid, flexible, bottles, and closures, increased to account for over a third of overall plastics & packaging M&A in the first quarter of 2015, after totaling less than a quarter of Q1 ’14 deals

• Stock market valuations increased significantly for publicly traded plastics businesses in Q1 ’15, with average EV/EBITDA multiples up over a full turn, potentially reflecting a continuation of attractive valuations for sellers

Key transactions for the quarter included the following:

• Multi-billion dollar merger between MeadWestvaco (NYSE:MWV), which has a significant plastic packaging business, and Rock-Tenn Inc. (NYSE:RKT)

• A. Schulman Inc.’s (NasdaqGS:SHLM) acquisition of Citadel Plastics from private equity firm HGGC for $800 million at an estimated 10.7x EBITDA

• Private equity firm The Gores Group’s acquisition of automotive injection molder U.S. Farahane Corp.

• Myers Industries Inc. (NYSE:MYE) sale of its lawn and garden business to private equity firm Wingate Partners for $115 million

• Schweiter Technologies AG’s (SWX:SWTQ) acquisition of plastic sheet manufacturer Polycasa NV for $137 million

The plastics and packaging industry has supported robust levels of M&A over the past decade, with 300+ transactions in each of the last 8 years. With positive macroeconomic trends driving a healthy global M&A market, current activity in the plastics and packaging sector remains constrained in large part by scarce, quality acquisition targets. The combination of these factors has created ahone’s seller’s market which owners considering a sale should carefully evaluate. Those planning longer-term exits should strategically plan for a hold period, and the execution of value-creating business improvements, with timing through the next business cycle.

Source: P&M Corporate Finance, Company Reports
Global Plastic Packaging M&A

Trends in M&A:

- Overall plastic packaging transactions increased by 6 deals through Q1 '15, or 27%, compared with M&A activity through the previous year's first quarter, driven by an increase in both financial and strategic acquisitions
- Flexible packaging deals have accounted for the majority of the comparatively higher Q1 '15 transaction volume, as the sector accounted for 43% of total transactions with its activity up by 50% from Q1 '14 levels
- Food & beverage remained the most active end market for plastic packaging M&A through Q1 '15, while the consumer segment, up almost 3 fold from the prior period, has experienced the largest year-over-year increase

Featured Sector Transactions

January 2015 – MeadWestvaco Corp. (NYSE:MWV) and Rock-Tenn Inc. (NYSE:RKT) have agreed to merge, with the combined entity set to generate approximately $16 billion in 2015 revenues. While both companies primarily operate in the paper packaging industry, MWV also has a significant plastic packaging business through its subsidiary MeadWestvaco Calmar Inc., which engages in the production of injection molded pump and spray systems. MWV first entered into the dispensing systems market in 2006 with the $710 million acquisition of Saint-Gobain Calmar. Subsequently, MWV also acquired Keltic Dispensing Systems in 2007 and Polytop Corporation in 2012. Plastic packaging revenue today is believed to total over $500 million.

February 2015 – RPC Group Plc (LSE:RPC), a global leader in plastic packaging headquartered in the U.K., has acquired Netherland-based bottle producer PET Power BV. PET Power employs over 200 and manufactures blow molded plastic packaging products for the pharmaceutical, cosmetic, and food industries. The acquisition, which brings together two of the major players in the European packaging market, is in line with RPC Group's strategic initiative to invest and grow in the PET sector. The company also recently acquired Promens Group AS, a Kopavogur, Iceland-based plastics converter with 41 manufacturing plants in Europe, North America, Asia, and Africa.

Sources: P&M Corporate Finance, Plastics News, Company Reports
Global Injection Molding M&A

Trends in M&A:

- Transactions involving injection molders fell by 7% in Q1 ‘15, or two deals, versus Q1 ‘14, driven in part by declining activity in the consumer and electronics sectors
- A declining number of injection molding transactions completed by financial buyers, down 56% through Q1 ‘15, also contributed to reduced activity in the space
- From a cross-border perspective, the amount of foreign injection molders acquired in the first quarter of 2015 mirrored the Q1 ‘14 mark of 16 transactions, while the volume of U.S. injection molders acquired in the period fell by 18%

Featured Sector Transactions

- **January 2015** – Los Angeles, CA-based private equity firm The Gores Group completed an acquisition of injection molder U.S. Farathane Corp. U.S. Farathane, which is headquartered in Auburn Hills, MI, supplies injection molded components to an automotive customer base that includes Ford Motor Co. and General Motors. The Company operates 225 injection molding presses via 10 manufacturing facilities throughout the United States and reported sales of $402 million in 2013. U.S. Farathane CEO Andy Greenlee cited plans to seek acquisitive growth and global footprint expansion with the help of their new private equity partners.
- **January 2015** – Akron, Ohio-based diversified manufacturer Myers Industries Inc. (NYSE:MYE) sold its lawn and garden business to private equity firm Wingate Partners for $115 million. Myers’ lawn and garden segment primarily engages in the manufacturing of injection molded pots, planters, and related gardening equipment. Myers, which announced its plan to sell the non-strategic lawn and garden business last June, cited plans to focus on growing core platforms such as material handling and distribution as its motivation for the sale. Proceeds from the sale will also help Myers pay down debt, including financing from the $157 million acquisition of Scepter Corp. in 2014.

Sources: P&M Corporate Finance, Plastics News, Company Reports
Global Film M&A

Trends in M&A:

- Plastic film M&A activity remained flat during Q1 ’15, as compared to Q1 ’14, recording 13 transactions in each period while the distribution of deals showed slightly higher consumer and medical end market activity.

- Financial buyers accounted for 54% of the film deals completed in Q1 ’15, more than doubling their percentage of Q1 ’14 transactions, while the level of total deals completed by strategic buyers fell from 77% to 46%.

- Acquisitions involving U.S. film manufacturers declined by 50% in Q1 ’15, versus Q1 ’14, while a 43% increase in foreign sector transactions kept overall film M&A flat through the quarter.

Featured Sector Transactions

- **February 2015** – Tekni-Plex Inc., owned by New York-based private investment firm American Securities, announced it has agreed to acquire the pharmaceutical blister film and adhesive tape substrate film businesses of Italian film producer Gallazzi SpA. Tekni-Plex purchased the business units through its European subsidiary, Tekni-Plex Europe NV, with the intent to strengthen its European product portfolio. Paul Young, CEO of Wayne, NJ-based Tekni-Plex, noted, “Gallazzi’s manufacturing capabilities and product offerings are an excellent complement to our global Tekni-Films business.”

- **March 2015** – Global packaging conglomerate Amcor Ltd (ASX:AMC), headquartered in Australia, announced it has purchased the flexible packaging division of South African packaging company Nampak Holdings. The $22 million deal will make Amcor the largest producer of flexible packaging in South Africa, and provide a platform for further expansion into the region. The Nampak Flexibles division includes three manufacturing plants throughout South Africa with combined extrusion, lamination, and conversion capabilities. In addition to the flexibles unit, Nampak has also completed dispositions of its corrugated, tissue, and recycling businesses within the last year. Nampak stated plans to pursue growth in higher margin businesses as its basis for the sale of these units.
Global Resin and Color & Compounding M&A

Trends in M&A:

- Transaction volume among resin suppliers and color & compounders fell by 4 transactions, or 21%, year-over-year through the first quarter of 2015 versus the first quarter of 2014.
- The number of sector deals completed by financial buyers remained flat in Q1 ‘15, while the number of strategic buyer transactions fell 29% from Q1 ‘14 levels.
- Cross-border M&A involving U.S. companies was down significantly in the resin and color & compounding space, with 2 deals being completed in Q1 ‘15 versus a Q1 ‘14 that included 5 cross-border transactions.

Sector Deal Statistics

<table>
<thead>
<tr>
<th></th>
<th>Q1 YTD ‘14</th>
<th>Q1 YTD ‘15</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.-to-U.S.</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>U.S.-to-Foreign</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Foreign-to-U.S.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Foreign</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>15</td>
</tr>
<tr>
<td>Distressed</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

Featured Sector Transactions

March 2015 – A. Schulman Inc. (NasdaqGS:SHLM), an international supplier of plastic compounds and resins, announced it has agreed to acquire Chicago, IL-based compounder and composites maker Citadel Plastics from private equity firm HGGC for $800 million. Citadel reported EBITDA of $75 million in 2014, reflecting an estimated multiple of 10.7x on the transaction. The company also had approximately $550 million of sales in 2014, supported by 1,200 employees and 21 manufacturing locations. Citadel represents A. Schulman’s 10th acquisition since 2009, expanding the company’s North American manufacturing footprint and nearly doubling its sales in the region.

March 2015 – Switzerland-based specialty chemicals maker Sika AG (SWX:SIK) entered into an agreement with Axson SAS to acquire its epoxy and polyurethane polymer formulator business Axson Technologies. Based in Saint-Ouen, France, Axson Technologies serves a range of end markets including design, prototyping and tooling, structural adhesives, composite materials, and encapsulation products for the automotive, marine, renewable energy, sports & leisure, and construction markets. This transaction comes only months after Axson acquired Trentesaux-Brochier’s polyurethane business, creating the company Axson Merylith.

Sources: P&M Corporate Finance, Plastics News, Company Reports
**Global Sheet and Thermoforming M&A**

**Transactions by Buyer Type**

- **Q1 YTD ’14**
  - Private Equity (PE) 32
  - Public Acquirer 22
- **Q1 YTD ’15**
  - Private Equity (PE) 38
  - Public Acquirer 23

**Transactions by End Market**

<table>
<thead>
<tr>
<th>End Market</th>
<th>Q1 YTD ’14</th>
<th>Q1 YTD ’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverage</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Industrial</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Consumer</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Medical</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Automotive</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Transportation</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Electronics</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>5</td>
</tr>
</tbody>
</table>

**Trends in M&A:**

- Deals involving sheet and thermoforming companies fell by 2 deals in Q1 ’15, a decline of 29% compared to Q1 ’14 levels.
- Transaction mix shifted slightly in Q1 ’15, with a transaction occurring in the automotive space that saw no Q1 ’14 activity, and no deals being recorded in the consumer end market.
- Publicly traded buyers accounted for all of the strategic sheet and thermoforming acquisitions that occurred in Q1 ’15, while financial transactions were split between PE to PE trading and new private equity deals.

**Sector Deal Statistics**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Q1 YTD ’14</th>
<th>Q1 YTD ’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.-to-U.S.</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>U.S.-to-Foreign</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Foreign-to-U.S.</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Foreign</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Distressed</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Featured Sector Transactions**

**February 2015** – Geel, Belgium-based plastic sheet manufacturer Polycasa NV was acquired by Zurich, Switzerland-based Schweiter Technologies AG (SWX:SWTQ) for $137 million. Polycasa, formerly doing business as Quinn Plastics, employs more than 520 people across five manufacturing plants throughout Germany, Spain, Slovakia, the Czech Republic, and Belgium. Polycasa, an operating subsidiary of British conglomerate Aventas Group, reported sales of $205.7 million in 2014. With this acquisition, Schweiter stated plans to leverage Polycasa’s capabilities to strengthen the display business of its existing 3A Composites division.

**March 2015** – Heavy gauge thermoformer McClarin Plastics, based in Hanover, PA, announced it will merge with Blackford Capital portfolio company Amtech Corp. Based in Yakima, WA, Amtech manufactures composite-based products for military and commercial markets. Among its specialties are resin transfer molding and vacuum-assist RTM. The combined company will retain the name McClarin Plastics and will have roughly 500 employees spread across manufacturing facilities in Washington, Pennsylvania, and Alabama. The merger will allow McClarin to better serve the entire U.S. market and is expected to boost annual sales above $75 million. Blackford Capital, Amtech’s private equity sponsor, has helped the company grow sales from $9 to $38 million since 2008 and will continue its involvement in the new entity.

Sources: P&M Corporate Finance, Plastics News, Company Reports
Global Blow Molding M&A

Trends in M&A:

- Global blow molding M&A deal volume remained flat in Q1 ’15, with strategic buyers accounting for a slightly higher proportion of deals versus Q1 ‘14 levels
- End market transaction mix fluctuated slightly year-over-year between Q1 ’14 and Q1 ’15, with medical and automotive end markets each accounting for one Q1 ’15 transaction, and industrial blow molding deals falling by three
- Cross-border M&A activity in the blow molding space remained non-existent, while the number of deals completed in the U.S. and abroad remained flat in Q1 ’15 relative to the Q1 ‘14 results

Featured Sector Transactions

February 2015 – Chesterfield, MO-based rigid packaging manufacturer Pretium Packaging, a portfolio company of San Francisco, CA-based private equity firm Genstar Capital, announced it has acquired Intertech Corp. Privately-held Intertech, based in Greensboro, NC, manufactures proprietary blow molded HDPE products and containers for a wide range of end markets, including specialty chemical, personal health care, institutional, household, automotive, and agricultural. Acquiring Intertech marks the second transaction in 3 months for Pretium, who acquired Hillsborough, NJ-based blow molder Tri-Delta Plastics in December 2014. Pretium CEO George Abd, commenting on the transaction, noted that Pretium continues to seek strategic acquisitions in the space.

January 2015 – Leeds, England-based blow molder Esterform Packaging Ltd has acquired Constar UK, a former subsidiary of Constar International Holdings. Constar UK, which is also based in Leeds, will provide an immediate boost to Esterform’s PET preform manufacturing capabilities. The move is projected to double Esterform’s PET preform capacity, allowing it to produce 3 billion units annually. Mark Tyne, founder of Esterform, commented on the acquisition by noting, “the two companies manufacture very similar products with a good deal of duplicate tooling, so it makes perfect sense to merge Constar into the Esterform group.”
Additional Global Specialty Sector Activity

Trends in M&A:

- Q1 ’15 M&A activity involving specialty plastic process types, including rotational molding, foam, pipe & tube, profile extrusion, and composites, experienced a slight decline in deal volume, down by four transactions in Q1 ’15 relative to the first quarter of 2014
- The decline in specialty sector transaction volume was driven by lower levels of activity in the consumer and construction end markets, combining for just 3 deals through Q1 ’15, a 67% decrease from the combined 9 deals completed in Q1 ’14
- Strategic buyers continue to represent the most active acquirers across specialty sectors, accounting for 57% of the Q1 ’15 total, even as the number of deals completed by strategic buyers fell from 14 to 8 compared with Q1 ’14 activity

FEATURED SECTOR TRANSACTIONS

Pipe & Tube

February 2015 – Advanced Drainage Systems (NYSE:WMS) significantly expanded its Canadian footprint via the acquisition of Ontario-based HDPE pipe producer Ideal Pipe Inc. ADS, headquartered in Hilliard, OH, paid approximately $44 million to acquire Ideal Pipe, reflecting a 7.3x transaction multiple on trailing twelve month EBITDA of $6.1 million. ADS, who previously operated only two plants in Canada, acquired three additional Canadian manufacturing facilities in the transaction. Joe Chlapaty, ADS Chairman and CEO, noted, “Through the combination of our businesses, we will be able to pursue new and exciting opportunities in the Canadian market and offer our customers an unmatched breadth of water management products and solutions.”

Extrusion

March 2015 – VisiPak, a subsidiary of private investment firm Cameron Holding’s Sinclair & Rush Inc. platform, completed the acquisition of Marion, IN-based plastic packaging manufacturer Tulox Plastics Corp. Tulox, who extrudes clear plastic tubes, will relocate its manufacturing operations to VisiPak plants in St. Louis, MO and Carlstadt, NJ. VisiPak designs and produces clear plastic packaging through extrusion, thermoforming, injection molding, and other fabricating and decorating technologies. The company’s products include clamshell packaging, clear plastic tubes, transparent boxes, blister packs, and plastic trays.

Engineered Foam

March 2015 – Armacell, a global leader in flexible insulation and engineered foams based in Germany, announced it has agreed to acquire Industrial Thermo Polymers Limited through its subsidiary Armacell International. ITP is a leading Canadian-based manufacturer of extruded polyethylene insulation products. The transaction represents the second add-on acquisition completed by Armacell since being acquired by London private equity firm Charterhouse Capital Partners in 2013.

Transactions by Buyer Type

Transactions by End Market

<table>
<thead>
<tr>
<th>End Market</th>
<th>Q1 YTD ’14</th>
<th>Q1 YTD ’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverage</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Industrial</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Consumer</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Medical</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Automotive</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transportation</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Electronics</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: P&M Corporate Finance, Plastics News, Company Reports
The PMCF Plastics & Packaging Index slightly outperformed the S&P 500 Index from March ‘13 through ‘15, with a relative stock price return approximately 5% higher than its benchmark.

Stock market valuations increased significantly for publicly traded plastics businesses in Q1 ‘15, with average EV/EBITDA multiples up over a full turn from the previous quarter.

U.S. Middle Market Transaction Summary (All Industries)

- Average deal size in the U.S. middle market decreased in Q1 ‘15, relative to Q1 ‘14, with total deal value falling despite an over 5% increase in transaction volume.
- U.S. private equity activity declined in terms of both deal volume and capital invested, even with record levels of uninvested capital, as the supply of quality acquisition targets has dwindled after years of sustained activity.
This market overview is not an offer to sell or a solicitation of an offer to buy any security. It is not intended to be directed to investors as a basis for making an investment decision. This market overview does not rate or recommend securities of individual companies, nor does it contain sufficient information upon which to make an investment decision.

P&M Corporate Finance, LLC will seek to provide investment banking and/or other services to one or more of the companies mentioned in this market overview.

P&M Corporate Finance, LLC, and/or the analysts who prepared this market update, may own securities of one or more of the companies mentioned in this market overview.

The information provided in this market overview was obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. It is not to be construed as legal, accounting, financial, or investment advice.

Information, opinions, and estimates reflect P&M Corporate Finance, LLC’s judgment as of the date of publication and are subject to change without notice. P&M Corporate Finance, LLC undertakes no obligation to notify any recipient of this market overview of any such change.

The charts and graphs used in this market overview have been compiled by P&M Corporate Finance, LLC solely for illustrative purposes. All charts are as of the date of issuance of this market overview, unless otherwise noted.

The PMCF Plastics Index may not be inclusive of all companies in the plastics industry and is not a composite index of the plastic industry sector returns. Index and sector returns are past performance which is not an indicator of future results.

This market overview is not directed to, or intended for distribution to, any person in any jurisdiction where such distribution would be contrary to law or regulation, or which would subject P&M Corporate Finance, LLC to licensing or registration requirements in such jurisdiction.