P&M CORPORATE FINANCE, LLC

INVESTMENT BANKING FOR THE MIDDLE MARKET

PLASTICS & PACKAGING MONITOR

MARCH 2011

INSIDE THIS ISSUE

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Top News in PLASTICS AND PACKAGING

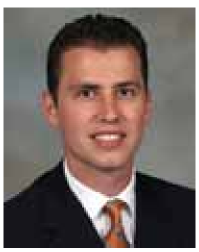
March 25, 2011 – Pactiv Corp. closed its Belvidere, IL plant and is scheduled to close its La Mirada, CA plant in June as restructuring continues following its acquisition by New Zealand-based Rank Group. The closings are expected to affect approximately 111 employees. In addition to several plant closings, Pactiv has significantly reduced its managerial staff and other general and administrative functions, such as marketing, as the combined entity's restructuring activities continue in the pursuit of substantial synergies.

March 4, 2011 – Ontario-based Magna International, Inc. (TSX: MG) is researching material replacement opportunities in the automotive industry beyond typical applications, such as door panels and trunks. William Harney, Executive Director of R&D of Magna's exteriors and interiors group believes thermoplastic composites have the potential to replace steel in several automotive applications, "…this is moving from body structure to the full frame." The combination of in-line compounding with high-temperature resins, such as nylon, has the potential to create thermoplastic composites that are able to withstand high temperatures that are typical of the electrocoat process and significantly expand the possibilities for plastic-based solutions. Experts have projected that plastics has the potential to play a more significant role in the automotive industry as OEMS seek to reduce the weight of vehicles and adhere to more stringent fuel economy standards in the United States.

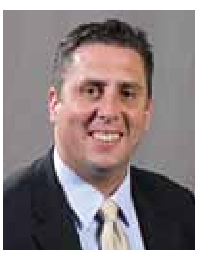
February 23, 2011 – According to data collected by Plastics News, the North American thermoforming industry experienced sales growth of less than 2% during 2010, growing to $9.3 billion from $9.1 billion in 2009. Despite gradual recovery from the recent recession, Peter Mooney, President of Plastics Customer Research Services believes "a lot of industrial thermoformers [are] still holding on by their fingernails. Other industry experts share his views and suggest that consolidation within thermoforming is essential to the industry's future. Ulf Buergel, President and CEO of Penda Corp., proposes "the thermoforming industry needs further consolidation in order to get better and serve its customers better….you have to have a certain size and certain differentiation".

February 11, 2010 – India's rotomolding market is growing 15-20% per year, benefitting from growing domestic demand and opportunities to convert traditional products to plastic, prompting investment in capacity upgrades and foreign manufacturing partnerships. Despite this rapid growth in several end markets, some small rotomolders report challenges in design, material selection, and marketing. Ravi Mehra, Managing Director of Norstar International, LLC believes that these challenges have created a significant opportunity for foreign entrance into the market, "Indian firms don't want to waste two to three years in failures…the challenges and opportunities are exploding now." Dutchland Plastics' President Carl Claerbout eluded to foreign interest in India saying, "One thing that is so obviously clear is how large the market is here. In the U.S., the market is not growing as fast as it did 20 or 30 years ago". Swetang Dave, Managing Director of Promens (India) Pvt. Ltd., one of the world's largest rotomolders, suggests that "once these alliances start happening, you will see more new products".

January 28, 2011 – Although its new production plant in Midland, MI has yet to open, Dow Chemical Co. plans to start the commercial production of its Powerhouse solar roof shingles in 2011. Dow, which has introduced photovoltaic thin film copper indium gallium diselenide photovoltaic solar cells to builders and contractors throughout the U.S. via pilot programs, states that the interlocking shingles, which can be installed with standard roofing nails, are meeting expectation for aesthetics and ease of installation. Despite being more expensive than asphalt shingles, Dow's shingles are estimated to offset 50% of household electricity usage driving significant value for homeowners. Dan Pezolt, North American portfolio director for Dow Solar Solutions, believes "education is key…homeowners really don't understand the solar opportunity…but solar is not overly complex. It is not unaffordable…we feel this product is going to be very successful in the solar space".



John Hart
Co-Lead, Plastics & Packaging



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About P&M Corporate Finance

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 affiliates. Our dedicated Plastics & Packaging Group has extensive industry knowledge and covers a wide range of processes including thermoforming, extrusion, blow molding, injection molding, resin, and color & compounding. Offering a depth of advisory services, the Plastics and Packaging Group has helped clients worldwide meet their sale, acquisition, financing, and strategic growth objectives.

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Recognized as "Boutique Investment Banking Firm of the Year" by The M&A Advisor in 2010

Feature: Consolidation Trends in Blow Molding

At NOVA-PACK 2011, The 27th International Conference on PET Containers for Food & Beverages, in Amelia Island, FL, John Hart presented on Consolidation Trends in Blow Molding. A brief synopsis of Part 2 of his presentation is included below.

Given the current industry fragmentation among blow molders, sustained growth is a key to success as existing and new leaders continue to solidify their market positions. As illustrated in Part 1 of this article (in the December 2010 issue of the Monitor), many industry leaders have used acquisitions as a central tenet to their strategy. Recognizing that these acquisitions increase sales and may meet some short-term objectives, it is more important to consider their long-term impact to shareholder value. The three case studies below demonstrate successful growth in shareholder value through strategic M&A activity, offer insight into strategic drivers for the continued consolidation among blow molders, and provide an outlook for future competitive dynamics within the industry. *Most recently, the market illustrated further validation of consolidation trends in the blow molding industry with Silgan Holdings, Inc.'s (NASDAQ: SLGN) acquisition of Graham Packaging, Inc.'s (NYSE: GRM) in April 2011 for $4.1 billion in cash and stock. The combined business will be well positioned to compete and maintain leadership against ever larger, aggressive blow molders including Amcor, Plastipak, and Berry Plastics.*

Amcor's Acquisition of Ball Corporation

Corporate Strategy Analysis: Maintain a global leadership position while driving profitability in historical end markets. Significantly grow outside of Carbonated Soft Drinks (CSD)

Amcor Ltd.'s (ASX: AMC) acquisition of Ball Corporation's (NYSE: BLL) plastics business at an overall EBITDA multiple of 4x (net of synergies), or $280 million, will generate significant shareholder value as a result of the transaction's low purchase price, high level of synergies, and significant cross-selling synergies available across Amcor's global footprint. Several key attributes of the transaction are highlighted in the table below:

Attribute	Commentary
Footprint	• Acquisition includes five plants in North America with total sales of approximately $600m • Three plants are dedicated to carbonated soft drink (CSD) and water/custom hot-fill PET and two are diversified product (DP) sites • Ball's diversified product technologies are expected to be extended into Amcor's growing Latin American business • Prior to the transaction, Amcor had 71+ plants worldwide
End Markets	• Acquisition allows for expansion in diversified products and presence in healthcare, pharmaceuticals, personal care, food, and distilled spirits • CSD is more commoditized, however, Amcor's increased scale will bring improvements in cost and better rationalize capacity
Growth Opportunities/ Capabilities	• Acquisition comes with a range of co-extrusion, multi-layer, and coating technologies • Grants Amcor exposure to new growth opportunities including wine bottles, retort food packaging, and HDPE and PP containers for various market segments • Additional growth is expected via on-going glass substitution in food packaging and entrance into new segments such as nutraceuticals • Acquisition significantly expands customer base while enhancing R&D capabilities
Valuation	• Ball's DP and hot-fill segment was valued at approximately 6x EBITDA • Ball's CSD and water assets were valued at approximately 2x EBITDA
Potential Synergies	• Estimated annual synergies of $35m predominantly in the custom, CSD, and water businesses • Synergies estimated to cost approximately $45m and may include write-downs totaling $30m
Potential Synergies	• Acquisition of Ball positions Amcor as the second largest North American blow molder and tightens the gap with other market leaders such as Graham Packaging (recently acquired by Silgan Holdings (NASDAQ: SLGN)) • Beyond its market positioning impact, the acquisition holds significant potential for synergies, creates growth opportunities via cross-selling and entrance into new markets, and grants Amcor the ability to deliver substantial value to its shareholders

Graham Packaging's Acquisition of Liquid Container

Corporate Strategy Analysis: Create organic growth, complemented by strategic acquisitions, to maintain leading market position and service a global customer base

Graham Packaging, Inc.'s (NYSE: GRM) position as the leader in North American blow molding was threatened by Amcor Ltd. (ASX: AMC) following its acquisition of Ball Corporation's (NYSE: BLL) plastic assets in the Summer of 2010. Later that year, Graham Packaging acquired Pennsylvania-based Liquid Container for $568 million, solidifying its status as the top North American blow molder while positioning the company for strong sales growth. Despite the belief among several analysts that Graham Packaging's acquisition strategy should be focused internationally, the addition of Liquid Container is a strong fit with Graham and has potential for significant shareholder value creation. The table below highlights several key attributes of the combination of Graham Packaging and Liquid Container:

Attribute	Commentary
Footprint	• Liquid Container's domestic footprint, consisting of 14 plants, nicely complements Graham's with very little geographic overlap • Graham's domestic presence in the South and West is expected to benefit from Liquid Container's infrastructure • Prior to the transaction, Graham had over 80 plants worldwide
End Markets	• Graham, with revenue of ~$2.5b serves the food and beverage market • 80% of Liquid Container's $400m in revenue is generated via sales to the food and beverage market with the remaining 20% coming form household product packaging sales • Liquid Container has sound, lucrative relationships with some of the top CPGs in the market which is expected to benefit Graham
Customers	• Liquid Container's focus on mid-size customers has created a good value proposition • Graham has tended to focus on large, multinational, global players • The combination is expected to create cross-synergies for both customer groups • Approximately 70% of Liquid Container's sales are generated among their top 20 customers of whom Graham does little business with 80% of them

Continued on next page

Feature: Consolidation Trends in Blow Molding

Attribute	Commentary
Manufacturing Capabilities	• Graham plans to leverage Liquid Container's unique process technology and cold-fill applications to complement some of its existing conversion projects and roll these technologies out to its customer base • Liquid Container's process and hot-fill technologies are expected to be deployed in new geographies around the world
Potential Synergies	• An estimated $20m in annual synergies can be achieved via administrative cost reductions, purchasing, freight, and various other operational savings
Conclusion	• Shareholder value generated from the transaction will depend on Graham's ability to execute the integration of Liquid Container and the ability of the two entities to achieve the estimated $20 million in annual synergies • The acquisition of Liquid Container highlights an aggressive market share strategy and addresses several areas of improvement in Graham's materials expertise, product lines, and manufacturing technologies • The combination created an attractive leader that was recently acquired by Silgan Holdings, Inc. (NASDAQ: SLGN)

Alpha Packaging Acquires Quality Container and Progressive Plastics

Corporate Strategy Analysis: Complement strong organic growth with add-on acquisitions to grow as the supplier of choice for mid-size volume runs within blow molding

Over a short period of time, Alpha Packaging has grown its sales from $67 million in 2006 to nearly $180 million by 2010. The company was able to accomplish this rapid growth through both organic and acquisitive initiatives and has utilized M&A as a means to support its organic growth strategy. The table below discusses key attributes associated with Alpha's 2007 acquisition of Ypsilanti, MI-based Quality Container, a manufacturer of bottles and jars for the pharmaceutical and nutritional supplement markets, and its December 2010 acquisition of Cleveland, OH-based Progressive Plastics, a blow molder and decorator of plastic bottles and containers for the personal care, auto care, housewares, and food markets:

Attribute	Commentary
Footprint	• Quality Container grants Alpha additional presence throughout the Midwest • Progressive Plastics has strong Midwest and East Coast presence • Alpha has 6 domestic plants throughout the United States and 1 plant in Europe
End Markets/Customers	• Progressive Plastics has strong reputation in food & beverage and personal care packaging, market segments in which Alpha packaging lacked presence • The customer base of Alpha and Progressive Plastics offers significant cross-selling opportunities • Acquisition of Quality Container brings additional presence in pharmaceutical market
Manufacturing Capabilities	• Acquisitions of both Quality Container and Progressive Plastics bring additional injection and extrusion blow molding capacity • Progressive Plastics' two-stage PET capabilities offer growth opportunities
Conclusion	• Alpha is the quintessential "buy and build" private equity story: purchased in 2005 by Stonebridge Partners who provided capital enabling the business to achieve significant growth in a short period of time, sold to Irving Place Capital in 2010 who appears poised to take the company to the next level of growth through acquisition, acquired Progressive Plastics within months of adding Alpha to its portfolio, and is currently executing several organic initiatives • If executed properly, this strategy can be very lucrative and generate substantial shareholder value

Industry Impact & Outlook

As noted, in part, via the three case studies presented in this article, strong motivation to consolidate exists for both strategic and financial buyers. Growth strategies executed via strategic M&A activity to gain share in growing segments and organic growth initiatives are prominent themes driving the success of industry leaders. Growth focused strategies are characterized by continued capital investment and fuel a dedication to innovation, well-positioned manufacturing capacity, and a willingness to leverage acquisitions to drive growth and outperform and outgrow competitors.

Current Industry Dynamics

- Most Successful Competitors Are Focused on Growth Strategies
- Footprint/Nearest to Customer Critical Differentiator
- Continued Material Substitution to Plastic Offers Opportunities
- Capital Investment Driving New Products, Growth, and Efficient Manufacturing
- Small and Mid-Size Players Facing Tougher Environment as Competitors Grow

Strategic Players Actively Buying

- Leveraging Strong Earnings
- Deployment of Building Cash Reserves
- Achieve Shareholder Growth Objectives
- Global Customers Want Fewer, Capable Suppliers

Private Equity Focused on Packaging

- Attracting to Non-Cyclical Characteristics
- Must Put Record Available Capital to Use
- Numerous Available Niche Opportunities
- Fragmentation Enables Add-On Acquisitions

Current industry dynamics support a very positive outlook for blow molding M&A activity and ultimately the impact consolidation will have on the landscape and its players. Today's environment is characterized by active lending for acquisitions, a slow but growing economy, and strong valuations all of which are highly supportive of consolidation. Opportunities for growth, potential for synergies, and the creation of more capable suppliers should further support this trend. These drivers and highly active consolidators will likely lead to a potential gap between stagnant and growth-oriented companies suggesting that, in the interest of shareholder value, blow molded container competitors need to ensure their M&A strategy is well aligned with their long-term strategy for growth.

Select Transactions in Plastics & Packaging

Date	Buyer	Target	Industry/ Application	Enterprise Value ($mm)	EV/EBITDA
Injection Molding					
10-Dec-10	Kohlberg & Co LP	Phillips Plastics Corp	Industrial	-	-
16-Dec-10	RPC Group plc (LSE:RPC)	Superfos Industries a/s	Food & Beverage	$316.8	4.6x
31-Dec-10	Ecoplastic Corp. (KOSE:A038110)	AIA Corporation	Automotive	$12.5	-
3-Jan-11	MCM Capital Partners	RMB Products, Inc.	Industrial	-	-
17-Jan-11	FH Finanzholding AG	Ehlebracht AG	Consumer	$18.1	6.9x
10-Feb-11	Toagosei Co Ltd	Aronkasei Co Ltd	Consumer	$97.0	5.9x
22-Feb-11	3D Systems Corp. (NasdaqGS:TDSC)	Quickparts.com, Inc.	Industrial	$23.1	-
Blow Molding					
16-Dec-10	Alpha Plastics, Inc.	Progressive Plastics Incorporated	Consumer	-	-
25-Jan-11	Consolidated Container Company, LLC	West Coast Plastics, Inc., Blow Molding Assets	Food & Beverage	-	-
31-Jan-11	Capital Works, LLC	Premium Molding, Inc.	Industrial	-	-
4-Feb-11	RJ Corp Ltd	PepsiCo Franchise Bottling Ops	Food & Beverage	$100.0	-
Resin & Color and Compounding					
16-Dec-10	Rhodia SA (ENXTPA:RHA)	PI Industries, Ltd., Polymer Business	Industrial	$17.5	9.0x
17-Dec-10	Mexichem SAB de CV (BMV:MEXCHEM)	Alphagary Corporation	Industrial	$300.0	-
24-Dec-10	TSRC Corporation (TSEC: 2103)	Dexco Polymers L.P.	Industrial	$168.0	-
19-Jan-11	AXA Private Equity	NOVACAP SAS	Industrial	$323.8	-
16-Feb-11	Clariant AG (SWX:CLN)	Süd Chemie AG (DB:SUC)	Industrial	$2,548.3	13.6x
Film					
21-Dec-10	Mid Oaks Investments, LLC	Plastic Packaging Technologies, LLC	Food & Beverage	-	-
3-Jan-11	RKW SE	Danafilms, Inc.	Consumer	-	-
5-Jan-11	Transilwrap Company, Inc.	Interfilm Holdings, Inc.	Industrial	-	-
10-Jan-11	Kalle GmbH	Jif Pak Manufacturing, Inc.	Food & Beverage	-	-
3-Feb-11	Xiamen Changsu Industrial Corporation Ltd.	Xiamen Changtian Enterprise Co. (Polyamide Film)	Industrial	$25.9	-
Sheet & Thermoforming					
9-Dec-10	Westlake Plastics, Co.	Westlake United Corp.	Industrial	-	-
11-Feb-11	NS Technologies Group Inc.	Alvac Plastics Inc.	Industrial	-	-
11-Feb-11	Synthetic Products Enterprises Limited	SPEL Packaging Industries (Pvt) Ltd.	Food & Beverage	-	-
Specialty Processes (Rotomolding, Form, Profile Extrusion, & Other)					
15-Dec-10	Fletcher Building (Australia) Pty Ltd.	Crane Group Ltd. (ASX:CRG)	Construction	$886.1	9.1x
16-Dec-10	Fiberweb plc (LSE:FWEB)	Boddingtons Limited	Industrial	$14.6	-
28-Dec-10	Alterco SA	Trion SA	Construction	$49.3	-
3-Jan-11	Tegrant Corporation	Createc Corporation	Consumer	-	-
3-Jan-11	3M Co. (NYSE:MMM)	Nida Core Corporation	Industrial	-	-
31-Jan-11	Quanex Building Products Corp. (NYSE:NX)	Edgetech I.G., Inc.	Construction	$103.5	8.5x
9-Feb-11	Royal Mouldings Limited	Crane Plastics Siding, LLC	Construction	$72.0	6.9x
21-Feb-11	Boise Paper Holdings, LLC	THARCO Containers, Inc.	Industrial	$200.0	-
28-Feb-11	JSP Corp. (TSE:7942)	Fagerdala Brasil Ltda.	Construction	$20.6	-

Featured Transaction – Financial Buyer

January 25, 2011 — In an effort to strengthen its capabilities in serving its dairy, beverage, and industrial containers customers on the West Coast, Atlanta, GA-based Consolidated Container Company, LLC ("CCC") purchased the blow molding assets of West Coast Plastics, Inc. for an undisclosed amount. CCC President and CEO Jeffrey Greene said, "as with our other recent acquisitions this transaction is focused on enhancing our role as the leader in rigid packaging for these core markets". CCC ranks 4th among North American blow molders with sales of approximately $750 million and operates 62 manufacturing facilities including two in Mexico.

The transaction highlights the on-going consolidation occurring among North American blow molders in their quest to grow, capture market share, and expand their manufacturing capabilities portfolio via M&A.

Featured Transaction – Marquee Deal

December 16, 2010 — UK-based rigid packaging producer RPC Group plc acquired Danish packaging rival Superfos A/S for $316.5 million. Superfos is expected to strengthen RPC's capabilities in open-top filled injection molded packaging, expand its product portfolio, extend its geographical reach, and allow RPC into high growth end markets. RPC Chairman Jamie Pike said, "This is a significant acquisition for RPC Group plc which is consistent with our strategy of growing the business organically and through acquisition. This acquisition is an excellent strategic and geographic fit". RPC expects to gain approximately $16 million in synergies via scale in procurement and the pooling of common product manufacturing.

Previously owned by to Nordic private equity groups, Superfos is one of Europe's leading producers of injection molded rigid plastics packaging with nine production operations across the Nordic region, France, Poland, Spain, Belgium and the UK.

Plastics & Packaging Equity Valuation

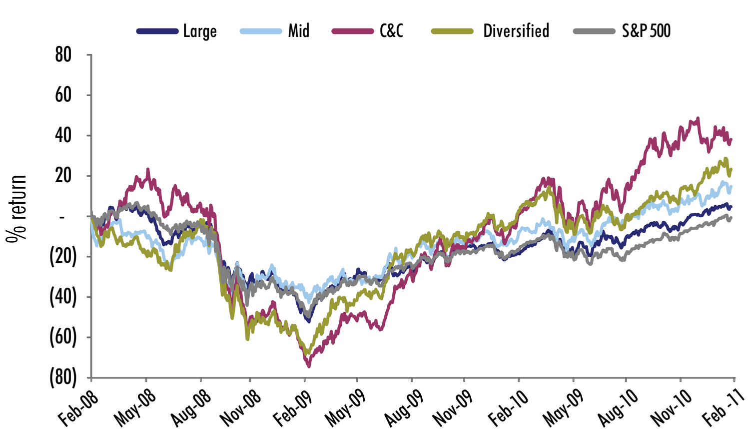
		Financials / Metrics ($USD) (2/28/11)				EV / EBITDA Multiples		
Company Name	Symbol	LTM Revenue	LTM EBITDA	Market Cap	Price/ Earnings	Current	3 Year Average	Projected^
Large Packaging (Large)								
Amcor Ltd.	ASX:AMC	$ 12,849	$ 1,376	$ 9,124	$ 27.34	9.2x	9.4x	7.2x
AptarGroup, Inc.	NYSE:ATR	2,077	401	3,229	19.42	8.0x	7.4x	7.4x
Avery Dennison Corp.	NYSE:AVY	6,513	703	4,266	13.44	7.8x	8.2x	7.4x
Bemis Co. Inc.	NYSE:BMS	4,835	646	3,554	17.95	7.5x	7.3x	6.9x
Graham Packaging Company, Inc.*	NYSE:GRM	2,513	481	1,115	19.03	7.9x	7.0x	6.7x
Rexam plc	LSE:REX	7,635	1,132	5,276	13.52	7.2x	6.8x	NA
Sealed Air Corp.	NYSE:SEE	4,490	703	4,384	19.11	7.3x	6.6x	6.8x
Silgan Holdings Inc.	NasdaqGS:SLGN	3,072	449	2,549	19.30	7.3x	5.7x	6.4x
Sonoco Products Co.	NYSE:SON	4,124	534	3,618	18.41	7.7x	6.7x	7.0x
Large Average		$ 5,345	$ 714	$ 4,124	$ 18.61	7.8x	7.2x	7.0x
Mid-Size Packaging (Mid)								
AEP Industries Inc.	NasdaqGS:AEPI	$ 861	$ 47	$ 172	NA	7.7x	8.2x	NA
CCL Industries, Inc.	TSX:CCL.B	1,244	228	1,123	15.00	6.1x	6.1x	5.8x
Multi-Color Corp.	NasdaqGS:LABL	317	48	247	12.54	7.7x	8.4x	NA
RPC Group plc	LSE:RPC	1,240	126	670	13.74	6.3x	4.6x	NA
Tredegar Corp.	NYSE:TG	741	87	623	23.52	6.3x	5.7x	5.0x
Winpak, Ltd.	TSX:WPK	579	107	915	16.58	7.8x	6.3x	7.2x
Mid-Size Average		$ 830	$ 107	$ 625	$ 16.28	7.0x	6.5x	6.0x
Color & Compounders (C&C)								
A. Schulman, Inc.	NasdaqGS:SHLM	$ 1,900	$ 106	$ 701	$ 17.94	7.5x	6.8x	6.3x
Clariant AG	SWX:CLN	8,304	1,026	4,036	21.04	4.1x	5.0x	NA
Cytec Industries, Inc.	NYSE:CYT	2,748	373	2,810	19.94	8.3x	6.6x	7.1x
Ferro Corp.	NYSE:FOE	2,102	264	1,372	265.33	6.3x	6.5x	5.9x
PolyOne Corp.	NYSE:POL	2,622	194	1,305	8.21	7.1x	6.1x	5.6x
C&C Average		$ 3,535	$ 393	$ 2,045	$ 16.78	6.6x	6.2x	6.2x
Diversified and Industrial Plastics (Diversified)								
Filtrona plc.	LSE:FLTR	$ 809	$ 161	$ 1,015	$ 15.31	7.3x	6.2x	NA
Georgia Gulf Corporation	NYSE:GGC	2,818	214	1,084	26.16	7.7x	8.3x	6.1x
Intertape Polymer Group, Inc.	TSX:ITP	721	41	72	NA	7.5x	9.7x	NA
Jarden Corp.	NYSE:JAH	6,023	631	3,033	27.62	8.9x	7.6x	7.0x
Myers Industries, Inc.	NYSE:MYE	738	57	357	NA	7.7x	7.8x	NA
Plastic Omnium SA	ENXTPA:POM	4,830	482	1,247	8.93	4.3x	4.4x	NA
Simona AG	DB:SIM	355	36	312	30.88	7.3x	5.8x	NA
Spartech Corp.	NYSE:SEH	1,033	44	262	NA	9.7x	7.1x	6.3x
Trex Co. Inc.*	NYSE:TREX	318	26	463	NA	20.2x	10.5x	7.8x
Diversified Average		$ 1,960	$ 188	$ 872	$ 21.78	9.0x	7.5x	6.8x

**3 year multiple average includes less than 12 quarters of data*

Income Statement data as of last period date reported

Currency conversion rate as of 5/4/2011

Performance of PMCF Indices vs. S&P 500



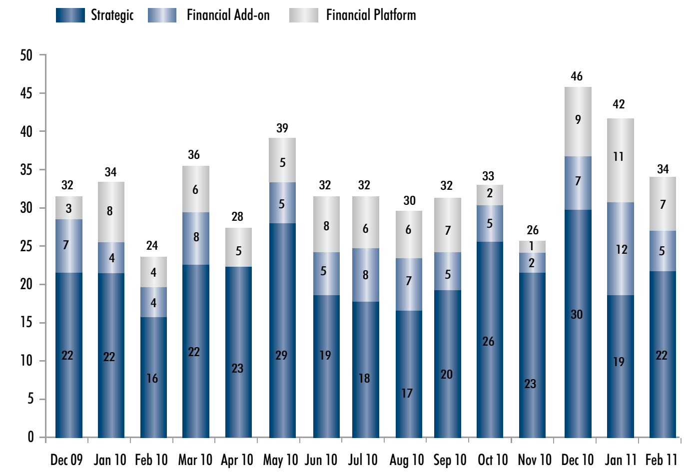
PMCF Key Takeaways and Analysis

- Each plastics index continues to trade at a higher EV/EBITDA multiples than its three-year historical average suggesting improved investor sentiment towards manufacturing, expectations for continued growth in end markets requiring plastic products, and sustained operating performance among plastic processors
- EV/EBITDA multiples among equities in the Color & Compounding index are trading on average a half a turn higher than at the end of 2010
- Large Packaging, Mid-Size Packaging, Color & Compounding, and Diversified & Industrial Plastics companies have outperformed the S&P 500 9.2%, 11.0%, 23.8%, and 8.5%, respectively, over the last 12 months

Source: Capital IQ ^Based on available Capital IQ Analyst summaries

Plastics & Packaging Transaction Statistics

Plastics and Packaging Transactions (Dec 09 – Feb 11)

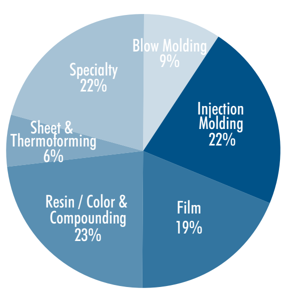


Transactions by End Market

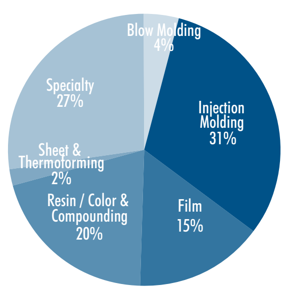
End Market	Dec 09-Feb 10	% of Total	Dec 10-Feb 11	% of Total
Food & Beverage	14	16%	15	12%
Industrial	27	30%	51	42%
Consumer	14	16%	16	13%
Construction	11	12%	18	15%
Medical	8	9%	4	3%
Automotive	10	11%	15	12%
Transportation	0	0%	0	0%
Electronics	6	7%	3	2%
Total	100	100%	122	100%

Transactions by Process Type

Dec 09 – Feb 10



Dec 10 – Feb 11



Packaging Transaction Detail

Packaging Detail	Dec 09–Feb 10	% of Total	Dec 10–Feb 11	% of Total
Rigid Packaging	11	*34%*	13	*43%*
Flexible Packaging	14	*44%*	15	*50%*
Bottles	7	*22%*	2	*7%*
Total	32	*100%*	30	*100%*

Distressed Transaction Detail

	Dec 09–Feb 10	% of Total	Dec 10–Feb 11	% of Total
Distressed	6	*6.7%*	4	*3.3%*

PMCF Key Takeaways and Analysis

Transaction volume for the Plastics & Packaging industry from December 2010 through February 2011 was characterized by the following trends:

- Transaction volume over the most recent three month period significantly increased 36% versus the previous three month period, as some sellers targeted 2010 exits to avoid perceived increases in the long-term capital gains tax and transaction timelines pushed closings into 2011
- Although strategic buyers accounted for the majority of transaction activity from December 2010 through February 2011, transactions involving financial buyers rose to 41% of total volume, an 8% increase versus the same period 12 months earlier
- As buyers sought additional capabilities and entrance into niche markets, transaction activity involving specialty manufacturers rose 74% in the most recent three month period. Specialty manufacturers accounted for 27% of total transaction volume, a 6% increase versus the previous period
- Continued, on-going consolidation trends among injection molders produced heightened transaction volumes and drove an 8% increase in their portion of total deal volume
- Buyer appetites for packaging companies remain sustained as packaging transaction volume remained flat from historical highs experienced for the past 12 months
- Distressed activity experienced a slight decline versus the previous three month period as quality deal flow continued to drive robust transaction volume

Source: P&M Corporate Finance

P&M CORPORATE FINANCE, LLC

INVESTMENT BANKING FOR THE MIDDLE MARKET

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TRANSACTION UPDATE

PLASTICS & PACKAGING

Progressive Plastics

has been acquired by

Alpha Packaging

a portfolio company of

Irving Place Capital

BLOW MOLDER PROGRESSIVE PLASTICS SOLD TO ALPHA PACKAGING

P&M Corporate Finance (PMCF) is pleased to announce that it served as exclusive financial advisor to Progressive Plastics, Inc. (Progressive) in its sale to Alpha Packaging (Alpha). Based in Cleveland, Ohio, Progressive is a leading blow molder and decorator of plastic bottles and containers primarily for the personal care, auto care, housewares, and food markets. Alpha, headquartered in St. Louis, Missouri, is a leading manufacturer of HDPE and PET bottles for the nutritional supplement, pharmaceutical, and personal care industries. It is ranked among the largest 25 blow molders in North America by Plastics News. Alpha employs approximately 525 people at six facilities in the United States and one plant in Europe and is majority owned by Irving Place Capital, a private equity firm. Progressive's shareholders selected PMCF's Plastics & Packaging group to serve as its financial advisor due to PMCF's deep industry expertise and long-term transaction planning approach.

"We were very impressed with John Hart and the PMCF Plastics & Packaging team and would highly recommend them to any plastics and packaging company that is considering a transaction," said Tony Busa, CEO and shareholder of Progressive Plastics.

FOR MORE INFORMATION, VISIT WWW.PMCF.COM

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