

We are pleased to provide you with our inaugural Plastics & Packaging Monthly M&A Update which is meant to supplement our semi-annual M&A reports and provide our contacts with more frequent information on M&A activity in the dynamic plastics and packaging industries.

PMCF INDUSTRY M&A ACTIVITY TRACKING

In October 2019, M&A activity posted declines in both plastics and packaging sectors compared to a very strong month last year. Year-to-date activity remains healthy overall with the plastics sector up 3.6% and the packaging sector down by less than 1% when compared to elevated levels last year. Injection Molding and Specialty sub segments in the plastics sector are showing notable increases for the year while the packaging sector sub segments are pretty consistent. Both strategic and private equity buyers remain active but we are seeing higher levels of private equity add-on activity in the past couple of months. Outlook for the remainder of the year looks favorable with multiples continuing to be reported at elevated levels across several sub segments and there seems to be a good number of deals in the market that should close or be announced by the end of the year.

Data as of October 31, 2019	Month-to-Date (MTD)			Year-to-Date (YTD)		
	2018	2019	'18 - '19 Change	2018	2019	'18 - '19 Change
Plastics						
Blow Molding	2	0	-2	24	23	-1
Injection Molding	8	9	1	70	84	14
Film	5	4	-1	59	48	-11
Resin / Color & Compounding	6	2	-4	36	36	0
Sheet & Thermoforming	5	1	-4	35	24	-11
Specialty	5	7	2	53	72	19
Total Plastics	31	23	-8	277	287	10
Packaging						
Rigid Plastic	6	6	0	62	66	4
Flexible Plastic	6	3	-3	50	46	-4
Paper	15	8	-7	91	92	1
Other	1	1	0	42	39	-3
Total Packaging	28	18	-10	245	243	-2

Note: Deal count represents transactions that were announced during the months of January through October 2019.
Sources: Capital IQ, PitchBook, Thomson Reuters, Company Reports, PMCF

NOTABLE M&A ACTIVITY

Date	Target	Acquirer	Category
10/31/19	Clariant Healthcare Packaging Business	Arsenal Capital Partners	Healthcare / Rigid Packaging
10/30/19	Jet Label & Packaging	Pro Mach, Inc.	Printing / Labels
10/18/19	Spartech LLC	Nautic Partners LLC	Sheet / Rigid Packaging
10/14/19	VPET USA, Inc.	Graham Partners, Inc.	Blow Molding / Rigid Packaging
10/14/19	Closure Systems International operations in North America, Costa Rica, Japan	Cerberus Capital Management, L.P.	Closures / Rigid Packaging
10/08/19	Remy & Geiser GmbH	Bormioli Pharma Bidco S.p.A.	Closures / Rigid Packaging
09/27/19	Everest Flexibles (Pty) Limited	Huhtamäki Oyj (HLSE:HUH1V)	Film / Flexible Packaging
08/19/19	Starplex Scientific, Inc.	Pretium Packaging LLC	Injection Molding / Rigid Packaging
08/12/19	HPE Extrusion Solutions	Pexco LLC	Extrusion

PUBLIC ENTITY PERFORMANCE

Index	% Change October MTD	% Change October YTD
S&P 500 Index	↑ 2.0%	↑ 21.2%
PMCF Plastics & Packaging Index ⁽¹⁾	↑ 1.3%	↑ 14.6%
Rigid Plastic Packaging ⁽²⁾	↑ 1.3%	↑ 7.9%
Flexible Plastic Packaging ⁽³⁾	↑ 2.8%	↑ 11.6%
Other Packaging ⁽⁴⁾	↑ 2.5%	↑ 31.2%
Paper Packaging ⁽⁵⁾	↑ 5.4%	↑ 13.3%

(1) AMC, ATR, AVY, BLL, BERY, CCLB, CLN, POM, CMT, ESNT, FOE, HUH1V, ITP, LYB, MYE, SLGN, NPK, POL, SEE, SIM, SOLB, SON, TCLA, TG, WLK, WPK, IPLP, NWL (2) ATR, BERY, IPLP, NPK, SLGN, SON (3) AMC, HUH1V, SEE, TCLA, WPK (4) AVY, BLL, CCLB, CCK, GXI, OI, TSE:5901 (5) CAS, SMS, GPK, GEF, IP, MNDI, PKG, SK3, WRK

MAJOR NEWS

- A quiet October for commodity resin prices (*Plastics News*)
- First-of-a-kind Coca-Cola PET bottles made from ocean plastics (*Plastics Today*)
- Partners take recycled PET flake to food-grade preforms (*Plastics News*)
- Containerboard - October box demand down 0.5%, YTD demand precisely flat; low-priced exports surprisingly surge (*Fastermarkets RISI*)

For more information, check out our new website, where you can access the electronic version of this report, sign up for future emails, read our latest industry reports, and more!



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ABOUT PMCF'S PLASTICS & PACKAGING GROUP

PMCF's Plastics and Packaging investment bankers are dedicated solely to serving the needs of middle-market transactions within the plastics and packaging industries. Our exclusive focus on plastics and packaging sale, merger, and acquisition advisory provides significant advantages to our clients and the opportunity to maximize value in a transaction. PMCF's extensive coverage of these industries has provided us with specialized, in-depth knowledge of the sector dynamics and relationships with the majority of the key strategic and financial industry players. Our firm has been serving the plastics and packaging industries for over 20 years and has a long track record of successful transactions involving specialty, niche players in these industries.

Please let us know if you would like to set up a confidential call or meeting. My contact information is john.hart@pmcf.com or 248.223.3468.

Rigid Packaging

Flexible Packaging

Engineered Products

Corrugated & Paper Packaging

Blow Molding

Injection Molding

Extrusion

Specialty Film

Color & Compounding

Printing & Labeling

Thermoforming

Packaging Machinery

RECENT PMCF PLASTICS & PACKAGING TRANSACTIONS



SPECIALTY PAPER & LUXURY PACKAGING



INJECTION-TO-BLOW MOLDED PACKAGING



THERMOFORMED PACKAGING, FOLDING CARTONS



CORRUGATED PACKAGING



Two-time winner, Boutique Investment Banking Firm of the Year by M&A Advisor

Awarded, Cross Border Corporate and Strategic Acquisition of the Year by M&A Advisor

Awarded, Cross Border M&A Deal of the Year by M&A Advisor

Awarded, Deal of the Year by ACG Detroit

Awarded, Manufacturing Deal of the Year by MiBiz



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