

Check out PMCF's Plastics & Packaging year end reports for 2019 that we recently published to get a more in-depth discussion on last year's M&A activity

### PMCF INDUSTRY M&A ACTIVITY TRACKING

M&A volume for Global Plastics recorded 24 transactions in January 2020, which was the same level as last year and a continuation of strong activity levels. Private equity platform and strategic buyer transactions increased year-over-year as several marquee transactions were announced or closed.

Global Packaging M&A activity in January 2020 increased 12% over 2018 levels to 28 announced or closed transactions. The Other Packaging sub-sector, namely Machinery/Equipment and Distribution packaging companies, attributed most of the growth during the month with eight transactions. Strategic buyers increased share of total transactions at the expense of both private equity platform and add-on transactions.

Global public markets retreated in January as fears of the Coronavirus led to plant shut-downs, overall decreases in global trade, and adjusted operating outlooks for 2020. PMCF's Plastics & Packaging indices were all impacted with the exception of the Other Packaging index.

Data as of January 31, 2020	Year-to-Date (YTD)		
	2019	2020	Change
<b>Plastics</b>			
Blow Molding	2	4	2
Injection Molding	10	6	-4
Film	6	3	-3
Resin / Color & Compounding	3	5	2
Sheet & Thermoforming	1	0	-1
Specialty	2	6	4
<b>Total Plastics</b>	<b>24</b>	<b>24</b>	<b>0</b>
Strategic	50%	54%	4%
Financial Buyer - Add-on	38%	29%	-8%
Financial Buyer - Platform	13%	17%	4%
<b>Packaging</b>			
Rigid Plastic	4	6	2
Flexible Plastic	7	2	-5
Paper	11	12	1
Other	3	8	5
<b>Total Packaging</b>	<b>25</b>	<b>28</b>	<b>3</b>
Strategic	52%	57%	5%
Financial Buyer - Add-on	32%	29%	-3%
Financial Buyer - Platform	16%	14%	-2%

Sources: Capital IQ, PitchBook, Thomson Reuters, Company Reports, PMCF

### NOTABLE M&A ACTIVITY

Date	Acquirer	Target	Category
01/31/20	CCL Industries Inc. (TSX:CCL.B)	Eti-Textil	Printing / Labels
01/31/20	Chroma Color Corporation	Plastics Color Corporation of Illinois	Resin / Color & Compounding
01/31/20	Pexco (AEA Investors)	NDM Marking Systems, Inc.	Extrusion
01/27/20	Silgan Holdings Inc. (NasdaqGS:SLGN)	Dispensing Business of Albea Services S.A.S.	Closures / Rigid Packaging
01/25/20	MPE Partners	Teel Plastics, Inc.	Extrusion / Injection Molding
01/23/20	Comar (Morgan Stanley)	Imark Molding, Inc.	Injection Molding
01/15/20	Clearlake Capital Group LP	Pretium Packaging LLC	Bottles / Rigid Packaging
01/08/20	Imperial Dade LLC (Bain Capital Private Equity)	American Paper & Plastics, Inc.	Distributor
01/07/20	TricorBraun, Inc. (AEA Investors)	Packaging Solutions, Inc.	Bottles / Rigid Packaging
01/06/20	Sun European Partners	Allied Glass Containers Ltd.	Glass

### PUBLIC ENTITY PERFORMANCE

Index	% Change January YTD
S&P 500 Index	↓ -0.2%
PMCF Plastics & Packaging Index <sup>(1)</sup>	↓ -5.0%
Rigid Plastic Packaging <sup>(2)</sup>	↓ -5.1%
Flexible Plastic Packaging <sup>(3)</sup>	↓ -4.3%
Other Packaging <sup>(4)</sup>	↑ 4.3%
Paper Packaging <sup>(5)</sup>	↓ -11.1%

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

### MAJOR NEWS

- US economic activity in manufacturing sector expands in January for 129th consecutive month (*Fastmarkets RISI*)
- Outlook for construction: Early signs for '20 looking up (*Plastics News*)
- Coronavirus Toll on Shipping Reaches \$350 Million a Week (*Wall Street Journal*)
- A January surprise for polyethylene prices (*Plastics News*)

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 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 EXTRUSION & INJECTION MOLDING**



**INJECTION & BLOW MOLDED PACKAGING**



**THERMOFORMED PACKAGING, FOLDING CARTONS**



**SPECIALTY PAPER & LUXURY 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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