Globally

The global M&A market witnessed a recovery in H1 2019 (especially during Q2) when compared to H2 2018 levels, but fell well short of reaching the year-over-year H1 2018 levels. During H1 2019, transaction value totalled $1.8T, a 17% increase from H2 2018 ($1.5T), but an 11% decrease year-over-year ($2.0T). An uptick in the number of megadeals1 in Q2 2019 contributed to the recovery, bringing the H1 2019 total to 24 megadeals, compared to 27 megadeals in H1 2018 (which was a record half-year). This recovery was mainly fuelled by domestic M&A, which accounted for 67% of H1 2019 volume compared to an average 61% since 2010, and a strong US M&A market, accounting for 53% of global M&A value, the highest percentage of value on record (Mergermarket).

US: Top heavy

With 19 megadeals completed in H1 2019, the US M&A market reached its second highest value on record at $957.3B in total transactional value across 2,530 deals. This represents a 15% year-over-year increase ($835.6B across 3,201 deals in H1 2018). Despite rising protectionism, inbound M&A value increased by 20% to $137.0B across 441 deals in H1 2019 from $114.0B across 521 deals in H1 2018, with buyers from Europe and Asia driving most of the growth.

Europe: Smaller deals

Political and economic uncertainty across Europe contributed to a modest H1 2019, continuing the region’s H2 2018 trend. Deal value in Europe totalled $391.0B across 3,223 transactions, a 39% year-over-year value decrease from $638.9B across 3,199 transactions in H1 2018. Apart from the $86.3B AbbVie acquisition of Allergan, there were no other megadeals, with several awaited transactions not coming to fruition during H1 2019.

Packaging deal market: Sustained strategic appetite

Based on our selected sample of relevant sector transactions, there was a flurry of packaging deal activity with 55 transactions in Q2 2019 and a total of 103 deals in H1 2019, compared to 100 deals in H1 2018. During Q2 2019, the industry’s average disclosed deal value was $477.6M, an increase from Q2 2018 ($341.4M). Aside from the paper substrate, current valuation multiples are slightly above their 10-year average, trading between 8.0× and 9.0×, with most substrate multiples increasing by approximately 0.5× EBITDA since the start of 2019. Based on our sample of 55 transactions selected for the three month period, deals involving a strategic buyer are still dominating the market at 86% of volume (55% strategic and 31% PE-backed strategic), which is in line with the previous quarter.

During the second quarter of 2019, US-based WS Packaging, a portfolio company of Platinum Equity, completed the acquisition of US-based Multi-Color Corporation for a total transaction size of $2.6B. The combined company, which will be known as Multi-Color Corporation and headquartered in Cincinnati, is a $2.2B per annum revenue business with 86 plants in 26 countries and over 10,000 global employees. WS Packaging is now a Multi-Color Corporation business unit and will continue to serve customers with its own management team, sales force, plants and Green Bay, Wisconsin-based support services. Louis Samson, Partner, Platinum Equity, said, “Bringing these companies together creates one of the most extensive manufacturing and production footprints in the industry and a business with unrivaled technology and expertise.” Moreover, US-based Warburg Pincus LLC acquired US-based Pregis Corporation (“Pregis”) from Olympus Partners for an estimated minimum transaction size of $1.3B. Pregis is a leading protective packaging materials and automated systems manufacturer with 22 manufacturing facilities across North America and Europe, employing 2,250 people. In 2018, the Company generated EBITDA of ~ $125M. The acquisition will enable Pregis to accelerate company growth via product innovation, market development and investments. Finally, Thailand-based SCG Packaging Public Company Limited (“SCG”) agreed to acquire Indonesia-based P.T. Fajar Surya Wisesa Tbk (“PT Fajar”) for a total transaction size of $941M, implying a TEV/Revenue multiple of 2.2× and a TEV/EBITDA multiple of 7.7×. PT Fajar produces and sells industrial paper for use in consumer and industrial goods packaging. The acquisition will allow SCG to enhance its ASEAN growth, especially in Indonesia.

In the rigid packaging substrate, Consolidated Container Company LLC (“CCC”) has certainly been active in 2019, closing one transaction in Q1 (Quebec-based Plastic Micron) and two transactions in Q2. On May 24, CCC acquired a Utah bottle maker, Sonic Plastics Enterprises LLC, to strengthen its presence in the mountain west region. Then, on June 16, CCC acquired Tri State Distribution Inc., a Tennessee-based company that describes itself as one of the largest makers of prescription containers in the country. Last but not least, Australia-based Brambles Ltd. divested its IFCO brand of reusable plastic containers for $2.5B to focus on its reusable pallet business. IFCO, with customers in 50+ countries, is the world’s leading supplier of reusable plastic containers for the fresh foods end-market.

Looking forward to H2

The market recovered in Q2 2019, fuelled by strong US activity and multiple megadeals. Even though Europe witnessed a dismal half-year, its strong fundamentals should drive M&A activity upward. Moreover, globally low interest rates and high levels of dry powder should keep on driving the market in the coming months.

1Deals above $10B
Transactions in brief*

Flexible

- Italy-based Abriso NV ("Abriso") acquired Italy-based Airpack, S.p.A ("Airpack"). Airpack, better known under the "Jiffy Packaging" label, is active in the extrusion of polyethylene (PE) and polypropylene (PP) products for packaging and construction applications. Airpack has production sites in Italy, Belgium, Poland, Hungary, the Czech Republic, Romania, Germany, and the UK, achieving a turnover of €145.0M ($162.8M) in 2018 with 990 employees. The transaction will allow Airpack to grow its existing business, leveraging Abriso’s resources and management expertise. The combined group will have 1,600 employees at 19 locations in 11 European countries and will achieve an annual turnover of €250.0M ($280.7M). Terms of the transaction were not disclosed.

- US-based Sealed Air Corporation (NYSE: SEE) ("Sealed Air") signed a definitive agreement to acquire US-based Automated Packaging Systems, Inc. ("APS"), a leading manufacturer of high-reliability, automated bagging systems, for a purchase price of $510.0M on a cash and debt-free basis. APS provides full flexible packaging systems, including industry leading equipment, sustainable materials and technical services. APS employs more than 1,200 people, serves customers in over 60 countries and operates seven manufacturing sites in the US and UK. In 2018, APS generated $290.0M in sales, an increase of approximately 10% year over year. Benefits to Sealed Air include expanding its protective packaging offering with complementary solutions and services, as well as adding APS’ expertise in engineering, automation technology and sustainability.

- US-based Next Generation Films, Inc. and Charter NEX Films jointly announced their plans to combine, creating a new platform focused on leading the specialty films market. Private equity firms Leonard Green & Partners, L.P. (LGP) and Oak Hill Capital, owners of Charter NEX Films, have completed a definitive agreement with Dave Frecka, CEO and owner of Next Generation Films, Inc., to combine the companies. The combination is expected to provide both companies and their customers with significant benefits including access to new markets, enhanced technical expertise, and an expanded manufacturing footprint. The combined company will have 11 manufacturing plants and more than 100 extrusion lines in Ohio, Wisconsin, South Carolina and Massachusetts. Charter NEX Films and Next Generation Films, Inc. plan to maintain their existing management teams and brand identities, operating as two distinct but synchronized divisions of the combined company. Terms of the transaction were not disclosed.

- US-based Blackstone Group (NYSE: BX) ("Blackstone") announced it has entered into a definitive agreement with India-based Ashok Goel Trust, to acquire a 51% stake in India-based Essel Propack Limited ("EPL") for $310.0M. EPL is a leading global packaging company and the largest global manufacturer of laminated tubes. The deal will enable EPL to accelerate company growth and to strengthen its market position. The transaction value implies a TEV/Revenue multiple of 1.7x, or TEV/EBITDA multiple of 9.9x for the year ended March 2019. Source: Mergermarket Database.

- US-based Fortis Solutions Group, LLC ("Fortis"), a portfolio company of Main Post Partners, acquired US-based Label Technology Inc. ("Label Technology"). Label Technology is a printer of flexible packaging, stand-up pouches, and pressure sensitive labels. Label Technology serves a wide range of industries including the food, natural products, nutraceutical, cosmetic and health and beauty end markets. In 2018, Label Technology generated $40.0M in revenue, operating through 150,000 square feet of manufacturing and warehouse facilities with a total of 125 employees. Terms of the transaction were not disclosed.

- UK-based Pamplona Capital Management ("Pamplona") entered into an agreement to acquire Netherlands-based Loparex Holding B.V. ("Loparex"). Loparex is a manufacturer of release liners and polycoated and silicone-coated papers and films for pressure-sensitive adhesive applications. Loparex has an estimated annual EBITDA of $80.0M to $90.0M. Terms of the transaction were not disclosed.

- Malaysia-based Daibochi Berhad ("Daibochi") has agreed to acquire Malaysia-based Mega Printing & Packaging Sdn Bhd ("MPP") for MYR125.0M ($30.2M). MPP is manufacturer of paper coated and laminated packaging. The purchase consideration represents a TEV/EBITDA multiple of 8.1x for the year ended December 31, 2017.

- US-based WS Packaging, a portfolio company of Platinum Equity, completed the acquisition of US-based Multi-Color Corporation for a total consideration of $2.5B, implying a TEV/Revenue multiple of 1.5x, or TEV/EBITDA multiple of 9.2x. The combined company, which will be known as Multi-Color Corporation and headquartered in Cincinnati, is a $2.2B per annum revenue business with 86 plants in 26 countries and over 10,000 employees globally. WS Packaging is now a Multi-Color Corporation business unit and will continue to serve customers with its own management team, sales force, plants and Green Bay, Wisconsin-based support services. Louis Samson, Partner, Platinum Equity, said, “Bringing these companies together creates one of the most extensive manufacturing and production footprints in the industry and a business with unrivaled technology and expertise.”

- Germany-based Quartum Kapital GmbH ("Quartum Kapital") acquired Germany-based POLYWEST Kunststofftechnik Saueressig & Partner GmbH & Co. KG ("Polywest"). Polywest is a producer of sleeves and adaptor systems for flexographic printing. Terms of the transaction were not disclosed.

- US-based Warburg Pincus LLC acquired US-based Pregis Corporation ("Pregis") from Olympus Partners for an estimated minimum consideration of $1.3B. Pregis is a leading protective packaging materials and automated systems manufacturer with 22 manufacturing facilities across North America and Europe, employing 2,250 people. The acquisition will enable Pregis to accelerate company growth via product innovation, market development and investments.

- US-based Cryovac LLC, an affiliate of Sealed Air Corporation (NYSE: SEE), acquired a commercial printing facility and R&D lab on Grand Island from US-based R.R. Donnelley & Sons Company ("RRD") for an estimated purchase price of $4.1M,
implying a TEV/Revenue multiple of 0.2×. According to an estimate the facility generated $20.0M in revenue.

- Germany-based Ringmetall AG (DB: HP3) (“Ringmetall”) acquired Germany-based Tesseraux Spezialverpackungen GmbH (“Tesseraux”). Tesseraux produces inliners made of aluminum liners, round bottom liners and bag-in-box systems. As part of the transaction, Ringmetall will acquire 100% of the business interest from Germany-based parent company SVD Verpackungsgesellschaft mb.H. Tesseraux generated sales of around €8.0M ($8.9M) in 2018 with an EBITDA margin of ~13.0%. Terms of the transaction were not disclosed.

- Italy-based AMB Spa acquired UK-based Thermodynamix Thermoforming Specialist Services Limited (“TDX”). TDX is a provider of PET, RPET and laminated rigid films for the food and packaging industry. The acquisition will strengthen AMB’s position in the plastic industry, allowing it to expand its footprint in the European market. TDX reported revenues of £29.5M ($36.7M) and a net profit of £0.7M ($0.9M) for the year ended December 2018. Terms of the transaction were not disclosed.

- US-based Kohlberg & Company, L.L.C (“Kohlberg & Co.”) acquired three flexible packaging plants in the UK and Ireland from Amcor PLC (“Amcor”) for €347.0M ($390.0M) at TEV/LTM Revenue multiple of 2.3×. Collectively, these three plants generate annual sales of $170.0M from the sale of flexible packaging for certain healthcare products. Also, US-based Tekni-Plex, Inc. acquired three manufacturing facilities of Amcor’s flexible packaging business unit for $215.0M, implying a TEV/Revenue multiple of 2.2×. These facilities provide a portfolio of sterilizable medical device packaging substrates including heat-seal and cold-seal coated paper and films and medical-grade laminates. Amcor sold the three plants to Tekni-Plex Inc. to resolve US antitrust concerns about Amcor’s $6.8B all-stock purchase of Bemis Co. Inc. Similarly, to meet antitrust issues in Europe, Amcor sold the three former Bemis plants in the UK and Ireland to US private equity firm Kohlberg & Co.

- Japan-based Nippon Paper Industries Co., Ltd., (“Nippon”) acquired a 70.0% stake in Malaysia-based TS Plastics Sdn. Bhd (“TSP”). TSP is engaged in the plastic packaging and printing business and had a turnover of MYR74.0M ($17.9M) in the last fiscal year. This acquisition of TSP is in line with Nippon’s expansion of the value chain for the packaging business on a global scale. Nippon aims to expand its business in Asia by deploying the expertise in flexible packaging technology that TSP has accumulated over the past 20 years, by cross-selling to TSP’s existing customer base as well as taking full advantage of TSP’s capacity for technological development. Terms of the transaction were not disclosed.

**Glass**

- Ghana-based GIHOC Distilleries Company Limited acquired Ghana-based Abosso Glass Factory (“Abosso”). Abosso is a manufacturer and supplier of bottles for the beverage industry. Terms of the transaction were not disclosed.

- US-based Owens-Illinois, Inc. (“O-I”), acquired Mexico-based Nueva Fabrica Nacional de Vidrio, S. de R.L. de C.V. (“Nueva Fanal”) from Mexico-based Grupo Modelo SAB de CV for $188M. Nueva Fanal is a manufacturer and distributor of glass containers. Post-acquisition, O-I expects the acquired business to contribute an approximate annual revenue of $140.0M and EBITDA of $40.0M.

- Italy-based Bruni Glass SpA, a subsidiary of Berlin Packaging, acquired France-based Verrerie Calvet (“Calvet”). Calvet is a manufacturer of packaging products, such as glass bottles and jars, metal containers, closures, boxes, and bags for transporting and shipping wine and oil. Terms of the transaction were not disclosed.

**Metal**

- Austria-based Simentum Management and Beteiligungs GmbH, Double X Corporate Finance GmbH, and Drott Holding GmbH acquired the foil processing unit of Austria-based Alufix Folienverarbeitungsgesellschaft m.b.H (“Alufix”). Alufix is a manufacturer and producer of foils, baking paper and bin bags. Terms of the transaction were not disclosed.

- China-based Shengxing Group Co., Ltd (“Shengxing”) acquired China-based Pacific Can (Zhangzhou) Company Limited and Pacific Can (Wuhan) Co., Ltd., which represent the combined operations of Pacific Can (Zhaqing) Company Ltd. for $47.8M, implying a TEV/LTM Revenue multiple of 0.5×. The acquired companies manufacture aluminum cans and containers.

**Paper**

- China-based Xiamen Jihong Package Technology (“Xiamen”) has agreed to acquire a 67.0% stake in China-based Anhui Wei Zhi Environmental Protection Paper (“Anhui”) for $8.0M, implying a TEV of $11.7M and TEV/Revenue multiple of 0.4×. Anhui provides environmentally friendly paper containers. The transaction will enable Xiamen to scale its business. In Q1 2019, Anhui had a turnover of CNY59.6M ($8.6M), EBIT of CNY6.0M (US$0.9M) and net earnings of CNY5.4M ($0.8M).

- UK-based Macfarlane Group UK Ltd (“Macfarlane”) acquired UK-based Ecopac (UK) Ltd (“Ecopac”) for £3.9M ($5.1M). Ecopac is a protective packaging distribution business. In the year ended March 31, 2018, Ecopac generated sales of £6.0M ($7.5M) and pre-tax profits of £0.5M ($0.6M). The acquisition is in line with Macfarlane’s declared strategy of building the business through a combination of organic and acquisitive growth.

- Austria-based ALPLA Werke Alwin Lehner GmbH & Co KG (“ALPLA”) acquired a 44.0% stake in Denmark-based ecoXpac A/S (“ecoXpac”). ecoXpac designs, develops, and manufactures protective packaging products in biodegradable molded fiber. The transaction will enable the growth and development of ecoXpac. Terms of the transaction were not disclosed.

- Germany-based Ludo Fact GmbH (“Ludo”) acquired Germany-based HÖHN GmbH (“HÖHN”). HÖHN manufactures innovative displays, folding cartons and exclusive packaging. The acquisition will allow Ludo to offer new products through displays and packaging. Terms of the transaction was not disclosed.

- Sweden-based ÅR Packaging Group AB (“AR”) acquired Nigeria-based Nampak Cartons Nigeria Limited (“NGN”), a subsidiary of Nigeria-based Nampak Limited. NGN manufactures folding carton products for the tobacco, food and consumer goods segments. The acquisition enables AR to establish a footprint in the African market. Terms of the transaction were not disclosed.
Thailand-based SCG Packaging Public Company Limited (“SCG”) acquired Indonesia-based PT. Fajar Surya Wisesa Tbk (IDX:FASW) (“PT Fajar”) for a total consideration of $665M, implying a TEV/Revenue multiple of 2.2× and TEV/EBITDA multiple of 7.7×. PT Fajar produces and sells industrial paper for use in consumer and industrial goods packaging in Indonesia. The acquisition will allow SCG to enhance its ASEAN growth, especially in Indonesia.

Germany-based C. Maurer GmbH & Co. KG (“C Maurer”) acquired the paper print subdivision of Germany-based HöHN GmbH (“HÖHN”). Terms of the transaction were not disclosed. Source link: CapitalIQ (IQTR609034018)

France-based S.A. Cartonneries de Gondardennes (“Gondardennes”) acquired France-based Papeteries & Cartonneries Lacaux Freres SA (“Lacaux”) for a total consideration of $47.2M. Lacaux manufactures paper, corrugated cardboard panels and packages. The acquisition will enable Gondardennes to expand its value proposition to its clients and consolidate its market position. It will further add around 60.0M square metres in corrugated board capacity. The transaction value implies a multiple of 0.8× the last twelve months’ revenue.

Finland-based Walki Group Oy (“Walki”) acquired Finland-based Plastiroll Oy (“Plastiroll”). Plastiroll manufactures biodegradable and compostable materials for the packaging industry and other applications. The acquisition enables Walki to broaden its offering of sustainable packaging materials including compostable bags and films and recyclable dispersion-coated fibre-based packaging. Terms of the transaction were not disclosed.

US-based New-Indy Containerboard LLC (“New-indy”) acquired US-based Proactive Packaging & Display, Inc. (“PPD”). PPD provides corrugated and retail shelf packaging products, merchandising trays, and point of purchase displays. The transaction will add New-Indy’s offering to its client base. Terms of the transaction were not disclosed.

China-based Yunnan Dexin Paper Industry Co., Ltd. (“Yunnan”) agreed to acquire China-based Shenzhen Qingsong Jinze Technology Development Co. (“SQJ”) for a total consideration of $3.0M. SQJ manufactures and sells paper packaging products. The transaction value implies a multiple of 1.7× the revenue for last twelve months.

Peru-based Trupal S.A., (“Trupal”) acquired Peru-based Papeles y Cartones S.A., (“PYC”) for a total consideration of $10.3M. PYC provides corrugated and retail shelf packaging products, merchandising trays, and point of purchase displays. The transaction is in line with Trupal's strategy to invest in its domestic market for paper and cardboard.

US-based DW Healthcare Partners acquired US-based Spectrum Solutions, LLC (“Spectrum”) and Go-2 Fulfillment Company, Inc. (“Go-2”). Spectrum manufactures and sells packaging products for scientific testing and medical organic health, while Go-2 is responsible for fulfillment, kitting and shipping services. The transaction will allow the companies to improve their R&D, manufacturing and promote higher automation inclusion. Terms of the transaction were not disclosed.

Philippines-based Steniel Manufacturing Corporation (“SMC”) agreed to acquire Philippines-based Steniel Mindanao Packaging Corporation (“Mindanao”). Mindanao manufactures and sells paper packaging materials such as corrugated fibreboard containers, cartons and boxes. Terms of the transaction were not disclosed.

Romania-based Rondocarton SRL (“Rondocarton”), a subsidiary of Austria’s corrugated board maker Rondo Ganahl, acquired Romania-based Transilvania Pack&Print (“Transilvania”). Transilvania manufactures cardboard, corrugated cardboards, and labels. In 2018, Transilvania generated losses of RON1.9M ($0.4M) on a turnover of RON36.0M ($8.5M). Terms of the transaction were not disclosed.

UK-based DS Smith Plc (“DS Smith”) announced it has reached an agreement for the proposed sale of two paper packaging businesses in Northwestern France and Portugal to International Paper (NYSE: IP) (“IP”) for €63.0M ($70.7M). The sale would fulfill the commitment made to the European Commission in relation to the clearance of DS Smith's acquisition of Papeles y Cartones de Europa, S.A., known as Europac, which was completed in Q1 2019. The acquisition will create additional integration value with IP’s recycled containerboard mill in Madrid.

Mexico-based Bio-PAPPEL, S.A.B. de C.V. (“Bio-Pappel”), acquired a 55% stake in US-based U.S. Corrugated, Inc. (“USC”). USC designs, manufactures, and distributes corrugated packaging solutions. The acquisition is in line with Bio-PAPPEL's strategy of continuing to invest in Mexico and the US. The transaction will enable Bio-PAPPEL to increase the size of its operations in the US. Terms of the transaction were not disclosed.

US-based LBP Manufacturing, Inc., acquired US-based Union Packaging, LLC (“Union”). Union manufactures and supplies paperboards for the quick service restaurant market. Terms of the transaction were not disclosed.
US-based **Zeus Packaging Limited** ("Zeus") acquired UK-based **Vaiopak Limited** ("Vaiopak") for a total consideration of $7.2M. Vaiopak manufactures double-wall, single-wall, and ripple printed paper cups. Zeus manufactures and distributes industrial/retail and food service packaging solutions. The transaction will enable Zeus to increase its revenue to EUR200.0M (US$225.0M) in 2020.

Ireland-based **Smurfit Kappa Group plc (ISE:SK3)** ("Smurfit") acquired Bulgaria-based **Vitavel JSC** ("Vitavel"). Vitavel manufactures corrugated board and corrugated board packaging. The transaction will enable Smurfit to monetize the high margin litho-laminated market segment in northern Greece. Terms of the transaction were not disclosed.

Rigid

US-based private equity firm **The Jordan Company, L.P.** acquired US-based **Anchor Packaging** ("Anchor"). Anchor supplies supermarkets and restaurants with products such as tamper-evident containers, merchandise and take-out packaging. Terms of the transaction were not disclosed.

US-based **Consolidated Container Company** ("CCC") acquired certain assets of US-based **Sonic Plastics Enterprises** ("Sonic"). Sonic manufactures HDPE plastic bottles via extrusion blow molding. The acquisition expands CCC into the nutraceutical, health and beauty end-markets, and in the mountain west region. Terms of the transaction were not disclosed.

Portugal-based **Logoplaste Consultores Técnicos, S.A.** ("LCT") acquired the bottle blow moulding production facility ("the Facility") of UK-Based **Tomlinson's Dairies Limited** located in Wrexham, UK. The Facility designs and manufactures value-added rigid plastic packaging solutions. The acquisition will enable LCT to bring its expertise in rigid plastic packaging to the Wrexham bottling plant. Terms of the transaction were not disclosed.

Belgium-based **Cobepa S.A** ("Cobepa") acquired Italy-based **Enplastic S.p.a** ("Enplastic"). Enplastic operates as a manufacturer of plastic capsules for wine bottles. The transaction will further strengthen Enplastic’s market position in Italy and internationally, as well as boosting its growth. Terms of the transaction were not disclosed.

New Zealand-based **Neil McGarva Trust** ("NMT") entered into a conditional sale and purchase agreement to acquire a 72.4% stake in New Zealand-based **Envictus Dairies NZ Ltd.** ("Envictus") for a total consideration of NZ$6.0M ($4.5M). Envictus offers polyethylene terephthalate bottling services.

Netherlands-based **IFCO SYSTEMS** ("IFCO") announced that its parent company, Australia-based **Brambles Limited (ASX:BXB)**, has entered into a binding agreement to sell IFCO to Jersey-based **Triton** and a wholly-owned subsidiary of the **Abu Dhabi Investment Authority** ("ADIA"), for an enterprise value of $2.5B. IFCO is the leading global provider of reusable packaging solutions for fresh foods, serving customers in 50+ countries. "This is an exciting step for our business, and we believe it will enhance our ability to strengthen ties with existing customers while driving growth by expanding our customer base," said Wolfgang Orgeldinger, CEO of IFCO SYSTEMS. From both the financial and market share perspectives, IFCO is a strong business and a global leader in reusable plastic containers (RPCs) with a large addressable market and clear opportunities to capitalize on growth in the sector. In fiscal 2018, IFCO generated revenues of more than $1B for the first time, and achieved strong growth of 8%.

US-based **EasyPak LLC** ("EasyPak"), a **Graham Partners LP** portfolio company, acquired US-based **James L Villa Inc.** ("Villa"). Villa operates as an injection and thermoforming molding company. The transaction will enable EasyPak to strategically expand into the Southeast US while providing additional customization capabilities and scale to EasyPak’s business. Terms of the transaction were not disclosed.

US-based **Pretium Packaging, LLC** ("Pretium"), a **Genstar Capital** portfolio company, acquired US-based **Olcott Plastics, Inc.** ("Olcott"). Olcott manufactures plastic jars, caps, and closure combinations for beauty and healthcare companies. Olcott will bolster Pretium’s injection molding and personal care/beauty offerings while Pretium allows Olcott to offer blow-molded containers and a national footprint to its customers. Terms of the transaction were not disclosed.

Taiwan-based **Far Eastern New Century Corporation** ("Far Eastern") acquired US-based **Phoenix Technologies International, LLC** ("Phoenix") for a total consideration of $10.0M. Phoenix engages in recycled polyethylene terephthalate (rPET) manufacturing. The acquisition is in line with Far Eastern’s sustainable product development strategy.

Thailand-based **Thai Plaspac** ("Plaspac") acquired an 89% stake in UAE-based **Sun Packaging Systems FZC** ("SPS") for a total consideration of $13.5M. SPS manufactures and exports various types of PET wide mouth jars and bottles under SUNPET brand.

US-based **TriMas Corporation (NasdaqGS:TRS)** ("TriMas") acquired Italy-based **TAPLAST S.p.a** ("TAPLAST") for a total consideration of $46.0M. TAPLAST designs and manufactures plastic dispensing caps. The acquisition is in line with TriMas’ expansion plans and
The Ernst & Young Orenda Corporate Finance global packaging index tracks the performance of the most widely traded global packaging companies relative to the benchmark S&P 500 composite index.

Our global packaging index consists of the following publicly traded packaging companies:

- Amcor plc
- Orora Limited
- Pact Group Holdings Ltd
- Reno De Medici S.p.A.
- Vidrala, S.A.
- Essel Propack Limited
- Uflex Limited
- Gerresheimer AG
- Groupe Guillin S.A.
- Huhtamäki Oyj
- Metsä Board Oyj
- Smurfit Kappa Group plc
- Chuo Kagaku Co., Ltd.
- Mondi Limited
- Mpact Limited
- Nampak Limited
- DS Smith Plc
- Silgan Holdings Inc.
- Ardagh Group S.A.
- AptaGroup, Inc.
- Berry Global Group, Inc.
- Ball Corporation
- Crown Holdings, Inc.
- Greif, Inc.
- Graphic Packaging Holding Company
- International Paper Company
- Myers Industries, Inc.
- Owens-Illinois, Inc.
- Packaging Corporation of America
- Sealed Air Corporation
- Sonoco Products Company
- WestRock Company
- BillerudKorsnäs AB (publ)
- Duni AB (publ)
- Takween Advanced Industries
- Lee and Man Paper Manufacturing Limited
- Nine Dragons Paper (Holdings) Limited
- CPMC Holdings Limited
- BG Container Glass Public Company Limited
- Shantou Dongfeng Printing Co., Ltd.
- Shanghai Baosteel Packaging Co., Ltd.
- Vetropack Holding AG
- Shenzhen Jinjia Group Co., Ltd.
- Xiamen Hexing Packaging Printing Co., Ltd.
- MYS Group Co., Ltd.
- ORG Technology Co., Ltd.
- Shengxing Group Co., Ltd.
- Rengo Co., Ltd.
- The Pack Corporation
- Toyo Seikan Group Holdings, Ltd.
- Hokkan Holdings Limited
- Fuji Seal International, Inc.
- FP Corporation
- Taiwan Hon Chuan Enterprise Co., Ltd.
- Cascades Inc.
- CCL Industries Inc.
- IPL Plastics Inc.
- Winpak Ltd.
- Mayr-Melnhof Karton AG
- Pumtech Korea Co., Ltd.
- Aluflexpack AG

Note: The indices in this newsletter have been compiled by Ernst & Young Orenda Corporate Finance Inc. solely for illustrative purposes. The companies chosen are publicly traded companies that are commonly used for industry composites to show stock performances within a sector. The indices do not include all public companies that could be categorized within each sector and were not created as benchmarks, nor should they imply benchmarking or recommendations for a particular stock or sector.
aims to benefit from TAPLAST’s established brand name and wide product portfolio. The transaction value implies a multiple of 1.4× the revenue for the last twelve months.

- US-based Consolidated Container Company ("CCC") acquired US-based Tri State Distribution ("Tri State"). Tri State manufactures and distributes prescription packaging products in the United States. The acquisition is in line with CCC’s strategy to expand its offering in the pharmaceutical vertical. Terms of the transaction were not disclosed.

Other
- France-based Diam Group acquired a majority stake in France-based Cofima France ("Cofima") and Norline Atelier ("Norline"). Cofima specializes in the fabrication of luxury wooden cases and multi-material gift boxes with historic expertise in wood and cladding and Norline provides short-run covered gift boxes. Terms of the transaction were not disclosed.

- US-based Zume Inc. ("Zume") acquired US-based Pivot Packaging, LLC ("Pivot"). Pivot manufactures sustainable packaging products for the food industry. The transaction will allow Zume to provide better services for its customers through an enhanced supply chain, but also diversify into the sustainable food packaging segment. Terms of the transaction were not disclosed.
Our Plastics and Packaging team

Our team is part of a global network of professionals that combines an in-depth understanding of the industry’s dynamics and key players with the ability to provide a variety of transaction services.

Ken Brooks
+1 514 874 4412
ken.m.brooks@ca.ey.com

Félix Côté
+1 514 874 4682
félix.côte@ca.ey.com

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization and may refer to one or more of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients.

For more information about our organization, please visit ey.com.

© 2019 Ernst & Young Orenda Corporate Finance Inc.
© 2019 Ernst & Young Corporate Finance (Canada) Inc.

3174868
ED None

The information and opinion within this document has been derived from various sources of research including but not limited to Capital IQ, Thomson One, and company filings.

This publication contains information in summary form, current as of the date of publication, and is intended for general guidance only. It should not be regarded as comprehensive or a substitute for professional advice. Before taking any particular course of action, contact Ernst & Young or another professional advisor to discuss these matters in the context of your particular circumstances. We accept no responsibility for any loss or damage occasioned by your reliance on information contained in this publication.

ey.com