



PLASTICSNEWS[®]



Mergers & Acquisitions Panel

2008 *Plastics News* Executive Forum

March 10, 2008 • Tampa, Florida



Mergers & Acquisitions Panel

- Introduction of Panelists
 - Plastics M&A Update
 - Panel Session; directed Q&A
 - Audience Q&A
 - submit questions via:
microphone
note card
- Bob Grace
 - Bill Ridenour
 - All Panelists
 - Any/all panelists



Mergers & Acquisitions Panelists



Bill Ridenour

**President,
Polymer Transaction
Advisors (Moderator)**

Polymer TransAction Advisors, Inc., founded in 1999, is an M&A firm dedicated to the plastics industry with M&A offices in the United States, Latin America and Europe and has completed 175 plastics related transactions. Mr. Ridenour has personally advised buyers and sellers on more than 120 US and global transactions during his 30 years experience in plastics and M&A.



Greg Myers

**Managing Director,
Mason Wells**

Mason Wells is a private equity group that has completed more than 80 middle market transactions in the last 25 years, many of them in plastics including current investments Oliver Products Company and Premix, Inc.. Mr. Myers has been part of the Mason Wells team since 1987 and is a member of the General Partner of Mason Wells.



Ira Boots

**President and CEO,
Berry Plastics Group, Inc.**

Berry is a leading manufacturer of rigid plastic packaging products with sales of over \$1.3 billion annually. Mr. Boots joined Berry in 1978, when company sales totaled \$5 million, and under his leadership as COO, and now as CEO, Berry has grown to its current position as a global leader in plastics packaging.



Duane Jebbett

**President and CEO,
Rowmark, Inc.**

Rowmark is the leading manufacturer of plastic sheet extrusion for the global custom engraving and award markets. Mr. Jebbett has been president of Rowmark since 1998 and has been its leader during its expansion into Europe and growth in the US into customized sheet and roll stock through its Premier Material Concepts Division and Tromark, a European JV with Trodat, the worlds' leading manufacturer of self inking stamps.



US and Plastics M&A Update & Forecast

Bill Ridenour

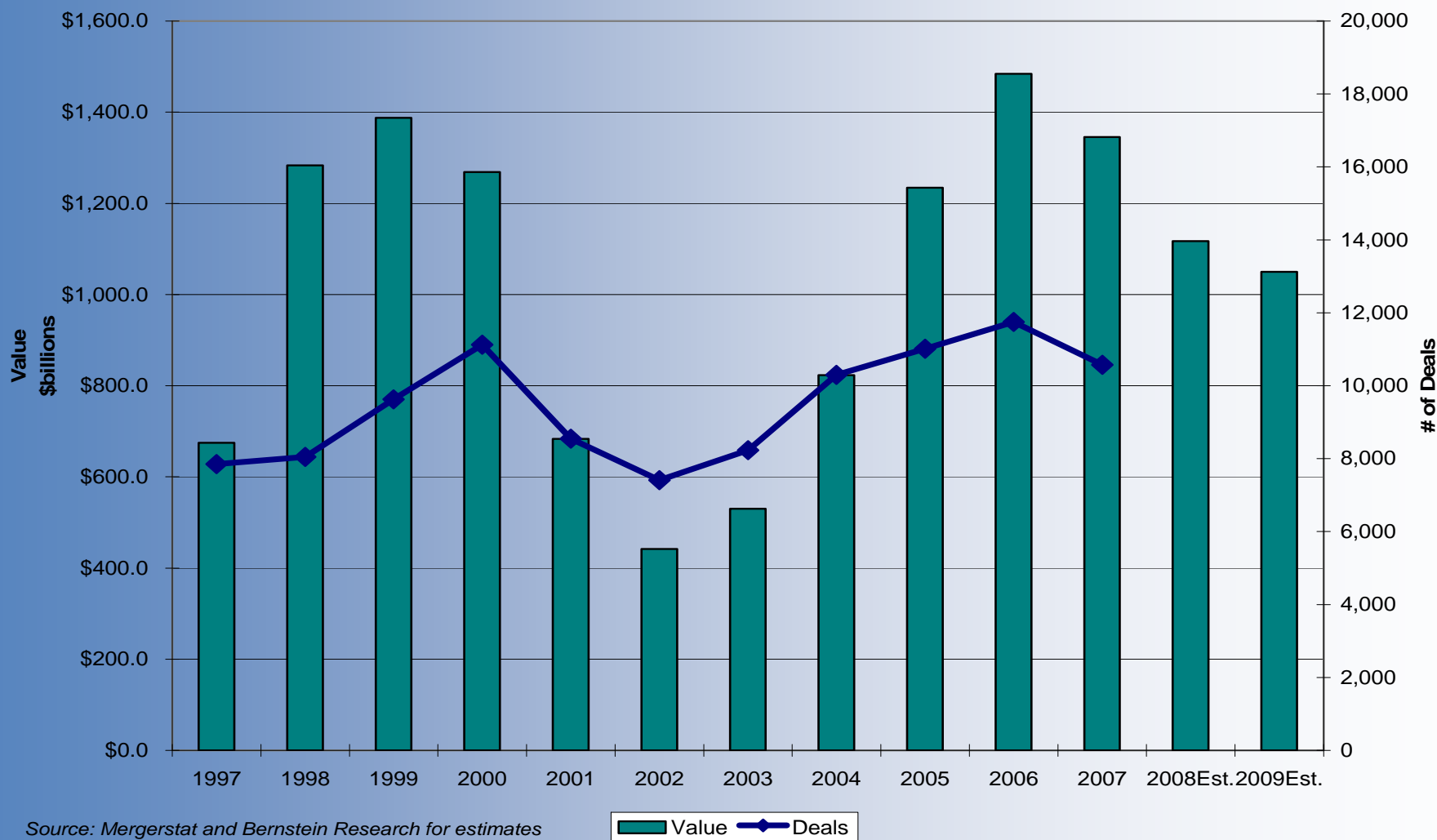




US Plastics M&A Activity & Forecast

U.S. Overall M&A Snapshot

Annual M&A Activity Through 2007 and Estimates for 2008 and 2009



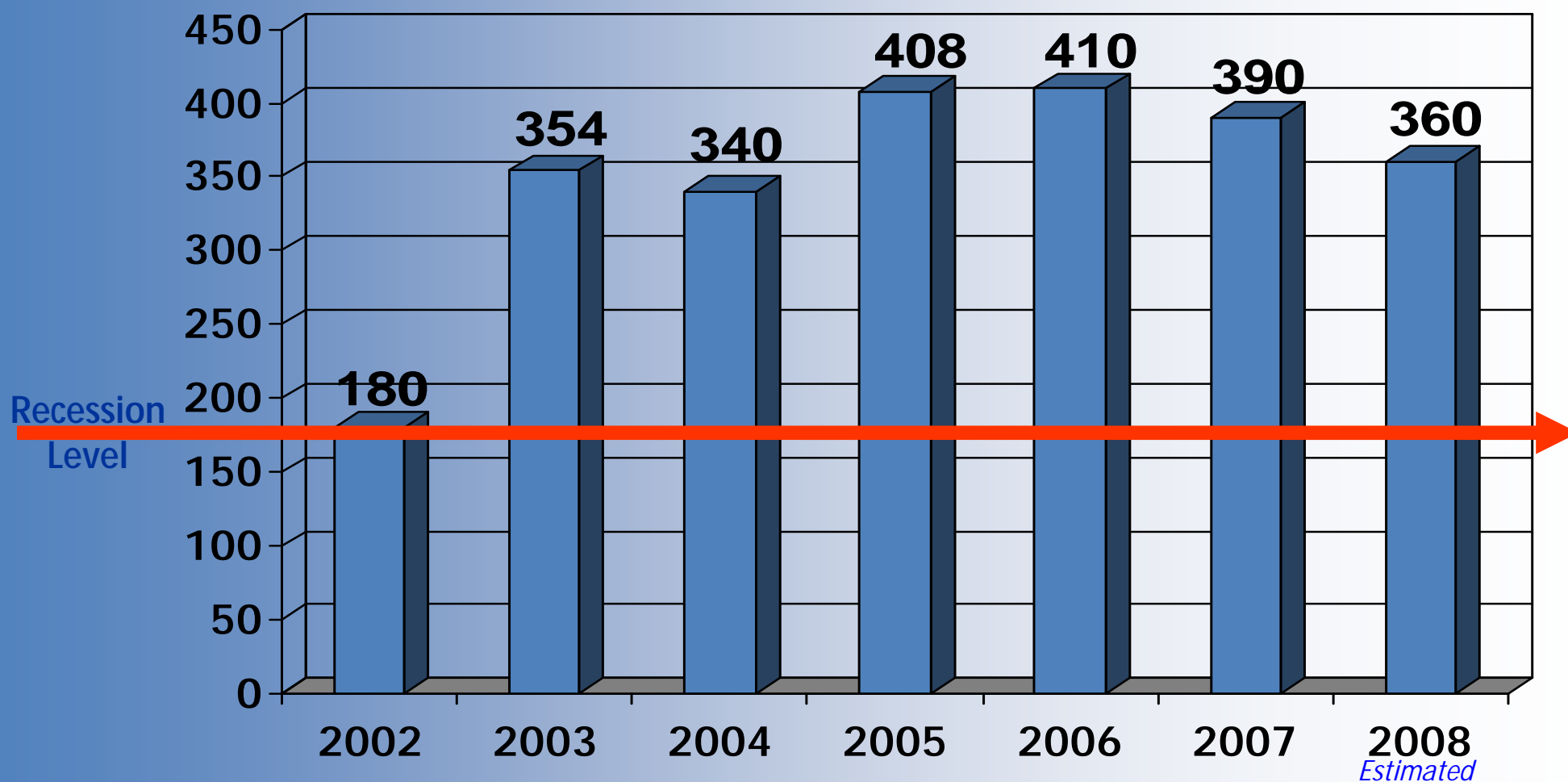


US Plastics M&A Activity & Forecast

Historical & Projected Plastics M&A's

Worldwide M&A Volume "Trails Off", but deal volumes remain strong

Volume of Worldwide Plastics M&A Transactions, 2002 – 2008

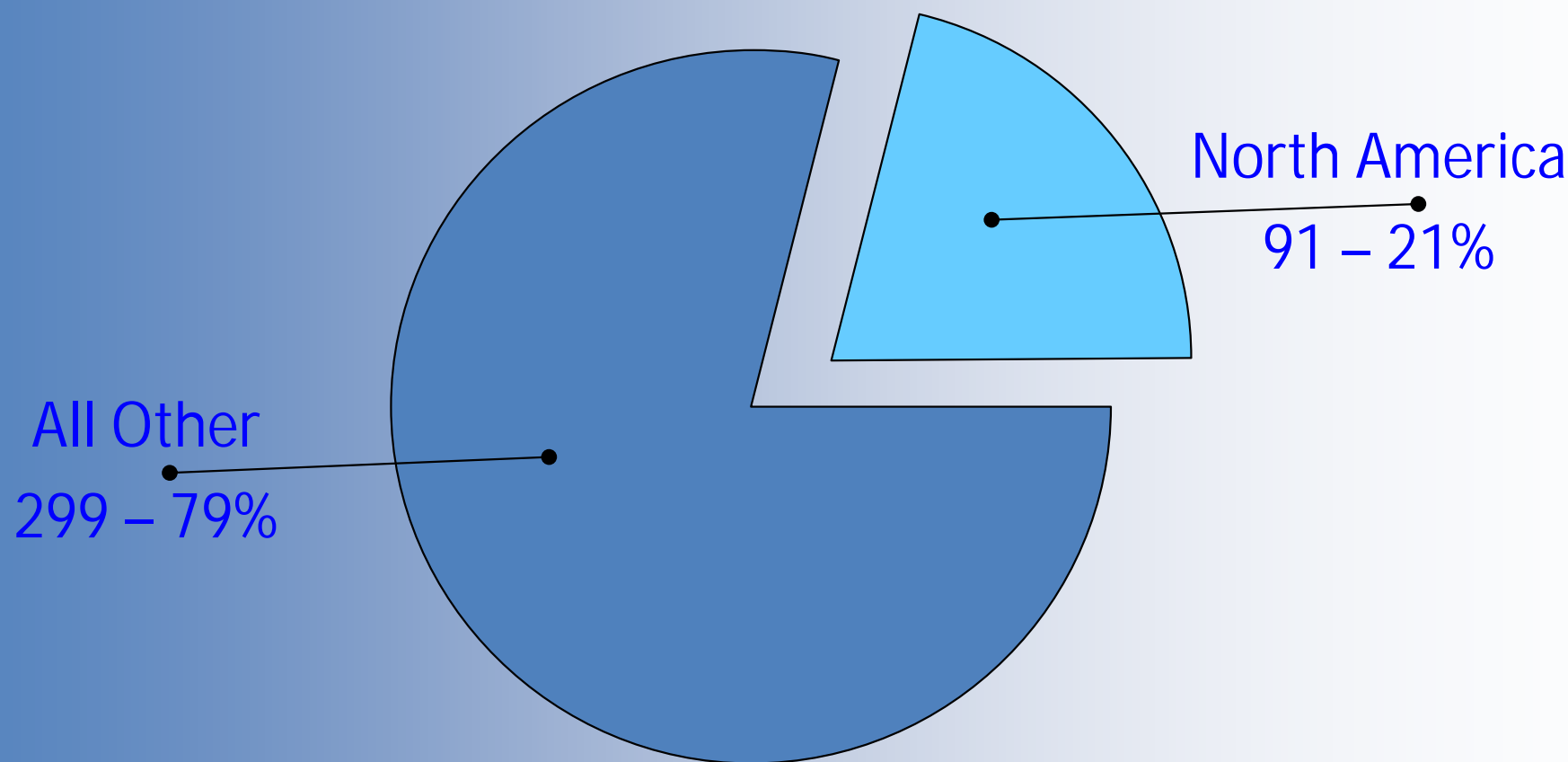




US Plastics M&A Activity & Forecast

2007 Global Plastics M&A's

In the Globalizing Plastic Industry,
North America M&A's are a small share





US Plastics M&A Activity & Forecast

Major Influences on 2008 M&A's



Positives:

- International to North America acquisitions will soar.
- US strategic buyers reenter the market
- PEG's still have abundant equity for acquisitions
- Consolidation in major sectors will continue
- Higher value added acquisitions will draw a high premium
- Mid market pricing appears to at or near mid 2007 levels



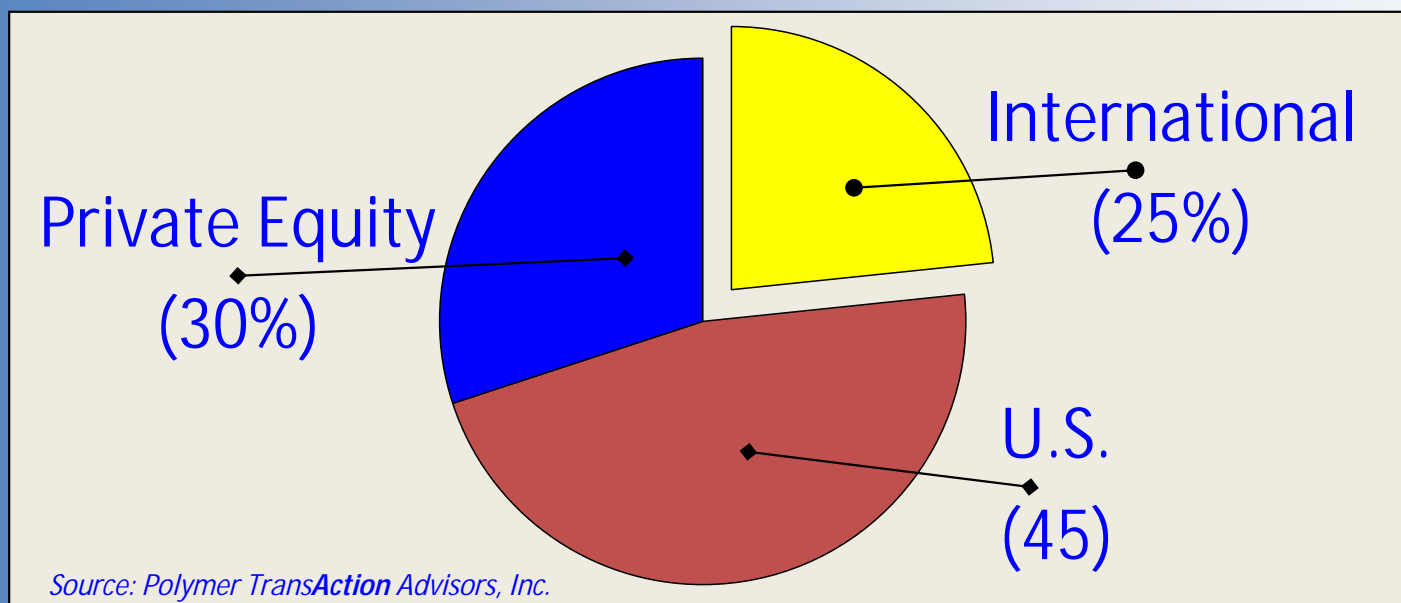
Concerns:

- A recession will slow down acquisition activity
- Terrorist attack on oil pipeline is major threat
- Continued woes of Automotive "Big Three " may make some suppliers too "sick" to buy



US Plastics M&A PTA Forecast

- M&A activity to drop up to 10% to 360 global deals.
- US M&A Prices to remain at or near 2007 levels



- Proportion of US Strategic Buyer Deals, led by International buyers will increase from 60% to 70% of total deals done..
- PEGs' will continue to be strong buyers, despite a weakened financing market.



US Plastics M&A Activity & Forecast

Likely 2008 M&A Activity by Sector

SECTOR	Consolidation	Value Add	Strategic	Private Equity	International
Injection Molding	Very Strong Activity	More Modest Activity	Very Strong Activity	Very Strong Activity	Significant Activity
Film/Sheet	Very Strong Activity	Significant Activity	Very Strong Activity	Very Strong Activity	Very Strong Activity
Pipe, Profile, Tube	Very Strong Activity	More Modest Activity	Significant Activity	Very Strong Activity	More Modest Activity
Resin, Compounds	Very Strong Activity	Very Strong Activity	Very Strong Activity	Significant Activity	Very Strong Activity
Blow Molding	Very Strong Activity	Significant Activity	Very Strong Activity	More Modest Activity	Very Strong Activity
Thermoforming	Very Strong Activity	More Modest Activity	Very Strong Activity	Very Strong Activity	Significant Activity
Other Processing, Equipment	Very Strong Activity	More Modest Activity	Very Strong Activity	Very Strong Activity	Very Strong Activity

- = Very Strong Activity
- = Significant Activity
- = More Modest Activity



US Plastics M&A Activity & Forecast

Mid Market M&A Pricing

As a Multiple of Trailing 12 months Adjusted EBITDA

	1995-1999	2000-2003	Thru 2007	EST. 2008
ANNUAL TARGET SALES				
Up to \$5 million	3.5-4x	2.5-3x	3-4x plus	3-4x
\$5-10 million	4-5x	3-4x	4-5x plus	4-5x
\$10-25 million	5-6x	3.5-5x	5-7x plus	5-6.5x plus
\$25-50 million	5.5-7x	4.5-6x	5.5-7.5x plus	5.5-7x plus
\$50-100 million	6.5-7x plus	4.5-6x	6-8x plus	5.5-7.5x plus
More Than \$100 million	7-10x plus	4-7x plus	7-10x plus	6.5-9.5x plus



Plastics M&A Activity Update

Panelist Questions and Perceptions



Panelist Questions

- Question #1

What is your company's position toward M&A's in 2008?

i.e. - aggressive?

- "wait and see"?



Panelist Questions

- Question #2

What factors influencing

2008 M&A's will affect

your own activities the most?

e.g.: -bank financing

-International Buyer involvement, etc.



Panelist Questions

- Question #3

What is your 2008 acquisition approach likely to be?

- E.g.:
- acquire value added businesses
 - seek synergies
 - consolidate
 - combination of the above?



Panelist Questions

- Question #4

Where do you see business valuations heading in 2008?



Panelist Questions

- Question #5

Do you see the
2008 M&A market as
a Buyer's market or
a Seller's market?



Audience Questions

Please provide us with
your own questions via:

- Microphone
- Note cards