



12 November 2014

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ESSENTRA PLC

A leading international supplier of speciality plastic, fibre, foam & packaging components

ACQUISITION OF CLONDALKIN SPECIALIST PACKAGING DIVISION FOR US\$455M

Essentra plc (“Essentra” or “the Company”) today announces that its subsidiary, ESNT International Limited, has signed an agreement to acquire the entire Specialist Packaging Division of Clondalkin Group (“Clondalkin SPD”). The transaction values Clondalkin SPD at approximately US\$455m, free of cash, debt, debt-equivalent items and tax assets. The Clondalkin Group is owned by an affiliate of Warburg Pincus.

The consideration, which is subject to adjustments for net debt and working capital and will be payable on completion of the transaction, will be funded in part by a placing (by way of an accelerated book-build) of up to 23,659,761 new ordinary shares, representing 9.99% of Essentra’s current issued share capital (excluding treasury shares); the balance will be funded from existing facilities. Completion is subject to customary closing conditions, including clearance from certain competition authorities, which are anticipated to be satisfied in Q1 2015.

Rationale and highlights of the transaction

Clondalkin SPD is a leading global provider of a broad suite of speciality secondary packaging solutions for the pharmaceutical and health & personal care industries, and the acquisition of Clondalkin SPD will transform Essentra’s position in these end-markets. As a leading player in North America and with strong market positions in Europe, Clondalkin SPD’s range of technologies and capabilities support the high product quality and the versatility to deliver the complex solutions required.

With 24 strategically located facilities in North America and Europe, the acquisition of Clondalkin SPD significantly enhances Essentra’s existing geographic presence in healthcare packaging and, through leveraging the combined footprint of both businesses, will allow the Company to further exploit both existing, and attractive new growth opportunities. In addition, Clondalkin SPD’s product portfolio of folding carton, product literature and labels is complementary to Essentra’s current packaging and authentication capabilities, thereby broadening the range and innovation offered to customers.



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The acquisition of Clondalkin SPD is consistent with Essentra's strategy of complementing balanced, profitable organic growth with value-adding acquisitions in its targeted end-markets. Clondalkin SPD is a highly attractive business, with a focus on the growing health and personal care industries and a comprehensive offering of high quality, innovative and mission-critical products to meet the exacting requirements of an international customer base.

For the year ended December 2013, Clondalkin SPD generated revenue of US\$428.9m, earnings before interest taxation, depreciation and amortisation ("EBITDA") of US\$55.5m and earnings before interest and taxation ("EBIT") of US\$37.2m; as at 31 December 2013, Clondalkin SPD had gross assets of US\$205.9m. For the year ending 31 December 2014, Clondalkin SPD's current estimates indicate revenue of US\$438m, EBITDA of US\$58m and EBIT of US\$41m. The acquisition also includes certain tax assets with a value of approximately US\$20m.

The transaction meets the Company's previously stated acquisition metrics, and is expected to be immediately earnings enhancing. Cost synergies arising from the transaction, and associated reconfiguration of the wider Group, are anticipated to be at least US\$16m in 2016.

Commenting on the transaction, Colin Day, Chief Executive, said:

"The acquisition of Clondalkin SPD is a compelling strategic and complementary fit for Essentra, which transforms our existing geographical capabilities to pharmaceutical and healthcare customers who are increasingly seeking a global partner for their packaging requirements. In addition, Clondalkin SPD substantially enhances Essentra's position in the growing personal care and beauty packaging industry. With an experienced management team and proven track record, this acquisition – being the largest in the Company's history - underscores Essentra's commitment to building a leading global provider of essential components and solutions in our targeted market categories."

Deutsche Bank AG, London Branch is acting as Corporate Broker and sole financial adviser to the Company in respect of the acquisition of Clondalkin SPD, and as lead manager and sole bookrunner in connection with the placing.



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Conference call:

- 1) A copy of this announcement is available on www.essentra.com
- 2) The Company will hold a conference call to discuss the acquisition of Clondalkin SPD at 08:30 (UK time) today, details of which are as follows:

Dial-in number: +44 (0)20 3428 1542 (UK / international participants)
+1 718 873 9077 (US participants)

Toll-free number: 0808 237 0040 (UK participants)
+1 866 928 7517 (US participants)

PIN code: 98549073#

Replay number: +44 (0)20 3426 2807 (UK / international participants)

Toll-free number: 0808 237 0026 (UK participants)
+1 866 535 8030 (US participants)

Replay PIN 652012#

Replay available: For 30 days

Copies of the presentation used during the conference call will be available on the Company's website at www.essentra.com

Please note that participation in the conference call and access to the recording of the call is subject to exclusions for analysts and investors located in certain restricted jurisdictions.



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Notes to Editors

Essentra plc is a FTSE 250 company and a leading international supplier of speciality plastic, fibre, foam and packaging products. Through its four principal operating divisions, Essentra focuses on the light manufacture and distribution of high volume, essential components which serve customers in a wide variety of end-markets and geographies.

Component & Protection Solutions

The Components business is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded and metal items. Operating units in 26 countries serve a very broad industrial base of customers with a rapid supply of primarily plastic products for a variety of applications in industries such as equipment manufacturing, automotive, fabrication, electronics and construction.

The Pipe Protection Technologies business specialises in the manufacture of high performance innovative products from commodity resins to engineering-grade thermoplastics and polymer



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alloys for use in a range of end-markets. Locations in four countries, combined with a wide distributor network, serve customers around the world.

Porous Technologies

A global market leading developer and manufacturer of custom fluid handling components, engineered from a portfolio of technologies that includes bonded and non-woven fibre, polyurethane foam and porous plastic. Representing leading innovations used in healthcare, consumer and industrial applications, its enabling components are found in a wide range of products from medical diagnostics tests to advanced wound care pads, inkjet printer cartridges, writing instruments, clean room wipes and air fresheners. Customers in over 56 countries are served from six manufacturing facilities with research and development centres supporting the division globally.

Packaging & Securing Solutions

A leading global provider of packaging and securing solutions to a diversified blue-chip customer base. The division focuses on delivering value adding innovation, quality and service to customers through a range of cartons, tapes, leaflets, foils and labels for the healthcare, consumer and specialist packaging, point of sale and paper & board industries. The division is also a leading supplier of authentication technologies and identity solutions. Customers in over 100 countries are served from facilities operating in ten countries.

Filter Products

The only global independent cigarette filter supplier. The nine worldwide locations, including a UK-based research facility and three regional development centres provide a flexible infrastructure strategically positioned to serve the tobacco industry. The division supplies a wide range of value adding high quality innovative filters, packaging solutions to the roll your own sector and analytical laboratory services for ingredient measurement for the industry.

Other

The Extrusion business is a leading custom profile extruder located in The Netherlands and offers a complete design and production service. One of the first companies to extrude plastics in 1956, it is now one of Europe's most advanced suppliers of co-extrusions and tri-extrusions to all branches of industry.



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Headquartered in the United Kingdom, Essentra's global network extends to 33 countries and includes c. 5,700 employees, 42 principal manufacturing facilities, 64 sales & distribution operations and 5 research & development centres; subject to the successful completion of the acquisition of Clondalkin SPD, Essentra's network will increase to 66 manufacturing sites and c. 8,100 employees. For further information, please visit www.essentra.com.

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