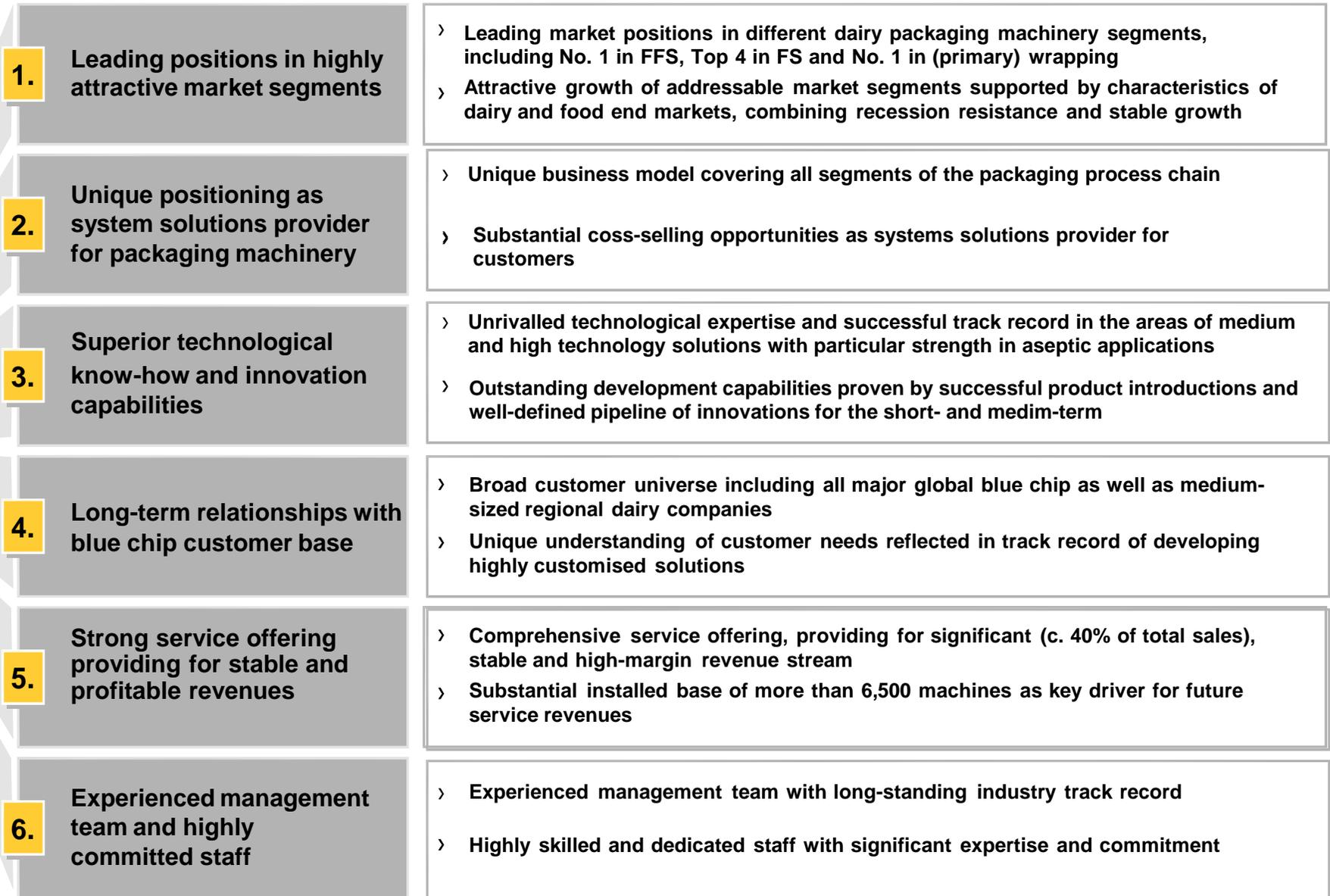
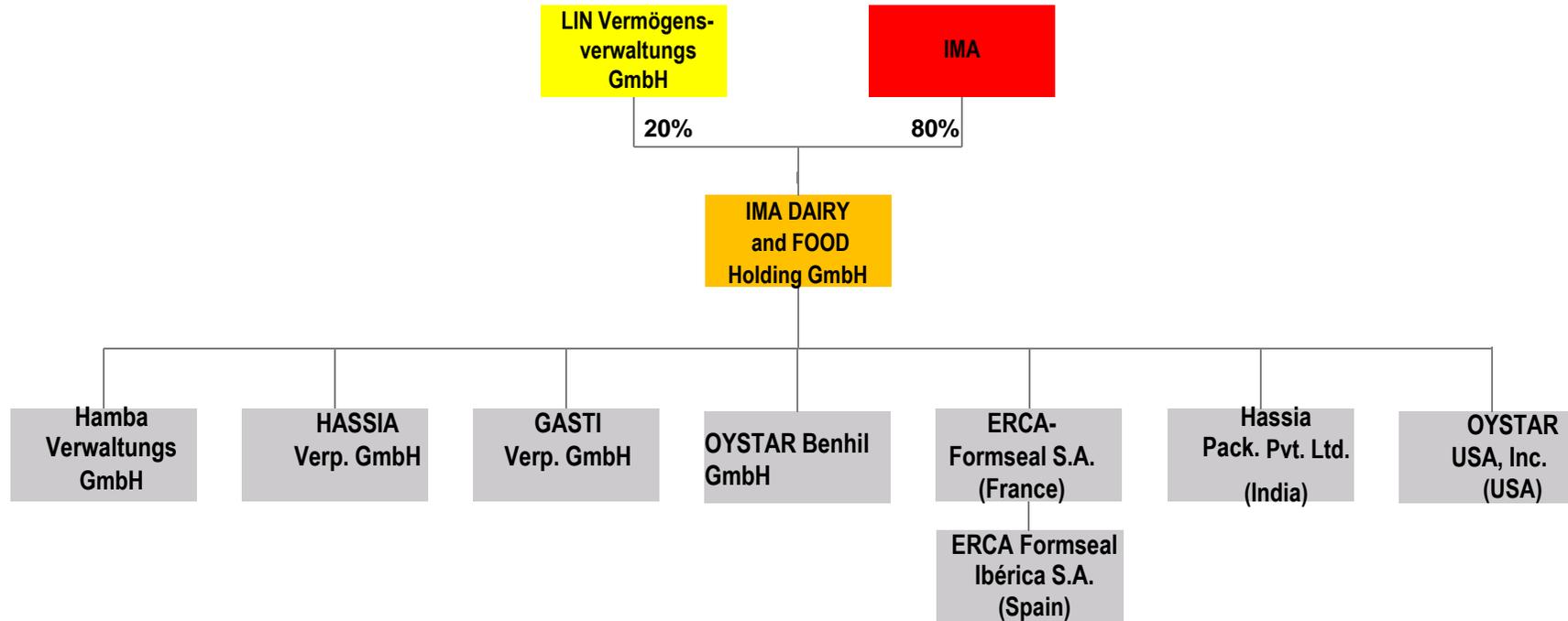


# BENHIL, ERCA, HASSIA, HAMBAA and GASTI Acquisition

*December 2014*

- IMA signed an agreement for the acquisition of **five companies BENHIL, ERCA, HASSIA , HAMBА and GASTI** leaders in the **packaging for food industry** , in particular in the **dairy segment**, with **production facilities in Germany, France, Spain and India and a sales and service center in USA**
- IMA will acquire initially **80% for an amount of approximately 65 million euros**, on cash free basis expected in the **first quarter 2015**; for the **remaining 20%** IMA signed a **put/call option** to be exercised during **2017/2018**
- Expected **turnover** for the Group is around **185 million euros** and an **EBITDA** of about **15 million euros** for **2015**; Group has approximately **850 employees**.
- With this acquisition **IMA is** enlarging product range in the food industry **positioning as one of the most important groups leaders in food packaging**



# Company Background

Company's brands cover almost all steps in the cup FFS / FS and wrapping value chain

Cup FFS / FS and wrapping value chain and current product offering

## Primary packaging

**Form, fill & seal (FFS)**

<b>(Pre-) Heating and forming station</b>	<b>Filling</b>	<b>Sealing</b>	<b>Printing / labeling (BBD)</b>	<b>Inspection / checking</b>
OYSTAR Erca OYSTAR Hassia	OYSTAR Erca OYSTAR Hassia	OYSTAR Erca OYSTAR Hassia	OYSTAR Erca OYSTAR Hassia	OYSTAR Erca OYSTAR Hassia

**Fill & seal (FS)**

<b>Cup stack feeding system</b>	<b>Cup sterilization / dedusting</b>	<b>Filling</b>	<b>Sealing</b>	<b>Printing / labeling (BBD)</b>	<b>Inspection / checking</b>
OYSTAR Hamba OYSTAR Gasti	OYSTAR Hamba OYSTAR Gasti	OYSTAR Hamba OYSTAR Gasti	OYSTAR Hamba OYSTAR Gasti	OYSTAR Hamba OYSTAR Gasti	OYSTAR Hamba OYSTAR Gasti

**Wrap**

<b>Paper cutting</b>	<b>Filling</b>	<b>Wrapping</b>		<b>Printing / labeling (BBD)</b>	<b>Inspection / checking</b>
OYSTAR Benhil	OYSTAR Benhil	OYSTAR Benhil		OYSTAR Benhil	OYSTAR Benhil

**Examples**



# Segmentation

**Dairy represents Company's most important customer industry, followed by the food industry**

Company's customer industry segments

## Dairy



### Description

- Milk-based food products

### Application examples

- Yoghurt
- Cream
- Butter
- Cheese

### Active subsidiaries

- Erca
- Hassia
- Hamba / Gasti
- Benhil

## Food



- Food products (non milk-based)

- Cereals
- Sauces
- Fruit salads
- Jellies and jams
- Confectionary / snacks
- Convenience food
- Margarine / spreads
- Soup paste

- Hassia
- Hassia India
- Hamba / Gasti
- Benhil

## Other (Beverage, Non-Food)



- Beverages (alcoholic and non-alcoholic), etc.

- Milk
- Juices
- Water
- Coffee

- Hassia
- Hamba / Gasti

# Segmentation

For Company, cup FFS represents the most important technology, followed by cup FS and wrap

Company's technology segments

## Cup FFS



## Cup FS



## Wrap



### Description

- Forming, filling and sealing of cups

- Filling and sealing of cups

- Wrapping of butter, cheese and soup cubes

### Application examples

- Yoghurt
- Cream
- Spreads
- Jellies and jams
- Juices and water
- Margarine
- Sauces
- Fruit salads

- All types of yoghurts (natural and fruit yoghurts, stirred or set products)
- Curd
- Aerated products and desserts
- Ready-to-drink (RTD) products and liquids

- Butter
- Margarine
- Edible fats
- Yeast
- Soup paste
- Fruit paste
- Fresh cheese
- Other pasty products

### Active subsidiaries

- Erca
- Hassia

- Hamba / Gasti
- [Benhil]

- Benhil

## Production sites

### Falaise Erca



- > 5,100 m<sup>2</sup> / 59 employees
- > Assembly of FFS machines

### Paris (Les Ulis) Erca



- > 4,000 m<sup>2</sup> / 104 employees
- > Service, assembly of FFS machines and modifications

### Barcelona Erca



- > 2,700 m<sup>2</sup> / 43 employees
- > Assembly of FFS machines

### Pune (India) OYSTAR India



- > 3,753 m<sup>2</sup> / 110 employees
- > Low cost assembly of standard FFS and FS machines

### Neuss Benhil



- > 5,500 m<sup>2</sup> / 146 empl
- > Assembly of wrapping machinery

### Ranstadt Hassia



- > 25,129 m<sup>2</sup> / 177 employees
- > Assembly of FFS machines for cups and stickpacks (also aseptic; special: steam aseptic)

### Schwäbisch Hall Hamba/Gasti

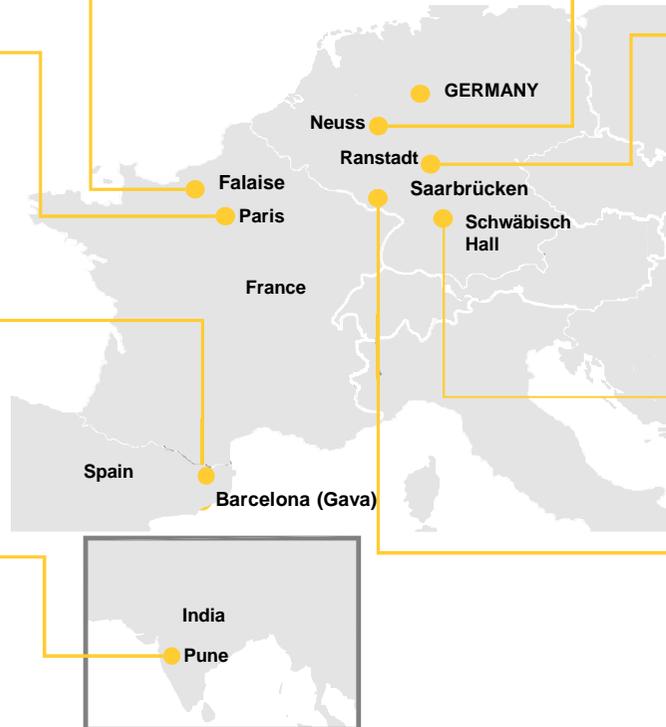


- > 6,340 m<sup>2</sup> / 67 employees
- > Assembly of aseptic ultraclean filling and closing machines

### Saarbrücken Hamba / Gasti



- > 3,600 m<sup>2</sup> / 71 employees
- > Assembly of aseptic and ultraclean filling and closing machines



## Comments

- > Company's manufacturing footprint mainly focuses on Europe.
- > The Group has eight assembly sites in total (four located in Germany, two in France and one in Spain).
- > An additional assembly facility is located in India and acts as a low-cost manufacturing base to serve local markets as well as the mid/lower-end market segments internationally.
- > Personnel at the assembly sites includes design and development staff as well as sales representatives, service technicians and employees working in administration.
- > With more than 50,000 m<sup>2</sup> of production space, Company covers the entire manufacturing process chain for dairy packaging machinery.
- > Resources can be shared between the individual production sites allowing for peaks to be smoothed by shifting orders between the respective locations (e.g. between Erca and Hassia).



With eight production sites worldwide, Company benefits from one of the broadest manufacturing footprints in the market

## Market environment

**The total packaging machinery market value is EUR 21.3 bn, the relevant market value for Company is EUR 1.9 bn**

### Market environment (1/2)

- The global packaging machinery market is driven by a combination of drivers / trends. Consumption-related **drivers are in favor of cup FFS / FS**, marketing- and efficiency related drivers have a positive impact on both cup FFS / FS and secondary / final packaging
- The **total new equipment market** value is estimated at **EUR 21 bn** roughly, **growing at 4.8% p.a.** Thereof, the most important market segment is primary packaging, accounting for EUR 12.0 bn of market value. This segment consists of 17+ different technologies, of which Company focuses on three (cup FFS, cup FS, wrapping)
- **The relevant** market for Company after deduction of irrelevant segments, technologies and applications is estimated at **EUR 1.9 bn**, thereof EUR 0.6 bn relating to primary packaging and EUR 1.3 bn to secondary / final packaging (**annual growth rate of 5.0%**).
- The submarkets for the relevant technologies can be described as follows:
  - The market for cup FFS machinery is valued at EUR 165 m (growing at 4.8% p.a.). Dairy is by far the most important application group. Company addresses the total technology market
  - The market for cup FS machinery is valued at EUR 309 m (growing at 6.0% p.a.). The most important application groups are dairy and food. Company addresses the total technology market

## Market environment

**The relevant market as well as the underlying end-customer markets are expected to continue to grow**

### Market environment (2/2)

...

- The market for primary packaging wrapping machinery is valued at EUR 124 m (growing at 4.2% p.a.)  
Thereof, Company currently addresses EUR 40 m in butter / margarine applications. An additional EUR 20 m in (soft / cream) cheese are addressable

- **The key end-customer markets** underlying the cup FFS / FS machinery market **are expected to continue to grow** at between 3.5% to 10.0% annually. The key markets underlying the primary wrapping machinery market are expected to grow comparably slower
- The market for **services** is mainly driven by new equipment sales as well as by the active installed base – Company with large active installed base of thousands machines, which continues to grow
- From a customer perspective, integrated lines have significant advantages. The ongoing **trend towards integrated solutions is in favor of Company**
- Company is generally well positioned. **Opportunities exist with regard to machines in the mid-end technology level and penetration of Asian markets**

### Key competitors per technology

#### 1 Cup FFS

- Arcil
- Bosch PT
- H+E Packtec (Finnah)
- Zhongya
- Sacmi (BencoPack)
- Bisignano
- Illig
- Guangdong Yuedong
- BetaPak

#### 2 Cup FS

- Bosch PT (Ampack Ammann)
- WinPak
- Coesia (R.A. Jones)
- Waldner
- Shikoku
- Grunwald
- Trepko
- Osgood Industries
- Modern Packaging
- Bisignano
- Zhongya
- Hugart

#### 3 Wrapping

- Trepko
- Corazza
- Fasa
- Vezzadini
- Bisignano

#### 5 Services <sup>1)</sup>

- Bittner
- Mendell
- CSF Packaging
- Vimas

1) Including technical services, used machinery