

Seale & Associates

Creative Solutions. Trusted Advice.

**PAPER
INDUSTRY**

**Q3
2020**

**VALUATION
UPDATE**

INTRODUCTION

We are pleased to share our Paper Industry Valuation Update for Q3 2020.

We at Seale & Associates are committed to provide process-driven solutions designed to optimize value and achieve our clients' strategic objectives on a range of transactions including Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures, among other corporate finance and strategy consulting services.

Over the course of 20 years we have been successfully serving clients all over the world, and we are delighted to provide investment banking advisory services to our Paper clients that are looking to grow through acquisitions or optimize their portfolio through strategic divestitures.

Seale has extensive experience advising companies that engage in the production and distribution of paper, and those that engage in printed media, such as newspapers and magazines. Additionally, Seale has advised leading multinationals, private equity firms and family owned businesses across a wide range of industries.

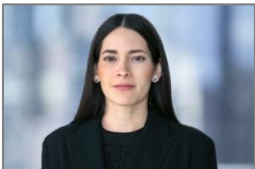
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COMPARABLE PUBLIC COMPANIES- GLOBAL

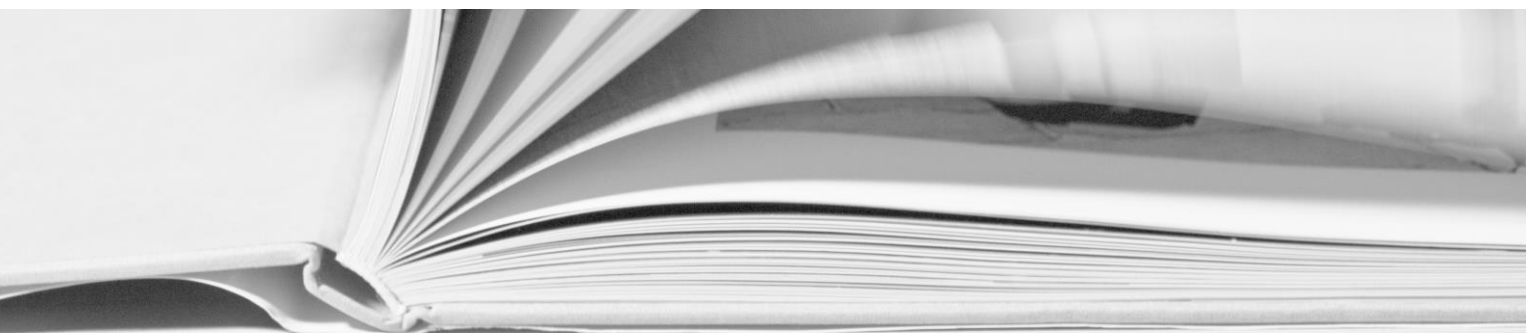
Company	Country	Market Cap. US\$MM	Enterprise Value US\$MM	Revenue US\$MM	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2020		
						2018	2019	EV/ EBITDA	EV/ Revenue	
 Clearwater Paper Corporation	USA	\$629	\$1,485	\$1,839	10.5%	6.7x	7.0x	7.0x	0.8x	
 Domtar Corporation	USA	\$1,450	\$2,518	\$4,817	7.9%	6.5x	4.6x	6.2x	0.5x	
 Empresas CMPC S.A.	CHL	\$5,243	\$8,805	\$5,367	11.1%	14.9x	8.1x	13.5x	1.6x	
 Iberpapel Gestión, S.A.	ESP	\$222	\$145	\$207	13.4%	7.9x	5.5x	5.0x	0.7x	
 Irani Papel e Embalagem S.A.	BRA	\$215	\$340	\$173	24.7%	7.6x	6.5x	8.0x	2.0x	
 Metsä Board Oyj	FIN	\$2,942	\$3,304	\$2,159	12.9%	10.5x	7.1x	10.8x	1.5x	
 Miquel y Costas & Miquel, S.A.	ESP	\$430	\$454	\$298	27.1%	10.5x	7.8x	5.3x	1.5x	
 Mondi plc	GBR	\$10,275	\$13,123	\$7,820	20.5%	8.9x	6.9x	7.7x	1.6x	
 Neenah, Inc.	USA	\$630	\$1,007	\$840	13.1%	11.9x	11.1x	8.7x	1.2x	
 Glatfelter Corporation	USA	\$611	\$898	\$911	13.0%	9.9x	10.4x	7.3x	1.0x	
 Semapa	PRT	\$716	\$2,742	\$2,315	17.6%	7.1x	5.9x	6.2x	1.1x	
 Smurfit Kappa Group Plc	IRL	\$9,328	\$13,177	\$9,711	15.6%	8.4x	6.4x	7.8x	1.3x	
 Stora Enso Oyj	FIN	\$12,484	\$16,483	\$10,346	13.6%	8.8x	6.7x	9.5x	1.5x	
 The Navigator Company, S.A.	PRT	\$1,774	\$2,665	\$1,724	19.0%	9.8x	7.7x	7.6x	1.5x	
 UPM-Kymmene Oyj	FIN	\$16,277	\$17,017	\$10,470	15.4%	9.7x	7.8x	9.6x	1.6x	
						Media	9.3x	7.3x	8.0x	1.3x
						Mediana	8.9x	7.0x	7.7x	1.5x



PAPER - Q3 GLOBAL TRANSACTIONS

Date	Target	Country	Description	Seller	Buyer	Additional Notes
Sep-20	Papelera del Principado, S.A.	ESP	Manufactures recycled white lined chipboards (WLC)	-		-
Sep-20	Assets of Hampden Papers, Inc.	USA	Comprises fine converted coated papers and paperboards, and laminated films and foils manufacturing business			-
Sep-20	Ahlstrom-Munksjö Oyj	FIN	Manufactures and sells fiber-based materials, and supplies sustainable solutions worldwide			Acquired for US\$3.8 billion. EV/EBITDA: 10.2. EV/Revenue: 1.1x
Sep-20	Guangxi Qiaowang Pulp Packing Products Co., Ltd.	CHN	Manufactures paper and molded paper vessel	-	Nanning Yun Ou Logistics Co., Ltd.	Acquired a 20.7% stake for US\$2.2 million. EV/EBITDA: 3.5x. EV/Revenue: 0.6x
Sep-20	Foshan Huaxin Packaging Co., Ltd.	CHN	Researches, develops, produces, and sells coated ivory boards, chemicals for paper making, and color printing products		Guangdong Guanhao High-Tech Co., Ltd.	-
Aug-20	Shinomura Kagaku Kogyo Co., Ltd	JPN	Manufactures paper and cloth products			Acquired a 51.0% stake
Aug-20	Technical Papers division of Cordier Spezialpapier GmbH	DEU	Comprises a paper manufacturing business			-
Aug-20	Electrical insulation paper business of Mitsubishi Paper Mills Limited	JPN	Manufactures paper products			-
Aug-20	Mohawk Digital Synthetics Product Line of Mohawk Fine Papers, Inc.	USA	Comprises paper products for digital presses			-
Jul-20	Two Paper Bag Production Lines of Helwan Cement Company and InterCement Sacs	EGY	Comprises manufacturing operations of industrial paper bags			-
Jul-20	PAPRESA S.A.	ESP	Manufactures newsprint from recycled paper			-
Jul-20	Paper factory in Nova Campina of Klabin S.A.	BRA	Comprises a paper manufacturing factory			-
Jul-20	Sappi Limited	BRA	Manufactures and sells dissolving wood pulp, specialties and packaging papers, and printing and writing papers		ND	Acquired for US\$36.4 million
Jul-20	Versailles Book Manufacturing Plant of Quad/Graphics, Inc.	BRA	Comprises a book manufacturing plant			-

ND: Not Disclosed



REPRESENTATIVE GLOBAL ENGAGEMENTS

Honeywell
has sold
TENSOR
to

GE Power Systems


has acquired



has acquired



has acquired



has sold
 **JAMES BURN INTERNATIONAL**
to

and
JBH Holding SAS




has been acquired by



has partnered with

a subsidiary of
FEMSA


has acquired



has acquired







acquired
The Zinc Recycling Business
of



has been acquired by
FEMSA

Grupo Educativo IEJV
UNIVERSIDAD JOSÉ VASCONCELOS

has been acquired by
NACER GLOBAL


a subsidiary of

has sold
HTPG
to
 and 


has been recapitalized by


tyco
has sold the North American guarding business of

to
GARDA


Engineers & Constructors
has acquired



has been acquired by



has been acquired by



has been acquired by
COLFAX


has sold Cosmoceel Química to

a business unit of
ICL

intelectiva
has acquired

KFC Costa Rica
from
QSR


has carved out and sold its concrete pumping assets in Mexico to



has acquired
  
dealers of



Holding company of
sanfer
acquired a majority stake in



has been acquired by



Grupo Galaz, S.A de C.V.
has been acquired by



has acquired
workshop and store in Mexico City from





has been acquired by



merged its beverage division with

FEMSA


has sold its sanitaryware business
ST. THOMAS CREATIONS
and

to


Seale & Associates

Creative Solutions. Trusted Advice.

Since 1999, Seale & Associates has been the trusted advisor to respected public and private companies from around the world. Seale is a global investment bank with extensive experience in mergers and acquisitions (M&A), corporate finance advisory, and enterprise level strategy consulting with a track record of success in a diverse range of industries. Our experienced team of professionals are committed to serving clients with excellence and integrity, while offering innovative ideas and solutions to address complex transactions.

ADVISOR TO LEADING COMPANIES WORLDWIDE

FEMSA

GIS

CEMEX

ARCA CONTINENTAL

Honeywell

LOCKHEED MARTIN

FOQUE
GRUPO FOMENTO GUERETANO

GRACE

United Technologies
Climate | Controls | Security

GE

AMERICAN
STANDARD
COMPANIES

Celanese

Standex

Shell

Hertz

Rheem

ITT

CHEN

tyco

ARFICO

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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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