



## Constantia Flexibles sells Labels division to Multi-Color

Vienna, July 17, 2017

**Constantia Flexibles has signed an agreement to sell its Labels division to Multi-Color Corporation (“Multi-Color”) for an enterprise value of approximately €1.15 billion (\$1.3 billion). The transaction is expected to be completed in the fourth quarter of 2017, subject to regulatory approvals.**

The majority of the transaction is payable in cash, while Constantia Flexibles will also receive Multi-Color stock. On completion of the transaction, Constantia Flexibles will hold 16.6% of Multi-Color’s outstanding shares, thereby becoming its largest shareholder. Two representatives of Constantia Flexibles will join Multi-Color’s Board of Directors.

Constantia Labels is a global supplier of labels to the beverage, food and home as well as personal care industries (HPC), with long-standing customer relationships with leading brands. It has 23 plants in 14 countries and has roughly 2,800 employees. The Labels division achieved sales of 605 million euro in 2016.

Established in 1916, Cincinnati, Ohio-based Multi-Color is one of the largest label companies in the world serving some of the most prominent brands in the following market segments: Healthcare, HPC, Food & Beverage, Specialty (Automotive & Consumer Durables), and Wine & Spirits. With approximately 5,500 employees, it operates 45 manufacturing facilities worldwide. Multi-Color achieved sales of \$923 million in fiscal year 2017.

This value-creating transaction will bring together Constantia Labels’ leading food and beverage business with Multi-Color’s strong wine and spirits and home & personal care platforms. It will also widen the joint Group’s geographical footprint and create long-term synergies that will benefit all parties involved. Mike Henry, current EVP Constantia Labels, will become CEO-elect of Multi-Color, and will work closely with the current CEO Vadis Rodato, who will retire in early 2018 after a transition period. Nigel Vinecombe will remain in his current role as Executive Chairman of Multi-Color. After completion of the transaction, Multi-Color will generate pro forma sales of roughly \$1.6 billion and EBITDA of \$300 million.

Alexander Baumgartner, CEO of Constantia Flexibles: “Following a detailed strategy review, we decided that our top-performing Labels division would be better suited with

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# Press Release



another partner, which will support its ongoing growth story. At the same time, Constantia Flexibles will participate in the future success story of Multi-Color through its shareholding. Constantia Flexibles will use proceeds from the transaction to deleverage its balance sheet and enable further acquisitions in the dynamic and consolidating flexible packaging industry. We will also focus on innovative products and services, as well as new technologies to strengthen our existing Food and Pharma divisions.”

Nigel Vinecombe, Executive Chairman of Multi-Color: “The acquisition of Constantia Labels marks a major milestone in the evolution of Multi-Color. We are bringing together complementary talents in markets and geographies, diversifying our business and creating a global leader with a transaction that is financially attractive, which will better help us serve our customers. I welcome Mike Henry to the executive team and representatives from Constantia Flexibles to the Board of Directors of Multi-Color.”

Goldman Sachs acted as financial advisor and Willkie Farr & Gallagher LLP as legal advisor to Constantia Flexibles for the transaction.

**Photo:** Logo Multi-Color

**Constantia Flexibles** is the world's fourth largest producer of flexible packaging and labels. Based on the guiding principle of 'People, Passion, Packaging', some 10,000 employees manufacture tailor-made packaging solutions at 55 sites in 24 countries. Many international companies and local market leaders from the food, pharma and labels industries choose the sustainable and innovative products of Constantia Flexibles. [www.cflex.com](http://www.cflex.com)

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