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Disclosure Appendix

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Rating System:

Overweight (OW) – We expect the stock to outperform the analyst's coverage sector over the coming 6-12 months.

Sector Weight (SW) – We expect the stock to perform in line with the analyst's coverage sector over the coming 6-12 months.

Underweight (UW) – We expect the stock to underperform the analyst's coverage sector over the coming 6-12 months.

Note: KeyBanc Capital Markets changed its rating system after market close on February 27, 2015. The previous ratings were Buy, Hold and Underweight. Additionally, Pacific Crest Securities changed its rating system to match KeyBanc Capital Markets' rating system after market close on April 10, 2015, in conjunction with the merger of the broker dealers. The previous ratings were Outperform, Sector Perform and Underperform.

What Does the Job of a Research Analyst Entail?

The main function of a sell-side research analyst is to write and publish research reports on companies within a select coverage universe. The purpose of these reports is to provide clients with the analyst's opinion of which stocks offer the best and worst investment opportunities.



Coverage Universe – 16 Sector Weight

Packaging & Labels

Company	Ticker	Rating	Stock price (5/31/16)	P/E		KBCM Estimates				Average NTM Multiples					
				2016E	2017E	EV/EBITDA		FCF Yield		P/E		EV/EBITDA		FCF Yield	
						2016E	2017E	2016E	2017E	3-yr.	10-yr.	3-yr.	10-yr.	3-yr.	10-yr.
AptarGroup, Inc.	ATR	SW	\$77.03	23.8x	22.4x	10.8x	10.5x	3.3%	3.6%	21.7x	19.1x	9.9x	8.7x	3.5%	4.7%
Avery Dennison Corp.	AVY	SW	\$74.01	19.5x	18.5x	10.2x	10.2x	5.0%	5.2%	16.4x	14.6x	8.6x	8.1x	6.2%	8.0%
Ball Corp.	BLL	SW	\$71.97	20.1x		13.2x		5.4%		16.8x	13.9x	10.4x	8.5x	5.6%	8.2%
Bemis Co., Inc.	BMS	SW	\$50.19	18.1x	17.2x	10.1x	9.9x	5.7%	5.7%	16.8x	15.4x	9.1x	7.7x	5.6%	5.6%
CCL Industries, Inc.	CCL.B	SW	C\$232.81	24.1x	22.8x	12.8x	12.3x	4.4%	4.6%	19.0x	15.3x	9.5x	8.2x	5.0%	5.8%
Crown Holdings, Inc.	CCK	SW	\$52.15	13.4x	13.2x	9.6x	9.5x	5.1%	6.1%	13.2x	13.1x	9.2x	8.1x	8.9%	9.8%
Greif, Inc.	GEF	SW	\$36.10	16.4x	16.6x	7.6x	7.7x	6.9%	6.9%	16.0x	14.4x	7.1x	7.0x	8.1%	9.2%
Multi-Color Corp.	LABL	SW	\$62.54	19.0x	18.4x	10.4x	9.9x	5.4%	5.9%	16.3x	14.8x	8.7x	7.8x	7.0%	7.2%
Myers Industries, Inc.	MYE	SW	\$14.46	25.7x	25.7x	8.7x	8.7x	7.0%	6.7%	18.6x	15.8x	8.5x	7.6x	6.6%	6.5%
Owens-Illinois, Inc.	OI	SW	\$19.00	8.3x	8.3x	6.8x	6.8x	9.2%	8.0%	9.6x	10.3x	6.6x	6.2x	6.7%	6.8%
Sealed Air Corp.	SEE	SW	\$46.45	16.7x	15.6x	11.1x	10.9x	6.2%	6.9%	20.2x	15.7x	10.8x	8.6x	6.4%	7.9%
Silgan Holdings, Inc.	SLGN	SW	\$51.01	17.8x	17.0x	9.5x	9.5x	5.6%	5.8%	16.1x	14.7x	9.3x	7.8x	6.0%	4.9%
Sonoco Products Co.	SON	SW	\$47.58	17.9x	17.4x	9.0x	9.0x	5.8%	6.2%	16.2x	14.4x	8.2x	7.3x	6.1%	7.1%
Group avg.				18.5x	17.7x	10.0x	9.6x	5.8%	6.0%	16.7x	14.7x	8.9x	7.8x	6.3%	7.0%

*Note: GEF reports on an October fiscal year end; 2016 and 2017 figures are based on FY16 and FY17 estimates

*Note: LABL reports on March fiscal year end; 2016 and 2017 figures are based on FY16 and FY17 estimates

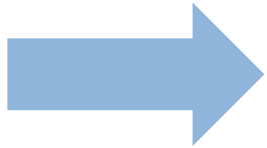
*Note: CCL figures in Canadian \$s

Paper

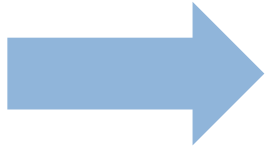
Company	Ticker	Rating	Stock price (5/31/16)	P/E		KBCM Estimates				Average NTM Multiples					
				2016E	2017E	EV/EBITDA		FCF Yield		P/E		EV/EBITDA		FCF Yield	
						2016E	2017E	2016E	2017E	3-yr.	10-yr.	3-yr.	10-yr.	3-yr.	10-yr.
International Paper Co.	IP	SW	\$41.95	12.6x	12.6x	7.1x	7.2x	9.7%	8.6%	12.2x	15.9x	6.7x	6.3x	8.8%	10.9%
KapStone Paper & Packag	KS	SW	\$15.25	14.8x	15.8x	7.9x	8.1x	8.7%	8.1%	12.4x	10.1x	7.5x	5.6x	8.8%	11.7%
WestRock Co.	WRK	SW	\$39.53	15.2x	15.6x	6.5x	6.8x	9.3%	8.8%	nm	nm	nm	nm	nm	nm
Group avg.				14.2x	14.7x	7.2x	7.4x	9.3%	8.5%	12.3x	13.0x	7.1x	5.9x	8.8%	11.3%

*Note: WRK reports on a September fiscal year end; 2016 figures based on FY16 estimates, which include seven months of Specialty Chemicals

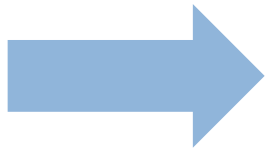
North American Containerboard Investment Points



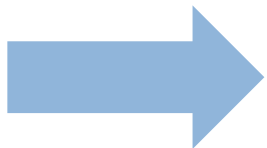
Recent industry consolidation has had a meaningful beneficial impact on prices and margins



Containerboard supply increasing as high margins have encouraged capacity additions



Capacity additions have outpaced demand growth, as a result of which inventory levels are considerably above averages and recycled, medium, and export prices have come under significant pressure



Producers' margins have held up well over the past two years despite the aforementioned price erosion on account of substantial input cost declines, but input costs have likely bottomed

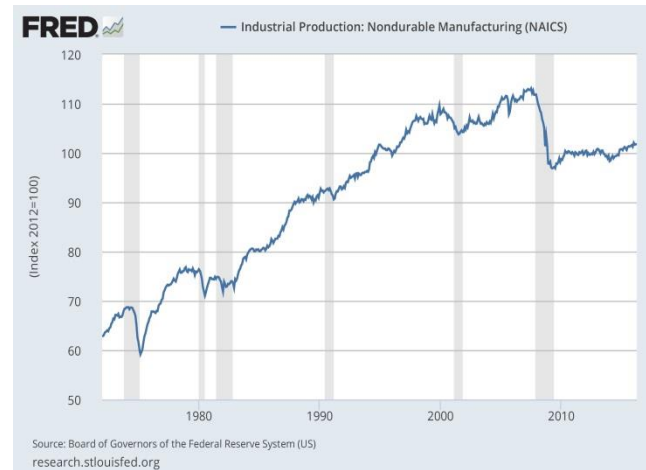
U.S. Box Market Is Mainly Non-Durable; Non-Durable Demand Tepid Since Recession

U.S. Box Market Breakdown

Market Segment	IP Mix	Industry Mix
Food & Beverage	57%	50%
Processed Food		
Protein		
Produce		
Beverage		
Other Non-Durable Goods	22%	30%
Paper Products		
Chemicals & Pharma		
Other Non-Durables		
Durable Goods & Distribution	21%	20%
Building Materials		
Other Durables		
Shipping & Distribution		



Non-Durable Industrial Production

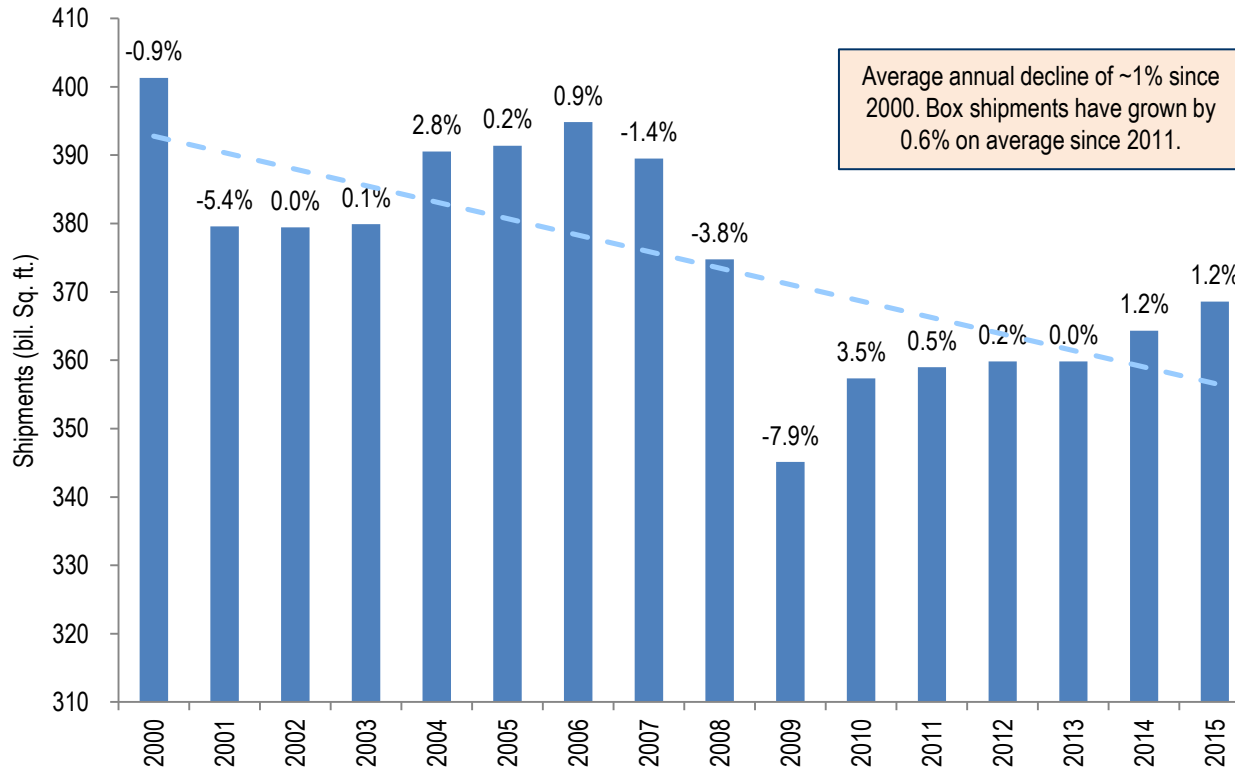


U.S. Packaged Food – Organic Volume

Company	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16
Campbell Soup (vol/mix)	2.0%	(2.0%)	6.0%	1.0%	(3.0%)	(1.0%)	(2.0%)	(2.0%)	(2.0%)
ConAgra (Consumer)	(3.0%)	(7.0%)	0.0%	(1.0%)	0.0%	(2.0%)	0.0%	(3.0%)	(4.0%)
Frito-Lay NA	3.0%	2.0%	2.0%	2.0%	3.0%	0.0%	0.5%	1.0%	1.0%
General Mills (U.S. Retail)	(1.0%)	1.0%	(2.0%)	(3.0%)	(3.0%)	(4.0%)	1.0%	(3.0%)	(2.0%)
Hormel (Grocery Products)	1.0%	(3.0%)	(5.0%)	(5.0%)	(4.0%)	0.0%	(2.0%)	(5.0%)	(1.0%)
J.M. Smucker (U.S. Retail Consumer Foods, vol/mix)	3.0%	0.0%	0.0%	1.0%	(6.0%)	3.0%	1.0%	(3.0%)	
Kellogg (North America)	(2.9%)	(4.0%)	(2.3%)	(3.5%)	(2.3%)	(0.9%)	(2.4%)	(1.3%)	(1.1%)
Post Holdings (Consumer Brands)	1.0%	(0.8%)	1.0%	(5.0%)	1.3%	(2.4%)	2.5%	0.0%	(1.9%)
TreeHouse (NA Retail Grocery, vol/mix)	5.9%	6.0%	4.7%	2.6%	(2.6%)	(5.3%)	(6.5%)	(1.0%)	0.0%
Tyson (Prepared Foods)								(7.7%)	(0.3%)
Average	1.0%	(0.9%)	0.5%	(1.2%)	(1.8%)	(1.4%)	(0.9%)	(2.5%)	(1.3%)

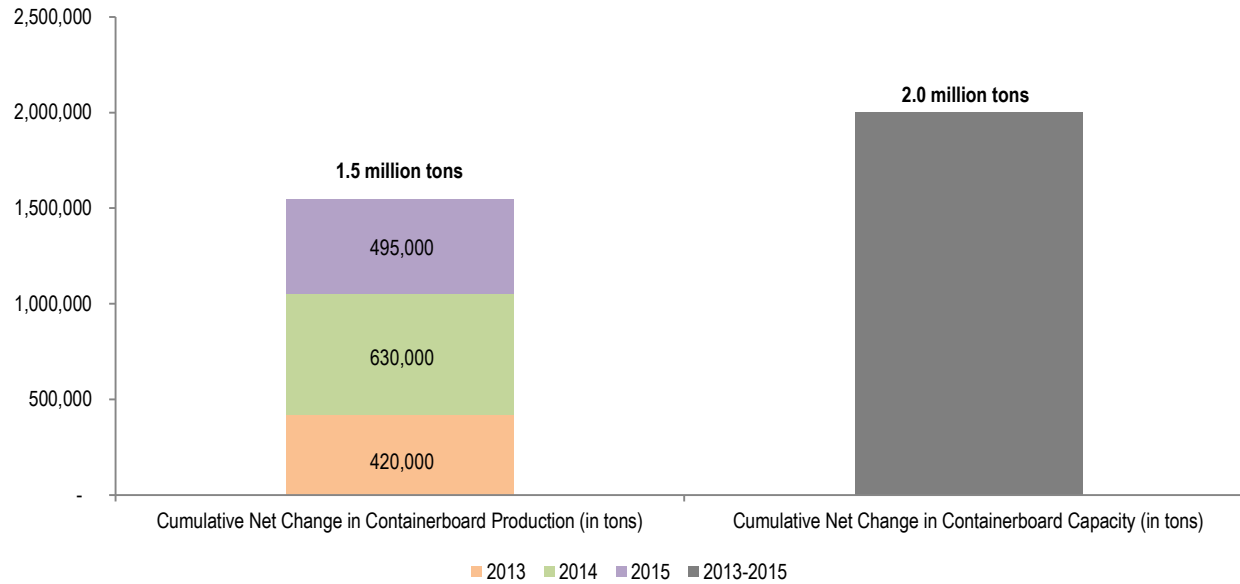
Box Demand Has Been Flattish for Years, and Is Down from 2006/2007 Levels

U.S. Actual Box Shipments



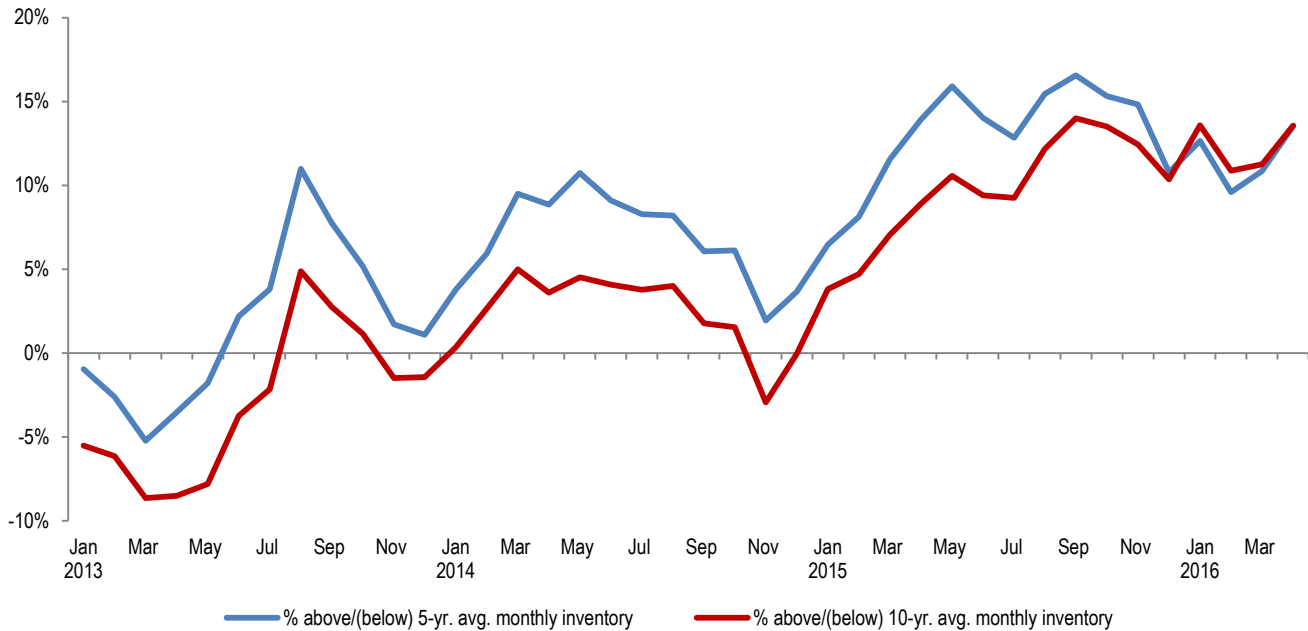
Supply Growth Has Outpaced Production/Demand Growth over Past 3 Years

Estimated Net Change in Containerboard Capacity and Production, 2013-2015



As a Result, Inventories Have Been Considerably Higher Than Historical Averages

U.S. Monthly Containerboard Inventories (% Above/Below Monthly Average)

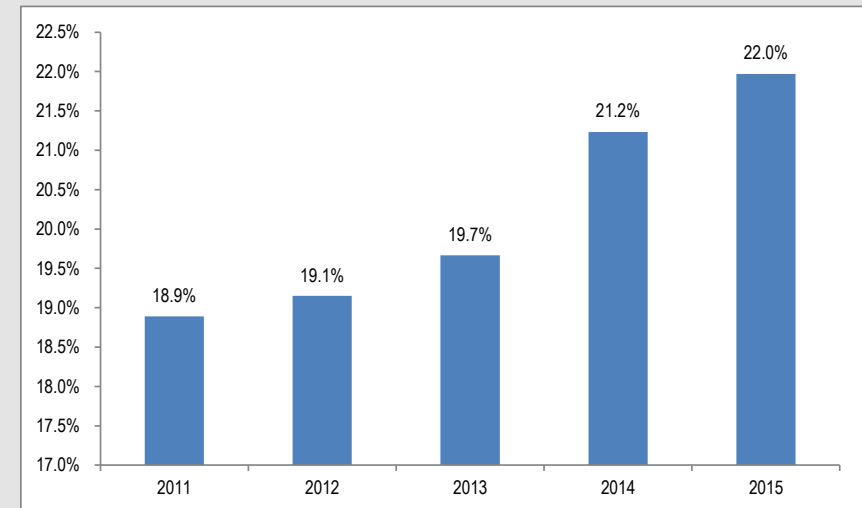


With Excess Capacity, U.S. Kraft Linerboard Exports Have Risen

KRAFT LINERBOARD PRODUCTION, % CHANGE

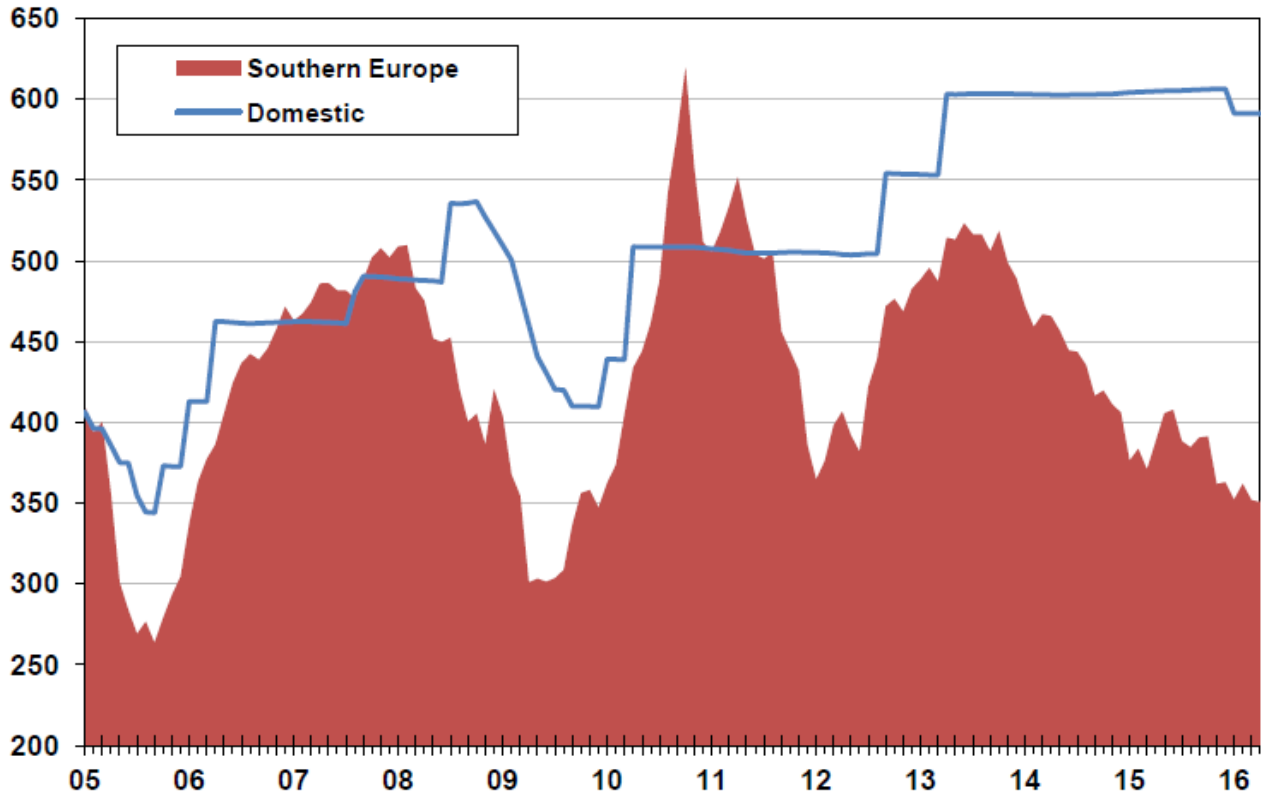
	2012	2013	2014	2015
Domestic Production	1.0%	0.2%	(1.2%)	(1.0%)
Export Production	2.7%	3.3%	9.1%	3.3%
Total Production	1.3%	0.8%	0.8%	(0.1%)

KRAFT LINERBOARD EXPORTS AS % OF TOTAL LINERBOARD PRODUCTION



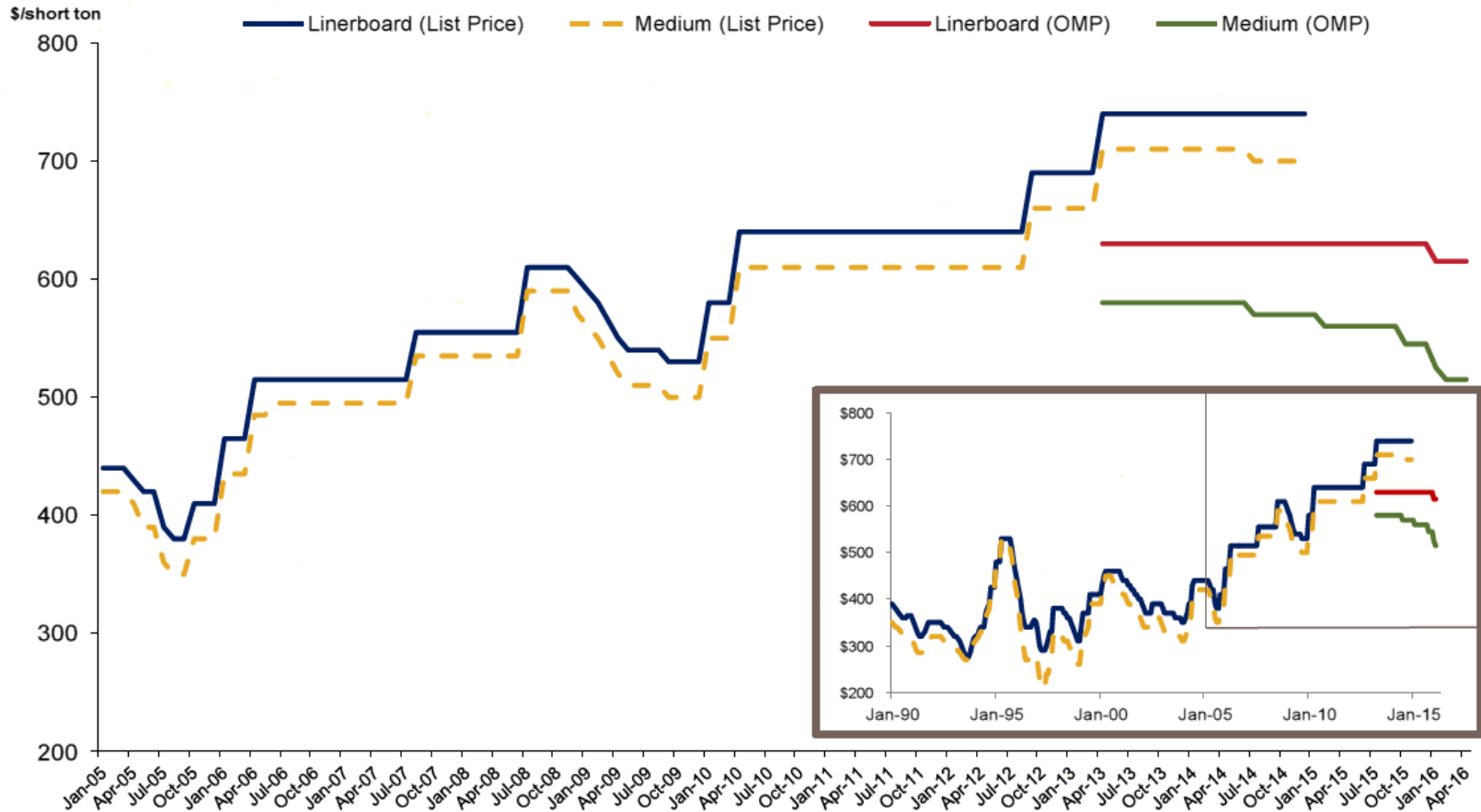
And as Exports Have Increased, Prices Have Substantially Declined

Domestic and Export Kraft Liner Prices
(Net of Transportation and Discounts, Dollars per Ton)



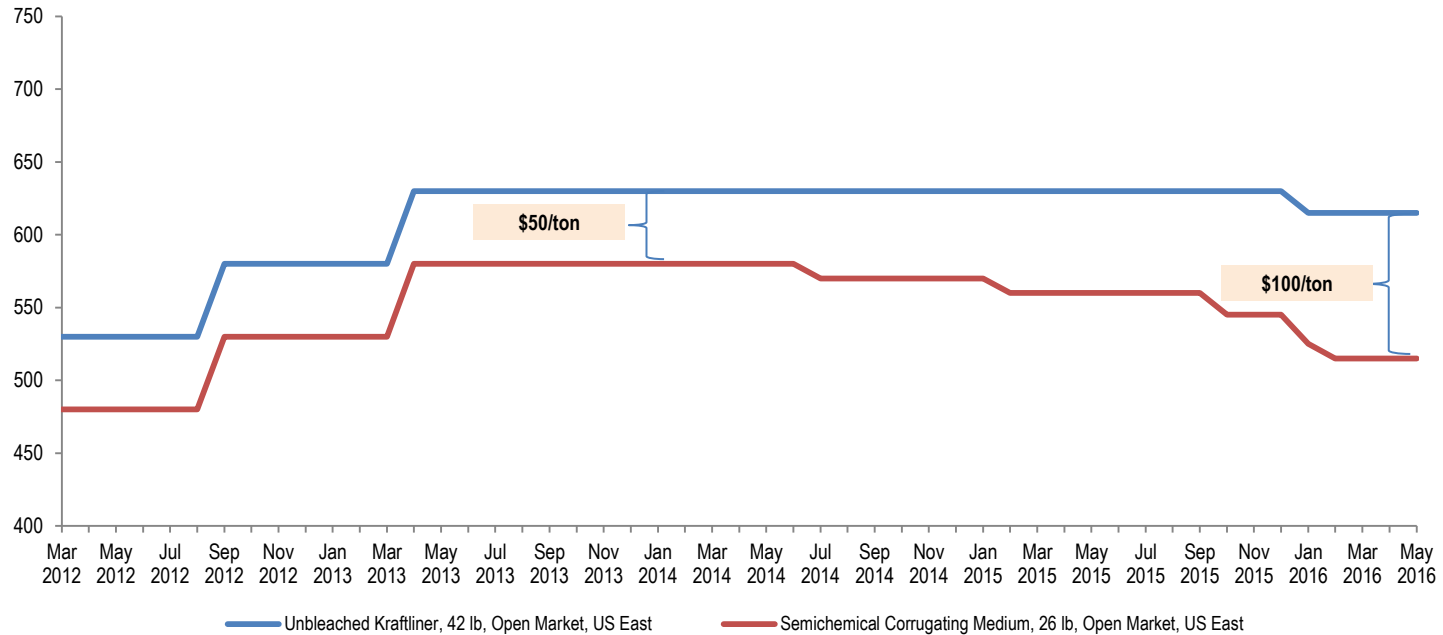
Domestic Containerboard Prices Have Eroded as Well

Domestic Containerboard Prices (Through April 2016)



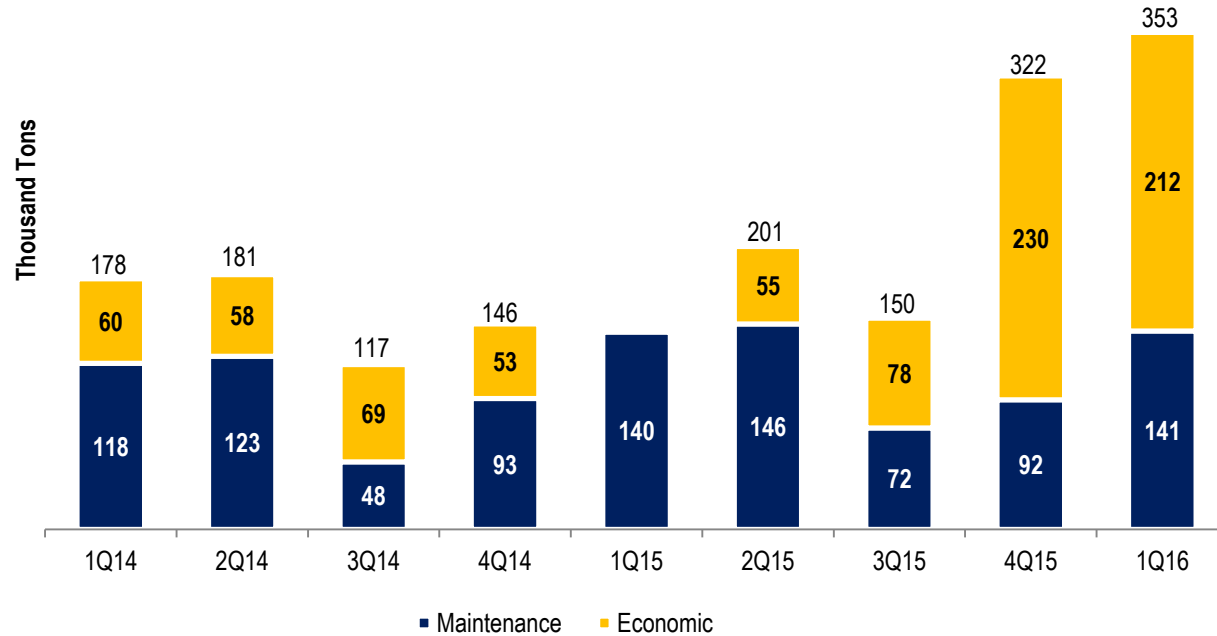
Gap Between Domestic Kraft Linerboard and Medium Prices Has Widened to Historical Highs

Domestic Kraft Linerboard and Corrugated Medium Prices
(Open Market Price, Dollars per Ton)



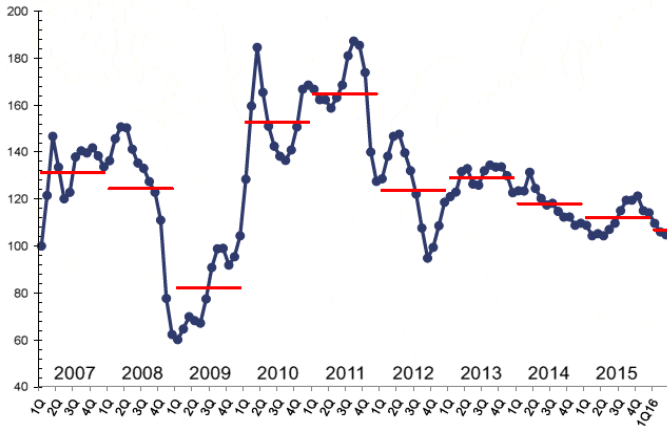
Industry Leaders Taking Downtime to Balance Supply with Demand

IP's Recent North American Containerboard Downtime

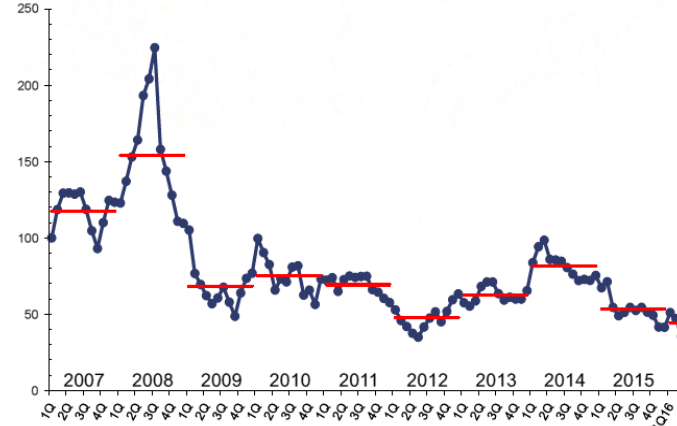


While Oversupply Has Affected Producers, Lower Costs Have Provided a Significant Benefit of Late

U.S. OCC Delivered Cost Trend | 9% Decrease vs. 4Q15 Average Cost



U.S. Natural Gas Cost Trend | 1% Increase vs. 4Q15 Average Cost



U.S. Fuel Oil Cost Trend | 28% Decrease vs. 4Q15 Average Cost



U.S. Chemical Composite Cost Trend | 1% Decrease vs. 4Q15 Average Cost



