

AWA

Alexander Watson Associates

Global Sleeve Label Market and Technology Review

2011 Global AWAreneTM Report

**A Market Overview and Opportunities for
Sleeve Label Producers,
Material Suppliers, and Users**

July 2011

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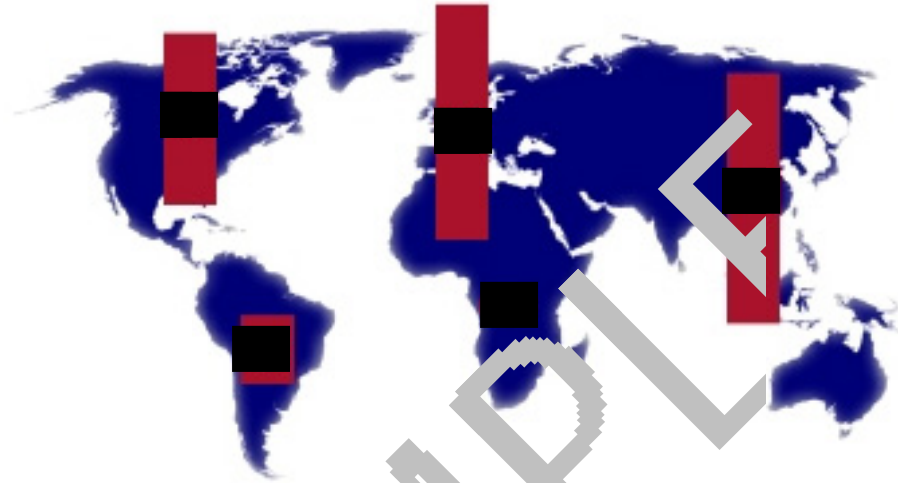
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2. EXECUTIVE SUMMARY

- World demand for labels in 2010 is estimated at █ million square meters – a growth of █% to █% on 2009 levels

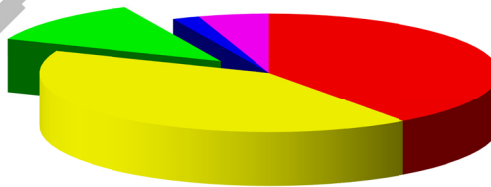
Exhibit 2.1 World Demand for Labels – 2010



Source: AWA

- The relative global shares of labeling technologies are shown in the following exhibit.

Exhibit 2.2 World Market Shares by Labeling Technology – 2010

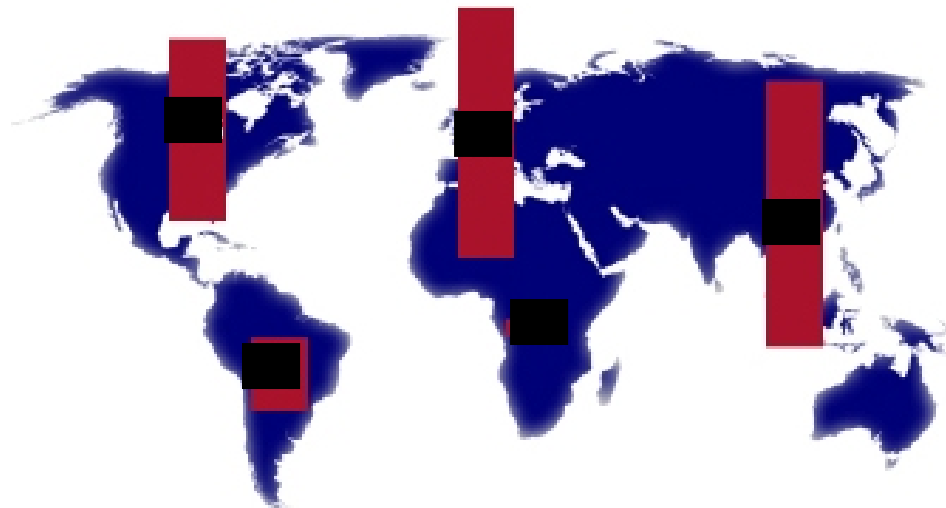


■ Pressure-sensitive ■ Glue Applied ■ Sleeving ■ In-mold ■ Others

Source: AWA

- Globally, pressure-sensitive and glue applied label formats continued to meet the majority of labeling needs at a combined market share of █%
- Sleeving technologies (heat shrink; stretch; RFS/"roll-on-shrink-on" or ROSO™/MD) account for around █% of global label use and have their highest share of the global market in Europe (█%), with Asia Pacific (█%) and North America (█%) in second and third position respectively

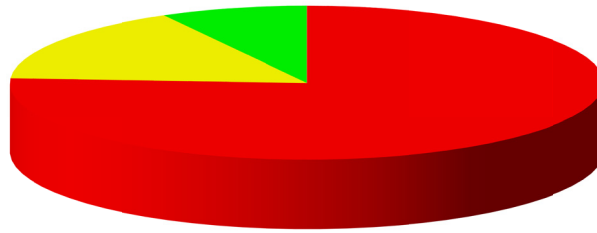
Exhibit 2.3 Global Sleeve Label Market by Region – 2010



Source: AWA

- The sleeve label market is dominated by heat shrink sleeve formats with a █% share of the global market, followed by stretch sleeve labels (█%) and RFS/ROSO™/MD sleeve label styles (█%)

Exhibit 2.4 Global Sleeve Label Market by Type – 2010

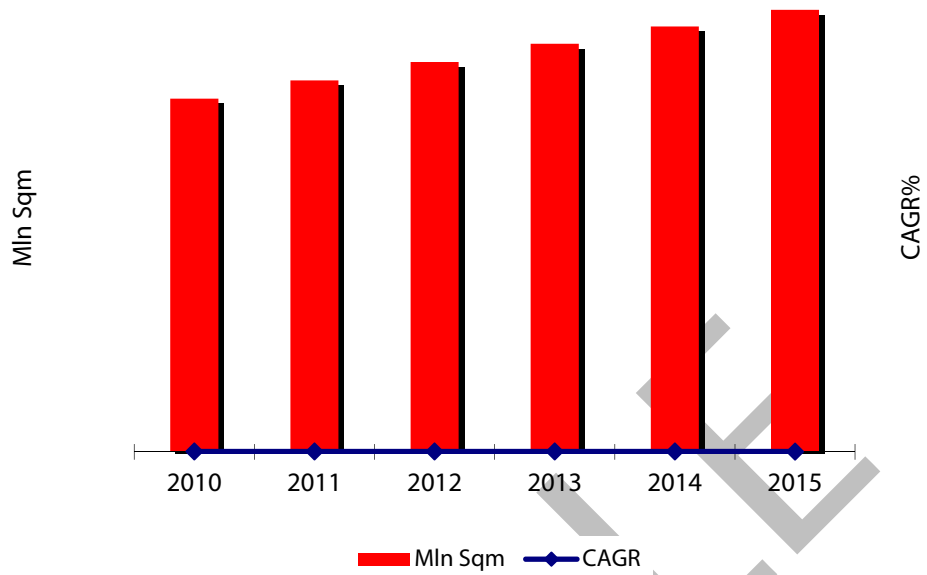


■ Heat Shrink Sleeve ■ Stretch Sleeve ■ MD Shrink Sleeve

Source: AWA

- Sleeve labeling technologies represent the highest growth rate of all label types and are a primary competitor to pressure-sensitive labels in premium product labeling applications.
- Sleeve label demand will show improvements year-on-year to 2014, and we estimate growth at 1% to 2% CAAGR 2010 to 2015 to yield an additional 100 million to 150 million square meters.

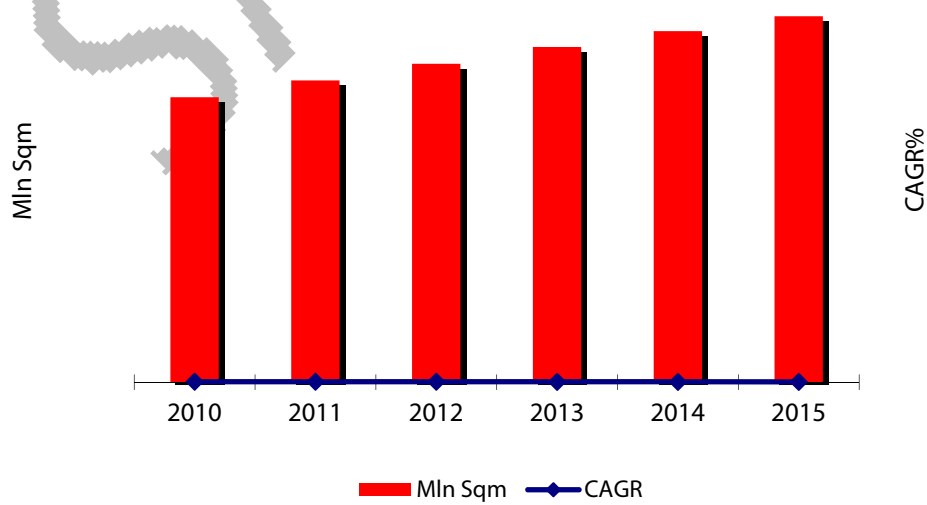
Exhibit 2.5 Forecast Global Growth Rates for Sleeve Labels, 2010-2015



Source: AWA

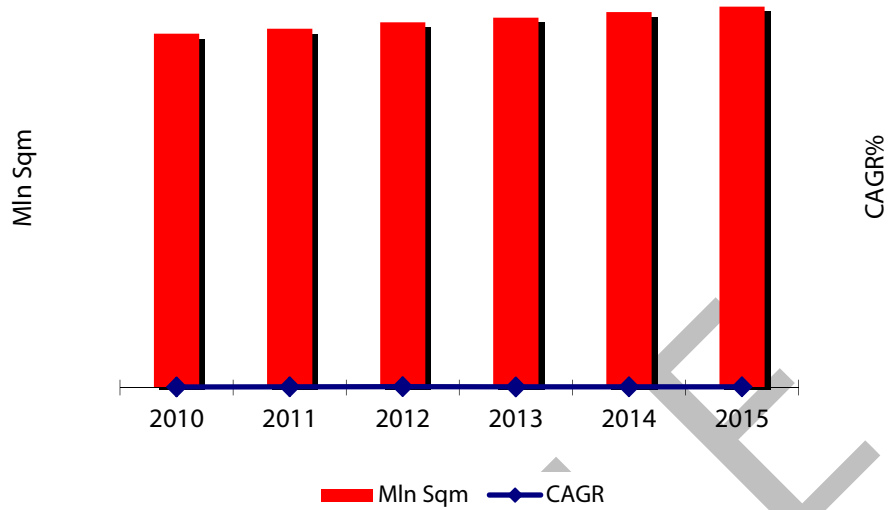
- The growth rates for individual sleeve label formats are shown in the following series of exhibits:

Exhibit 2.6 Forecast Global Growth Rates for Heat Shrink Sleeve Labels, 2010-2015



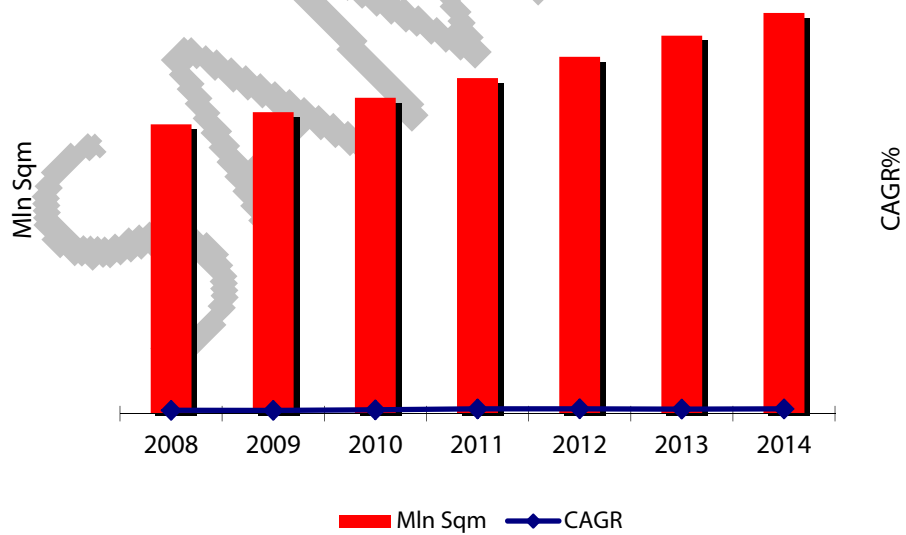
Source: AWA

Exhibit 2.7 Forecast Global Growth Rates for Stretch Sleeve Labels, 2010-2015



Source: AWA

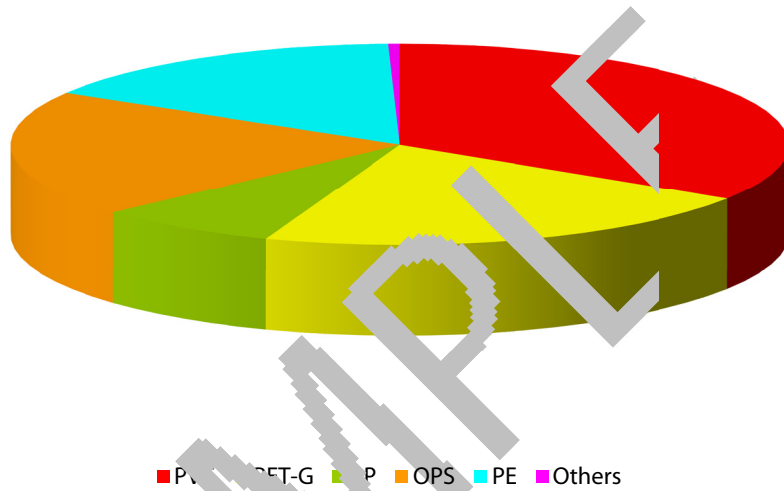
Exhibit 2.8 Forecast Global Growth Rates for RFS/ROSO™/MD Sleeve Labels, 2010-2015



Source: AWA

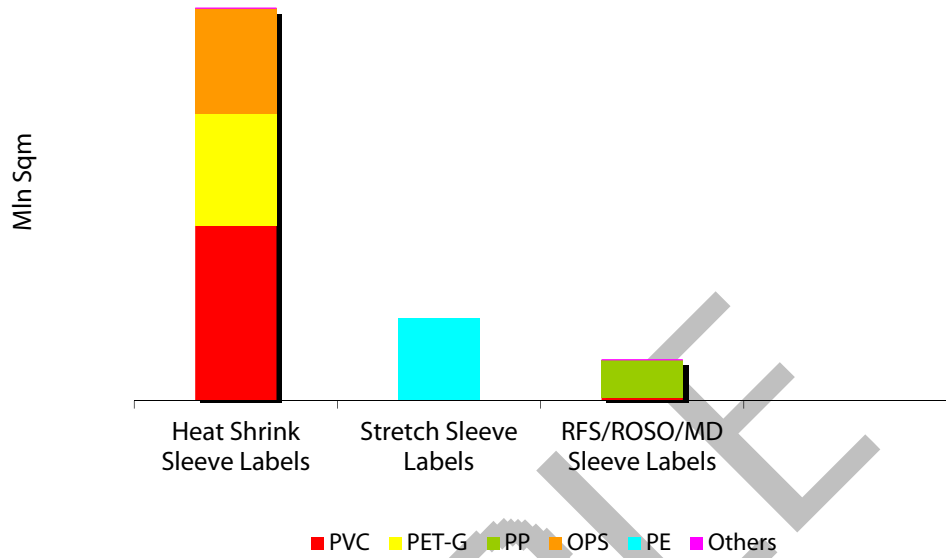
- Globally, materials used for sleeve labels remain in favor of PVC, but with strong growth in materials such as PET-G and PP. OPS films and developments in coextruded materials are also prominent in the market, as well as newly-developed and environmentally-acceptable materials such as PLA

Exhibit 2.9 Polymer Shares of Sleeve Label Market – Area, 2010



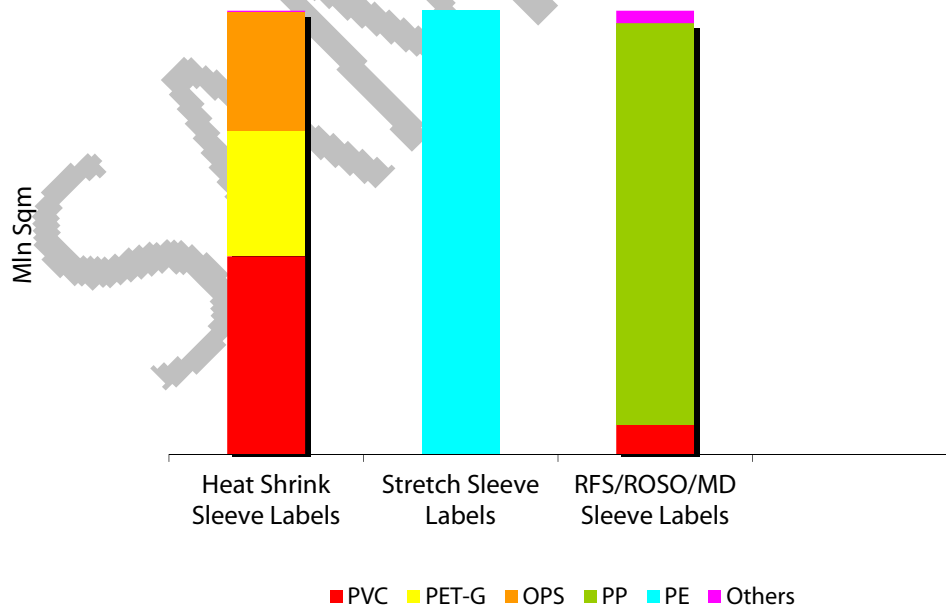
Source: AWA

Exhibit 2.10 Polymer Materials by Sleeve Label Format – Area, 2010



Source: AWA

Exhibit 2.11 Polymer Materials by Sleeve Label Format – Area, 2010



Source: AWA