The FMCG-world is moving to Poland ...

... so does the packaging industry

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Europe represents one third of the global packaging market, plastic is the main material.

World Packaging Market: $395,000,000,000 = €300,000,000,000

Global Packaging Market
- Europe: 34%
- Asia: 27%
- North America: 5%
- South and Central America: 5%

Packaging Materials Global
- Paper+Board: 37%
- Plastic: 34%
- Glass: 15%
- Metal: 11%
- Other: 3%
5% of the European packaging production comes from Poland

European Packaging Market: $135,000,000,000 = €102,000,000,000

Source: Eurostat, Prodcom Database, 2012
Polish packaging industry: Strong growth in the past & still further growth to come driven by local consumption & FMCG companies moving to Poland

Market Overview

6-15% market growth per year reflecting last 20 years

Per capita packaging consumption: € 157

European standard: € 320

Current turnover of Polish packaging market: € 6 billion

Foreign investments into FMCG production gave a boost to the packaging market as well as investments into supermarket and hypermarket network

GNP growth rate 2010: 3,8%

GNP growth of 1% => packaging market grows by 2%

2% of Polish GNP 1,4% of the global packaging market

Source: Rynek Opakowań w Polsce, Polska Agencja Informacji i Inwestycji Zagranicznych SA, 2011; Eurostat, Prodcom Database, 2012
All major European players are acting on the Polish board and paper market

- Current value € 1,9 bn  
  \[\rightarrow\] 2011 growth above € 2,0 bn

- Major players:  
  - Stora Enso  
  - Mondi  
  - Mayr-Melnhof

- corrugated cardboard is the specialty of Polish paper industry

- gap of consumption to western EU should be closed within the next 3 years

Source: Rynek Opakowań w Polsce, Polska Agencja Informacji i Inwestycji Zagranicznych SA, 2011
Plastic packaging is the dominating sector of Polish packaging industry

- **Current value € 2,1 bn** 2011 exceeding € 2,3 bn
- **Major players:**
  - Greiner
  - Alpla
  - Paccor
- **most dynamically growing sector**
- **highly fragmented and competitive**
- **grows much faster than in the old EU countries**

Source: Rynek Opakowań w Polsce, Polska Agencja Informacji i Inwestycji Zagranicznych SA, 2011
The market share of glass packaging decreased from 14.5% in 2000 to 9.5% in 2006

- **Current value 600 mn€**
  - **Uncertain market development**

- **Major players:**
  - Owens-Illinois
  - Ardagh
  - Warta Glass

- **Fluctuating market environment** => sinusoidal trend

- **Being replaced by lightweight packaging**

- **Mainly premium segments**

Source: Rynek Opakowań w Polsce, Polska Agencja Informacji i Inwestycji Zagranicznych SA, 2011
The market is mainly dominated by European players, although some national companies are highly influencing it.

- **Current value**: € 800 mn, edging forward by 6%
- **Major players**:
  - Can Pack
  - Ball Packaging
  - Crown Packaging
- Metal packaging is being replaced by plastic packaging
- Consumption should continue to increase
- Market share most likely decreases

Source: Rynek Opakowań w Polsce, Polska Agencja Informacji i Inwestycji Zagranicznych SA, 2011
Concentration on the production of wooden pallets: Vast majority of manufacturers are independent national companies

- Current value € 275 mn
- Potential recapture of € 300 mn

- Major players:
  - Palletenwerk
  - PalPol
  - PPH Tor Pal

- Uncertain market performance
- Uninspired and by no means innovative sector

Source: Rynek Opakowań w Polsce, Polska Agencja Informacji i Inwestycji Zagranicznych SA, 2011
Due to a steep increase in raw material prices in 2011 and a sound GDP growth, the Polish packaging market grew by 5%.

Future trends

- Will the dynamic growth continue?
- Which segments will grow and which will decline?
- What are the major obstacles expected?
- Where are the opportunities?
- Will the expansion of production capacities be pushed on?

Source: Poland's plastics industry eyes growth, European Plastics News, 2012