



WestRock Announces Agreements to Acquire Plymouth Packaging

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ATLANTA, Dec. 12, 2017 (GLOBE NEWSWIRE) -- WestRock Company (NYSE:WRK), a leading provider of differentiated paper and packaging solutions, today announced that it has entered into agreements to acquire substantially all of the assets of Plymouth Packaging, Inc. ("Plymouth"). Plymouth is a corrugated packaging company that derives approximately 70% of its sales from its "Box on Demand" systems and corrugated fanfold, and 30% from traditional corrugated box packaging.

Plymouth's market-leading "Box on Demand" systems are located on the customer's site and use fanfold corrugated to produce custom, on-demand corrugated packaging that is accurately sized for any product type according to the customer's specifications. Fanfold corrugated is continuous corrugated board, folded periodically to form an accordion-like stack of corrugated material. Plymouth installs "Box on Demand" machines on its customers' sites under multi-year exclusive agreements for the fanfold corrugated supply.

Approximately 40% of the "Box on Demand" systems' sales are to e-commerce customers, with the remaining customers serving building products, furniture and other markets. Plymouth currently supplies more than 100 customers with proprietary "Box on Demand" machines, manufactured by Panotec. As part of the transaction, WestRock will acquire Plymouth's equity interest in Panotec and Plymouth's exclusive right to distribute Panotec's equipment in the United States and Canada.

The acquisition of Plymouth will further integrate the company's containerboard system. WestRock currently provides one-third of the nearly 60,000 tons of containerboard used by Plymouth annually, and intends to fully integrate these tons after the transaction closes. WestRock expects additional containerboard integration opportunities as the Company serves this growing on-demand packaging market.

"The acquisition of Plymouth Packaging will further develop our innovation platform and our differentiation strategy," said Jeff Chalovich, president of WestRock's corrugated packaging business. "The addition of the 'Box on Demand' system will enhance our automated packaging systems business and WestRock's differentiation in

e-commerce and other custom applications where on-site box making is needed. The acquisition will improve our margin profile, our growth prospects in our corrugated packaging business and move us closer to our goal to be 80% integrated.”

Plymouth was founded in 1991 by Paul Magnell and is currently owned by the Magnell family. Greg Magnell is currently the president of the company and will continue in his leadership role following the closing of the transaction.

“We are excited to become part of WestRock and believe there is a strong cultural fit with our two organizations,” said Greg Magnell. “The combination provides access to a much broader geographic footprint and significant additional resources that will help this business continue to grow and serve our customers.”

The transaction includes Plymouth’s fanfold corrugated facilities in Battle Creek, Michigan; Ft. Worth, Texas; and Mechanicsburg, Pennsylvania; and all of the company-owned “Box on Demand” machines located in customers’ facilities. The transaction is subject to customary closing conditions.

Forward-looking Statements

This release contains forward-looking statements that are based on management’s current views and assumptions and are typically identified by words or phrases such as "may," "will," "could," "should," "would," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," "prospects," "potential" and "forecast," and other words, terms and phrases of similar meaning. Forward-looking statements include statements such as that (i) the Company intends to fully integrate the 60,000 tons of containerboard consumed by Plymouth after the transaction closes and expects additional containerboard integration opportunities as the Company serves this growing on-demand packaging market; (ii) the acquisition will further develop the Company’s innovation platform and differentiation strategy, (iii) the addition of the “Box on Demand” system will enhance the Company’s automated packaging systems business and differentiation in e-commerce and other custom applications where on-site box making is needed; (iv) the acquisition will improve the Company’s margin profile, growth prospects in its corrugated packaging business and move the business closer to its goal to be 80% integrated and (v) the combination will help Plymouth continue to grow and serve its customers . Factors that may affect actual results include, but are not limited to, economic, competitive and market conditions generally, volumes and price levels of purchases by customers; our ability to realize anticipated synergies; and competitive conditions in our businesses and possible adverse actions of their customers, competitors and suppliers. Please refer to the cautionary statements set forth in Item 1A of our Annual Report on Form 10-K for the year ended September 30, 2017. We undertake no duty to update forward-looking statements.

About WestRock

WestRock (NYSE:WRK) partners with our customers to provide differentiated paper and packaging solutions that help them win in the marketplace. WestRock's 45,000 team members support customers around the world from more than 300 operating and business locations spanning North America, South America, Europe, Asia and Australia. Learn more at www.westrock.com.

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