

5 April 2016

MACFARLANE GROUP ACQUIRES COLTON PACKAGING TEESSIDE

In line with its strategy to develop its Packaging Distribution business in the UK protective packaging market, Macfarlane Group PLC (“Macfarlane”) has today confirmed the acquisition of Colton Packaging Teesside.

Colton Packaging Teesside is based in Thornaby near Middlesbrough and has been established for 20 years. It currently has 8 employees and is the North East branch of Colton Packaging Limited, an established regional distributor of protective packaging materials based in Leicester. In 2015 Colton Packaging Teesside generated sales of c£3.0m.

Macfarlane will pay up to £1.25m for Colton Packaging Teesside assuming key financial objectives are achieved in the 12-month period post-acquisition. Both the initial consideration of £1.05m and the deferred consideration of £0.20m will be paid from existing borrowing facilities.

Peter Atkinson, Chief Executive of Macfarlane commented : “Colton Packaging Teesside is a high quality business with a good team of people who will complement the Macfarlane Packaging Distribution business based in Newcastle and strengthen Macfarlane’s presence in the North East of England.”

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Notes to Editors:

- Macfarlane Group PLC is listed on the London Stock Exchange (LSE: MACF) in the Industrials Sector.
- The company has more than 60 years’ experience in the UK packaging industry.
- Macfarlane Group has three businesses:
 - **Macfarlane Packaging** is the leading UK distributor of a comprehensive range of protective packaging products.
 - **Labels** designs and prints high quality self-adhesive and resealable labels, principally for FMCG companies.
 - **Packaging Design and Manufacture** specialises in designing and producing protective packaging for high value, fragile products.
- Macfarlane Group is headquartered in Glasgow, Scotland, and employs over 750 people at 28 sites, principally in the UK and Ireland.
- The company has 20,000+ customers in the UK, Europe and the USA providing 600,000+ lines to a wide range of industry sectors including: consumer goods; food manufacturing; logistics; internet retail; mail order; electronics; defence and aerospace.