

NEWS RELEASE

January 9, 2015

ROYAL ADHESIVES & SEALANTS ACQUIRES ADVANCED POLYMERS INTERNATIONAL

Acquisition Builds on Royal's Strong Position in the Specialty Label Market

SOUTH BEND, IN. January 9, 2015. Royal Adhesives & Sealants LLC (Royal) a portfolio company of Arsenal Capital Partners (Arsenal) announced today the completion of its acquisition of the assets of Advanced Polymers International (API) from PCI Paper Conversions, Inc. (PCI).

API, located in Syracuse, New York, is a manufacturer of microsphere based adhesives. API's repositionable adhesives are designed for a wide variety of coating methods including: slot die, flexo, air knife, mayer rod, curtain, and gravure.

API's GelTac® microsphere adhesives are highly valued for removable labels, wallgraphics, direct mail and publishing applications. API adhesives are used in manufacturing processes, pharmaceutical plants, and warehouse inventory control. Labels with API's microsphere technology can be attached and cleanly removed without leaving visible residue, markings or damage.

Ted Clark, Chief Executive Officer of Royal, commented that "the acquisition of the API adhesives business fits our strategy in acquiring niche value-added adhesives technologies that we can customize to provide adhesive solutions to our global customer base."

Steve Holland, President of Royal's Adhesives and Polymer Coatings business unit, commented that "the addition of acrylic based microsphere adhesives completes our already comprehensive acrylic adhesives and coatings product line for printing, packaging and lamination applications and will benefit from our larger sales and marketing, supply chain and technical teams."

About API

API formulates, produces, and sells proprietary Gel-Tac® microsphere adhesives. The adhesives are used principally in labels and wall graphics. These repositionable, non-permanent adhesives are used in applications where low tack and removability are desired. Additionally, API specializes in custom formulations which meet customer performance specifications including tailoring the adhesives to run on specific types of coating equipment. API has the leading market share of commercially available microsphere adhesives.

About Royal Adhesives & Sealants

Royal Adhesives & Sealants is a leading producer of proprietary, high-performance adhesives, sealants, coatings and polymers. Headquartered in South Bend, Indiana, Royal offers a broad range of specialty formulated products designed to solve complex bonding, laminating and sealing applications across a diverse range of markets, including aerospace and defense, construction, specialty packaging, automotive and industrial. The company offers a broad spectrum of customized thermosetting epoxy and urethane, solvent-based and water-based technologies to meet the most demanding adhesive and sealant applications. For additional information about Royal Adhesives & Sealants, please visit www.royaladhesives.com.

NEWS RELEASE

January 9, 2015

About Arsenal Capital Partners

Arsenal Capital Partners is a leading New York-based private equity firm that invests in middle market healthcare and specialty industrial companies. Arsenal makes investments in sectors where the firm has significant prior knowledge and experience. Arsenal targets businesses that have the potential for further value creation by working closely with management to accelerate growth and leverage the firm's operational improvement capabilities. Arsenal currently has \$1.7 billion of committed equity capital. For additional information on Arsenal Capital Partners, please visit www.arsenalcapital.com.

Enquiries Royal:

Ted Clark
Chief Executive Officer
(626) 203-3745

Steve Holland
President – President, Adhesives and Polymer Coatings
(864) 228-1370

#