

Key takeaways to the North American PS Tape analysis in 2012:

- North American production of PS tapes increased from 6,800 million square meters (2010) to 7,120 million square meters (2012)
 - Production value increased from \$10,060M to \$11,000M over the same period
- The economic recovery resulted in close to GDP type increase in PS tape production from 2010 to the 2012 time frame
 - Key sectors still in recovery including building and construction and automotive
 - 2012 volumes now close to 2007 peak
 - 2012 PS Tape Market Value is up significantly ~\$1B, but raw material costs are also significantly higher than during the recession....reflected in higher raw material input costs and PS tape pricing
- 2012 Imports were up slightly from 2010
 - 1,953 million square meters vs. 1,830 million square meters (2010)
- 2012 Exports were 571 million square meters vs. 575 million square meters (2010)
 - Impacted negatively by EUR slowdown and increasing level of local production supporting in-country demand (specifically Asia/ China)
- The 5-year forecast for North American Tape production is 3% annual growth to 8,250 million square meters in 2017
- Imports are expected to grow in line with overall demand in the next five years (~3% AAG)
 - Cost has been the primary driver behind imports
 - Importers will continue to target higher value Specialty and Healthcare tapes in the future as areas of growth
 - Some examples of foreign producers moving operations to North America (following their customers)