Chatham Lodging Trust
Form 10-Q
May 08, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2015
OR
¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission File Number: 001-34693

CHATHAM LODGING TRUST
(Exact Name of Registrant as Specified in Its Charter)

Maryland	27-1200777
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

50 Cocoanut Row, Suite 211	
Palm Beach, Florida	33480
(Address of Principal Executive Offices)	(Zip Code)

(561) 802-4477
(Registrant’s Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x Yes ¨ No
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes ¨ No
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨	Accelerated filer x
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ¨ Yes x No
Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

Class	Outstanding at May 6, 2015
Common Shares of Beneficial Interest ($0.01 par value per share)	38,297,743

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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements.
CHATHAM LODGING TRUST
Consolidated Balance Sheets
(In thousands, except share and per share data)

	March 31, 2015 (unaudited)	December 31, 2014
Assets:		
Investment in hotel properties, net	$1,180,031	$1,096,425
Cash and cash equivalents	16,798	15,077
Restricted cash	14,684	12,030
Investment in unconsolidated real estate entities	26,604	28,152
Hotel receivables (net of allowance for doubtful accounts of $76 and $71, respectively)	5,186	3,601
Deferred costs, net	7,461	7,514
Prepaid expenses and other assets	3,852	2,300
Total assets	$1,254,616	$1,165,099
Liabilities and Equity:		
Mortgage debt	$522,151	$527,721
Revolving credit facility	5,000	22,500
Accounts payable and accrued expenses	21,952	20,042
Distributions payable	3,926	2,884
Total liabilities	553,029	573,147
Commitments and contingencies		
Equity:		
Shareholders’ Equity:		
Preferred shares, $0.01 par value, 100,000,000 shares authorized and unissued at March 31, 2015 and December 31, 2014	—	—
Common shares, $0.01 par value, 500,000,000 shares authorized; 38,297,669 and 34,173,691 shares issued and outstanding at March 31, 2015 and December 31, 2014, respectively	379	339
Additional paid-in capital	718,696	599,318
Retained earnings (distributions in excess of retained earnings)	(21,221)	(11,120)
Total shareholders’ equity	697,854	588,537
Noncontrolling Interests:		
Noncontrolling Interest in Operating Partnership	3,733	3,415
Total equity	701,587	591,952
Total liabilities and equity	$1,254,616	$1,165,099

The accompanying notes are an integral part of these consolidated financial statements.

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CHATHAM LODGING TRUST
Consolidated Statements of Operations
(In thousands, except share and per share data)
(unaudited)

	For the three months ended March 31, 2015	2014
Revenue:		
Room	$55,032	$33,958
Food and beverage	1,167	628
Other	1,869	1,608
Cost reimbursements from unconsolidated real estate entities	848	672
Total revenue	58,916	36,866
Expenses:		
Hotel operating expenses:		
Room	10,941	7,755
Food and beverage	847	466
Telephone	409	287
Other hotel operating	527	443
General and administrative	4,642	3,426
Franchise and marketing fees	4,494	2,793
Advertising and promotions	1,220	831
Utilities	2,326	1,620
Repairs and maintenance	2,821	1,999
Management fees	1,816	1,094
Insurance	301	215
Total hotel operating expenses	30,344	20,929
Depreciation and amortization	11,523	6,316
Property taxes and insurance	4,085	2,650
General and administrative	3,427	2,321
Hotel property acquisition costs and other charges	260	1,482
Reimbursed costs from unconsolidated real estate entities	848	672
Total operating expenses	50,487	34,370
Operating income	8,429	2,496
Interest and other income	59	13
Interest expense, including amortization of deferred fees	(6,813)	(3,738)
Loss on early extinguishment of debt	—	(184)
Loss from unconsolidated real estate entities	(256)	(316)
Income (loss) before income tax expense	1,419	(1,729)
Income tax expense	—	(3)
Net income (loss)	1,419	(1,732)
Net income attributable to noncontrolling interests	(8)	—
Net income (loss) attributable to common shareholders	$1,411	$(1,732)
Income (loss) per Common Share - Basic:		
Net income (loss) attributable to common shareholders (Note 11)	$0.04	$(0.07)
Income (loss) per Common Share - Diluted:		
Net income (loss) attributable to common shareholders (Note 11)	$0.04	$(0.07)
Weighted average number of common shares outstanding:		

Basic	37,018,039	26,271,678
Diluted	37,322,278	26,271,678
Distributions per common share:	$0.30	$0.21

The accompanying notes are an integral part of these consolidated financial statements.

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CHATHAM LODGING TRUST
Consolidated Statements of Equity
(In thousands, except share and per share data)
(unaudited)

	Common Shares		Additional Paid - In Capital	Retained earnings (distributions in excess of retained earnings)	Total Shareholders' Equity	Noncontrolling Interest in Operating Partnership	Total Equity
	Shares	Amount					
Balance, January 1, 2014	26,295,558	$261	$433,900	$(50,792)	$ 383,369	$ 2,167	$385,536
Issuance of shares pursuant to Equity Incentive Plan	16,542	—	337	—	337	—	337
Issuance of restricted time-based shares	48,213	—	—	—	—	—	—
Issuance of performance based shares	31,342	—	—	—	—	—	—
Repurchase of common shares	(867)	—	(18)	—	(18)	—	(18)
Amortization of share based compensation	—	—	286	—	286	196	482
Dividends declared on common shares ($0.21 per share)	—	—	—	(5,560)	(5,560)	—	(5,560)
Distributions declared on LTIP units ($0.21 per unit)	—	—	—	—	—	(54)	(54)
Net loss	—	—	—	(1,732)	(1,732)	—	(1,732)
Balance, March 31, 2014	26,390,788	$261	$434,505	$(58,084)	$ 376,682	$ 2,309	$378,991
Balance, January 1, 2015	34,173,691	$339	$599,318	$(11,120)	$ 588,537	$ 3,415	$591,952
Issuance of shares pursuant to Equity Incentive Plan	14,113	—	412	—	412	—	412
Issuance of shares, net of offering costs of $1,933	4,026,193	40	118,809	—	118,849	—	118,849
Issuance of restricted time-based shares	40,161	—	—	—	—	—	—
Issuance of performance based shares	44,274	—	—	—	—	—	—
Repurchase of common shares	(763)	—	(22)	—	(22)	—	(22)
Amortization of share based compensation	—	—	370	—	370	196	566
Dividends declared on common shares ($0.30 per share)	—	—	—	(11,512)	(11,512)	—	(11,512)
Distributions declared on LTIP units ($0.30 per unit)	—	—	—	—	—	(77)	(77)
Reallocation of noncontrolling interest	—	—	(191)	—	(191)	191	—

Net income	—	—	—	1,411	1,411	8	1,419
Balance, March 31, 2015	38,297,669	$379	$718,696	$(21,221)	$ 697,854	$ 3,733	$701,587

The accompanying notes are an integral part of these consolidated financial statements.

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CHATHAM LODGING TRUST
Consolidated Statements of Cash Flows
(In thousands)
(unaudited)

	For the three months ended March 31, 2015	2014
Cash flows from operating activities:		
Net income (loss)	$1,419	$(1,732)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	11,477	6,288
Amortization of deferred franchise fees	46	28
Amortization of deferred financing fees included in interest expense	403	394
Loss on early extinguishment of debt	—	184
Share based compensation	704	585
Loss from unconsolidated real estate entities	256	316
Changes in assets and liabilities:		
Hotel receivables	(1,504)	250
Deferred costs	(130)	130
Prepaid expenses and other assets	(1,290)	(1,223)
Accounts payable and accrued expenses	1,383	(242)
Net cash provided by operating activities	12,764	4,978
Cash flows from investing activities:		
Improvements and additions to hotel properties	(4,470)	(3,207)
Acquisition of hotel properties, net of cash acquired	(90,155)	—
Distributions from unconsolidated entities	1,292	449
Restricted cash	(2,654)	(681)
Net cash used in investing activities	(95,987)	(3,439)
Cash flows from financing activities:		
Borrowings on revolving credit facility	5,000	38,000
Repayments on revolving credit facility	(22,500)	(33,000)
Payments on debt	(810)	(719)
Proceeds from the issuance of debt	—	34,000
Principal prepayment of mortgage debt	(4,760)	(32,186)
Payment of financing costs	(266)	(156)
Payment of offering costs	(1,933)	(230)
Proceeds from issuance of common shares	120,782	—
In-substance repurchase of vested common shares	(22)	(18)
Distributions-common shares/units	(10,547)	(5,630)
Net cash provided by financing activities	84,944	61
Net change in cash and cash equivalents	1,721	1,600
Cash and cash equivalents, beginning of period	15,077	4,221
Cash and cash equivalents, end of period	$16,798	$5,821
Supplemental disclosure of cash flow information:		
Cash paid for interest	$6,182	$3,260
Cash paid for income taxes	$40	$90

-continued-

Supplemental disclosure of non-cash investing and financing information:

On January 15, 2015, the Company issued 14,113 shares to its independent trustees pursuant to the Company's Equity Incentive Plan as compensation for services performed in 2014. On January 15, 2014, the Company issued 16,542 shares to its independent trustees pursuant to the Company's Equity Incentive Plan as compensation for services performed in 2013.

As of March 31, 2015, the Company had accrued distributions payable of $3,926. These distributions were paid on April 24, 2015, except for $71 related to accrued but unpaid distributions on unvested performance based shares (See Note 12). As of March 31, 2014, the Company had accrued distributions payable of $1,934. These distributions were paid on April 25, 2014, except for $70 related to accrued but unpaid distributions on unvested performance based shares.

Accrued share based compensation of $138 and $103 is included in accounts payable and accrued expenses as of March 31, 2015 and 2014, respectively.

Accrued capital improvements of $1,461 and $945 are included in accounts payable and accrued expenses as of March 31, 2015 and 2014, respectively.

At December 31, 2013, there were costs of $91 included in deferred costs related to offerings completed in 2014.

During 2014, the Company wrote-off $397 of deferred costs and $213 of accumulated amortization on a loan that was paid off.

The accompanying notes are an integral part of these consolidated financial statements.

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CHATHAM LODGING TRUST
Notes to the Consolidated Financial Statements
(in thousands, except share and per share data)
(unaudited)

1. Organization

Chatham Lodging Trust ("we," "us" or the "Company") was formed as a Maryland real estate investment trust ("REIT") on October 26, 2009. The Company is internally-managed and invests primarily in premium-branded upscale extended-stay and select-service hotels.

In January 2014, the Company established an At the Market Equity Offering ("ATM Plan") whereby, from time to time, we may publicly offer and sell our common shares having an aggregate maximum offering price of up to $50,000 by means of ordinary brokers' transactions on the New York Stock Exchange (the "NYSE"), in negotiated transactions or in transactions that are deemed to be "at the market" offerings as defined in Rule 415 under the Securities Act of 1933, with Cantor Fitzgerald & Co. ("Cantor") acting as sales agent pursuant to a Sales Agreement (the "Cantor Sales Agreement"). On January 13, 2015, the Company entered into a Sales Agreement (the "Barclays Sales Agreement") with Barclays Capital Inc. ("Barclays") to add Barclays as an additional sales agent under the Company's ATM Plan. As of March 31, 2015, we had issued 880,820 shares under the ATM Plan at a weighted average price of $23.54. As of March 31, 2015, there was approximately $29,264 of common shares available for issuance under the ATM Plan.

In January 2014, the Company established a $25,000 dividend reinvestment and stock purchase plan ("DRSPP"). Under the DRSPP, shareholders may purchase additional common shares by reinvesting some or all of the cash dividends received on the Company's common shares. Shareholders may also make optional cash purchases of the Company's common shares subject to certain limitations detailed in the prospectus for the DRSPP. As of March 31, 2015, we had issued 3,276 shares under the DRSPP at a weighted average price of $26.26. As of March 31, 2015, there was approximately $24,914 of common shares available for issuance under the DRSPP.

On January 27, 2015, the Company completed a follow-on common share offering of 4,025,000 shares (including 525,000 shares issued pursuant to the exercise of the underwriters' option to purchase additional shares) generating gross proceeds of $120,750 and net proceeds to the Company of approximately $118,821. Proceeds from the January 2015 offering were used to pay down borrowings under the Company's senior secured revolving credit facility and to invest in additional hotel properties, including the acquisition of the Residence Inn San Diego Gaslamp on February 25, 2015.

The net proceeds from any share offerings are contributed to Chatham Lodging, L.P., our operating partnership (the "Operating Partnership"), in exchange for partnership interests. Substantially all of the Company's assets are held by, and all operations are conducted through, the Operating Partnership. Chatham Lodging Trust is the sole general partner of the Operating Partnership and owns 100% of the common units of limited partnership interest in the Operating Partnership. Certain of the Company's executive officers hold vested and unvested long-term incentive plan units in the Operating Partnership ("LTIP units"), which are presented as non-controlling interests on our consolidated balance sheets.

As of March 31, 2015, the Company owned 35 hotels with an aggregate of 5,355 rooms located in 15 states and the District of Columbia. As of March 31, 2015, the Company also (i) owns a 10.3% noncontrolling interest in a joint venture (the "NewINK JV") with affiliates of NorthStar Realty Finance Corp. ("NorthStar"), which was formed in the second quarter of 2014 and acquired 47 hotels comprising an aggregate of 6,094 rooms from a joint venture (the "Innkeepers JV") between the Company and Cerberus Capital Management ("Cerberus"), (ii) owns a 10.0% noncontrolling interest in a separate joint venture (the "Inland JV") with affiliates of NorthStar, which was formed in the fourth quarter of 2014 and acquired 48 hotels from Inland American Real Estate Trust, Inc. ("Inland"), comprising an aggregate of 6,401 rooms, and (iii) owns a 5.0% noncontrolling interest in a joint venture (the "Torrance JV") with Cerberus that owns the 248-room Residence Inn by Marriott in Torrance, CA. We sometimes refer to the NewINK JV, Inland JV and Torrance JV collectively as the "JVs").

To qualify as a REIT, the Company cannot operate the hotels. Therefore, the Operating Partnership and its subsidiaries lease our wholly owned hotels to taxable REIT subsidiary lessees ("TRS Lessees"), which are wholly owned by one of the Company’s taxable REIT subsidiary (“TRS”) holding companies. The Company indirectly owns its (i) 10.3% interest in 47 of the NewINK JV hotels, (ii) 10% interest in 48 of the Inland JV hotels and (iii) its 5% interest in the Torrance JV through the Operating Partnership. All of the NewINK JV hotels, Inland JV hotels and the Torrance JV hotel are leased to TRS Lessees, in which the Company indirectly owns noncontrolling interests through one of its TRS holding companies. Each hotel is leased to a TRS Lessee under a percentage lease that provides for rental payments equal to the greater of (i) a fixed base rent amount or (ii) a percentage rent based on hotel room revenue. The initial term of each of the TRS leases is 5 years. Lease revenue from each TRS Lessee is eliminated in consolidation.

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The TRS Lessees have entered into management agreements with third party management companies that provide day-to-day management for the hotels. As of March 31, 2015, Island Hospitality Management Inc. (“IHM”), which is 51% owned by Jeffrey H. Fisher, the Company's Chairman, President and Chief Executive Officer and 45% owned by affiliates of NorthStar Asset Management Group, Inc, managed 33 of the Company’s wholly owned hotels and Concord Hospitality Enterprises Company managed two of the Company’s wholly owned hotels. As of March 31, 2015, all of the NewINK JV hotels were managed by IHM. As of March 31, 2015, 34 of the Inland JV hotels were managed by IHM and 14 hotels were managed by Marriott International, Inc. ("Marriott"). The Torrance JV hotel is managed by Marriott.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited interim consolidated financial statements and related notes have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and in conformity with the rules and regulations of the Securities and Exchange Commission (“SEC”) applicable to interim financial information. These unaudited consolidated financial statements, in the opinion of management, include all adjustments consisting of normal, recurring adjustments which are considered necessary for a fair presentation of the consolidated balance sheets, consolidated statements of operations, consolidated statements of equity, and consolidated statements of cash flows for the periods presented. Interim results are not necessarily indicative of full year performance due to seasonal and other factors including the timing of the acquisition of hotels.

The consolidated financial statements include all of the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions are eliminated in consolidation. The accompanying unaudited consolidated financial statements should be read in conjunction with the audited financial statements prepared in accordance with GAAP, and the related notes thereto as of December 31, 2014, which are included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

3. Recently Issued Accounting Standards

On May 28, 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU No. 2014-09 will replace most existing revenue recognition guidance in GAAP when it becomes effective. The new standard is effective for the Company on January 1, 2017. Early application is not permitted. The standard permits the use of either the retrospective or cumulative effect transition method. The Company is evaluating the effect that ASU No. 2014-09 will have on its consolidated financial statements and related disclosures. The Company has not yet selected a transition method nor has it determined the effect of the standard on it financial statements.

In August 2014, the FASB issued ASU No. 2014-15, Disclosure of Uncertainties about an Entities Ability to Continue as a Going Concern, which requires management to perform interim and annual assessments of an entitiy's ability to continue within one year of the date the financial statements are issued and provides guidance on determining when and how to disclose going concern uncertainties in the financial statements. Certain disclosures will be required if conditions give rise to substantial doubt about an entity's ability to continue as a going concern. This guidance is effective for the Company on January 1, 2017 and will not have an impact on the Company's financial position, results of operations or cash flows.

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In February 2015, the FASB issued ASU No. 2015-02, Amendments to the Consolidation Analysis, which requires amendments to both the variable interest entity and voting models. The amendments (i) rescind the indefinite deferral of certain aspects of accounting standards relating to consolidations and provide a permanent scope exception for registered money market funds and similar unregistered money market funs, (ii) modify the identification of variable interest (fees paid to a decision maker or service provider), the VIE characteristics for a limited partnership or similar entity and primary beneficiary determination under the VIE model, and (iii) eliminate the presumption within the current voting model that a general partner controls a limited partnership or similar entity. The new guidance is effective for annual reporting periods, and interim periods within those annual periods, beginning after December 15, 2015 with early adoption permitted. The amendments may be applied using either a modified retrospective or full retrospective approach. The Company is currently evaluating the effect the guidance will have on its consolidated financial statements.

On April 7, 2015, the FASB issued ASU No. 2015-03, Simplifying the Presentation of Debt Issuance Costs, which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the debt liability. This standard is effective for fiscal years beginning after December 15, 2015 with early adoption permitted and will be applied on a retrospective basis. The new standard will be effective for the Company on January 1, 2016 and will not have a material impact on the Company's financial position, results of operations or cash flows.

4. Acquisition of Hotel Properties

Hotel Purchase Price Allocation

The preliminary allocation of the purchase price of the Residence Inn San Diego Gaslamp hotel ("Gaslamp") based on the fair value on the date of the acquisition, was (dollars in thousands):

	Gaslamp	
Acquisition date	2/25/2015	
Number of Rooms	240	
Land	$—	
Building and improvements	89,040	
Furniture, fixtures and equipment	960	
Cash	3	
Accounts receivable	81	
Prepaid expenses and other assets	278	
Accounts payable and accrued expenses	(204	)
Net assets acquired	$90,158	
Net assets acquired, net of cash	$90,155	

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The Company incurred acquisition costs of $260 and $1,482, respectively, during the three months ended March 31, 2015 and 2014.

The amount of revenue and operating income from the new hotel acquired in 2015 are as follows (in thousands):

	For the three months ended March 31, 2015	
	Revenue	Operating Income
Residence Inn San Diego Gaslamp	$1,449	$985
Total	$1,449	$985

Pro Forma Financial Information

The following condensed pro forma financial information presents the unaudited results of operations for the three months ended March 31, 2015 and 2014 as if the acquisition of the hotels acquired in 2015 and 2014 had taken place on January 1, 2014 and 2013, respectively. Since the acquisition of the Cherry Creek hotel was not material, the pro forma numbers presented below do not include the operating results of the Cherry Creek hotel prior to the acquisition date. Supplemental pro forma earnings were adjusted to exclude $93 of acquisition costs incurred in the three months ended March 31, 2015. Supplemental pro forma earnings for the three months ended March 31, 2014 were adjusted to include these charges from 2015. The unaudited pro forma results have been prepared for comparative purposes only and are not necessarily indicative of what actual results of operations would have been had the acquisitions taken place on January 1, 2014 and 2013, respectively, nor do they purport to represent the results of operations for future periods (in thousands, except share and per share data).

	For the three months ended March 31,		
	2015	2014	
Pro forma total revenue	$60,984	$55,758	
Pro forma net income	$1,237	$(232	)
Pro forma income per share:			
Basic	$0.03	$(0.01	)
Diluted	$0.03	$(0.01	)
Weighted average Common Shares Outstanding			
Basic	38,297,669	38,297,669	
Diluted	38,601,908	38,601,908	

5. Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts at a level believed to be adequate to absorb estimated probable losses. That estimate is based on past loss experience, current economic and market conditions and other relevant factors. The allowance for doubtful accounts was $76 and $71 as of March 31, 2015 and December 31, 2014, respectively.

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6. Investment in Hotel Properties

Investment in hotel properties as of March 31, 2015 and December 31, 2014 consisted of the following (in thousands):

	March 31, 2015	December 31, 2014
Land and improvements	$261,108	$261,108
Building and improvements	935,969	844,396
Furniture, fixtures and equipment	58,539	61,185
Renovations in progress	8,560	6,574
	1,264,176	1,173,263
Less: accumulated depreciation		

G. Fotiades	165,000	150,040		315,040
M. Gomez Montiel	103,000	129,954		232,954
S. Hagge	75,000	129,954	3,000	207,954
K. Harris(4)			2,000	2,000
G. Kampouri Monnas	97,000	129,954		226,954
A. Kramvis	86,000	129,954	6,000	221,954
B. Craig Owens	86,000	129,954	6,000	221,954
J. Smith(5)	82,000	129,954		211,954
J. Wu	82,000	129,954		211,954
R. Wunderlich(5)	92,000	129,954		221,954

(1) The amounts reported in this column represent the grant date fair value of RSUs granted during 2018, calculated using the closing market price of our common stock on May 2, 2018 ($92.56). As of December 31, 2018, Mr. Fotiades held 1,621 RSUs and each other non-employee director held 1,404 RSUs.

(2) The aggregate number of options which were granted prior to May 6, 2015 and which remained outstanding as of December 31, 2018 for each non-employee director is as follows: A. Chevassus 9,500; G. Fotiades 38,000; S. Hagge 775,906 (all of which were granted prior to Mr. Hagge becoming a non-executive director and when he was an executive officer of the Company); A. Kramvis 9,500; and J. Smith 46,000. None of the other non-employee directors held outstanding options as of December 31, 2018.

(3) Amounts reported include charitable contributions by Aptar, including under Aptar's matching gift program.

(4) Mr. Harris retired from the Board in May 2018.

(5) The fees for Dr. Smith and Mr. Wunderlich are decreased and increased, respectively, for $10,000 in recognition of Mr. Wunderlich's assistance with Corporate Governance Committee Chairman duties during 2017 and 2018.

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PROPOSAL 2 ADVISORY VOTE ON EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Exchange Act, Aptar stockholders are being offered the opportunity to cast an advisory vote at the annual meeting to approve the compensation of Aptar's Named Executive Officers ("NEOs") as disclosed in the Compensation Discussion and Analysis ("CD&A") and tabular disclosures of this proxy statement. This is not a vote on the Company's general compensation policies or the compensation of the Board. We currently intend to submit an advisory vote on the compensation of our NEOs to our stockholders annually.

Aptar's compensation philosophy and objectives are to fairly reward our executives for growing our business and increasing value to stockholders and to retain our experienced management team.

The overall compensation program for NEOs includes an annual performance incentive element that rewards the NEOs for the Company's short-term performance and improvement in Company performance from the prior year, as well as equity-based elements (for 2018, RSUs and long-term performance incentive awards in the form of PRSUs) that provide for long-term compensation that is driven by our share performance and, therefore, is aligned with our stockholders' interests. The specific objectives of our compensation program are that a substantial portion of the NEOs' compensation should be performance-based and should be delivered in the form of equity-based awards. Our CD&A describes our compensation philosophy and objectives in more detail.

The Board of Directors values the opinions of our stockholders. Although the resolution is advisory and non-binding, the Board will consider the outcome of the advisory vote when making future compensation decisions.

The Board of Directors recommends a vote FOR the following non-binding resolution:

"Resolved, that the compensation of the Company's NEOs, as disclosed pursuant to the executive compensation disclosure rules of the SEC, including the CD&A, tabular disclosures, and other narrative executive compensation disclosures in this proxy statement, is hereby approved."

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PROPOSAL 3 RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2019

Aptar is asking stockholders to ratify the Audit Committee's appointment of PricewaterhouseCoopers LLP ("PwC") as Aptar's independent registered public accounting firm for the fiscal year ending December 31, 2019. PricewaterhouseCoopers LLP has audited Aptar's consolidated financial statements annually for over 25 years.

As described in its charter, the Audit Committee is responsible for the appointment, retention, termination, compensation and oversight of Aptar's independent registered public accounting firm. On an annual basis, the Audit Committee considers the engagement of the independent registered public accounting firm. In selecting PwC as Aptar's independent registered public accounting firm for fiscal 2019, the Audit Committee evaluated, among other factors:

- PwC's performance during fiscal year 2018 and in previous fiscal years, including the quality of PwC's services, the sufficiency of PwC's resources and the quality of the Audit Committee's ongoing discussions with PwC;
- PwC's tenure as the Company's independent registered public accounting firm and the depth of its understanding of our business, accounting policies and practices and internal control over financial reporting;
- the professional qualifications of PwC, the lead audit engagement partner and other key engagement partners;
- the scope of PwC's independence program and its processes for maintaining its independence;
- the scope of PwC's internal quality control program and the results of its most recent quality control reviews, including reviews by the Public Company Accounting Oversight Board;
- the appropriateness of PwC's fees for audit and non-audit services (on both an absolute basis and as compared to its peer firms); and
- the relative benefits, challenges, overall advisability and potential impact of selecting a different independent registered public accounting firm.

PwC rotates its lead audit engagement partner every five years; the Audit Committee interviews proposed candidates and selects the lead audit engagement partner.

Representatives of PwC are expected to be present at the annual meeting and will have the opportunity to make a statement if they desire to do so. It is also expected that those representatives will be available to respond to appropriate questions.

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Independent Registered Public Accounting Firm Fees

The following table sets forth the aggregate fees (rounded to the nearest thousand) charged to Aptar by PwC for audit services rendered in connection with the audited consolidated financial statements and reports for the 2018 and 2017 fiscal years and for other services rendered during the 2018 and 2017 fiscal years to Aptar and its subsidiaries.

Fee Category:		**2018**	**% of Total**		**2017**	**% of Total**
Audit Fees	$	3,720,000	82%	$	3,931,000	90%
Audit-Related Fees		4,000			148,000	3%
Tax Fees		427,000	10%		215,000	5%
All Other Fees		380,000	8%		70,000	2%
Total Fees	$	4,531,000	100%	$	4,364,000	100%

Audit Fees primarily represent amounts billed for the audit of Aptar's annual financial statements, including statutory audits of the financial statements at certain non-U.S. locations, the audit of our internal control over financial reporting, reviews of our quarterly financial statements, providing consents and reviewing documents to be filed with the SEC.

Audit-Related Fees primarily represent amounts billed for evaluation of the Company's analysis of the implications of adopting a new accounting standard in the year preceding adoption.

Tax Fees primarily represent amounts billed for services related to tax advice on the Company's global tax structure. Tax Fees also include tax compliance and preparation services including federal, state and international tax compliance and assistance with tax audits and appeals.

All Other Fees primarily represent consulting services performed in connection with the Company's cybersecurity and risk assessment.

The Audit Committee's policies and procedures require pre-approval for all audit and permissible non-audit services to be performed by Aptar's independent registered public accounting firm. These services are pre-approved by the entire Audit Committee; however, the Audit Committee may delegate to one or more of its members the authority to grant such pre-approvals provided that any such decision of such member or members must be presented to the full Audit Committee at its next scheduled meeting.

The Board of Directors and the Audit Committee recommend a vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Independent Registered Public Accounting Firm for 2019.

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EXECUTIVE OFFICER COMPENSATION

Compensation Discussion and Analysis

Executive Summary

Following is a discussion and analysis of our compensation programs as they apply to our NEOs for 2018, namely:

- Stephan B. Tanda, our President and Chief Executive Officer ("CEO");
- Robert W. Kuhn, Executive Vice President, Chief Financial Officer ("CFO") and Secretary;
- Eldon Schaffer, President of our Aptar Beauty + Home segment;
- Gael Touya, President of our Aptar Pharma segment; and
- Xiangwei Gong, President of Aptar Asia.

Financial and Operational Highlights

In 2018, Aptar achieved the following:

- Record reported sales of $2.8 billion, an increase of 12% from the prior year;
- Adjusted EBITDA of $551 million*;
- Annual net income of $194.7 million;
- Annual diluted earnings per share of $3.00;
- Acquired CSP Technologies, a leader in active packaging technology;
- 25th consecutive year of paying an increased dividend; and
- An ESG rating of "A" by MSCI ESG Ratings LLC, signed the Ellen MacArthur Foundation's New Plastics Economy Global Commitment and joined the World Business Council for Sustainable Development.

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* See the "Non-U.S. GAAP Measures" contained in the Company's Form 10-K, filed on February 21, 2019.

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In 2018, we also continued our strong total shareholder returns:

- We achieved a 50% total shareholder return ("TSR") over the past five years, compared to:
  - 23% TSR by our peer group;
  - 34% TSR by the S&P 400 Index; and
  - 50% TSR by the S&P 500 Index.

Recent Executive Compensation Enhancements

In 2018, we made the following executive compensation enhancements:

Annual Performance Incentives ("API")

Element	Change	Rationale
Performance Target Setting	Performance target setting based on improvement over prior year versus prior design of assessing performance relative to a fixed three-year average	• Communicates directly expectations for the current year and motivates improvement in Company performance from the prior year • Aligned with the Company's public financial disclosures
Metrics	To Adjusted EBITDA and core sales growth from return on equity and earnings per share under prior design	• Places greater emphasis on driving profitable growth in near-term • Provides an incentive to achieve performance targets that are deemed critical to the business, our strategy and aligned with stockholder value creation
Transparency	Incentive curve leverage that is more aligned with market practices (0% for below threshold performance and 200% of target for maximum performance) as compared to prior design	• Alignment with market practice by providing common incentive curve and enhance clarity for participants

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Long-term Performance Incentives ("LTI")

Element	Change	Rationale
Form of Award	To RSUs (40% of LTI) and PRSUs (60% of LTI) from stock options and cash-settled outperformance plan payments	• Enhances performance-based incentive of LTI • Provides a greater percentage of compensation in the form of equity awards • Provides balance between performance-based and retention objectives of the LTI • Further aligns program with market practice
Metrics	Based on relative total shareholder return ("TSR") and return on invested capital ("ROIC") performance over three-year performance period; no vesting unless a threshold level of achievement is attained over the three-year performance period	• Enhances incentive to achieve performance goals that are deemed critical to the business, our strategy and aligned with stockholder value creation • Enhances alignment of executives' interests with stockholder interests

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Executive Compensation Highlights

Our compensation practices in place during 2018 for our NEOs included the following governance elements that we believe support our compensation philosophies and objectives:

Governance elements supporting compensation philosophies and objectives

An independent Management Development and Compensation Committee

Compensation Consultant, Willis Towers Watson, retained by and reporting directly to the Management Development and Compensation Committee

Pay that is designed to be competitive, with a significant portion delivered as performance-based and at-risk compensation.

A significant portion of our targeted annual compensation is performance-based and/or subject to forfeiture ("at-risk"), with emphasis on variable pay to reward short-and long-term performance measured against pre-established objectives determined by our Company's strategy and aligned with stockholder value creation.

For 2018, performance-based compensation comprised approximately 51% of the target annual compensation for our CEO and, on average, approximately 42% of the target annual compensation for the other NEOs (other than Ms. Gong in light of her recent hire). The remaining components of 2018 target annual compensation consisted of base salary and service-based RSUs, with the Management Development and Compensation Committee viewing such RSUs as at-risk as their value fluctuates based on our stock price performance.

Emphasis on future pay opportunity vs. current pay

Our long-term incentive awards are equity-based and have multi-year vesting provisions to encourage retention.

For 2018, long-term incentive compensation comprised approximately 55% of the target annual compensation for our CEO and, on average, approximately 49% of the target annual compensation for the other NEOs (other than Ms. Gong in light of her recent hire).

Mix of performance metrics deemed supportive of our business strategy and compensation objectives

Stock ownership guidelines, limits on NEO stock trading and prohibition of hedging or pledging Aptar equity securities

Employment and change-in-control agreements that are designed to be competitive in markets in which we compete for executive talent

Absence of tax gross-up agreements with NEOs, other than those related to relocation benefits or expatriate assignments

Reasonable retirement plans

Limited annual perquisites

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The following table lists the material elements of Aptar's 2018 executive compensation program applicable to the NEOs. The Management Development and Compensation Committee believes that the design of Aptar's executive compensation program balances fixed and variable compensation elements, provides alignment with Aptar's short and long-term financial and strategic priorities through the annual and long-term incentive programs, and provides alignment with stockholder interests.

Element	Description	Purpose	Factors Influencing Amount
Salary	Fixed cash compensation	Facilitate attraction and retention	Experience, market data, individual role and responsibilities and individual performance
	Reviewed annually and adjusted if appropriate	Align with competitive market practice	
Annual Performance Incentives ("API")	Variable cash incentive compensation based on improvements in Company performance from the prior year	Provide an incentive to achieve performance goals that are deemed critical to the business, our strategy and aligned with stockholder value creation	Annual target opportunity determined annually based on market data, individual role and responsibilities and individual performance; payout based on improvements in Company and Segment performance from prior year and only if threshold level of achievement is attained
	Company performance measured by Adjusted EBITDA improvement and core sales growth (1)	Motivate improvement in Company performance from the prior year	
	No payouts unless a threshold level of achievement is attained		
	Participants may elect to receive up to 50% of API in RSUs		
Long-term Performance Incentives ("LTI")	RSUs	Provide alignment with stockholder interest	Intended target amount of all LTI awards is based on individual role and responsibilities and market data; three-year minimum vesting for all LTI awards
		Reward long-term success and growth	For PRSUs, vesting only occurs if a threshold level of achievement is attained
		Facilitate retention	
	PRSUs vest based on relative TSR and ROIC performance over three-year performance period, subject to a threshold level of achievement(2)	Provide alignment with stockholder interest	
		Provide an incentive to achieve performance goals that are deemed	

critical to the business, our strategy and aligned with stockholder value creation

Facilitate retention

(1) For Schaffer, Touya and Gong, a portion of their API is based on the Adjusted EBITDA improvement and core sales growth in the NEOs' areas of responsibility. See "Annual Performance Incentives" below.

(2) Total shareholder return (or TSR) is measured by share price appreciation of the Company's common stock over a three year performance period and reinvestment of dividends, and is compared to the TSR of the S&P 400 MidCap Index over such three year performance period.

Return on invested capital (or ROIC) is defined as earnings before interest, less taxes, divided by the Company's average capital (*i.e.,* equity excluding currency effects + net debt).

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Compensation Philosophy and Objectives

Our compensation philosophy and objectives are, first and foremost, to fairly and competitively compensate our executives for growing our business and increasing value for stockholders and, secondly, to retain our experienced management team. The following factors are supportive of our compensation objectives:

- Pay that is reasonable and performance-based;
- Significant amount of pay that is at risk (both annual and long-term), with a substantial amount provided in equity (and therefore aligned with stockholders);
- Stock ownership guidelines, limits on executive officer stock trading and prohibition of hedging or pledging Aptar equity securities;
- Employment and change-in-control agreements that are designed to be competitive in markets in which we compete for executive talent;
- Absence of tax gross-up agreements with named executive officers, other than those related to relocation benefits or expatriate assignments;
- Reasonable retirement plans; and
- Limited perquisites other than common perquisites provided in the context of expatriate assignments or related to relocation.

Stockholder Feedback on Compensation Practices

The Management Development and Compensation Committee considered the continued support that our proposal on executive compensation received from stockholders at our 2018 annual meeting of stockholders, at which approximately 97% of votes cast (excluding abstentions and broker non-votes) were in favor of our compensation policies and practices. Therefore, no changes were made to our principal compensation policies or practices in response to the advisory vote.

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Compensation Determination

The Management Development and Compensation Committee takes into account an assortment of factors and reviews a variety of information before setting annual compensation levels, as listed on the following table:

Factors and Information Considered and Reviewed to Determine Compensation Levels

- Value in the experience of our senior management team and the importance of retaining them
- Past compensation levels
- Benchmarking against size-appropriate published general industry survey data
- Proxy data from the Company's compensation peer group (discussed below) for the CEO and CFO positions as a secondary reference point

The Management Development and Compensation Committee has historically intended to create a compensation program for NEOs that generally targets total direct compensation (combined salary, annual performance incentives and long-term performance incentives) at the median of total direct compensation delivered to individuals with comparable duties and revenue responsibilities in companies similar in size to Aptar. The Management Development and Compensation Committee would consider setting total direct compensation above the 50th percentile should circumstances such as executive tenure, company performance or individual performance warrant above median positioning. The benchmarking study conducted by Willis Towers Watson in 2018, described in further detail below, noted the following high-level findings for our executive officers, including NEOs, as compared to general industry survey data:

- Base salaries are at approximately the 50th percentile;
- Target total cash compensation is positioned at approximately the 50th percentile;
- Long-term performance incentives are positioned between the median and 75th percentile; and
- Target total direct compensation, reflecting the sum of target total cash compensation and long-term incentives, is positioned between the median and 75th percentile.

Aptar maintains a 20-company compensation peer group ("Peer Group") that was approved by the Management Development and Compensation Committee, which, for select NEOs, serves as a supplement to the general industry published survey data that remains as the primary data source given its deemed appropriateness from a size perspective. Additionally, the Peer Group is used for industry financial comparison purposes and as a source of data for compensation plan design characteristics. In consultation with Willis Towers

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Watson, the following characteristics of the Peer Group are considered by the Management Development and Compensation Committee in assessing its reasonableness:

- U.S. companies that either compete with Aptar for market share or operate in similar industries as Aptar;
- Companies that compete with Aptar for capital;
- Competitors for senior executive talent (i.e., where Aptar would recruit senior talent from, and potentially lose executives to);
- Emphasis on companies with non-U.S. operations (i.e., a majority of the peers have a significant percentage of revenue attributable to foreign operations);
- Whether companies list Aptar as a compensation peer;
- Revenue and market capitalization in a range similar to that of Aptar; and
- Feedback from management.

The Peer Group does not represent an exhaustive or comprehensive list of all of Aptar's competitors. Rather, it includes a set of companies that meet the criteria above and have been approved by the Management Development and Compensation Committee for evaluating executive compensation. The Management Development and Compensation Committee will monitor the Peer Group for potential revisions in light of changing market or business conditions. Following a Peer Group review conducted in 2017, the following changes were made to the Peer Group to be used in connection with the Management Development and Compensation Committee's 2018 competitive analysis:

- AEP Industries was removed due to its acquisition by Berry Global Group, Inc.; and
- KapStone Paper and Packaging Corporation, Rayonier Advanced Materials, Inc., Sensient Technologies Corporation, and Stepan Company were added to the Peer Group based on the selection criteria noted above.

The following companies are contained in the 2018 Peer Group:

Company	
A. Schulman, Inc.	Bemis Company, Inc.
Berry Global Group, Inc.	Crown Holdings, Inc.
Graphic Packaging Holding Company	Greif, Inc.
H.B. Fuller Company	International Flavors & Fragrances, Inc.
KapStone Paper and Packaging Corporation	Owens-Illinois, Inc.
P.H. Glatfelter Company	Packaging Corporation of America

Rayonier Advanced Materials, Inc.	Sealed Air Corporation
Sensient Technologies Corporation	Siligan Holdings, Inc.
Sonoco Products Company	Stepan Company
TriMas Corporation	West Pharmaceutical Services, Inc.

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The Management Development and Compensation Committee reviews compensation survey information prepared by Willis Towers Watson for the CEO and other executive officer positions annually. Consistent with prior years, the compensation elements evaluated by Willis Towers Watson are base salary, target annual cash incentives, target total cash compensation (the sum of base salaries and target cash incentives), target LTI, and target total direct compensation (the sum of target total cash compensation and target LTI). In considering compensation for the CEO and CFO, the Management Development and Compensation Committee considered proxy peer group compensation data in addition to the compensation survey information prepared by Willis Towers Watson. When determining the 2018 compensation opportunities of executive officers other than Mr. Tanda, the Management Development and Compensation Committee also reviewed recommendations furnished by Mr. Tanda, including salary, target annual cash incentive and target LTI recommendations. In 2018, Mr. Tanda, participated in all discussions regarding salaries and incentive compensation for all of our executive officers, except during discussions regarding his own salary and incentive compensation. Mr. Tanda made suggestions or recommendations during these discussions; however, all deliberations and determinations regarding the compensation of our executive officers were made solely by the Management Development and Compensation Committee.

Base salary, target annual incentive opportunities and long-term incentive grant values are provided by Willis Towers Watson from its proprietary U.S. and non-U.S. executive compensation surveys, which contain general industry data from hundreds of companies. Wherever possible, the market data are adjusted to Aptar's revenue size using regression analysis (based on Aptar's revenue and the respective position's responsibilities, as summarized below). The same compensation elements were also reviewed in Willis Towers Watson's peer group proxy analysis for Messrs. Tanda and Kuhn.

Given the adjustments made to the data to reflect Aptar's revenue size, the Management Development and Compensation Committee does not consider the specific identities of the companies included in the surveys to be material for purposes of its compensation deliberations and, accordingly, the specific identities of the companies included within each survey sample are not disclosed to the Management Development and Compensation Committee.

The information related to base salary and annual cash incentive compensation that was provided by Willis Towers Watson in 2018 was regressed for US data (French data is size-adjusted) based on the following annual revenue responsibilities, which are representative of Aptar's approximate revenue size:

- CEO and CFO: corporate revenues of approximately $3 billion; and
- Other NEOs: group/segment revenues ranging from $375 million to $1.5 billion, depending on the segment or area of responsibility.

As noted earlier, based on Willis Towers Watson's benchmarking analysis that was furnished to the Management Development and Compensation Committee, Aptar's 2018 total direct compensation for the executive officers, including NEOs, in aggregate was positioned

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between the median and 75th percentile of the published survey data. Specifically, with respect to the CEO and CFO, most elements of total direct compensation were generally competitive with the 50th percentile with respect to the additional peer proxy statement analysis.

Elements of Our Compensation Programs

We manage our business for the long-term benefit of all stakeholders and consequently we believe that it is important that our senior management receive a substantial portion of their compensation in the form of long-term incentives, or LTIs, with base salary and annual cash incentives representing a smaller percentage of annual compensation. Historically, a substantial portion of NEO LTI compensation has been delivered in the form of time-vested stock options and cash-settled outperformance awards. Additionally, RSUs have generally only been awarded in lieu of up to 50% of the executive's annual cash performance incentive, at the executive's election, or for retention purposes, as determined by the committee. Beginning in 2018, the Management Development and Compensation Committee replaced the prior LTI program structure of annual grants of stock options and cash-settled outperformance awards with annual equity grants of RSUs and PRSUs. The PRSUs vest based on relative TSR and ROIC performance over three-year performance period, subject to a threshold level of achievement. These changes are intended to:

- Provide a greater percentage of compensation in the form of equity awards;
- Enhance the performance-based incentives of the LTI plan;
- Provide a balance between performance-based and retention objectives of the LTI plan;
- Further align the interests of Aptar's executive officers with the long-term interests of the Company's stockholders; and
- Enhance the retentive aspects of our executive compensation program.

When determining the appropriate amount of equity compensation to be awarded to executive officers, the Management Development and Compensation Committee considers the value of the equity award relative to market practice and in consideration of total direct compensation. The 2018 LTI award for Ms. Gong was made in recognition of Ms. Gong's forfeited equity awards provided to her from her former employer and was established pursuant to an employment agreement between Ms. Gong and the Company. For a description of Ms. Gong's employment agreement, please see the information below under "Gong Employment Agreement."

Salary. The salary level of the CEO is established by the Management Development and Compensation Committee each January after evaluating individual performance and discussing the market data provided by Willis Towers Watson. The salary levels of other NEOs are also set each January after evaluating and discussing the recommendations of the CEO and reviewing any relevant market data provided by Willis Towers Watson for the other NEO

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positions. In 2018, the Management Development and Compensation Committee increased the salaries of our then-serving NEOs from the 2017 levels as follows:

Name	2018 Salary	2017 Salary	% Increase
Tanda	$1,030,000	$1,000,000	3%
Kuhn	$575,500	$556,000	4%
Schaffer	$534,000	$526,000	2%
Touya(1)	$515,841	$412,355	25%
Gong(2)	$450,000		

(1)
In addition to the January 2018 salary increase, after reviewing the relevant market data as described above, Mr. Touya's salary was increased on September 1, 2018 to reflect his new responsibilities (Mr. Touya was appointed President of Aptar Pharma on September 1, 2018) and make his base salary more competitive with relevant market data for comparable positions. Mr. Touya's compensation is denominated in Euros and was translated to U.S. dollars using the average exchange rate for the year.

(2)
Ms. Gong's salary is annualized and was established pursuant to an employment agreement between Ms. Gong and the Company. For a description of Ms. Gong's employment agreement, please see the information below under "Gong Employment Agreement."

Annual Performance Incentives ("APIs").

Generally, APIs in the form of variable cash incentive compensation are provided to our NEOs. The APIs are designed to reward, when earned, achievement of performance goals that are deemed critical to the business, our strategy and aligned with stockholder value creation. For 2018, the Management Development and Compensation Committee included improvement measures as the Company performance goals for determining API payouts as it believed that the 2018 API amounts should reflect Aptar's financial performance improvement from the prior year and, accordingly, if Aptar's financial performance declined from the prior year, then no cash API payout would be awarded to the NEOs.

For 2018, the amount of our NEOs' API was calculated based on (i) his or her target API opportunity and (ii) improvement in Company performance from the prior year, measured based on Adjusted EBITDA and core sales growth performance. For Ms. Gong, her API was prorated for the number of days she was employed by the Company in 2018. The target API opportunity is a percentage each NEO's base salary, and is determined annually based on market data, individual role and responsibilities and individual performance. For 2018, the target API opportunity for each of the NEOs was determined based on market data and the Company's historical pay practices with respect to such position.

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The following illustrates how the 2018 APIs were calculated:

The Management Development and Compensation Committee used the following improvements in Company performance and weightings for 2018 to determine the amount of each NEO's 2018 API. The Management Development and Compensation Committee chose EBTIDA and core sales growth as performance measures because they are directly tied into goals that are deemed critical to the business, our strategy and aligned with stockholder value creation.

2018 API Performance for Corporate and Segments

Corporate and Segments Adjusted EBITDA(1) Growth vs Prior Year (Weighted 65% of Target)		Corporate and Segments Core Sales(2) Growth vs Prior Year (Weighted 35% of Target)				
Growth Rate(3)	Performance Factor	Corporate(3)	Food + Beverage(3)	Beauty + Home(3)	Pharma(3)	Performance Factor
<0%	0%	<0%	<0%	<0%	<0%	0%
0%	50%	0.0%	0.0%	0.0%	0.0%	50%
5%	100%	4.0%	6.0%	3.0%	6.0%	100%
7%	125%	5.0%	7.0%	4.0%	7.0%	125%
10%	150%	6.0%	8.0%	5.0%	8.0%	150%
13%	175%	6.5%	9.0%	5.5%	9.0%	175%
15%	200%	7.0%	10.0%	6.0%	10.0%	200%

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Actual Growth Rates

	Corporate and Segments Adjusted EBITDA Growth vs Prior Year (Weighted 65% of Target)	Corporate and Segments Core Sales Growth vs Prior Year (Weighted 35% of Target)
Corporate	8.7%	8.1%
Food + Beverage	14.9%	4.7%
Beauty + Home	4.4%	6.9%
Pharma	21.2%	11.7%

(1) Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization; excluding acquisition costs, impact of acquisitions in the year acquired and a portion of transformation costs.

(2) Core sales growth is defined as organic sales growth that excludes currency effects and acquisition effects in the past 12 months.

(3) For performance below the threshold performance goal, no payout will be earned by the NEO with respect to such performance metric. For performance between performance levels, payout levels will be determined based on straight line interpolation.

For Messrs. Schaffer and Touya and Ms. Gong, the performance factors are further weighted 40% Company performance and 60% on their respective areas of responsibility. Based on actual performance in 2018 and applying the weighting described above, the following performance factors were determined for 2018 and resulted in the following 2018 API (adjusted for rounding):

NEO	2018 Base Salary	Target %	Performance Factor	2018 API
Tanda	$ 1,030,000	115%	160%	$ 1,900,649
Kuhn	$ 575,500	75%	160%	$ 692,585
Schaffer	$ 534,000	75%	106%	$ 425,251
Touya(1)	$ 515,841	75%	134%	$ 438,575
Gong(2)	$ 450,000	75%	83%	$ 60,000

(1) Mr. Touya's 2018 API was determined by prorating based on the number of days he was responsible for Aptar Food + Beverage and Aptar Pharma. Mr. Touya's 2018 API was denominated in Euros and translated at the spot rate on the grant date fair value of the award, which was February 28, 2019.

(2) For Ms. Gong, her API was prorated for the number of days she was employed by the Company in 2018.

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The Management Development and Compensation Committee believes it is important to encourage executive officer stock ownership and provide a compensation opportunity that is weighted towards equity. For those reasons, an executive officer may elect to receive up to 50% of his or her cash API in the form of RSUs. If an executive elects to receive a portion of his or her annual performance cash incentive in RSUs, the executive will also receive an additional 20% of the elected amount in the form of RSUs. The value of each RSU is determined by the closing share price on the NYSE on the day preceding the date of grant. RSUs convert into shares of our common stock if the recipient is still employed by us or is an Aptar retiree on the date that RSUs vest. RSUs vest over a three-year period, with one third vesting on each of the first three anniversaries of the grant date. Recipients of RSUs may not vote the units in stockholder votes and they do not earn or receive any dividend payments on the units.

Kuhn special recognition payment

The Management Development and Compensation Committee awarded Mr. Kuhn an additional $250,000, one-time, award, payable half in cash and half in RSUs, in recognition of his exceptional leadership in connection with the CSP acquisition and leading Human Resources on an interim basis in 2018.

Long-term Performance Incentives ("LTIs").

We believe that LTI compensation in the form of equity awards provide a strong alignment between the interests of our NEOs and our stockholders. The Management Development and Compensation Committee generally seeks to provide equity award opportunities that are consistent with our compensation philosophy (with the potential for larger payments for exceptional performance). The Management Development and Compensation Committee also believes that long-term equity awards are an essential tool in promoting executive retention.

2018 Design Enhancements. In 2018, the Company replaced its prior practice of annual grants of stock options and cash-settled outperformance awards with an annual grant of RSUs and PRSUs. The Management Development and Compensation Committee made this change after considering market data, input from Willis Towers Watson and the committee's objectives of providing a significant portion of compensation in the form of equity compensation, linking the vesting of a significant portion of the LTIs to the achievement of pre-established performance goals and enhancing the retentive element of the program with the use of time-based RSUs.

Setting Award Value:

In early 2018, the Management Development and Compensation Committee granted the then-serving NEOs LTI awards. In approving the 2018 LTI awards, the committee approved the target amount of the LTI awards based on individual roles and responsibilities and market data. The 2018 LTI award for Ms. Gong was made in recognition of Ms. Gong's forfeited equity awards provided to her from her former employer and was established pursuant to an

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employment agreement between Ms. Gong and the Company. For a description of Ms. Gong's employment agreement, please see the information below under "Gong Employment Agreement." Once the LTI target award value was determined for each NEO, the award was divided between PRSUs and RSUs, weighted 60% and 40%, respectively.

The following table sets forth the target award value, as of the date of grant, of the 2018 LTI award received by each NEO:

NEO	Target Value of LTI award
Stephan Tanda	$3,090,000
Bob Kuhn	$1,007,125
Eldon Schaffer	$934,500
Gael Touya(1)	€787,500
Xiangwei Gong(2)	

(1) The target award value for Mr. Touya's 2018 LTI grant translated to U.S. dollars at the grant date was $963,545.

(2) Ms. Gong did not participate in the annual LTI program and, instead, received a grant of RSUs in connection with the commencement of her employment in November 2018. For a description of Ms. Gong's employment agreement, please see the information below under "Gong Employment Agreement."

PRSUs.

For 2018, the Committee granted PRSUs as 60% of the target LTI award, which vest based on the Company's ROIC and relative TSR performance, with potential vesting ranging from 0% to 200% of the target number of shares subject to the award (the "Target Shares"), as follows:

- ROIC over the three-year performance period, which consists of 35% of the Target Shares. ROIC is defined as earnings before interest, less taxes, divided by the Company's capital (*i.e.,* equity excluding currency effects + net debt). The Management Development and Compensation Committee established the ROIC performance levels to be achievable, but required the strong and consistent performance of the Company over the three-year performance period.

- TSR relative to the S&P 400 MidCap Index over the three-year performance period, which consists of 65% of the Target Shares. TSR is measured by share price appreciation of the Company's common stock over the three-year performance period and reinvestment of dividends, as compared to the TSR of the S&P 400 MidCap Index

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over the performance period. For the TSR component, the vesting will be determined in accordance with the following schedule:

Performance Level	Company TSR Percentile Rank vs. S&P 400 MidCap Constituent Company Returns(1)	Percentage of Shares that Shall Vest
Below Threshold	Below the 25th percentile	0%
Threshold	25th percentile	50%
Target	50th percentile	100%
Maximum	75th percentile	200%

(1) If the Company's TSR for the performance period is negative, the Management Development and Compensation Committee will have discretion to reduce the vesting levels as it deems appropriate, but in any event the vesting level of the award will not exceed target if the Company's TSR is negative during the performance period.

Each NEO must be continuously employed through the last day of the performance period to receive his or her earned shares, except to the extent an event triggers accelerated vesting of the 2018 PRSUs under the terms of the award agreement or his or her employment or other agreement, as applicable.

RSUs: The remaining component of the 2018 LTI program consisted of time-based RSUs, which vest over a three-year service period, subject to the NEO's continued employment through the applicable vesting date except to the extent an event triggers accelerated vesting of the 2018 RSUs under the terms of the award agreement or his or her employment or other agreement, as applicable. As noted above, the committee introduced RSUs into the annual LTI program to further enhance the retentive aspect of the Company's executive compensation program and to further align the interests of our NEOs with the long-term interests of the Company's stockholders.

Outstanding Outperformance Awards. Prior to 2018, outperformance awards were granted to the then-serving NEOs on an annual basis, with vesting based on relative TSR over a three-year performance period. Specifically, the Outperformance TSR Plan provides that if the Company's TSR is equal to or exceeds the 50th percentile of the TSRs for companies that are included in the S&P 400 MidCap Index over a three-year performance period, the NEOs

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will be entitled to cash awards equal to a target percentage of base salary multiplied by a percentage determined by the relevant TSR as outlined in the table below.

Company TSR Percentile Rank vs. S&P 400 MidCap Constituent Company Returns	Percentage of Target Amount Earned
Below the 50th percentile	0%
50th percentile	100%
75th percentile	200%
90th percentile and above	250%

Following the conclusion of 2018, payments were made with respect to the awards granted in 2016 approximately 141% of the target amount was earned over the three-year performance period ended in 2018.

NEO	Payout
Kuhn	$285,120
Schaffer	$269,280
Touya	€171,600

Post-Termination compensation. The employment agreements of our NEOs provide for guaranteed minimum salary levels, death benefits, non-competition clauses and post-termination commitments. The post-termination commitments do not significantly affect the Management Development and Compensation Committee's decisions concerning other compensation elements. We believe that the post-termination commitments included in the NEOs' agreements are not substantially different from what is typical at other companies with revenues similar to those of Aptar. Additional information about the employment agreements, including definitions of key terms and a quantification of benefits that would have been received by our NEOs had termination occurred on December 31, 2018, is found under "Potential Payments Upon Termination of Employment."

Retirement Plan Arrangements. We also offer pension plans to our employees, including NEOs. Additional information regarding our pension plans is found under "Pension Benefits."

We maintain profit sharing and savings plans for our employees, including NEOs. These plans permit employees to make such savings in a manner that is relatively tax efficient.

Perquisites. Perquisites have historically not been a significant percentage of overall NEO compensation and therefore generally do not affect the decisions of the Management Development and Compensation Committee when determining other elements of compensation. These perquisites can include a company-provided automobile, memberships in social and professional clubs, and supplemental life insurance, among others. In addition, the Company provides competitive perquisites for NEOs on an expatriate assignment, which it believes are consistent with local market practices. The Management Development and

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Compensation Committee believes it is necessary to provide NEOs with perquisites similar to those provided by other companies in order to recruit and retain the best executive talent. The Management Development and Compensation Committee reviews the perquisites provided to its NEOs on a regular basis.

Gong Employment Agreement

In connection with the commencement of her employment with the Company, Ms. Gong entered into an employment agreement with the Company similar to the employment agreements with our other US-based NEOs with the exception of providing certain sign-on compensation and expatriate benefits to reflect her service in China. In recognition of the fact that Ms. Gong forfeited certain equity awards provided to her by her former employer, her employment agreement provides for the one-time grant of RSUs with a grant date value of $1 million and vesting in three annual installments on November 5, 2019, 2020 and 2021, subject to Ms. Gong's continued employment through the applicable vesting date. Ms. Gong also received a "sign-on bonus" of $200,000 in recognition of forfeited bonus that she would have received from her former employer. Pursuant to her employment agreement, Ms. Gong will receive expatriate benefits relating to her current international assignment in China, which began in October 2018. The additional benefits that she receives are directly related to the additional expenses Ms. Gong incurs as a result of her China assignment. Her benefits include (i) automobile and driver (including insurance, maintenance, reasonable fuel, taxes and vehicle registration costs), (ii) dependent schooling, (iii) international health insurance, (iv) travel for two (2) annual trips to the United States for Ms. Gong and her immediate family, (v) housing allowances, (vi) tax equalization payments and preparation services, and (vii) reimbursement for repatriation to the United States upon certain termination events.

Stock Ownership

Under the stock ownership guidelines, the executive officers must own Company common stock and/or hold RSUs representing a value that is as follows: for the CEO, five times his or her base salary; for the remaining executive officers, one times their base salary. Under the guidelines, executive officers have to achieve the respective levels of ownership within a phase-in period consisting of five years from the date such executive officer attains their respective position. As of December 31, 2018, every NEO is either in compliance with the guidelines or within the phase-in period.

Management Development and Compensation Committee's Use of Consultants and Consultant's Independence

The Management Development and Compensation Committee of our Board of Directors has responsibility for approving the compensation programs for our NEOs and acts pursuant to a charter that has been approved by our Board and is available through the Corporate Governance link on the Investor Relations page of the Aptar website located at: investors.aptar.com. Under this charter, the Management Development and Compensation Committee has the authority to retain outside advisers as deemed necessary, and in 2018 the Management Development and Compensation Committee retained Willis Towers Watson, a

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global human resources consulting firm. The Management Development and Compensation Committee has determined that Willis Towers Watson is independent according to the advisor independence factors outlined by the NYSE. In making this independence determination, the Management Development and Compensation Committee recognized that Willis Towers Watson provides other services to the Company. The Management Development and Compensation Committee determined that the nature of these other services, described below, together with protocols implemented by Willis Towers Watson, did not give rise to any conflict of interest. Fees paid to Willis Towers Watson for services rendered in 2018 to the Management Development and Compensation Committee for executive compensation consultation (including the proxy and survey benchmarking, participation in meetings with Aptar and its Management Development and Compensation Committee and other requests from the Management Development and Compensation Committee) totaled approximately $219,000. Management also engaged Willis Towers Watson for other services that were provided to the Company, primarily related to compensation market survey data, employee engagement surveys and retirement/actuarial analysis. These services were also considered by the Management Development and Compensation Committee in connection with its independence determination of Willis Towers Watson, and totaled approximately $768,000 in fees.

Stock Trading Guidelines

We have an Insider Trading Policy that applies to senior management, including our NEOs. The Insider Trading Policy prohibits our senior management from engaging in selling short our common stock or engaging in hedging, pledging or offsetting transactions regarding our common stock.

Compensation Committee Report

The Management Development and Compensation Committee of the Board of Directors oversees Aptar's compensation program on behalf of the Board. In fulfilling its oversight responsibilities, the Management Development and Compensation Committee reviewed and discussed with management the Compensation Discussion and Analysis set forth in this proxy statement.

In reliance on the review and discussions referred to above, the Management Development and Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and this proxy statement.

Management Development and Compensation Committee

Giovanna Kampouri Monnas (Chair)
George L. Fotiades
Jesse Wu

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2018 SUMMARY COMPENSATION TABLE

The table below contains compensation information for the NEOs of Aptar. For information concerning the objectives of our compensation program, including an analysis of individual compensation elements awarded in 2018, see our "Compensation Discussion and Analysis."

Name and Principal Position	Year	Salary ($)	Bonus ($)(1)	Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	Changes in Pension Value and Nonqualified Deferred Compensation Earnings ($)(5)	All Other Compensation ($)(6)	Total ($)
Stephan B. Tanda	2018	1,030,000		4,230,125		950,325	288,445	1,540,290	8,039,185
President and Chief Executive Officer (effective February 1, 2017)	2017	916,667		1,326,000	1,900,005	530,000	352,936	1,267,737	6,293,345
Robert W. Kuhn	2018	575,500	125,000	1,572,584		346,293	43,200	20,529	2,683,106
Executive Vice President	2017	556,000		1,658,700	824,997	222,400	375,094	21,267	3,658,458
and Chief Financial Officer	2016	540,000		462,915	575,990	218,700	218,210	22,407	2,038,222
Eldon Schaffer	2018	534,000		1,189,568		212,626		16,012	1,952,206
President, Aptar	2017	526,000		1,536,114	824,997	128,870	275,907	18,108	3,309,996
Beauty+Home	2016	510,000		339,278	575,990	124,950	164,401	19,710	1,734,329
Gael Touya(7)	2018	515,841		1,131,212		263,145		37,896	1,948,094
President,	2017	412,355		824,899	700,003	112,542	419,801	29,366	2,498,966
Aptar Food+Beverage	2016	359,756		220,347	452,564	111,618	345,310	25,994	1,515,589
Xiangwei Gong President, Aptar Asia (effective October 15, 2018)	2018	96,196	200,000	1,000,000		60,000		72,280	1,428,476

(1) Includes the cash portion of Mr. Kuhn's $250,000, one-time, payment in recognition of his exceptional leadership in connection with the CSP acquisition and leading Human Resources on an interim basis in 2018. The remaining $125,000 was granted as RSUs in lieu of cash.

Includes for Ms. Gong a "sign-on bonus" of $200,000 in recognition of forfeited bonus that she would have received from her former employer.

(2) Stock Award compensation for Messrs. Tanda, Kuhn, Schaffer and Touya includes the fair value of RSUs granted in lieu of a portion of the executive's annual performance incentive for that year, at the executive's election, and additional RSUs granted to an executive officer who made such election. The value of the additional RSUs granted represents 20% of the value of the annual performance incentive (non-equity incentive compensation plan amount) that was taken in the form of RSUs in lieu of cash. RSUs vest over a three-year period. The number of RSUs granted to Messrs. Tanda, Kuhn, Schaffer and Touya with respect to 2018 performance is included in the table below. The number of RSUs granted was determined by dividing the amount of the annual performance incentive taken in RSUs and the additional 20% on that amount by the

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market price of our common stock on February 28, 2019, discounted for dividends not received during the vesting period.

	Amounts Included In Stock Awards Column Above Taken In Lieu Of Cash ($)/(# RSUs)	Amounts Included In Stock Awards Column For Additional 20% On Amounts Taken In Lieu of Cash ($)/(# RSUs)	Combined Total ($)/(# RSUs)
S. Tanda	$ 950,324/9,580	$ 190,065/1,916	$ 1,140,389/11,496
R. Kuhn	$ 471,293/4,751	$ 94,259/950	$ 565,551/5,701
E. Schaffer	$ 212,626/2,143	$ 42,525/429	$ 255,151/2,572
G. Touya	$ 175,430/1,768	$ 35,086/354	$ 210,516/2,122

Stock Award Compensation also includes RSUs and PRSUs that are granted in connection with NEOs' 2018 LTI, as described above under "Long-term Performance Incentives" and Ms. Gong's sign-on RSU award described under "Gong Employment Agreement."

RSUs in connection with 2018 LTI grants were granted to Messrs. Tanda, Kuhn, Schaffer and Touya on February 28, 2018 at the closing market price on that day of $89.42. RSUs were granted to Ms. Gong on November 5, 2018 at the closing market price on that day of $103.21.

	# RSUs	$
S. Tanda	13,822	$ 1,235,963
R. Kuhn	4,505	$ 402,837
E. Schaffer	4,180	$ 373,776
G. Touya	4,119	$ 368,321
X. Gong	9,689	$ 1,000,000

PRSUs in connection with 2018 LTI grants were granted to Messrs. Tanda, Kuhn, Schaffer and Touya on February 28, 2018. Amounts shown in the column regarding PRSUs do not reflect dollar amounts actually received by the NEOs. Instead, these amounts represent the aggregate grant date fair value of the TSR portion of PRSUs granted in the year indicated computed in accordance with ASC Topic 718. The grant date fair value of the PRSUs is determined using a Monte-Carlo simulation model and based upon a discounted cash flow analysis of the probability-weighted payoffs of a share-based payment assuming a variety of possible stock price paths and represents the estimate of aggregate compensation cost to be recognized over the requisite service period determined as of the grant date under ASC Topic 718, while the grant date fair value of the ROIC portion of the PRSUs is determined based on the probable

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satisfaction of the performance conditions at the time of grant and the closing stock price on such date in accordance with ASC Topic 718.

	# PRSUs	$
S. Tanda	16,621	$ 1,853,773
R. Kuhn	5,417	$ 604,196
E. Schaffer	5,027	$ 560,641
G. Touya	4,953	$ 552,375

The amounts included in the Stock Awards column for the PRSUs granted during 2018 are calculated based on the probable satisfaction of the performance conditions for such awards as of the date of grant. Assuming the highest level of performance is achieved for the portion of the PRSUs relating to the ROIC component, the maximum grant date fair value for the ROIC component would be as follows: Mr. Tanda $1,297,842; Mr. Kuhn $422,957; Mr. Schaffer $392,464; and Mr. Touya $386,742. Under FASB ASC Topic 718, the vesting condition related to the TSR portion of the PRSUs is considered a market condition and not a performance condition. Accordingly, there is no grant date fair value below or in excess of the amount reflected in the table above for the NEOs that could be calculated and disclosed based on achievement of the underlying market condition. Assumptions used in the calculation of the expense related to the stock awards can be found in Note 16, "Stock-Based Compensation" to Aptar's audited financial statements for the year ended December 31, 2018, included in Aptar's Annual Report on Form 10-K filed with the SEC on February 21, 2019 ("Aptar's Financial Statements").

(3)

Option Award values represent the grant date fair values determined in accordance with FASB ASC Topic 718. Assumptions used in the calculation of the expense related to options can be found in Note 16, "Stock-Based Compensation" to Aptar's audited financial statements for the year ended December 31, 2018, included in Aptar's Annual Report on Form 10-K filed with the SEC on February 21, 2019 ("Aptar's Financial Statements").

(4)

Amounts reported in this column represent the cash portion received under the API and are presented in the fiscal year in which they were earned. These amounts were paid in February of the following year once the consolidated financial results of Aptar were completed. Please see footnote 2 above for a summary of the RSU component of the API, which was awarded in early 2019 and is reflected in the table above as 2018 compensation.

(5)

All of these amounts relate to changes in pension values. Assumptions used to calculate the change in the present value of accrued benefits were the same as those disclosed in Note 9, "Retirement and Deferred Compensation Plans" to Aptar's Financial Statements.

(6)

The amount of other compensation in 2018 includes Company contributions to profit sharing and savings plans, premiums related to Company-provided term life insurance and supplemental disability insurance, and amounts related to a Company-provided

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automobile for all NEOs. The amount of other compensation in 2018 for Mr. Tanda includes payments for moving expenses of approximately $265,000, compensation related to forfeited long term incentive plan amounts upon his employment at Aptar of approximately $1,218,000 and payable in accordance with his employment agreement and approximately $28,000 related to Company provided disability insurance. The amounts included for moving expenses are valued on the basis of the amounts paid directly to Mr. Tanda or the service provider, as applicable. The amount of other compensation in 2018 for Mr. Touya includes Company contributions related to a profit share program of approximately $23,000. The amount of other compensation for Ms. Gong includes payments for Company provided auto of approximately $14,000, housing of approximately $19,000 and approximately $39,000 related to dependent schooling.

(7) Mr. Touya's compensation is denominated in Euros and was translated to U.S. dollars using the average exchange rate for the year, except for the annual performance incentive amount which was translated using the spot exchange rate on the date the amount was determined.

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2018 GRANTS OF PLAN-BASED AWARDS

The table below sets forth all plan-based awards granted to NEOs in 2018.

2018 GRANTS OF PLAN-BASED AWARDS

			Estimated Possible Payouts Under Non-Equity Incentive Plan Awards (2)			Estimated Possible Payouts Under Equity Incentive Plan Awards (3)						
Name	Grant Date	Grant Type(1)	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#)(4)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)(5)
S. Tanda	2/28/18	RSU							13,822			1,235,963
	2/28/18	RSU							7,113			636,000
	2/28/18	PRSU				3,629	16,621	33,241				1,853,773
		API	592,250	1,184,500	2,369,000							
R. Kuhn	2/28/18	RSU							4,505			402,837
	2/28/18	RSU							2,985			266,880
	2/28/18	PRSU				1,183	5,417	10,834				604,196
		API	215,813	431,625	863,250							
E. Schaffer	2/28/18	RSU							4,180			373,776
	2/28/18	RSU							1,729			154,644
	2/28/18	PRSU				1,097	5,027	10,053				560,641
		API	200,250	400,500	801,000							
G. Touya	2/28/18	RSU							4,119			368,321
	2/28/18	RSU							1,007			90,034
	2/28/18	PRSU				1,081	4,953	9,905				552,375
		API	193,440	386,881	773,760							
X. Gong	11/5/18	RSU							9,689			1,000,000
		API	35,156	70,313	140,625							

(1) During fiscal year 2018, NEOs received three types of plan-based awards: PRSUs, RSUs and Annual Performance Incentives (in cash) ("API").

(2) Amounts represent threshold and maximum API opportunities under the 2018 API. For Ms. Gong, her API opportunity was prorated for the number of days she was employed by the Company in 2018. The amount actually paid to each NEO is included in the Stocl Awards column and the Non-Equity Incentive Plan Compensation column in the 2018 Summary Compensation Table. See "Compensation Discussion and Analysis Elements of Our Compensation Programs Annual Performance Incentives" for further information regarding the 2018 API.

(3) Amounts represent PRSUs that vest over the 2018-2020 performance period based on the Company's ROIC and TSR performance. See "Compensation Discussion and Analysis Elements of Our Compensation Programs Long-term Performance Incentives" above for more information about the PRSUs, including the pre-established performance periods and performance measures, and see footnotes to the "2018 Outstanding Equity Awards at Fiscal Year-End" table below for a description of the PRSU vesting schedules.

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(4)

Awards granted on February 28, 2018 represent RSUs granted to (i) Messrs. Tanda, Kuhn, Schaffer and Touya at their election to receive RSUs in lieu of a portion of their 2017 annual performance incentive (paid/awarded in 2018) and an additional 20% of the elected amount granted to those officers making such election, which were previously reported as compensation in the 2017 Summary Compensation Table and (ii) time-based RSUs in connection with the 2018 LTI program. See "Compensation Discussion and Analysis Elements of Our Compensation Programs Long-term Performance Incentives" above for more information regarding the RSUs, including vesting schedules. Awards granted on November 5, 2018 represent a sign-on award and vests pro-rata over a three-year period.

(5)

RSUs and PRSUs reflected in this column are reported in accordance with FASB ASC 718 (excluding the effect of estimated forfeitures) and, in the case of the PRSU awards, based upon the probable outcome of certain performance conditions.

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2018 OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The table below provides information on the holdings of stock option and stock awards by the named executive officers as of December 31, 2018. The equity awards reported in the Option Awards column consist of non-qualified stock options. The equity awards in the Stock Awards column consist of Outperformance awards, RSUs and PRSUs.

2018 OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

		Option Awards				Stock Awards			
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable (1)	Option Exercise Price ($)(2)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(3)	Market Value of Shares or Units of Stock That Have Not Vested ($)(4)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
S. Tanda						20,935	1,969,355		
								22,356(5)	2,102,982(7)
	01/18/17							(6)	750,000(6)
	02/10/17	26,945	106,893	74.79	02/10/27				
R. Kuhn						27,093	2,548,639		
								7,287(5)	685,441(7)
	01/11/12	35,000		51.80	01/11/22				
	01/16/13	50,000		51.57	01/16/23				
	01/15/14	50,000		68.00	01/15/24				
	01/14/15	50,663		64.60	01/14/25				
	02/05/16	36,260	18,130	71.12	02/05/26				
	01/18/17							(6)	208,500(6)
	02/10/17	23,206	46,414	74.79	02/10/27				
E. Schaffer						24,502	2,304,903		
								6,761(5)	636,031(7)
	01/12/11	20,000		48.20	01/12/21				
	01/11/12	35,000		51.80	01/11/22				
	01/16/13	50,000		51.57	01/16/23				
	01/15/14	50,000		68.00	01/15/24				
	01/14/15	50,663		64.60	01/14/25				
	02/05/16	36,260	18,130	71.12	02/05/26				
	01/18/17							(6)	197,250(6)
	02/10/17	23,206	46,414	74.79	02/10/27				

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2018 OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

		Option Awards				Stock Awards			
Name	**Grant Date**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable (1)**	**Option Exercise Price ($)(2)**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested (#)(3)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)(4)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have Not Vested (#)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)**
G. Touya						14,143	1,330,432		
								6,661(5)	626,624(7)
	01/14/15	10,000		64.60	01/14/25				
	02/05/16	28,490	14,245	71.12	02/05/26				
	01/18/17							(6)	146,593(6)
	02/10/17	19,690	39,382	74.79	02/10/27				
X. Gong	11/5/18					9,689	911,444		

(1)
Stock options vest over a three-year period, with one third becoming exercisable on each anniversary of the grant date, and have a ten-year term. The unexercisable options become exercisable (vest) in the months indicated:

	February 2019	**February 2020**	**Total**
S. Tanda	53,446	53,447	106,893
R. Kuhn	41,337	23,207	64,544
E. Schaffer	41,337	23,207	64,544
G. Touya	33,936	19,691	53,627

(2)
Stock options are granted with an exercise price equal to closing price of Aptar's common stock on the NYSE on the date of grant.

(3)
Stock awards represent RSUs that were granted in lieu of a portion of the annual performance incentive taken in cash, and awards granted at the discretion of the Management Development and Compensation Committee, sign-on RSUs and beginning in 2018, RSUs as part of the LTI program. RSUs granted generally vest over a three-year period, with restrictions lapsing on one third of the units on each of the first three anniversaries of the grant date. The Retention Awards of RSUs granted in 2017 to Messrs. Kuhn, Schaffer and Touya cliff vest on the third anniversary of the grant date. The following numbers of units vest for each respective executive officer in the months indicated:

	February 2019	**November 2019**	**January 2020**	**February 2020**	**November 2020**	**February 2021**	**November 2021**	**Total**
S. Tanda	6,977			6,978		6,980		20,935
R. Kuhn	4,489		16,434	3,672		2,498		27,093
E. Schaffer	3,456		16,434	2,641		1,971		24,502
G. Touya	2,107		8,217	2,109		1,710		14,143
X. Gong		3,229			3,230		3,230	9,689

(4)
The market value of RSUs that have not yet vested is calculated using the closing price of Aptar's common stock on the NYSE on December 31, 2018, which was $94.07 per share.

(5)
Amounts represent PRSUs that vest over the 2018-2020 performance period based on the Company's ROIC and TSR performance. In accordance with the SEC executive compensation disclosure rules, the amounts reported related to PRSUs in this column are based on achieving maximum vesting levels for the TSR portion and threshold vesting levels for the ROIC portion.

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(6)
Represents legacy Outperformance Awards, which are dollar denominated rather than share denominated awards. The Outperformance Awards will vest based on the Company's relative TSR performance over the 2017-2019 performance period. The Outperformance award payout value associated with Mr. Touya's grants are denominated in Euros and translated at exchange rate on the grant date.

(7)
The market value of PRSUs that have not vested is calculated using the closing price of Aptar's common stock on the NYSE on December 31, 2018, which was $94.07.

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2018 OPTION EXERCISES AND STOCK AWARDS VESTED

The table below provides information on stock option exercises and stock awards vested in 2018.

2018 OPTION EXERCISES AND STOCK AWARDS VESTED

		Stock Options		Stock Awards Vested	
Name	**Grant Type(1)**	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)(2)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)(3)**
S. Tanda		26,500	446,520		
R. Kuhn	OA				285,120
		10,000	494,420		
	RSU			2,600	232,492
E. Schaffer	OA				269,280
		20,000	1,074,902		
	RSU			2,161	193,237
G. Touya	OA				196,294
		15,000	570,778		
	RSU			399	35,679

(1) During fiscal year 2018, two types of stock awards vested: Outperformance awards and RSUs.

(2) Value realized represents the difference between the closing price on the NYSE of Aptar's common stock on the date of exercise and the exercise price of the option award.

(3) For vested RSUs, the value realized represents the closing price on the NYSE of Aptar's common stock on the date of vesting multiplied by the number of shares vested. For Outperformance awards, the value realized represents the payouts earned over the applicable performance period (2016-2018).

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EMPLOYMENT AGREEMENTS

Tanda Employment Agreement

Mr. Tanda's employment agreement provides for employment through December 31, 2020, unless earlier terminated, at a minimum salary of $1,071,000 (which is the 2019 salary approved by the Management Development and Compensation Committee) per year, which amount may be increased (but not decreased) over the term of the agreement. The employment agreement automatically extends for one additional year each January 1st, unless terminated, but may not be extended beyond December 31, 2030. In recognition of the fact that Mr. Tanda forfeited certain equity awards provided to him by his former employer, his Employment Agreement provides for the payment of the cash value of such awards scheduled to vest in 2017, 2018 and 2019, subject to Mr. Tanda's continued employment with the Company on the respective scheduled vesting dates.

If Mr. Tanda's employment ends on account of death, Mr. Tanda's estate will receive one-half of the base salary that Mr. Tanda would have received until the second anniversary of his death. If his employment ends due to the expiration of the employment agreement as a result of non-renewal by Aptar, Mr. Tanda is entitled to receive an amount equal to one year's base salary, his target annual performance incentive and the medical, disability and life insurance benefits he would have otherwise received for a period of one year following the expiration date. If Mr. Tanda is terminated without "cause," he is entitled to receive 1.5 times (i) his base salary then in effect and (ii) the greater of (x) his target annual performance incentive for the year in which he was terminated and (y) the average of the annual performance incentives paid to him for the two preceding years, paid in 18 equal monthly installments, as well as the medical, disability and life insurance benefits he would have otherwise received for a period of 18 months following the termination date.

After a "change in control" (as defined in the employment agreement), if Mr. Tanda's employment is terminated by Aptar or its successor other than for "cause," disability or death, or if Mr. Tanda terminates his employment for "good reason," in each case within two years following the change in control, Mr. Tanda is entitled to receive a lump-sum payment equal to (i) three times his highest annualized salary during the 12 month period preceding the termination and (ii) three times the average of the annual performance incentives in respect of the three years immediately preceding the year in which the change in control occurs, plus a prorated annual performance incentive equal to an amount at least equal to the average of the annual performance incentives in respect of the three years immediately preceding the year in which the change in control occurs, as well as the continuation of medical, disability and life insurance benefits for three years.

The employment agreement also contains certain noncompetition and nonsolicitation covenants prohibiting Mr. Tanda from, among other things, becoming employed by a competitor of Aptar for a period of 18 months or two years following termination (depending on the nature of the termination).

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Employment Agreements of Other NEOs

The employment agreements of Messrs. Kuhn and Schaffer and Ms. Gong have a term of three (3) years, and provide (i) for automatic extensions, as of each January 1st commencing January 1, 2019, for one additional year unless either Aptar or the executive terminates such automatic extension by written notice to the other party at least 30 days prior to the automatic extension date, but in no event will continue later than December 31st of the year in which the executive turns 65 and (ii) that Messrs. Kuhn and Schaffer and Ms. Gong will receive minimum annual salaries of $600,000, $550,000, and $450,000 respectively (which are the 2019 salaries that were approved by the Management Development and Compensation Committee). These annual salaries may be increased (but not decreased) over the remaining terms of the agreements. In addition to participation in executive benefit programs on the same basis as other executives, Messrs. Kuhn and Schaffer and Ms. Gong are entitled to additional term life and supplementary long-term disability insurance coverage.

If the employment of Messrs. Kuhn, Schaffer or Ms. Gong ends on account of death, the executive's estate will receive one-half of the annual salary that the executive would have received until the second anniversary of the executive's death. If the employment of Messrs. Kuhn, Schaffer or Ms. Gong ends due to the expiration of the agreement, the executive is entitled to receive an amount equal to one year's base salary (based on the salary then in effect) and medical and life insurance benefits the executive would have otherwise received for a period of one year following the expiration date. If Messrs. Kuhn, Schaffer or Ms. Gong terminates the agreement without "good reason" (as defined in the agreement), the executive is not entitled to payments or benefits under the employment agreement (other than certain accrued amounts and plan benefits which by their terms extend beyond termination of employment). If Messrs. Kuhn, Schaffer or Ms. Gong is terminated without "cause" (as defined in the agreement), the executive is entitled to receive the executive's base salary then in effect (at the times it would have been paid) until the date on which the agreement was scheduled to expire.

After a change in control of Aptar, if Messrs. Kuhn, Schaffer or Ms. Gong are terminated by Aptar or its successor other than for cause, disability or death, or if Messrs. Kuhn, Schaffer or Ms. Gong terminates the executive's employment for "good reason," in each case within two years following the change in control, Messrs. Kuhn and Schaffer and Ms. Gong are entitled to receive a lump-sum payment equal to (x) two and one-half times the executive's highest annualized salary during the 12 month period preceding the termination and (y) two and one-half times the average of the annual performance incentives in respect of the three fiscal years of Aptar immediately preceding the fiscal year in which the change in control occurs, plus a prorated annual performance incentive equal to an amount at least equal to the average of the annual performance incentives in respect of the three fiscal years of Aptar immediately preceding the fiscal year in which the change in control occurs, as well as the continuation of medical, disability, and life insurance benefits for two and one-half years.

The employment agreement of Mr. Touya is in accordance with the French Collective Bargaining Agreement of the Plastics Industry. The agreement of Mr. Touya remains in effect for an unlimited period; however, the Company and Mr. Touya have the right to terminate the agreement according to local law. The agreement provides for minimum annual salary to Mr. Touya of $555,500 (which is the 2019 local currency salary approved by the Management Development and Compensation Committee translated using the December 31, 2018 exchange rate). The agreement contains certain noncompetition and nonsolicitation covenants prohibiting Mr. Touya from, among other things, becoming employed by a competitor of Aptar for a period of two years following termination (regardless of the reason for termination except for gross misconduct) and that Mr. Touya will receive payments as described under "Potential Payments Upon Termination of Employment."

For information regarding termination benefits, including benefits provided pursuant to employment agreements with the NEOs, see "Potential Payments Upon Termination of Employment."

PENSION BENEFITS

U.S. Employees

Substantially all of the U.S. employees of Aptar and its subsidiaries are eligible to participate in the Aptar Pension Plan. Employees are eligible to participate after six months of credited service and become fully vested after five years of credited service. The annual benefit payable to an employee under the Pension Plan upon retirement is computed as a straight life annuity equal to the sum of the separate amounts the employee accrues for each of his or her years of credited service under the Plan. Such separate amounts are determined as follows: for each year of credited service through 1988, 1.2% of such year's compensation up to the Social Security wage base for such year and 1.8% (2% for years after 1986) of such year's compensation above such wage base, plus certain increases put into effect prior to 1987; for each year after 1988 through the year in which the employee reaches 35 years of service, 1.2% of such year's "Covered Compensation" and 1.85% of such year's compensation above such "Covered Compensation" and for each year thereafter, 1.2% of such year's compensation. The employee's compensation under the Pension Plan for any year includes all salary, commissions and overtime pay and, beginning in 1989, annual performance incentives, subject to such year's limit applicable to tax-qualified retirement plans. The employee's "Covered Compensation" under the Pension Plan for any year is generally the average of the Social Security wage base for each of the 35 years preceding the employee's Social Security retirement age, assuming that such year's Social Security wage base will not change in the future. Normal retirement under the Pension Plan is age 65 and reduced benefits are available as early as age 55 provided that the employee has completed 10 years of service. If an employee has completed 10 years of service and elects to retire and receive pension benefits before age 65, the benefit will be calculated in the same manner as under normal retirement conditions, but will be permanently reduced for each month the benefit commences prior to age 65. The reduction factors are: 1/180 for each of the first 60 months, and 1/360 for each additional month that is in advance of the normal retirement age. Benefits are not subject to reduction for Social Security benefits or other offset items.

U.S. employees of Aptar and its subsidiaries participating in the Pension Plan are also eligible for Aptar's non-qualified supplemental retirement plan ("SERP"). The annual benefit payable to an employee under the SERP upon retirement is computed as a straight life annuity equal to the sum of the separate amounts the employee accrues for each of his or her years of credited service under the SERP. The annual accrued benefits are determined as follows: for each year of credited service through the year in which the participant reaches 35 years of service, 1.85% of the participant's "Supplemental Earnings;" and for each year after 35 years of credited service, 1.2% of such year's "Supplemental Earnings." "Supplemental Earnings" is generally the difference between (i) the participant's earnings calculated as if the limitation of Section 401(a)(17) of the Internal Revenue Code were not in effect and (ii) the participant's recognized earnings under the Pension Plan. Participants who terminate service prior to being eligible for retirement (i.e., age 65 or age 55 with 10 years of credited service) will forfeit all accrued benefits under the SERP. The SERP provides for the vesting of all accrued benefits to those not already retirement eligible under the plan in the event of a change of control.

Mr. Touya is a resident of Europe and does not participate in the U.S. pension benefit plans, but as described below, is entitled to other pension benefits.

Non-U.S. Employees

Mr. Touya is entitled to certain retirement indemnity benefits in accordance with the Collective Bargaining Agreement of the French Plastics Industry ("Collective Pension"). Such benefits are based on a formula that takes salary and years of service into consideration. In addition, Mr. Touya is eligible for benefits pursuant to a supplemental pension plan available to certain French executives ("Supplemental Pension"). This plan provides participants with an annual pension compensation for life, subject to cost of living adjustments, of up to 10% of the average annual salary and bonus paid to a participant in the five years preceding retirement, the total of the amounts received by the employee according to the Collective Pension and the Supplemental Pension being subject to a ceiling equal to 55% of the average annual salary and bonus paid to a participant in the five years preceding retirement. In the event of a participant's death after retirement, the plan provides a surviving spouse with annual payments of 60% of the participant's Supplemental Pension for life. Pension benefits would normally commence at age 67, which is the legal retirement age in France, but reduced benefits are available after age 62 if the employment contract is terminated by the company after age 57.

The table below includes information relating to the defined benefit retirement plans of each NEO Assumptions used to determine the present value of accumulated benefit as of

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December 31, 2018 are the same as those found in Note 9, "Retirement and Deferred Compensation Plans" to Aptar's Financial Statements.

2018 PENSION BENEFITS

Name	Plan Name(1)	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit ($)	Payments During Last Fiscal Year ($)
S. Tanda	Employees' Retirement Plan	2	70,314	
	Supplemental Retirement Plan	2	571,067	
R. Kuhn	Employees' Retirement Plan	31	767,864	
	Supplemental Retirement Plan	31	920,150	
E. Schaffer	Employees' Retirement Plan	30	616,691	
	Supplemental Retirement Plan	30	544,337	
G. Touya	Retirement Indemnities	24	242,291	
	Pension Plan	24	797,518	
X. Gong(2)				

(1) The retirement indemnities and pension plan of Mr. Touya represent non-qualified pension plans. The AptarGroup, Inc. Employees' Retirement Plan (Employees' Retirement Plan) is a qualified plan and the AptarGroup, Inc. Supplemental Executive Retirement Plan (Supplemental Retirement Plan) is a non-qualified plan.

(2) Ms. Gong had no accrued Pension Benefits as of December 31, 2018.

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POTENTIAL PAYMENTS UPON TERMINATION OF EMPLOYMENT

The following table provides information concerning potential payments or other compensation that could have been awarded to the named executive officers if any of the various termination scenarios presented below occurred on December 31, 2018.

Name	Normal Expiration of Employment Agreement	Voluntary or With Cause Termination	Involuntary Termination	Involuntary or Good Reason Termination After a CIC	Disability	Death
S. Tanda						
Cash Payment	3,000,963	70,314	4,466,288	8,170,649	686,701	1,030,000
Continuation of Medical/Welfare Benefits	45,317		67,976	135,951		
Acceleration of Time Vesting RSUs and Options (Value as of 12/31/18)				4,030,233	4,030,233	4,030,233
Outperformance Awards(1)			1,055,000	1,582,500	1,055,000	1,055,000
PRSUs(2)				700,994	700,994	700,994
Total Termination Benefits	3,046,280	70,314	5,589,264	14,620,327	6,472,928	6,816,227
R. Kuhn						
Cash Payment	575,500		2,093,585	3,441,502	383,686	575,500
Continuation of Medical/Welfare Benefits	18,148			45,371		
Acceleration of Time Vesting RSUs and Options (Value as of 12/31/18)			1,545,946	3,859,584	3,859,584	3,859,584
Outperformance Awards(1)			578,410	725,055	578,410	578,410
PRSUs(2)				228,480	228,480	228,480
Total Termination Benefits	593,648		4,217,941	8,299,992	5,050,160	5,241,974

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Name	Normal Expiration of Employment Agreement	Voluntary or With Cause Termination	Involuntary Termination	Involuntary or Good Reason Termination After a CIC	Disability	Death
E. Schaffer						
Cash Payment	534,000		1,493,251	2,432,618	356,018	534,000
Continuation of Medical/Welfare Benefits	17,904			44,759		
Acceleration of Time Vesting RSUs and Options (Value as of 12/31/18)				3,615,849	3,615,849	3,615,849
Outperformance Awards(1)			546,745	685,478	546,745	546,745
PRSUs(2)				212,010	212,010	212,010
Total Termination Benefits	551,904		2,039,996	6,990,714	4,730,622	4,908,604
G. Touya						
Cash Payment	436,667		875,242	1,930,028	291,126	436,667
Continuation of Medical/Welfare Benefits						
Acceleration of Time Vesting RSUs and Options (Value as of 12/31/18)				2,416,639	2,416,639	2,416,639
Outperformance Awards(1)			409,422	515,985	409,422	409,422
PRSUs(2)				208,875	208,875	208,875
Total Termination Benefits	436,667		1,284,664	5,071,527	3,326,062	3,471,603
X. Gong						
Cash Payment	450,000		988,000	1,335,000	300,015	450,000
Continuation of Medical/Welfare Benefits	19,254			48,134		
Acceleration of Time Vesting RSUs and Options (Value as of 12/31/18)				911,444	911,444	911,444
Outperformance Awards(1)						
PRSUs(2)						
Total Termination Benefits	469,254		988,000	2,294,578	1,211,459	1,361,444

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(1) This row assumes that potential payouts will be based on Aptar's relative TSR compared to the S&P 400 MidCap Index as of December 31, 2018. However, since the payout values associated with the Outperformance awards are based on the Company's relative TSR against the S&P 400 MidCap Index over a 3-year performance period, we are unable to currently determine the actual payout values associated with the 2017 Outperformance awards. See the discussion under "Outperformance Awards" in the "Compensation Discussion and Analysis" for further information regarding the vesting of the Outperformance awards.

(2) For scenarios which provide for payments, this row assumes a maximum payout under the PRSU award and is prorated based on one third of the completed performance period.

Normal Expiration of Employment Agreement

As a condition to the employment agreements of Messrs. Tanda, Kuhn, and Schaffer and Ms. Gong each would receive his/her current base salary amount as well as benefits currently provided, including current health and welfare benefits (consisting of health and term life premiums) for a period of one year following the normal expiration date of his/her agreement. Amounts would be paid and benefits would be provided on a monthly basis for twelve months. With expiration within the first five (5) years of his start date, Mr. Tanda is entitled to a lump sum payment equal to the present value of any qualified pension benefits he would lose in connection with such termination. Mr. Tanda would also receive his target annual performance incentive for the year in which he was terminated due to expiration of his employment agreement, paid on a monthly basis for the 12 months following the termination. The employment agreement of Mr. Touya has no expiration date.

Voluntary or With Cause Termination

Messrs. Kuhn and Schaffer and Ms. Gong are not entitled to additional benefits if they voluntarily terminate their employment prior to the normal expiration of their respective agreements or they are terminated with cause. With voluntary termination within the first five (5) years of his start date, Mr. Tanda is entitled to a lump sum payment equal to the present value of any qualified pension benefits he would lose in connection with such termination. With voluntary termination, Mr. Touya may receive monthly payments in accordance with the non-competition clauses of his contracts equal to 50% of his former monthly salary for a period of two years from the date of termination. Such payments would not be made in the event of a termination with cause, generally defined as gross misconduct. Equity awards and Outperformance awards granted to NEOs continue to vest upon retirement (and in the case of PRSUs and Outperformance awards, are paid on a pro-rated performance period). For a description of the value of outstanding equity awards as of December 31, 2018, see the second paragraph under "Involuntary or Good Reason Termination After a Change in Control" below.

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Involuntary Termination

For Messrs. Kuhn and Schaffer and Ms. Gong amounts shown above represent their base salaries, annual performance incentive amounts and amounts paid in connection with Outperformance awards. Amounts would be paid on a monthly basis for the remaining term of each respective agreement. If Mr. Tanda is terminated without "cause," he is entitled to receive 1.5 times (i) his base salary then in effect and (ii) the greater of (x) his target annual performance incentive for the year in which he was terminated and (y) the average of the annual performance incentives paid to him for the two preceding years, paid in 18 equal installments, as well as the medical, disability and life insurance benefits he would have otherwise received for a period of 18 months following the termination date. Termination of Mr. Tanda within the first five (5) years of his start date, would also entitle Mr. Tanda to a lump sum payment equal to the present value of any qualified pension benefits he would lose in connection with such termination. Cash payment amounts shown for Mr. Touya represent payments that would be required under the Collective Bargaining Agreement of the French Plastics Industry and monthly payments in accordance with the non-competition clauses of his respective contracts equal to 50% of his former monthly salary for a period of two years from the date of termination. The Collective Bargaining Agreement of the French Plastics Industry provides for an indemnity to be paid upon involuntary termination of employment that is based on the number of years of service and on the average monthly total compensation paid during the last twelve months ("Monthly Salary"). This indemnity is equal to 4.4 times the Monthly Salary in total for the first 13 years of service plus 0.5 times the Monthly Salary for each year thereafter. Except as described below, no payments would be made in connection with PRSUs regarding an involuntary termination.

For Messrs. Kuhn, Schaffer and Touya if they are terminated without cause or, with respect to a retiree-eligible participant, retire upon learning that they will be terminated without cause, the 2017 Retention Awards vest immediately on the date of termination or retirement, as applicable.

Involuntary or Good Reason Termination After a Change in Control ("CIC")

Cash payment amounts shown for Mr. Tanda represent, according to his employment agreements and the CIC provisions therein, three times his highest annualized salary during the 12-month period preceding the termination and three times the average of his annual performance incentive amounts earned or payable in the past three fiscal years, as well as a prorated annual performance incentive. The cash payment amounts shown for Messrs. Kuhn, Schaffer and Touya and Ms. Gong represent, according to their employment agreements and the CIC provisions therein, two and one-half times their highest annualized salary during the 12 month period preceding the termination and two and one-half times the average of their annual performance incentive amounts earned or payable in the past three fiscal years, as well as a prorated annual performance incentive. Cash payments under this scenario would be lump sum payments that would be expected to be paid within approximately 30 days following the date of termination. The employment agreement of Mr. Tanda also provides for the continuation of health and welfare benefits currently provided, for a period of three years following the date of termination. The agreements of Messrs. Kuhn, Haffar, Schaffer and Touya and Ms. Gong also provide for the continuation of health and welfare benefits

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currently provided, for a period of two and one-half years following the date of termination. Cash payment amounts shown for Mr. Touya are identical to the payments described above under "Involuntary Termination" in accordance with his agreements.

Aptar's employee stock option and RSU agreements, PRSU agreements and the Outperformance TSR Plan, provide for the acceleration of vesting upon a CIC. The amounts shown represent the value of unvested stock options and the market value of RSUs as of December 31, 2018. The Outperformance award amounts are based on Aptar's actual relative TSR compared to the S&P 400 MidCap Index for 2018. The PRSUs amounts are based on a maximum payout under the PRSU award and is prorated based on one third of the completed performance period. Further information regarding unvested stock options, RSUs and PRSUs can be found under "Outstanding Equity Awards at Fiscal Year-End." The accelerated stock option values included in the above table represent the difference between the closing price of Aptar's common stock on the NYSE on December 31, 2018 ("Closing Price") which was $94.07 per share, and the exercise prices of the respective unvested stock options multiplied by the number of unvested stock options. The accelerated RSU values included in the above table represent the Closing Price multiplied by the number of unvested RSUs.

Disability

The employment agreements of Messrs. Tanda, Kuhn and Schaffer and Ms. Gong provide for payments equal to a minimum of approximately 66.67% of their base salary while they are disabled, until they reach the age of 65. A portion of the payments are covered under insurance policies paid for by Aptar. The cash payment amounts included in the above table for Messrs. Tanda, Kuhn and Schaffer and Ms. Gong represent one year of disability payments under this scenario. In addition, Aptar's employee stock option, RSU agreements and PRSU agreements provide for the acceleration of vesting in the event of disability. Further information regarding the value of accelerated equity grants shown in the above table can be found in the preceding paragraph.

Death

Upon death, the employment agreements of Messrs. Tanda, Kuhn and Schaffer and Ms. Gong provide their estates with one-half of their annual salary that they would have received until the second anniversary of their death. Aptar's employee stock option, RSU agreements and PRSU agreements provide for the acceleration of vesting in the event of death and the values shown in the table above for this scenario are the same as those shown under the Disability and Involuntary or Good Reason Termination After a CIC scenarios.

CIC without Termination

The named executive officers are not entitled to additional benefits if there is a CIC without termination within two years of the CIC event other than the acceleration of equity award and Outperformance award vesting.

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Non-compete Information

The agreements of Messrs. Tanda, Kuhn and Schaffer and Ms. Gong require that during the employment period and for one year thereafter in the case of either termination for good reason following a CIC or termination without cause, or for two years following termination for any other reason, that each executive will not (i) compete directly or indirectly with the Company or (ii) solicit employees or customers of the Company. The agreement of Mr. Touya requires that, for a period of two years following termination, he will not (i) compete directly or indirectly with the Company or (ii) solicit employees or customers of the Company, and that under this arrangement, he will receive monthly payments equal to 50% of his former monthly salary for a period of two years from the date of termination. Payments would not be made to Mr. Touya if he was terminated with cause, defined as gross misconduct.

Pension Related Benefits

Information concerning pension benefits can be found under the heading "Pension Benefits."

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CEO PAY RATIO

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Aptar is providing the following disclosure about the relationship of the annual total compensation of our employees to the annual total compensation of Stephan Tanda, our President and CEO. To better understand this disclosure, we think it is important to give context to our operations. As a global organization, approximately 81% of our employees are located outside of the United States, with approximately 7,300 employees located in Europe and 2,500 employees located in Asia and South America. We strive to create a competitive global compensation program in terms of both the position and the geographic location in which the employee is located. As a result, our compensation program varies amongst each local market in order to allow us to provide a competitive compensation package.

Pay Ratio

For 2018:

- The median of the annual total compensation of all of our employees, other than Mr. Tanda, was $40,206.
- Mr. Tanda's annual total compensation was $8,039,185.
- Based on this information, the ratio of the annual total compensation of Mr. Tanda to the median of the annual total compensation of all employees is estimated to be 200 to 1.

Supplemental Ratio

- Several items included in Mr. Tanda's compensation were unique to his recruitment to join Aptar. In particular, the amount of other compensation in 2018 for Mr. Tanda includes (i) payments for moving expenses of approximately $265,000, and (ii) compensation of approximately $1.218 million related to long term incentive awards that were forfeited upon his resignation from his prior employer to join Aptar. If these recruitment amounts were excluded from Mr. Tanda's compensation for the pay ratio disclosure, the ratio of the annual total compensation of Mr. Tanda to the median of the annual total compensation of all employees is estimated to be 163 to 1. This supplemental ratio should not be viewed as a substitute for the ratio noted above.

Identification of Median Employee

For purposes of the foregoing CEO pay ratio disclosure, we were required to identify the "median employee" of our worldwide workforce, without regard to their location, compensation arrangements or employment status (full-time versus part-time) and then determine the annual total compensation that "median employee" earned during 2018. We first determined our "median employee" during 2017 for purposes of determining our CEO

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pay ratio for that year (our "2017 CEO Pay Ratio") by identifying the employee whose compensation was at the median of the compensation of our employee population (other than our CEO) for 2017. The applicable SEC rules require us to identify a "median employee" only once every three years, as long as there have been no material changes in our employee population or employee compensation arrangements that we reasonably believe would result in a significant change to our CEO pay ratio disclosure. Because there have been no material changes in our employee population or employee compensation arrangements that we believe would significantly impact the Company's CEO pay ratio disclosure, we are using the same "median employee" for our 2018 CEO Pay Ratio that we used for our 2017 CEO Pay Ratio, although we have updated the calculation of the total compensation earned by that employee for 2018.

For the 2017 Pay Ratio, we used the following methodology:

1. We selected December 31, 2017 as the date on which to determine our median employee.

2. As of that date, we had had approximately 11,700 employees, with approximately 2,100 employees based in the United States and 9,600 employees located outside of the United States. We applied the allowed "de minimis" exception to exclude 566 employees in the following countries: Russia (82); Indonesia (140); and India (344). If we excluded any employees from a country using this de minimis exception, all employees from that country were excluded. After taking into account the *de minimis* exemption, approximately 2,100 employees in the United States and approximately 9,000 employees located outside of the United States were considered for identifying the median employee.

3. For purposes of identifying the median employee from our employee population base, we considered the total cash compensation earned by our employees, as compiled from our payroll records. We selected total cash compensation as it reflects the principal forms of compensation delivered to all of our employees and this information is readily available in each country. In addition, we measured compensation for purposes of determining the median employee using the 12-month period ended December 31, 2017. Compensation paid in foreign currencies was converted to U.S. dollars using the spot exchange rate at December 31, 2017.

4. In determining the annual total compensation of the median employee, such employee's compensation was calculated in accordance with Item 402(c)(2)(x) of Regulation S-K, as required pursuant to the SEC executive compensation disclosure rules.

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EQUITY COMPENSATION PLAN INFORMATION

The following table provides information, as of December 31, 2018, relating to Aptar's equity compensation plans pursuant to which grants of options, restricted stock units or other rights to acquire shares may be granted from time to time. Aptar does not have any equity compensation plans that were not approved by stockholders.

Plan Category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding Securities reflected in Column (a)) (c)
Equity compensation plans approved by stockholders(1)	7,247,732(2)	$ 65.59(3)	1,062,763

(1) Plans approved by stockholders include director and employee equity award plans.

(2) Includes 261,487 RSUs and 69,990 PRSUs.

(3) RSUs and PRSUs are excluded when determining the weighted average exercise price of outstanding options.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS, DIRECTORS AND MANAGEMENT

The following table contains information with respect to the beneficial ownership of common stock, as of March 8, 2019, by (a) the persons known by Aptar to be the beneficial owners of more than 5% of the outstanding shares of common stock, (b) each director or director nominee of Aptar, (c) each of the executive officers of Aptar named in the Summary Compensation Table above, and (d) all directors and executive officers of Aptar as a group.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

	Shares Owned		Options Exercisable or RSUs Vesting Within 60 Days of
Name	Number of Shares(1)	Percentage(2)	March 8, 2019
The Vanguard Group(3) 100 Vanguard Boulevard, Malvern, PA 19355	6,569,057	10.4	
State Farm Mutual Automobile Insurance Company(4) One State Farm Plaza, Bloomington, IL 61710	6,444,169	10.2	
Blackrock, Inc.(5) 55 East 52nd Street, New York, NY 10055	5,529,612	8.8	
Alain Chevassus	26,800	*	10,904
George L. Fotiades	50,061	*	39,621
Xiangwei Gong	31	*	
Maritza Gomez Montiel	4,033	*	1,404
Stephen J. Hagge(6)	844,624	1.3	777,310
Giovanna Kampouri Monnas	17,373	*	10,904
Andreas C. Kramvis	16,300	*	10,904
Robert W. Kuhn	326,409	*	286,466
Isabel Marey-Semper			
B. Craig Owens	1,404	*	1,404
Eldon Schaffer	306,466	*	306,466
Dr. Joanne C. Smith(7)	59,047	*	47,404
Stephan B. Tanda	113,756	*	80,391
Gael Touya	97,244	*	92,116
Jesse Wu	1,404	*	1,404
Ralf K. Wunderlich	8,869	*	1,404
All Directors and Executive Officers as a Group (17) persons)(8)	1,919,602	3.0	1,691,935

*
Less than one percent.

(1)
Except as otherwise indicated below, beneficial ownership means the sole power to vote and dispose of shares. Number of shares includes options exercisable and RSUs vesting within 60 days of March 8, 2019.

(2)
Based on 63,013,495 shares of common stock outstanding as of March 8, 2019 plus, with respect to any person, stock options and RSUs held by any such person that are exercisable or vest within 60 days of that date.

(3)
The information as to The Vanguard Group and related entities ("Vanguard") is derived from a statement on Schedule 13G with respect to the common stock as of December 31, 2018, filed with the SEC pursuant to Section 13(d) of the Exchange Act. Such statement discloses that Vanguard has the sole power to vote 31,940 shares, the sole power to dispose of 6,537,375 shares, the shared power to vote 7,890 shares and the shared power to dispose of 31,682 shares.

(4)
The information as to State Farm Mutual Automobile Insurance Company and related entities is derived from a statement on Schedule 13G with respect to the common stock as of December 31, 2018, filed with the SEC pursuant to Section 13(d) of the Exchange Act.

(5)
The information as to Blackrock, Inc. ("Blackrock") and related entities is derived from a statement on Schedule 13G with respect to the common stock as of December 31, 2018, filed with the SEC pursuant to Section 13(d) of the Exchange Act. Such statement discloses that Blackrock has the sole power to vote 5,265,240 shares and the sole power to dispose of 5,529,612 shares.

(6)
Mr. Hagge shares the power to vote and dispose of 9,438 shares.

(7)
Dr. Smith shares the power to vote and dispose of 11,303 shares.

(8)
Includes 20,741 shares as to which voting and disposing power is shared other than with directors and executive officers of Aptar.

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TRANSACTIONS WITH RELATED PERSONS

Aptar or one of our subsidiaries may occasionally enter into transactions with certain "related persons." Related persons include our executive officers, directors, nominees for directors, a beneficial owner of more than 5% of our common stock and immediate family members of these persons. We refer to transactions involving amounts in excess of $120,000 and in which the related person has a direct or indirect material interest as "related person transactions." Each related person transaction must be approved or ratified in accordance with Aptar's written Related Person Transactions Policy by the Audit Committee of the Board of Directors. Each member of the Audit Committee is considered a "disinterested" director and therefore are approving related person transactions from this perspective.

The Audit Committee considers all relevant factors when determining whether to approve a related person transaction including, without limitation, the following:

- the size of the transaction and the amount payable to a related person;
- the nature of the interest of the related person in the transaction;
- whether the transaction may involve a conflict of interest; and
- whether the transaction is on terms that would be available in comparable transactions with unaffiliated third parties.

The following are not considered related person transactions:

- executive officer or director compensation which has been approved by the Management Development and Compensation Committee of the Board of Directors;
- indebtedness incurred with a beneficial owner of more than 5% of any class of voting securities of the Company;
- indebtedness incurred for the purchase of goods or services subject to usual trade terms, for ordinary business travel and expense payments, and for other transactions in the ordinary course of business; and
- any transaction in which a person is deemed a Related Person solely on the basis of such person's equity ownership and all holders of that class of equity receive the same benefit on a pro rata basis.

Pursuant to this policy, the Audit Committee approves or ratifies all related person transactions, including those involving NEOs and directors. Since January 1, 2018, there have been no related person transactions for which disclosure is required under SEC rules.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based solely upon a review of reports and written representations furnished to it, Aptar believes that during 2018 all filings with the SEC by its executive officers and directors and beneficial owners of more than 10% of its common stock complied with requirements for reporting ownership and changes in ownership of Aptar's common stock pursuant to Section 16(a) of the Exchange Act.

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AUDIT COMMITTEE REPORT

Management is responsible for Aptar's internal controls and the financial reporting process. The independent registered public accounting firm is responsible for performing an independent audit of Aptar's consolidated financial statements in accordance with generally accepted auditing standards, including the effectiveness of internal controls, and issuing a report thereon. The Audit Committee's responsibility is to assist the Board in fulfilling its responsibility for overseeing the quality and integrity of the accounting, auditing and financial reporting practices of Aptar.

During the course of the fiscal year ended December 31, 2018, management completed the documentation, testing and evaluation of the Company's system of internal control over financial reporting in response to the requirements set forth in Section 404 of the Sarbanes-Oxley Act of 2002 and related regulations. Management and the independent registered public accounting firm kept the Audit Committee apprised of the progress of the documentation, testing and evaluation through periodic updates, and the Audit Committee provided advice to management during this process.

The Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. Management has represented to the Audit Committee that the consolidated financial statements were prepared in accordance with generally accepted accounting principles. Also, the Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board ("PCAOB") and the SEC.

In addition, the Audit Committee has received the written disclosures and letter from the independent registered public accounting firm as required by the PCAOB regarding the independent registered public accounting firm's communication with the Audit Committee concerning independence, and has discussed with the independent registered public accounting firm its independence from Aptar and Aptar's management. In considering the independence of Aptar's independent registered public accounting firm, the Audit Committee took into consideration the amount and nature of the fees paid to this firm for non-audit services as described under "Proposal 3 Ratification of the Appointment of PricewaterhouseCoopers LLP as the Independent Registered Public Accounting Firm for 2019".

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the audited consolidated financial statements be included in Aptar's Annual Report on Form 10-K for the year ended December 31, 2018, for filing with the SEC.

Audit Committee

Maritza Gomez Montiel (Chair)
Andreas C. Kramvis
B. Craig Owens

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OTHER MATTERS

Proxy Solicitation

Aptar will pay the cost of soliciting proxies for the annual meeting. Aptar also reimburses banks, brokerage firms and other institutions, nominees, custodians and fiduciaries for their reasonable expenses for sending proxy materials to beneficial owners and obtaining their voting instructions. Certain directors, officers and employees of Aptar and its subsidiaries may solicit proxies personally or by telephone, facsimile or electronic means without additional compensation.

Annual Report/Form 10-K

Aptar's Annual Report/Form 10-K for the year ended December 31, 2018 is available on the Internet along with this proxy statement. Stockholders can refer to the report for financial and other information about Aptar, but such report is not incorporated in this proxy statement and is not deemed a part of the proxy soliciting material. If you received a Notice by mail and would like to receive a printed copy of our proxy materials (including the Annual Report/Form 10-K), you should follow the instructions for requesting such materials included in the Notice.

Stockholder Proposals and Nominations

The 2020 annual meeting of stockholders is expected to be held on May 6, 2020. In order to be considered for inclusion in Aptar's proxy materials for the 2020 annual meeting of stockholders pursuant to Rule 14a-8 under the Exchange Act, stockholder proposals must be received by our Secretary at Aptar's principal executive offices at 265 Exchange Drive, Suite 100, Crystal Lake, Illinois 60014 by November 23, 2019. Stockholders who intend to present a proposal or nominate a director at our 2020 annual meeting of stockholders without seeking to include a proposal in our proxy statement must deliver notice of the proposal or nomination to our Secretary at Aptar's principal executive offices on or after February 1, 2020 and on or prior to March 2, 2020. A stockholder proposal or nomination must include the information requirements set forth in Aptar's Bylaws. Any stockholder who seeks to recommend a director for consideration by the Corporate Governance Committee must send such recommendation to the Secretary at the address set forth above no later than November 23, 2019 and include with such recommendation any information that would be required by the Company's Bylaws if the stockholder were making the nomination directly.

By Order of the Board of Directors,

/s/ Robert W. Kuhn

Robert W. Kuhn
Secretary
Crystal Lake, Illinois
March 22, 2019