

CENVEO, INC  
Form S-4/A  
July 30, 2009

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As filed with the Securities and Exchange Commission on July 30, 2009

Registration No. 333-159515

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Amendment No. 2  
to  
FORM S-4  
REGISTRATION STATEMENT  
UNDER THE SECURITIES ACT OF 1933

Cenveo, Inc.  
(Exact name of registrant as specified in its charter)

Colorado  
(State or other jurisdiction of incorporation or organization)

2670  
(Primary Standard Industrial Classification Code Number)

84-1250533  
(I.R.S. Employer Identification Number)

One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
Telephone No.: (203) 595-3000  
(Address, including zip code, and telephone number, including area code, of registrant's  
principal executive offices)

One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
Telephone No.: (203) 595-3000  
Telecopier No.: (203) 595-3074  
Attention: General Counsel  
(Address, including zip code, and telephone number, including area code, of agent for service)

Hughes Hubbard & Reed LLP  
One Battery Park Plaza  
New York, NY 10004  
Telephone No.: (212) 837-6000  
Telecopier No.: (212) 422-4726  
Attn: Kenneth A. Lefkowitz

copies to:  
Wilmer Cutler Pickering Hale and Dorr LLP  
60 State Street  
Boston, MA 02109  
Telephone No.: (617) 526-6000  
Telecopier No.: (617) 526-5000  
Attn: Philip P. Rossetti

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Charles A. Samuelson

Jeffrey A. Hermanson

Approximate date of commencement of proposed sale of the securities to the public: \_\_\_\_\_

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This proxy statement/prospectus shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY – SUBJECT TO COMPLETION – DATED JULY 30, 2009

NASHUA CORPORATION -- PROXY STATEMENT      CENVEO, INC. -- PROSPECTUS

To Nashua's Shareholders:

On May 7, 2009, Nashua Corporation ("Nashua") announced that it had entered into an agreement and plan of merger (the "merger agreement") with Cenveo, Inc. ("Cenveo") and a subsidiary of Cenveo, pursuant to which Nashua and a subsidiary of Cenveo will merge. Upon completion of the merger, each share of common stock of Nashua will be converted into the right to receive (i) \$0.75 in cash and (ii) a number of shares of Cenveo's common stock with a value equal to \$6.13 divided by the volume-weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger. However, in the event that such average is less than or equal to \$3.75, then Nashua's shareholders will receive 1.635 shares of Cenveo common stock per share of Nashua stock, and in the event that such average is equal to or greater than \$5.25, then Nashua's shareholders will receive 1.168 shares of Cenveo common stock per share of Nashua stock. Accordingly, the market value of the merger consideration will fluctuate with the market price of Cenveo common stock to the extent such average is less than or equal to \$3.75 or equal to or greater than \$5.25.

The following table shows the closing sale prices of Cenveo common stock as reported on the New York Stock Exchange (the "NYSE") on May 6, 2009, the date preceding public announcement of the merger, and on July 28, 2009, the last practicable trading day before the distribution of this proxy statement/prospectus. This table also shows the implied value of the merger consideration proposed for each share of Nashua common stock, which we calculated by dividing \$6.130 by the closing price of Cenveo common stock on those dates.

|                  | Cenveo Common<br>Stock<br>(NYSE: CVO) | Implied Value of<br>One Share<br>of Nashua Common<br>Stock |
|------------------|---------------------------------------|--|
| At May 6, 2009   | \$5.01                                | \$6.88   |
| At July 28, 2009 | \$4.96                                | \$6.88   |

If, as was the case on both May 6, 2009 and July 28, 2009, the price per share of Cenveo common stock on the closing date of the merger is not less than or equal to \$3.75 or equal to or greater than \$5.25, then the aggregate value of the consideration to be issued to Nashua's shareholders will be approximately \$38.3 million (\$6.88 per share multiplied by 5.57 million shares of Nashua common stock outstanding). To the extent the per share price of Cenveo common stock on the closing date of the merger is (i) less than or equal to \$3.75, the aggregate value of the consideration to be issued to Nashua's shareholders will be less than such amount and (ii) equal to or greater than \$5.25, the aggregate value of the consideration to be issued to Nashua's shareholders will be greater than such amount.

Nashua will hold a special meeting of shareholders to consider and vote on a proposal to approve the merger agreement. You will find the notice of meeting, logistics of the proposed combination and details in the attached documents. I encourage you to participate in the governance of your company by voting. Your vote is very important. We cannot complete the merger unless a majority of the outstanding shares of Nashua common stock entitled to vote on the merger agreement and the transactions contemplated thereby, including the merger, are voted "FOR" the merger proposal. The failure of any shareholder to vote on the merger proposal will have the same effect as a vote against the merger proposal.

Certain shareholders of Nashua holding 1,251,369 shares, or 22.5% of the shares, of Nashua common stock outstanding and entitled to vote have agreed pursuant to a voting agreement with Cenveo to vote their shares in favor of the approval of the merger agreement.

I support this transaction and join with Nashua's board in recommending that you vote "FOR" the approval of the merger agreement and the transactions contemplated thereby, including the merger.

Sincerely,

---

Thomas G. Brooker  
President and Chief Executive Officer

Please read this proxy statement/prospectus carefully because it contains important information about the merger. Read carefully the risk factors relating to the merger beginning on page 16. You can also obtain information about Cenveo from documents that it has filed with the Securities and Exchange Commission.

Neither the Securities Exchange Commission nor any state securities commission or bank regulatory agency has approved or disapproved the securities to be issued in the merger or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated , 2009 and will be first mailed or otherwise delivered to Nashua shareholders on or about , 2009.

NASHUA CORPORATION

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON , 2009

Dear Nashua Shareholder:

You are cordially invited to attend a special meeting of the shareholders of Nashua Corporation, a Massachusetts corporation (“Nashua”), on , 2009 at a.m. local time, at Nashua’s offices at 250 South Northwest Highway, Park Ridge, Illinois, for the purpose of considering and voting upon the following matters:

- To approve the agreement and plan of merger dated as of May 6, 2009 (the “merger agreement”) among Cenveo, Inc., a Colorado corporation (“Cenveo”), NM Acquisition Corp., a Massachusetts corporation and a wholly-owned subsidiary of Cenveo (“Merger Sub”), and Nashua, as more fully described in the attached proxy statement/prospectus, and the transactions contemplated in the merger agreement, including the merger of Nashua and Merger Sub contemplated thereby.
- To adjourn or postpone the special meeting, if necessary, to solicit additional proxies in favor of the merger agreement and the transactions contemplated thereby, including the merger.

We have fixed the close of business on August 3, 2009 as the record date for determining those shareholders entitled to notice of and to vote at the special meeting. Only Nashua shareholders of record at the close of business on that date are entitled to and being requested to vote at the special meeting.

Please vote as soon as possible. To complete the merger, the merger agreement and the transactions contemplated thereby must be approved by the affirmative vote of the holders of a majority of the outstanding shares of Nashua common stock entitled to vote on such matter. Abstentions and shares that you have not authorized your broker to vote will have the same effect as votes against approval of the merger agreement and the transactions contemplated thereby. Whether or not you intend to attend the special meeting, please vote as promptly as possible by completing, signing and returning the enclosed proxy card in the postage-paid envelope provided. If your shares are held in the name of a broker, bank or other nominee, please follow the instructions on the voting instruction card provided by such person. If you attend the special meeting, you may vote in person if you wish, even if you have previously returned your proxy card. If you wish to attend the special meeting and vote in person and your shares are held in the name of a broker, bank or other nominee, you must bring with you a proxy or letter from the broker, trustee, bank or nominee to confirm your beneficial ownership of the shares.

We encourage you to read the attached proxy statement/prospectus carefully.

Nashua’s board of directors, by a unanimous vote, has determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to and in the best interests of Nashua and its shareholders, and recommends that Nashua shareholders vote “FOR” approval of the merger agreement and the transactions contemplated thereby, including the merger, and “FOR” the approval of the adjournment or postponement of the special meeting, if necessary, to solicit additional proxies in favor of the merger agreement and the transactions contemplated thereby, including the merger.

By Order of the Board of Directors

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John L. Patenaude  
Vice President-Finance, Chief Financial Officer and Treasurer

Nashua, New Hampshire

, 2009

## ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Cenveo from other documents that are not included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain those documents incorporated by reference into this proxy statement/prospectus by accessing the Securities and Exchange Commission's website maintained at <http://www.sec.gov> or by requesting copies in writing or by telephone from Cenveo:

Cenveo, Inc.  
One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
(203) 595-3000  
Attention: Investor Relations

You will not be charged for any of these documents that you request. If you would like to request documents from Cenveo, please do so by , 2009 in order to receive them before Nashua's special meeting. Cenveo's Internet address is <http://www.cenveo.com> and Nashua's Internet address is <http://www.nashua.com>. The information on these Internet sites is not a part of this proxy statement/prospectus.

See "Where You Can Find More Information" on page 102 and "Recent Developments" on page 11.

## ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission (the "SEC") by Cenveo (Registration No. 333-159515), constitutes a prospectus of Cenveo under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the shares of Cenveo common stock to be issued to Nashua shareholders as required by the merger agreement. This document also constitutes Nashua's proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. It also constitutes a notice of meeting with respect to the special meeting of Nashua shareholders, at which Nashua shareholders will be asked to vote upon a proposal to approve the merger agreement and the transactions contemplated thereby.

You should rely only on the information contained or incorporated by reference into this document. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this document. This document is dated , 2009. You should not assume that the information contained in, or incorporated by reference into, this document is accurate as of any date other than that date. Neither the mailing of this document to Nashua shareholders nor the issuance by Cenveo of stock in connection with the merger will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Except where the context otherwise indicates, information contained in this document regarding Nashua has been provided by Nashua and information contained in this document regarding Cenveo has been provided by Cenveo.





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## QUESTIONS AND ANSWERS ABOUT THE MERGER AND SPECIAL MEETING

The questions and answers below highlight only selected procedural information from this proxy statement/prospectus. They do not contain all of the information that may be important to you. You should read carefully the entire document and the additional documents incorporated by reference into this proxy statement/prospectus to fully understand the merger agreement and the transactions contemplated thereby, including the merger, and the voting procedures for the special meeting. We generally refer to Cenveo, Inc. as “Cenveo,” Nashua Corporation as “Nashua,” and NM Acquisition Corp., a wholly owned subsidiary of Cenveo, as “Merger Sub” throughout this proxy statement/prospectus.

Q: Why am I receiving this proxy statement/prospectus?

A: You are receiving this proxy statement/prospectus because you were a stockholder of record of Nashua on the record date for the Nashua special meeting.

You may also be receiving this proxy statement/prospectus if you hold shares of Nashua common stock in a brokerage or bank account or an account with another third party (which we refer to herein as a nominee) and such shares are held on your behalf by a broker, bank or other nominee. If your shares of Nashua common stock are held on your behalf by a broker, bank or other nominee, you are the beneficial owner of such shares, but the broker, bank or other nominee is the stockholder of record and your shares are referred to as being held in “street name.”

If you are a company employee, former employee, retiree or other person who is participating or has participated in Nashua’s Employees’ Savings Plan 401(k), which we refer to as the Nashua 401(k) Plan, then you may be receiving this material in part because of shares held on your behalf in the Nashua 401(k) Plan. Fidelity Management Trust Company, as trustee of the Nashua 401(k) Plan, is considered the stockholder of record with respect to your Nashua shares held by the Nashua 401(k) Plan.

Nashua is holding a special meeting because Nashua and Cenveo have agreed to the acquisition of Nashua by Cenveo pursuant to the terms of the merger agreement described in this proxy statement/prospectus. A copy of the merger agreement is attached to this proxy statement/prospectus as Annex A. In order to complete the merger, Nashua shareholders holding a majority of the outstanding shares of Nashua common stock entitled to vote on the merger proposal must vote to approve the merger proposal.

Q: What will Nashua shareholders be entitled to receive upon completion of the merger?

A: Under the terms of the merger agreement, each share of Nashua common stock, par value \$1.00 per share, issued and outstanding immediately prior to the completion of the merger, will be converted into the right to receive (x) an amount in cash equal to \$0.75 per share, without interest, and (y) a number of shares of Cenveo common stock (which we refer to as the “exchange ratio”) determined by dividing \$6.130 by the volume weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger (we refer to such price as the “measurement price”). However, in the event that such measurement price of Cenveo common stock is equal to or less than \$3.750, then the number of shares of Cenveo common stock received by Nashua shareholders per share of Nashua stock shall be equal to 1.635 and in the event that such measurement price is greater than or equal to \$5.250, then the number of shares of Cenveo common stock received by Nashua shareholders per share of Nashua stock shall be equal to 1.168.

Cenveo will not issue any fractional shares of Cenveo common stock in the merger. Nashua common shareholders who would otherwise be entitled to a fractional share of Cenveo common stock will instead receive an amount in

cash, rounded to the nearest cent and without interest, equal to (i) the fraction of a share to which such holder would otherwise have been entitled multiplied by (ii) the value of a share of Cenveo common stock, as determined in the preceding paragraph.

Q: What will holders of Nashua stock options and restricted stock receive in connection with the merger?

Under the terms of the merger agreement, upon completion of the merger, the outstanding and unexercised stock options to acquire Nashua common stock will be converted into stock options to acquire Cenveo common stock adjusted to reflect the exchange ratio applicable to Nashua common stock generally as follows:

- Each option to purchase shares of Nashua common stock will be converted into an option to purchase a number of shares of Cenveo common stock equal to the product (rounded down to the nearest whole share) of (x) the number of shares of Nashua common stock subject to the Nashua option immediately prior to the merger and (y) the number obtained by dividing \$6.130 by the volume-weighted average price per share of Cenveo common stock on 15 days selected by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger, provided that (i) if such average price is less than or equal to \$3.750, this clause (y) shall equal 1.635; and (ii) if such average price equals or exceeds \$5.250, this clause (y) shall equal 1.168.
- The per-share exercise price of the resulting Cenveo option will be determined by (a) subtracting \$0.75 from the exercise price per share of Nashua common stock at which the option was exercisable immediately prior to the merger, (b) dividing that difference by the number in clause (y) of the preceding bullet point, and (c) rounding the result up to the nearest whole cent.

With respect to Nashua restricted shares, under the terms of the merger agreement, immediately prior to the completion of the merger, the outstanding Nashua restricted shares will be converted into the right to receive \$0.75 per Nashua common share and that number of share(s) of Cenveo common stock determined by applying the same formula that applies to shares of Nashua common stock generally as described in the preceding question, and the restrictions on the cash payments and covered Cenveo shares will lapse when and as the performance targets applicable to the restricted shares are attained. The performance targets applicable to the restricted shares will be equitably adjusted in the manner set forth in the merger agreement.

With respect to the Nashua restricted stock units held by the Nashua directors, those units will be settled for shares of Cenveo common stock and cash at closing in the same manner that applies to shares of Nashua common stock generally.

Q: What do I need to do now?

A: Read carefully this proxy statement/prospectus because it contains important information about the merger and the Nashua special meeting. After you have read this proxy statement/prospectus and have decided how you wish to vote your Nashua shares, please vote your shares promptly.

Q: How do I vote my shares?

Shareholders of Record

If you are a Nashua shareholder of record, you may vote your shares either in person at the special meeting or by proxy.

A “proxy” is another person that you designate to vote your shares on your behalf in the manner that you direct. If you designate someone as your proxy in a written document, that document also is called a proxy or for our purposes, a proxy card. The enclosed proxy card and instructions allow you to vote your shares without attending the special meeting in person. For the purposes of the special meeting, if you complete the enclosed proxy card and return it to Nashua prior to the start of the special meeting, you will be designating the Nashua officers named on the proxy card



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to act as your proxies and to vote on your behalf at the special meeting in accordance with the instructions you set forth on your proxy card. To vote by proxy, you must complete, sign, date and return the proxy card in the enclosed envelope. For your proxy to

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be counted at the special meeting, Nashua must receive your proxy card prior to the start of the special meeting.

#### Shares held by a bank, broker or other nominee

If your shares are held on your behalf by a broker, bank or other nominee in street name, then as the beneficial owner of such shares you are entitled to instruct your broker, bank or other nominee how to vote such shares. Your bank, broker or other nominee will provide you with an instruction card that will allow you to vote your shares without attending the Nashua shareholders' meeting in person. Submitting your voting instructions to your bank, broker or other nominee will ensure that your shares are represented and voted at the special meeting.

If your shares are held in street name and you would like to vote in person at the special meeting, you must obtain a proxy, executed in your favor, from the broker, bank or other nominee that is the record holder of your shares of Nashua common stock. If your shares are held in street name and you plan to merely attend the special meeting, but not vote in person, you must have a document from the broker, bank or other nominee that is the record holder of your shares confirming your ownership.

#### Participants in the Nashua 401(k) Plan

Fidelity Management Trust Company, as trustee of the Nashua 401(k) plan, is considered the stockholder of record with respect to any shares held on your behalf in the Nashua 401(k) plan. If you are a participant in the Nashua 401(k) plan, then you are entitled to instruct Fidelity Management Trust Company as to how to vote shares of common stock credited to your Nashua 401(k) Plan account by indicating your instructions on the instruction card provided to you by Fidelity Management Trust Company and returning it to Fidelity Management Trust Company at the address provided on the instruction card by , 2009.

If you hold shares as a participant in Nashua's 401(k) plan, you may not vote those shares in person at the special meeting. You are nevertheless invited to attend the special meeting.

Your vote is important. We encourage you to vote as soon as possible.

The Nashua board of directors unanimously recommends that you vote "FOR" the approval of the merger proposal and "FOR" the adjournment or postponement of the special meeting, if necessary, to solicit additional proxies in favor of the merger agreement and the transactions contemplated thereby, including the merger.

Q: What vote is needed by Nashua shareholders at the special meeting to approve the merger proposal?

A: In order to approve the merger proposal, shareholders holding a majority of the outstanding shares of Nashua common stock entitled to vote on the merger proposal must vote "FOR" the merger proposal. In order to postpone or adjourn the special meeting, if necessary, to solicit additional proxies to vote in favor of the merger proposal, the holders of shares of Nashua common stock representing a majority of the votes cast on the proposal to adjourn or postpone the special meeting must vote "FOR" the adjournment or postponement of the special meeting.

Q: Have certain Nashua shareholders already agreed to vote to approve the merger proposal?

A: Nashua's shareholders, Andrew B. Albert (a director of Nashua), L. Scott Barnard (a director of Nashua), Thomas Brooker (Nashua's CEO and also a director), Avrum Gray (a director of Nashua), Michael T. Leatherman (a director of Nashua), William Todd McKeown (an executive officer of Nashua), John Patenaude (an executive officer of Nashua), Mark Schwarz (a director of Nashua) and Newcastle Partners, L.P., whose shares represented approximately 22.5% of Nashua's outstanding common stock as of the record date for the Nashua special meeting,

entered into a voting agreement with Cenveo, pursuant to which they have agreed to vote their shares in favor of the approval of the merger proposal.

Q: Why is my vote important?

A: If you do not vote by proxy or in person at the special meeting, it will be more difficult for us to obtain the necessary quorum to hold our special meeting. In addition, your failure to vote, by proxy or in person, will have the same effect as a vote against the merger proposal because the merger proposal must be approved by the affirmative vote of the holders of a majority of the outstanding shares of Nashua common stock entitled to vote on the merger proposal.

Q: If I have submitted a proxy card or provided voting instructions can I change my vote?

A: Yes. Shareholders of record who have submitted a proxy card may revoke it by (i) giving written notice of revocation to Nashua's Corporate Secretary at any time prior to the Nashua special meeting, (ii) properly submitting to Nashua a duly executed proxy bearing a later date (but which is dated and received by Nashua prior to the special meeting) or (iii) attending the special meeting and voting in person. Nashua shareholders of record may vote in person regardless of whether they have previously submitted a proxy, and such vote will revoke any previous proxy, but the mere presence (without notifying the Corporate Secretary) of a shareholder at the special meeting will not constitute revocation of a previously given proxy.

All written notices of revocation and other communications with respect to revocation of proxies should be addressed to Nashua as follows: Corporate Secretary, 11 Trafalgar Square, Suite 201, Nashua, New Hampshire 03063.

If your shares are held on your behalf in an account with a bank, broker or other nominee, you must contact your bank, broker or other nominee to revoke or change your voting instructions.

If you are a company employee or retiree who holds shares as a participant in our 401(k) plan, pursuant to the terms of the 401(k) plan, you may change or revoke your voting instructions by delivering written notice to Fidelity Management Trust Company no later than , 2009.

Q: What happens if I send in my proxy card but I do not indicate how my shares are to be voted?

A: If you sign and timely return your proxy card, but do not indicate how your shares are to be voted with respect to one or more of the matters to be voted on at the special meeting, and do not indicate that you wish to abstain from voting, as necessary to vote your shares on each matter, your shares will be voted in accordance with the recommendations of our Board of Directors: "FOR" the merger proposal; and "FOR" the adjournment or postponement of the special meeting, if necessary, to solicit additional proxies in favor of the merger agreement and the transactions contemplated thereby, including the merger.

Q: What happens if I fail to instruct my broker, bank or other nominee on how to vote my shares?

A: Your broker, bank or other nominee cannot vote your shares without instructions from you. If you do not provide your broker, bank or other nominee with instructions as to how to vote your shares and your broker, bank or other nominee submits an unvoted proxy with respect to those shares, then what is referred to as a "broker non-vote" will occur for those shares. If a broker non-vote occurs with respect to any shares, then such shares will neither be counted for the purpose of determining whether a quorum exists at the special meeting, nor voted for any of the proposals at the meeting. If a broker non-vote occurs with respect to any shares, it will have the same effect as a vote by such shares against the approval of the merger proposal and will have no effect on the vote on the adjournment or postponement of the special meeting, if necessary, to solicit additional proxies.

You should instruct your broker, bank or other nominee as to how to vote your shares, following the instructions they provide to you.

Q: If I am a participant in the Nashua 401(k) plan, what happens if the plan trustee does not receive voting instructions from me?

A: Any shares held in the Nashua 401(k) plan for which Fidelity Management Trust Company, as the plan trustee, does not receive voting instructions by , 2009, will not be voted at the special meeting.

Q: Should I send my Nashua stock certificates in with my proxy card?

A: No. Please DO NOT send your Nashua stock certificates with your proxy card. After the merger, Cenveo will send you instructions for exchanging Nashua stock certificates for the merger consideration.

Q: Will Nashua be required to submit the merger agreement to its shareholders for approval?

A: Yes. Under the terms of the merger agreement, unless the merger agreement is terminated before the Nashua special meeting, Nashua is required to submit the merger agreement to its shareholders for approval even if Nashua's board of directors has withdrawn, modified or qualified its recommendation that Nashua's shareholders vote "FOR" the approval of the merger proposal.

Q: When do you expect to complete the merger?

A: We expect to complete the merger in the third quarter of 2009. However, we cannot assure you when or if the merger will occur. Among other things, we cannot complete the merger until we obtain the approval of Nashua shareholders at the special meeting.

Q: Whom should I call with questions about the special meeting or the merger?

A: Nashua shareholders should call Georgeson, Inc., Nashua's proxy solicitor, toll-free at (888) 605-7508, with any questions about the special meeting or the merger and related transaction.

## SUMMARY

This summary highlights selected information from this proxy statement/prospectus. It may not contain all the information that is important to you. We urge you to read carefully this entire document and the other documents we refer you to for a more complete understanding of the merger between Nashua and a wholly-owned subsidiary of Cenveo. In addition, we incorporate by reference into this proxy statement/prospectus important business and financial information about Cenveo. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled “Where You Can Find More Information” on page 102. Each item in this summary includes a page reference directing you to a more complete description of that item. Unless otherwise indicated in this proxy statement/prospectus or the context otherwise requires, all references in the proxy statement/prospectus to “Cenveo,” “we,” “our” or “us” refer to Cenveo, Inc. All references to “Nashua” refer to Nashua Corporation.

### The Proposed Merger (page 21)

We propose to merge Nashua and Merger Sub, a wholly-owned direct subsidiary of Cenveo, with either Nashua or Merger Sub as the surviving corporation. Upon completion of the merger, the separate existence of either Nashua or Merger Sub will terminate and Nashua common stock will no longer be publicly traded. We currently expect to complete the merger in the third quarter of 2009.

### The Parties to the Merger (pages 68 and 69)

Cenveo, Inc.  
One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
(203) 595-3000

Cenveo is a Colorado corporation that was incorporated in 1997 as the successor to Mail-Well, Inc., a Delaware corporation. It is the third largest diversified printing company in North America, according to the December 2008 Printing Impressions 400 report. Cenveo’s portfolio of products includes envelope, form and label manufacturing, commercial printing and packaging and publisher offerings. It operates from a global network of over 70 printing and manufacturing, content management and distribution facilities, which serve a diverse base of over 100,000 customers.

NM Acquisition Corp.  
c/o Cenveo, Inc.  
One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
(203) 595-3000

NM Acquisition Corp., which we refer to herein as Merger Sub, is a Massachusetts corporation and a newly formed wholly-owned subsidiary of Cenveo. Merger Sub was formed in connection with and for the purposes of the merger by Cenveo.

Nashua Corporation  
11 Trafalgar Square, Suite 201

Nashua, New Hampshire 03063  
(603) 880-2323

Nashua, founded in 1904, manufactures, converts and markets labels and specialty papers in the United States. Its products include thermal and other coated papers, wide-format papers, pressure-sensitive labels, tags and transaction and financial receipts.

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## The Special Meeting (page 19)

### Time, Date and Place

A special meeting of the shareholders of Nashua will be held on , 2009, at a.m., local time, at Nashua's offices at 250 South Northwest Highway, Park Ridge, Illinois for the following purposes:

- (1) To approve the merger agreement and the transactions contemplated thereby.
- (2) If necessary, to adjourn or postpone the special meeting so that additional proxies in favor of the merger agreement may be solicited.
- (3) To transact any other business that may properly come before the special meeting and any adjournments or postponements thereof.

### Required Vote and Share Ownership of Management

You can vote at the special meeting of Nashua shareholders if you owned Nashua common stock at the close of business on August 3, 2009, which we refer to as the record date. You can cast one vote for each share of Nashua common stock that you owned on the record date. The affirmative vote of the holders of at least 2,783,869 shares of Nashua common stock, which represents a majority of the shares of Nashua stock outstanding and entitled to vote, is required to approve the merger agreement and the transactions contemplated thereby. The affirmative vote of the holders of shares of stock representing a majority of the votes cast is required to adjourn or postpone the special meeting.

As of August 3, 2009, there were 5,567,737 shares of Nashua common stock outstanding and entitled to vote, 1,388,997 of which, or 24.9%, were held by directors, executive officers and affiliates of Nashua. Directors, executive officers and affiliates of Nashua holding 1,251,369 shares, or 22.5% of the shares, of Nashua common stock outstanding and entitled to vote have agreed pursuant to a voting agreement with Cenveo to vote their shares in favor of the approval of the merger agreement. See "The Merger — Interests of Nashua's Directors and Executive Officers in the Merger" and "The Voting Agreement."

### What You Will Be Entitled to Receive Upon Completion of the Merger (page 50)

Under the terms of the merger agreement, each share of Nashua common stock, par value \$1.00 per share, issued and outstanding immediately prior to the completion of the merger, will be converted into the right to receive (x) an amount in cash equal to \$0.75 per share, without interest, and (y) a number of shares of Cenveo common stock equal to \$6.130 divided by the volume-weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger. However, in the event that such average of Cenveo common stock is equal to or less than \$3.750, then Nashua's shareholders will receive 1.635 shares of Cenveo common stock per share of Nashua stock, and in the event that such average is equal to or greater than \$5.25, then Nashua's shareholders will receive 1.168 shares of Cenveo common stock per share of Nashua stock.

Cenveo will not issue any fractional shares of Cenveo common stock in the merger. Nashua common shareholders who would otherwise be entitled to a fractional share of Cenveo common stock will instead receive an amount in cash, rounded to the nearest cent and without interest, equal to (i) the fraction of a share to which such holder would

otherwise have been entitled multiplied by (ii) the value of a share of Cenveo common stock, determined in the preceding paragraph.

What Holders of Nashua Stock Options and Restricted Stock Will Receive (page 50)

Under the terms of the merger agreement, upon completion of the merger, the outstanding and unexercised stock options to acquire Nashua common stock will be converted into stock options to acquire Cenveo common stock adjusted to reflect the exchange ratio applicable to Nashua common stock generally as follows:

- Each option to purchase shares of Nashua common stock will be converted into an option to purchase a number of shares of Cenveo common stock equal to the product (rounded down to the nearest whole share) of (x) the number of shares of Nashua common stock subject to the Nashua option immediately prior to the merger and (y) the number obtained by dividing \$6.130 by the volume-weighted average price per share of Cenveo common stock on 15 days selected by lot out of the 30 trading days ending on and including the
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second trading day immediately prior to the closing date of the merger, provided that (i) if such average price is less than or equal to \$3.750, this clause (y) shall equal 1.635; and (ii) if such average price equals or exceeds \$5.250, this clause (y) shall equal 1.168.

- The per-share exercise price of the resulting Cenveo option will be determined by (a) subtracting \$0.75 from the exercise price per share of Nashua common stock at which the option was exercisable immediately prior to the merger, (b) dividing that difference by the number in clause (y) of the preceding bullet point, and (c) rounding the result up to the nearest whole cent.

With respect to Nashua restricted shares, under the terms of the merger agreement, immediately prior to the completion of the merger, the outstanding Nashua restricted shares will be converted into the right to receive \$0.75 per Nashua common share and that number of share(s) of Cenveo common stock determined by applying the same formula that applies to shares of Nashua common stock generally as described in “Terms of the Merger,” above, and the restrictions on the cash payments and covered Cenveo shares will lapse when and as the performance targets applicable to the restricted shares are attained. The performance targets applicable to the restricted shares will be equitably adjusted in the manner set forth in the merger agreement.

With respect to the Nashua restricted stock units held by the Nashua directors, those units will be settled for shares of Cenveo common stock and cash at closing in the same manner that applies to shares of Nashua common stock generally.

#### Market Price Data (page 67)

Cenveo common stock and Nashua common stock are listed on the New York Stock Exchange and the NASDAQ Global Market, respectively, under the symbols “CVO” and “NSHA,” respectively. The following table presents the closing prices of Cenveo common stock and Nashua common stock on May 6, 2009, the date preceding public announcement of the proposed merger, and on July 28, 2009, the last practicable date before the date of this proxy statement/prospectus. The table also presents the implied value of the merger consideration proposed for each share of Nashua common stock on those dates, as determined by dividing \$6.13 by the closing price of Cenveo’s common stock on the NYSE on such dates and by adding \$0.75 per share in cash to each such quotient.

|               | Cenveo<br>Common Stock<br>(NYSE: CVO) | Nashua<br>Common Stock<br>(NASDAQ: NSHA) | Implied<br>Value of One<br>Share of Nashua<br>Common Stock |
|---------------|---------------------------------------|--|--|
| May 6, 2009   | \$ 5.01                               | \$ 2.52                                  | \$ 6.88  |
| July 28, 2009 | \$ 4.96                               | \$ 6.72                                  | \$ 6.88  |

The market prices of both Cenveo common stock and Nashua common stock will fluctuate prior to the merger. You should obtain current stock price quotations for Cenveo common stock and Nashua common stock. You can get these quotations from a newspaper, on the Internet or by calling your broker.

#### Dividends (page 46)

In the period before completion of the merger, neither Cenveo nor Nashua is permitted by the merger agreement to declare, set aside, pay or make any dividend or other distribution or payment (whether in cash, stock or other

property) with respect to any shares of their respective capital stock or other voting securities without the consent of the other.

The payment, timing and amount of dividends by Cenveo or Nashua on their common stock in the future, either before or after the merger is completed, are subject to the determination of each company's respective board of directors and depend on cash requirements, contractual restrictions, its financial condition and earnings, legal and regulatory considerations and other factors.

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#### Recommendation of Nashua's Board of Directors (page 26)

Nashua's board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair and in the best interest of Nashua and Nashua's shareholders and recommends that Nashua shareholders vote "FOR" approval of the merger agreement and the transactions contemplated thereby, including the merger, and "FOR" the approval of the adjournment or postponement of the special meeting, if necessary, to solicit additional proxies in favor of the merger agreement and the transactions contemplated thereby, including the merger.

For more information concerning the background of the merger, the recommendation of Nashua's board of directors and the reasons for the merger and the recommendation, please see the discussions under "The Merger — Background of the Merger" and "The Merger — Reasons for the Merger; Recommendation of Nashua's Board of Directors," commencing on page 21 and page 26, respectively.

#### Opinion of Nashua's Financial Advisor (page 31)

Lincoln International LLC delivered its opinion to Nashua's board of directors that, as of May 6, 2009 and based upon and subject to the factors and assumptions set forth in their opinion, the consideration for each outstanding share of Nashua common stock that will be received by each Nashua shareholder in the merger is fair to the holders of shares of Nashua's common stock from a financial point of view.

The full text of the written opinion of Lincoln International LLC, dated May 6, 2009, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C. Lincoln International LLC provided its opinion for the information and assistance of Nashua's board of directors in connection with its consideration of the merger. The Lincoln International LLC opinion is not a recommendation as to how any holder of Nashua's common stock should vote with respect to the merger or any other matter. Pursuant to an engagement letter between Nashua and Lincoln International LLC, Nashua has agreed to pay Lincoln International LLC a transaction fee for advising Nashua in connection with the merger. For further information, please see the discussion under the caption "The Merger — Opinion of Nashua's Financial Advisor," commencing on page 31.

#### Interests of Directors and Executive Officers in the Merger (page 46)

In considering the information contained in this proxy statement/prospectus, you should be aware that Nashua's executive officers and directors have financial interests in the merger that may be different from, or in addition to, the interests of Nashua shareholders. These additional interests of Nashua's executive officers and directors may create potential conflicts of interest and cause these persons to view the proposed transaction differently than you may view it as a shareholder.

Nashua's board of directors was aware of these interests and took them into account in its decision to declare advisable the merger agreement and the transactions contemplated thereby, including the merger. For information concerning these interests, please see the discussion under the caption "The Merger — Interests of Nashua's Directors and Executive Officers in the Merger," commencing on page 46.

#### Accounting Treatment (page 63)

The merger will be treated as a “business combination” using the acquisition method of accounting with Cenveo treated as the acquirer under generally accepted accounting principles, or GAAP.

Material United States Federal Income Tax Consequences of the Merger (page 63)

The merger is generally intended to be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. However, Nashua and Cenveo have agreed that, if their respective legal advisors are unable to deliver opinions regarding the treatment of the merger as a reorganization or if certain other conditions are not satisfied, the merger may be effected as a fully taxable transaction. If the merger is treated as a reorganization, a shareholder that receives cash and Cenveo common stock in exchange for Nashua common

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stock and who has an adjusted tax basis in its Nashua common stock that is less than the sum of the cash and the fair market value (as of the date of the merger) of the Cenveo common stock received in the merger generally will recognize gain equal to the amount of the difference or, if less, the amount of the cash received in the merger (excluding cash received in lieu of a fractional share of Cenveo common stock). However, if a shareholder has an adjusted tax basis in its Nashua common stock that is more than the sum of the cash and the fair market value (as of the date of the merger) of the Cenveo common stock received in the merger, the resulting loss will not be currently allowed for U.S. federal income tax purposes. If the merger is not treated as a reorganization for U.S. federal income tax purposes (i.e., if it is a fully taxable transaction), a shareholder generally will recognize gain or loss equal to the difference between (i) the fair market value (as of the date of the merger) of the Cenveo common stock and the cash received in the merger and (ii) the shareholder's adjusted tax basis in the Nashua common stock surrendered.

The United States federal income tax consequences described above may not apply to all holders of Nashua common stock. Your tax consequences will depend on your individual situation. Accordingly, we strongly urge you to consult your tax advisor for a full understanding of the particular tax consequences of the merger to you.

#### Regulatory Approvals (page 46)

We have agreed to use our reasonable best efforts to obtain all regulatory approvals required to complete the merger and the other transactions contemplated by the merger agreement. As of the date of this proxy statement/prospectus, we do not have any reason to believe that any regulatory approvals are required to complete the merger and the other transactions contemplated by the merger agreement.

#### Conditions to the Merger (page 58)

Currently, we expect to complete the merger in the third quarter of 2009. As more fully described in this proxy statement/prospectus and in the merger agreement, the completion of the merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include, among others:

- the approval of the merger agreement and the transactions contemplated thereby, including the merger, by Nashua shareholders;
- the effectiveness of the registration statement of which this proxy statement/prospectus is a part with respect to the Cenveo common stock to be issued in the merger under the Securities Act and the absence of any stop order suspending the effectiveness of the registration statement or proceedings initiated or threatened by the SEC for that purpose;
- the absence of any law, statute, rule, regulation, judgment, decree, injunction or other order by any court or other governmental entity that prohibits completion of the merger;
- in the event that Cenveo and Merger Sub determine that the waiting period applicable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, is applicable to the merger, then the expiration or termination of such waiting period;
- the authorization of the listing of the shares of Cenveo common stock to be issued in connection with the merger on the New York Stock Exchange, subject to official notice of issuance;
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the truth and correctness of the representations and warranties of each other party in the merger agreement, subject to the materiality standards provided in the merger agreement, and the performance by each other party in all material respects of their obligations under the merger agreement (and the receipt by each party of certificates from the other party to such effects); and

- the absence of any event, change, effect, condition, fact or circumstance that has or would be reasonably expected to have a material adverse effect, as defined in the merger agreement, on the other party.

Cenveo and Merger Sub's obligations to complete the merger are also separately subject to the satisfaction or waiver of a number of conditions including:

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- if the merger is to be structured such that Merger Sub is the surviving corporation, Cenveo and Merger Sub will have received a legal opinion from Cenveo's counsel with respect to certain United States federal income tax consequences of the merger and a certification from Nashua's counsel that it will not be able to provide an opinion which would be necessary for Nashua to be the surviving corporation and that certain representations made by Nashua regarding pension plan reporting requirements under federal law are true and correct in all respects as of the closing date of the merger; and
  - fewer than 835,160 dissenting shares, as defined in the merger agreement, owned by Nashua shareholders other than Cenveo and its affiliates.

Nashua's obligations to complete the merger are also separately subject to the satisfaction or waiver of a number of conditions including:

- if the merger is to be structured such that Merger Sub is the surviving corporation, Nashua will have received a legal opinion from Nashua's counsel with respect to certain United States federal income tax consequences of the merger; and
- if the merger is to be structured such that Nashua is the surviving corporation, either Nashua will have received a legal opinion from Nashua's counsel with respect to certain United States federal income tax consequences of the merger, Cenveo's counsel will have certified to Nashua that it is unable to deliver an opinion which would be necessary for Merger Sub to be the surviving corporation or certain conditions for Merger Sub being the surviving corporation will not have been met.

We cannot be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

#### Termination of the Merger Agreement (page 59)

The merger agreement can be terminated at any time prior to completion by mutual written consent, or by either party in the following circumstances:

- if the merger has not been completed on or prior to November 6, 2009 or such other date as Cenveo and Nashua agree to in writing, unless the failure to complete the merger by that date is due to the breach of the merger agreement by the party seeking to terminate the merger agreement;
- if there is any law or order permanently restraining, enjoining or otherwise prohibiting the completion of the merger; or
- if the Nashua shareholders fail to approve the merger agreement and the transactions contemplated thereby at the special meeting.

In addition, Cenveo may terminate the merger agreement if (1) Nashua breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the merger agreement which would result in the failure of a condition to Cenveo's obligation to consummate the merger and such breach is not cured within a specified period of time or cannot be cured; (2) Nashua fails to recommend or changes the recommendation that the Nashua shareholders approve the merger, or Nashua materially breaches its obligations by failing to call the special shareholders meeting to approve the merger or to prepare and mail to its shareholders the proxy statement as required

by the merger agreement and such breach is not cured within a specified time period or cannot be cured; or (3) Nashua's board of directors recommends (or resolves or publicly proposes to recommend) to its shareholders, or Nashua enters into an agreement, letter of intent, agreement-in-principle or acquisition agreement contemplating an acquisition proposal or a superior proposal.

Further, Nashua may terminate the merger agreement if (1) Cenveo breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the merger agreement which would result in the failure of a condition to Nashua's obligation to consummate the merger and such breach is not cured within a specified period of time or cannot be cured; or (2) Nashua's board of directors approves, or Nashua enters into a

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definitive agreement with respect to, a superior proposal before the time that its shareholders vote on whether to approve the merger agreement, and Nashua simultaneously pays the termination fee and reimburses Cenveo for the expenses described under “Termination Fee.”

If the merger agreement is terminated, it will become void, and there will be no liability on the part of Cenveo or Nashua, except that (1) both Cenveo and Nashua will remain liable for any willful breach of the merger agreement and (2) designated provisions of the merger agreement, including with respect to the payment of fees and expenses and the confidential treatment of information, will survive the termination.

Termination Fee (page 60)

Nashua will pay Cenveo a \$1.3 million termination fee and will reimburse Cenveo for its reasonable fees and expenses incurred in connection with the merger up to a maximum of \$800,000 in the event that the merger agreement is terminated:

- by Cenveo because Nashua’s board of directors fails to recommend, or changes the recommendation (or resolves or publicly proposes to take any such action), that its shareholders approve the merger agreement (whether or not permitted by the merger agreement);
- by Cenveo because Nashua’s board of directors recommends (or resolves or publicly proposes to recommend) to its shareholders, or Nashua enters into an agreement, letter of intent, agreement-in-principle or acquisition agreement relating to an acquisition proposal or a superior proposal; or
- by Nashua because Nashua’s board of directors approves or recommends, or Nashua enters into a definitive agreement with respect to, a superior proposal before the time that its shareholders vote on whether to approve the merger agreement.

If the merger agreement is terminated as described above, Nashua must pay the termination fee and expenses not later than the date of such termination.

Nashua will also pay such termination fee and expenses in the event that the agreement is terminated:

- by either Cenveo or Nashua if the merger has not been completed on or prior to November 6, 2009 or such other date as Cenveo and Nashua agree to in writing, Nashua has failed to hold the special meeting of shareholders to vote on approval of the merger agreement and the party who is seeking to terminate the merger agreement is not the cause of the failure to complete the merger by such date because of such party’s breach of the merger agreement;
- by either Cenveo or Nashua because the shareholders have not approved the merger agreement at a duly held special meeting or at any adjournment or postponement thereof;
- by Cenveo because Nashua materially breaches its obligations under the merger agreement by failing to call the special shareholders meeting to approve the merger agreement and the transactions contemplated thereby or to prepare and mail to its shareholders this proxy statement as required by the merger agreement; or
- by Cenveo or Nashua for any reason (other than as set forth in the bullets above) following a material breach by Nashua of any material provision in its covenant to refrain from soliciting alternate acquisition proposals;

and, in each of the foregoing cases, prior to such termination an acquisition proposal is publicly announced or otherwise communicated to Nashua's senior management or Nashua's board of directors; and prior to the date that is 12 months after the effective date of such termination, Nashua enters into a definitive agreement with respect to an acquisition proposal or an acquisition proposal is consummated. If the merger agreement is terminated as described

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in this paragraph, Nashua must pay the termination fee and expenses within two business days following consummation of the acquisition proposal.

#### Third-Party Acquisition Proposals (page 55)

Cenveo and Nashua agreed that prior to 11:59 p.m. New York City time on June 4, 2009, Nashua had the right to initiate, solicit and encourage proposals from third parties regarding certain acquisitions of Nashua, its shares, or its business and engage in related discussions or negotiations so long as Nashua complies with certain obligations set forth more fully in the merger agreement.

From and after 11:59 p.m. on June 4, 2009, until the earlier of the consummation of the merger or the termination of the merger agreement, Nashua and its legal and financial representatives may not, directly or indirectly:

- solicit or initiate the making of, or take any other action to knowingly facilitate any inquiries or the making of any proposal that constitutes or may reasonably be expected to lead to, any proposal from a third party regarding certain acquisitions of Nashua, its shares, or its business;
- participate in discussions or negotiations with, or provide nonpublic information to, any person with respect to an acquisition proposal;
  - change its recommendation in favor of the merger;
- approve or recommend, or publicly announce it is considering approving or recommending, any acquisition proposal; or
- enter into any agreement, letter of intent, agreement-in-principle or acquisition agreement relating to any acquisition proposal.

However, at any time prior to the time that Nashua's shareholders approve the merger agreement and the transactions contemplated thereby (including the merger), Nashua may:

- participate in discussions or negotiations with, or provide information to, a third party who makes an unsolicited, bona fide, written acquisition proposal so long as (i) such acquisition proposal has not been solicited (other than solicitations permitted prior to 11:59 p.m. New York City time on June 4, 2009), (ii) a majority of the members of Nashua's board of directors determines, in good faith, after consultation with its financial advisors that the acquisition proposal constitutes or is reasonably likely to constitute a superior proposal, (iii) a majority of the members of Nashua's board of directors determines, in good faith, after consultation with its outside legal advisors, that failing to take such action would be inconsistent with their fiduciary duties, (iv) prior to participating in discussions or negotiations with, or providing any nonpublic information to, the third party Nashua provides Cenveo with written notice of the identity of the third party and of Nashua's intention to provide information to or participate in discussions or negotiations with such person, (v) prior to participating in discussions or negotiations with, or providing any nonpublic information to, the third party Nashua receives from the third party an executed confidentiality agreement containing terms no less restrictive than those in Cenveo's confidentiality agreement with Nashua and (vi) prior to providing information to the third party, Nashua provides such information to Cenveo (to the extent such information has not previously been delivered or made available by Nashua to Cenveo);

- approve or recommend, or enter into (and, in connection therewith, change the recommendation of Nashua's board) a definitive agreement with respect to an unsolicited, bona fide, written acquisition proposal so long as (i) neither Nashua nor any of its affiliates or representatives has solicited the acquisition proposal (other than solicitations permitted prior to 11:59 p.m. New York City time on June 4, 2009) or otherwise violated the restrictions on acquisition proposals in the merger agreement; (ii) Nashua provides Cenveo with written notice indicating that Nashua, acting in good faith, believes the acquisition proposal is reasonably likely to be a superior proposal; (iii) during the three business day period after the foregoing
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notice is provided to Cenveo, Nashua causes its financial and legal advisors to negotiate in good faith with Cenveo in an effort to make such adjustments to the terms and conditions of the merger agreement such that the acquisition proposal would not constitute a superior proposal; (iv) after taking such negotiations and adjustments into account, a majority of the members of Nashua's board of directors determines, in good faith, after consultation with outside legal counsel, that failing to approve or recommend or enter into a definitive agreement with respect to the acquisition proposal would be inconsistent with their fiduciary duties and that the acquisition proposal remains a superior proposal; and (v) Nashua terminates the merger agreement and pays the required termination fee and expenses; or

- change its recommendation in favor of the merger if a majority of the members of Nashua's board of directors determines in good faith, after consultation with outside legal counsel, that failure to do so would constitute a breach of their fiduciary duties.

For more information concerning Nashua's ability to solicit and respond to third party acquisition proposals, please see the discussion under the caption "The Agreement and Plan of Merger -- Acquisition Proposals," commencing on page 55.

#### Different Rights (page 96)

The rights of Cenveo common shareholders are governed by Colorado law and by Cenveo's certificate of incorporation, as amended, and amended and restated bylaws. The rights of Nashua shareholders are governed by Massachusetts law, and by Nashua's articles of organization, as amended, and amended and restated bylaws. Upon the completion of the merger, the rights of Nashua shareholders will be governed by Colorado law, Cenveo's restated certificate of incorporation, as amended, and amended and restated bylaws.

#### No Appraisal Rights for Dissenting Shareholders (page 45)

Section 13.02(a)(1) of the Massachusetts Business Corporation Act, which we refer to as the MBCA, generally provides that shareholders of a Massachusetts corporation are entitled to appraisal rights in the event of a merger. However, an exception to the general rule in Section 13.02(a)(1) of the MBCA provides that shareholders of a Massachusetts corporation are not entitled to appraisal rights in a merger transaction in which the sole consideration they receive consists of a combination of cash and marketable securities so long as no director, officer or controlling shareholder of Nashua has a direct or indirect material financial interest in the merger other than in: (i) his, her or its capacity as a shareholder of the corporation; (ii) his, her or its capacity as a director, officer, employee or consultant of the merging corporation or the surviving corporation or an affiliate of the surviving corporation pursuant to bona fide arrangements with the merging corporation or the surviving corporation or any affiliate; or (iii) any other capacity so long as the shareholder owns less than 5% of the voting securities of the corporation.

Nashua believes that this exception applies to the merger and that Nashua shareholders are not entitled to appraisal rights. However, the MBCA took effect on July 1, 2004 and Section 13.02 of the MBCA has not yet been the subject of judicial interpretation. Accordingly, it is possible that a court could conclude that this exception is not applicable in the present circumstances and that Nashua shareholders are entitled to appraisal rights under Massachusetts law.

Any shareholder who believes he, she or it is entitled to appraisal rights and who wishes to preserve those rights should carefully review Sections 13.01 through 13.31 of Part 13 of the MBCA, attached as Annex D to this proxy statement/prospectus which sets forth the procedures to be complied with in perfecting any such rights. Failure to strictly comply with the procedures specified in Part 13 of the MBCA would result in the loss of any appraisal rights

to which such shareholder may be entitled. Please read Part 13 carefully, because exercising appraisal rights involves several procedural steps, and failure to follow appraisal procedures could result in the loss of such rights. Shareholders should consult with their advisors, including legal counsel, in connection with any demand for appraisal.

Additionally, since Nashua does not believe that its shareholders are entitled to appraisal rights in the merger, Nashua will not deliver the appraisal notice and form called for by Section 13.22 of the MBCA.

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For further information, please see the discussion under the caption “The Merger — No Appraisal Rights for Dissenting Shareholders,” commencing on page 45 and Annex D.

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## RECENT DEVELOPMENTS

### Cenveo

On May 6, 2009, Cenveo announced its results of operations for the fiscal quarter ended March 28, 2009. Diluted loss per common share was \$0.08 down from \$0.06 in the first quarter of 2008. Net sales decreased \$122.2 million in the first quarter of 2009, as compared to the first quarter of 2008, due to lower sales from its commercial printing segment of \$66.5 million and from its envelopes, forms and labels segment of \$55.7 million. These decreases were primarily due to having one less week in the first quarter of 2009, as compared to the first quarter of 2008, and volume declines, pricing pressures and changes in product mix, primarily due to current general economic conditions.

### Nashua

On May 7, 2009, Nashua announced its results of operations for the fiscal quarter ended April 3, 2009. Nashua's net sales decreased \$1.4 million in the first quarter of 2009, as compared to the first quarter of 2008, due to decreased sales in Nashua's Specialty Paper Products segment that more than offset the increased sales in Nashua's Label Products segment. Nashua's net loss for the first quarter of 2009 was \$0.3 million, or \$0.06 per share, compared to a net loss of \$0.4 million, or \$0.07 per share, for the first quarter of 2008.

On May 20, 2009, two putative class action complaints challenging the merger were filed in New Hampshire Superior Court for Hillsborough County: Joel Gerber v. Nashua Corporation, et al., No. 09-C-307, and Oscar Schapiro v. Nashua Corporation et al., No. 09-E-0148. The two suits were subsequently removed to the United States District Court for the District of New Hampshire and consolidated into one action, In re Nashua Corporation S' Holders Litigation, No. 09-cv-188-SM.

On June 18, 2009, plaintiffs filed an amended consolidated complaint, purportedly on behalf of all public shareholders of Nashua. The amended complaint names Nashua, its directors, Cenveo, and Merger Sub as defendants. It alleges, among other things, that the consideration to be paid to Nashua shareholders in the merger is unfair and undervalues Nashua. It also alleges that Nashua's directors violated their fiduciary duties by, among other things, failing to maximize shareholder value, failing to engage in a fair sale process, and failing to disclose in the proxy material information regarding the merger. The amended consolidated complaint also alleges that Cenveo and Merger Sub aided and abetted the alleged breaches of fiduciary duties by Nashua's directors. The amended and consolidated complaint seeks, among other relief, an injunction preventing completion of the merger or, if the merger is consummated, rescission of the merger.

The parties have entered into a settlement agreement dated as of July 2, 2009, which provides for the disclosure of additional information that is contained in this proxy statement/prospectus and which plaintiffs contend is material to Nashua's shareholders. The settlement is subject to approval by the court. If approved, it will resolve the above litigation. On July 14, 2009, the court issued an order preliminarily approving the settlement and scheduling a hearing for October 19, 2009 to determine whether to issue a final approval.

On June 12, 2009, a third putative class action challenging the merger, William Russell v. Thomas Brooker, et al., was filed in Massachusetts Superior Court for Suffolk County, 09-2470-BLS. An amended complaint was filed on June 16. The Massachusetts complaint is substantially duplicative of the amended consolidated complaint that was filed in In re Nashua Corporation S' Holders Litigation: it asserts substantially the same claims against the same defendants on behalf of the same putative class of Nashua's public shareholders. It also seeks, among other relief, an injunction preventing completion of the merger or, if the merger is consummated, rescission of the merger or rescissory damages. On June 23, 2009, Nashua served a motion to stay all proceedings in the matter on the basis of the substantially duplicative, earlier-filed federal litigation described above. On July 3, 2009, Plaintiff sent Nashua an

opposition to that motion. Nashua filed the motion and opposition with the court, together with a reply brief, on July 16, 2009. Although Nashua requested a hearing on the motion, one has not yet been scheduled.

## UNAUDITED COMPARATIVE PER COMMON SHARE DATA

The following table sets forth certain historical, pro forma and pro forma equivalent share financial information for Cenveo and Nashua. The historical information is based on historical financial information and related notes that Cenveo and Nashua have presented in their prior filings with the SEC. You should read the financial information provided in the following table together with this historical financial information and related notes. Cenveo's historical financial information is also incorporated into this proxy statement/prospectus by reference and Nashua's historical financial information is included herein. See "Where You Can Find More Information" on page 102 for a description of where you can find this historical information. Nashua's historical financial information is included elsewhere in this proxy statement/prospectus. See also "Recent Developments" on page 11.

Cenveo's most recently completed fiscal year ended January 3, 2009, and its most recently completed fiscal quarter ended March 28, 2009. Nashua's most recently completed fiscal year ended December 31, 2008, and its most recently completed fiscal quarter ended April 3, 2009. The pro forma combined and pro forma equivalent share information give effect to the merger as if the merger had been effective on the last day of Cenveo's most recently completed fiscal year and the last day of its most recently completed fiscal quarter in the case of the book value data, and as if the merger had been effective as of the first day of Cenveo's most recently completed fiscal year and the first day of its most recently completed fiscal quarter in the case of the loss per share from continuing operations and the cash dividends data.

The pro forma data in the table assumes that the merger is accounted for using the "business combination" acquisition method of accounting treating Cenveo as the acquirer and is derived from, and should be read in conjunction with, the historical consolidated financial statements and related notes of Cenveo, which are incorporated in this document by reference, and Nashua, included in this S-4. The pro forma financial adjustments record the assets and liabilities of Nashua at their estimated fair values and are subject to adjustment as additional information becomes available and as additional analyses are performed. The preliminary pro forma adjustments primarily relate to the estimated fair values assigned to Nashua's amortizable intangible assets and property, plant and equipment, which result in increased depreciation and amortization. The pro forma information, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the impact of factors that may result as a consequence of the merger or consider any potential impacts of current market conditions or the merger on revenues, expense efficiencies, asset dispositions, and share repurchases, among other factors, nor the impact of possible business model changes. As a result, the pro forma results are not necessarily indicative of what would have occurred had the acquisition taken place on the assumed dates, nor do they represent an attempt to predict or suggest future results. The unaudited pro forma combined and pro forma equivalent book value per share amounts were based upon the terms of the merger in which Cenveo will exchange \$0.75 in cash and a number of shares of Cenveo common stock having an aggregate value of \$6.13 for each outstanding share of Nashua common stock. The pro forma book value information was prepared assuming that the Cenveo share price will be equal to \$4.96, the final sales price on the NYSE on July 28, 2009. Based on this price, the stock consideration will be equal to 1.236 shares of Cenveo common stock for each share of Nashua common stock. The actual number of shares of Cenveo common stock constituting the stock consideration will be determined by dividing \$6.13 by the volume weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger (however, in the event such price of Cenveo common stock is equal to or less than \$3.750, then the number of shares of Cenveo common stock received by Nashua shareholders shall be equal to 1.635 and in the event such price is greater than or equal to \$5.250, then the number of shares of Cenveo common stock received by Nashua shareholders shall be equal to 1.168). The pro forma equivalent Nashua per share amounts were based on the pro forma combined amounts divided by the exchange ratio of 1.236.



|  | Historical |           | Pro Forma | Pro Forma                  |
|--|------------|-----------|-----------|----------------------------|
|  | Cenveo     | Nashua    | Combined  | Equivalent<br>Nashua Share |
| <b>Loss Per Share From Continuing<br/>Operations – Basic and Diluted</b> |            |           |           |                            |
| For the first fiscal quarter of 2009                                     | \$ (0.08)  | \$ (0.06) | \$ (0.08) | \$ (0.06)                  |
| For fiscal year 2008   | (5.51)     | (3.65)    | (5.20)    | (4.21)                     |
| <b>Cash Dividends Per Share</b>  |            |           |           |                            |
| For the first fiscal quarter of 2009                                     | \$ 0.00    | \$ 0.00   | \$ 0.00   | \$ 0.00                    |
| For fiscal year 2008   | 0.00       | 0.00      | 0.00      | 0.00                       |
| <b>Book Value Per Share</b>  |            |           |           |                            |
| As of the end of the first fiscal quarter of 2009                        | \$ (4.06)  | \$ 3.83   | \$ (2.95) | \$ (2.39)                  |
| As of the end of fiscal year 2008  | (4.07)     | 3.84      | (2.95)    | (2.39)                     |

## SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF CENVEO

The following table summarizes financial results achieved by Cenveo for the periods and at the dates indicated and should be read in conjunction with Cenveo's consolidated financial statements and the notes to the consolidated financial statements contained in reports that Cenveo has previously filed with the SEC. Historical financial information for Cenveo can be found in its Quarterly Report on Form 10-Q for the quarter ended March 28, 2009 and its Annual Report on Form 10-K for the year ended January 3, 2009. See "Where You Can Find More Information" on page 102 for instructions on how to obtain the information that has been incorporated by reference. See also "Recent Developments" on page 11. Financial amounts as of and for the three months ended March 28, 2009 and March 29, 2008 are unaudited (and are not necessarily indicative of the results of operations for the full year or any other interim period), but management of Cenveo believes that such amounts reflect all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of its results of operations and financial position as of the dates and for the periods indicated. You should not assume the results of operations for past periods and for the three months ended March 28, 2009 and March 29, 2008 indicate results for any future period.

|  | As of or for the Three<br>Months Ended |                   |                    | As of or for the Year Ended |                         |                         |                    |
|--|--|-------------------|--------------------|-----------------------------|-------------------------|-------------------------|--------------------|
|  | March 28,<br>2009                      | March 29,<br>2008 | January 3,<br>2009 | December<br>29,<br>2007     | December<br>30,<br>2006 | December<br>31,<br>2005 | January 1,<br>2005 |
| (In thousands, except per share data)                          |  |                   |                    |                             |                         |                         |                    |
| Summarized<br>Income<br>Statement Data:                        |  |                   |                    |                             |                         |                         |                    |
| Net sales  | \$ 412,100                             | \$ 534,328        | \$ 2,098,694       | \$ 2,046,716                | \$ 1,511,224            | \$ 1,594,781            | \$ 1,597,652       |
| Restructuring,<br>impairment and<br>other charges              | 8,732                                  | 9,749             | 399,066(1)         | 40,086                      | 41,096                  | 77,254                  | 5,407              |
| Operating<br>income (loss)                                     | 221                                    | 22,980            | (223,546)(1)       | 137,550                     | 63,395                  | (26,310)                | 37,428             |
| Income (loss)<br>from<br>continuing<br>operations              | (4,187)                                | (2,743)           | (296,976)(2)       | 23,985                      | (11,148)                | (148,101)               | (44,708)           |
| Per Common<br>Share Data:                                      |  |                   |                    |                             |                         |                         |                    |
| Income (loss)<br>from<br>continuing<br>operations -<br>basic   | \$ (0.08)                              | \$ (0.05)         | \$ (5.51)          | \$ 0.45                     | \$ (0.21)               | \$ (2.96)               | \$ (0.94)          |
| Income (loss)<br>from<br>continuing<br>operations -<br>diluted | (0.08)                                 | (0.05)            | (5.51)             | 0.44                        | (0.21)                  | (2.96)                  | (0.94)             |
| Book value at<br>end of period                                 | (4.06)                                 | 1.64              | (4.07)             | 1.85                        | 1.09                    | (0.93)                  | 1.18               |
| Cash dividends   | 0.00                                   | 0.00              | 0.00               | 0.00                        | 0.00                    | 0.00                    | 0.00               |

|   |              |              |              |              |            |              |              |
|---|--------------|--------------|--------------|--------------|------------|--------------|--------------|
| Weighted<br>Average<br>Number of<br>Shares:                 |              |              |              |              |            |              |              |
| Basic   | 54,352       | 53,715       | 53,904       | 53,584       | 53,288     | 50,038       | 47,750       |
| Diluted   | 54,352       | 53,715       | 53,904       | 54,645       | 53,288     | 50,038       | 47,750       |
| Balance Sheet<br>Data:                                      |              |              |              |              |            |              |              |
| Total assets  | \$ 1,501,445 | \$ 1,946,357 | \$ 1,552,114 | \$ 2,002,722 | \$ 999,892 | \$ 1,079,564 | \$ 1,174,747 |
| Total long-term<br>debt, including<br>current<br>maturities | 1,261,222    | 1,395,751    | 1,306,355    | 1,444,637    | 675,295    | 812,136      | 769,769      |

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- (1) Includes \$372.8 million pre-tax goodwill impairment charges.  
(2) Includes \$330.7 million goodwill impairment charges, net of tax benefit of \$42.1 million.



## SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF NASHUA

The following table summarizes financial results achieved by Nashua for the periods and at the dates indicated below. The selected consolidated historical financial data of Nashua as of and for the years ended December 31, 2008 and 2007 are derived from Nashua's audited financial statements, which have been audited by Ernst & Young LLP, an independent registered public accounting firm, and are included in this proxy statement/prospectus beginning on page F-11. The selected consolidated historical financial data of Nashua as of and for the three months ended April 3, 2009 and March 28, 2008 are unaudited (and are not necessarily indicative of the results of operations for the full year or any other interim period) and are derived from Nashua's unaudited financial statements included in this proxy statement/prospectus beginning on page F-2. However, Nashua's management believes that such amounts reflect all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of its results of operations and financial position as of the dates and for the periods indicated. You should not assume the results of operations for past periods and for the three months ended April 3, 2009 and March 28, 2008 indicate results for any future period. The financial data should be read in conjunction with "Nashua's Management's Discussion and Analysis of Financial Condition and Results of Operations" and Nashua's financial statements and related notes appearing elsewhere in this proxy statement/prospectus.

|  | As of or for the<br>Three Months<br>Ended April 3,<br>2009 | As of or for the<br>Three Months<br>Ended March<br>28,<br>2008 | As of or for the Year<br>Ended December 31,<br>2008 |            | 2007 |
|--|--|--|---|------------|------|
| (In thousands, except per share data)              |  |  |   |            |      |
| <b>Summarized Income Statement Data:</b>           |  |  |   |            |      |
| Net sales  | \$ 62,478  | \$ 63,926  | \$ 264,903  | \$ 272,799 |      |
| Cost of products sold                              | 53,588   | 54,068   | 225,498   | 224,545    |      |
| Income (loss) from continuing operations           | (317)  | (353)  | (19,764)  | (1) 3,851  |      |
| <b>Per Common Share Data:</b>                      |  |  |   |            |      |
| Income (loss) from continuing operations - basic   | \$ (0.06)  | \$ (0.07)  | \$ (3.65)   | \$ 0.67    |      |
| Income (loss) from continuing operations - diluted | (0.06)   | (0.07)   | (3.65)  | 0.66       |      |
| Book value at end of period                        | 3.83   | 10.86  | 3.84  | 10.90      |      |
| Cash dividends                                     | 0.00   | 0.00   | 0.00  | 0.00       |      |
| <b>Weighted Average Number of Shares:</b>          |  |  |   |            |      |
| Basic  | 5,314  | 5,396  | 5,414   | 5,743      |      |
| Diluted  | 5,314  | 5,396  | 5,414   | 5,817      |      |
| <b>Average Balance Sheet Data:</b>                 |  |  |   |            |      |
| Total assets                                       | \$ 95,167  | \$ 126,000   | \$ 100,203  | \$ 127,702 |      |
| Total long-term liabilities                        | 49,766   | 41,134   | 49,679  | 40,671     |      |

(1) Includes \$14.1 million goodwill impairment charge and \$4.3 million valuation reserve charge related to Nashua's deferred tax assets.



## RISK FACTORS

In addition to general investment risks and the other information contained in or incorporated by reference into this proxy statement/prospectus, including the matters addressed under the heading “Cautionary Statement Regarding Forward-Looking Statements” commencing on page 18 and the matters discussed under the caption “Risk Factors” in the Annual Report on Form 10-K filed by Cenveo for the year ended January 3, 2009, as updated by Cenveo’s subsequently filed Form 10-Q. You should carefully consider the following risk factors in deciding how to vote on the merger agreement and the transactions contemplated thereby, including the merger.

Nashua and Cenveo have not received an opinion of counsel that the merger will qualify as a reorganization and will not know whether the merger qualifies as a “reorganization” until the closing date of the merger.

Nashua and Cenveo agreed to structure the merger as either a merger of Merger Sub with and into Nashua, which we refer to as a reverse subsidiary merger, or as a merger of Nashua with and into Merger Sub, which we refer to as a forward subsidiary merger (each of which is referred to as the “merger”). In order for either the reverse subsidiary merger or the forward subsidiary merger to qualify as a reorganization under Section 368(a) of the United States Internal Revenue Code of 1986, as amended (the “Code”), certain requirements under the Code and applicable regulations must be satisfied. Each of Nashua and Cenveo has represented in the merger agreement that it has not taken and has not agreed to take any action which would prevent the merger from qualifying as a reorganization under Section 368(a) of the Code. Moreover, each of Nashua and Cenveo has covenanted in the merger agreement that it will use its reasonable best efforts to cause the merger to be treated as a reorganization under Section 368(a) of the Code. However, counsel cannot at this time render an opinion that the merger, however structured, will qualify as a reorganization because such qualification is dependent upon certain contingencies that are beyond the control of Nashua and Cenveo and that will not be certain until the closing date of the merger, including the fair market value of the Cenveo common stock delivered at the closing of the merger. In particular:

in order for a reverse subsidiary merger to qualify as a reorganization under Section 368(a) of the Code, the fair market value, as of the closing date of the merger, of the Cenveo common stock received by the Nashua shareholders must be at least 80% of the total fair market value of the consideration received by the Nashua shareholders (which means that the fair market value of the Cenveo common stock on the closing date of the merger must be at least approximately \$2.57 per share in order for a reverse subsidiary merger to qualify as a reorganization, assuming that Cenveo does not acquire Nashua shares other than in the merger, which Cenveo does not intend to do, and that the minimum number of shares of Cenveo common stock issuable under the merger agreement is issued by Cenveo); and

in order for a forward subsidiary merger to qualify as a reorganization under Section 368(a) of the Code, the fair market value, as of the closing date of the merger, of the Cenveo common stock received by the Nashua shareholders must be at least 40% of the total fair market value of the consideration received by the Nashua shareholders (which means that the closing price of the Cenveo common stock on the closing date of the merger must be at least approximately \$0.43 per share in order for a forward subsidiary merger to qualify as a reorganization, assuming that Cenveo does not acquire Nashua shares other than in the merger, which Cenveo does not intend to do, and that the minimum number of shares of Cenveo common stock issuable under the merger agreement is issued by Cenveo).

For purposes of the tests set forth above, the fair market value of the Cenveo common stock on the closing date of the merger generally will be based upon the last reported sale price of Cenveo common stock at 4:00 p.m., Eastern Time, at the end of regular trading hours on the NYSE on the closing date.

Neither Nashua nor Cenveo will know whether the merger will be structured as a reverse subsidiary merger or as a forward subsidiary merger until the closing date of the merger. Pursuant to the merger agreement, the merger will be structured as a reverse subsidiary merger if either (i) Nashua receives an opinion from Wilmer Cutler Pickering Hale

and Dorr LLP that if the merger is structured as a reverse subsidiary merger, it will qualify as a reorganization under Section 368(a) of the Code or (ii) the conditions for structuring the merger as a forward subsidiary merger are not all met. If Wilmer Cutler Pickering Hale and Dorr LLP certifies that it cannot provide the opinion described above with respect to a reverse subsidiary merger, the merger will be structured as a forward subsidiary merger that is intended to be treated as a reorganization for U.S. federal income tax purposes provided that (x) Cenveo receives an opinion from Hughes Hubbard & Reed LLP and Nashua receives an opinion from Wilmer Cutler Pickering Hale and Dorr LLP, in each case, that such merger will qualify as a reorganization under Section 368(a) of the Code and (y) no “reportable event” (as defined in the Employee Retirement Income Security Act of 1974, as amended, or ERISA, and regulations under ERISA) shall have occurred with respect to any Nashua employee benefit plan prior to the closing of the merger or will occur as a result of the merger. It is uncertain whether a transaction structured as a forward subsidiary merger is a “reportable event” under ERISA with respect to Nashua’s employee benefit plans. However, Cenveo and Nashua do not anticipate that a forward subsidiary merger would be a “reportable event” with respect to Nashua’s employee benefit plans. Accordingly, in the absence of further regulatory or other guidance on this issue, Nashua and Cenveo will assume that a forward subsidiary merger does not result in a reportable event and will proceed with the merger under such assumption.

In issuing the opinions described above, Wilmer Cutler Pickering Hale and Dorr LLP and Hughes Hubbard & Reed LLP will rely on certain customary assumptions and representations made by Nashua and Cenveo and will rely on the fair market value of the Cenveo common stock on the closing date. See “United States Federal Income Tax Consequences of the Merger -- Tax Consequences of the Merger -- Introduction” on page 64.

If the merger qualifies as a reorganization under Section 368(a) of the Code, then a U.S. holder (as defined below) whose adjusted tax basis in the Nashua stock surrendered in the merger is less than the sum of the fair market value, as of the closing date of the merger, of the Cenveo common shares and the amount of cash received by the U.S. holder will recognize gain equal to the lesser of (x) the sum of the amount of cash and the fair market value, as of the closing date of the merger, of the Cenveo common shares received by the Nashua shareholder minus the adjusted tax basis of the Nashua stock surrendered in exchange therefor and (y) the amount of cash received by the U.S. holder in the merger (excluding cash received in lieu of a fractional share of Cenveo common stock). If a U.S. holder’s adjusted tax basis in the Nashua stock surrendered in the merger is greater than the sum of the amount of cash and the fair market value, as of the closing date of the merger, of the Cenveo common shares received in the merger, the U.S. holder will realize a loss that is not currently recognized for U.S. federal income tax purposes prior to a taxable disposition of the Cenveo common shares. See “United States Federal Income Tax Consequences of the Merger -- Tax Consequences of the Merger -- Treatment of Merger as a Reorganization” on page 65.

If the merger does not qualify as a reorganization under Section 368(a) of the Code, then a U.S. holder generally would recognize capital gain or loss in an amount equal to the difference between the amount realized and such U.S. holder's adjusted tax basis in the Nashua stock surrendered. The amount realized would be the fair market value, as of the closing date of the merger, of the Cenveo common stock plus the amount of cash received in connection with the merger. See "United States Federal Income Tax Consequences of the Merger -- Tax Consequences of the Merger -- Treatment of Merger as a Taxable Exchange" on page 66.

Because the market price of Cenveo common stock will fluctuate, Nashua shareholders cannot be sure of the market value of the merger consideration they will receive.

Upon completion of the merger, each share of Nashua common stock will be converted into the right to receive (i) \$0.75 in cash and (ii) a number of shares of Cenveo's common stock with a value equal to \$6.13, subject to adjustment as described in this proxy statement/prospectus. Because a portion of the merger consideration consists of shares of Cenveo common stock, which is traded on the New York Stock Exchange, the total value of the merger consideration may vary between the date of this proxy statement/prospectus and the closing of the merger due to changes in the market price of Cenveo common stock. Accordingly, at the time of the special meeting, Nashua shareholders will not know or be able to calculate the market value of the merger consideration they would receive upon completion of the merger. However, the merger agreement provides that, to the extent the volume-weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger is between \$3.75 and \$5.25 per share, then the total value of the merger consideration per share of Nashua common stock will equal \$6.88. The merger agreement further provides that if (i) such average price per share of Cenveo common stock falls to or below \$3.75 per share, then the exchange ratio (the number of shares of Cenveo common stock that will be exchanged for each share of Nashua common stock) shall become fixed at 1.635 shares of Cenveo common stock per share of Nashua common stock and (ii) if such average price per share rises to or above \$5.25 per share, then the exchange ratio will become fixed at 1.168 shares of Cenveo common stock per share of Nashua common stock. As a result, if the market price of Cenveo common stock is either at or above \$5.25 per share or at or below \$3.75 per share at the time of the closing of the merger, then the market value of the merger consideration that Nashua shareholders will receive upon completion of the merger will be affected. Neither Cenveo nor Nashua is permitted to terminate the merger agreement or re-solicit the vote of Nashua shareholders solely because of changes in the market prices of either company's stock. There will be no adjustment to the merger consideration for changes in the market price of shares of Nashua common stock. Changes in Cenveo's stock price may result from a variety of factors, including general market and economic conditions, changes in Cenveo's business, operations and prospects, and regulatory considerations. Many of these factors are beyond Cenveo's control. You should obtain current market quotations for shares of Cenveo common stock and for shares of Nashua common stock.

Nashua will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on Nashua and consequently on Cenveo. These uncertainties may impair Nashua's ability to attract, retain and motivate key personnel until the merger is consummated, and could cause customers and others that deal with Nashua to seek to change existing business relationships with Nashua. Retention of certain employees may be challenging during the pendency of the merger, as certain employees may experience uncertainty about their future roles with Cenveo. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with Cenveo, Cenveo's business following the merger could be harmed. In addition, the merger agreement restricts Nashua from making certain acquisitions and taking other specified actions until the merger occurs without the consent of Cenveo. These restrictions may prevent Nashua from pursuing attractive business opportunities that may arise prior to the completion of the merger. Please see the section entitled "The Agreement and Plan of Merger — Covenants and Agreements" commencing on page 52 of this proxy statement/prospectus for a description of the restrictive covenants to which Nashua is subject.

The opinion obtained by Nashua from its financial advisor will not reflect changes in circumstances between the date of the signing the merger agreement and completion of the merger.

Nashua has not obtained an updated opinion as of the date of this proxy statement/prospectus from its financial advisor. Changes in the operations and prospects of Nashua or Cenveo, general market and economic conditions and other factors that may be beyond the control of Nashua or Cenveo, and on which Nashua's financial advisor's opinion was based, may significantly alter the value of Nashua or the prices of shares of Cenveo common stock or Nashua common stock by the time the merger is completed. The opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion. Because Nashua does not currently anticipate asking its financial advisor to update its opinion, the opinion will not address the fairness of the merger consideration from a financial point of view at the time the merger is completed. Nashua's board of directors' recommendation that Nashua common shareholders vote "FOR" approval of the merger agreement and the transactions contemplated thereby, including the merger, however, is as of the date of this proxy statement/prospectus. For a description of the opinion that Nashua received from its financial advisor, please refer to "The Merger — Opinion of Nashua's Financial Advisor," commencing on page 31. For a description of the other factors considered by Nashua's board of directors in determining to declare the merger and the other transactions contemplated in the merger agreement to be advisable, please refer to "The Merger — Background of the Merger," and "The Merger — Reasons for the Merger; Recommendation of Nashua's Board of Directors," commencing on page 21 and page 26, respectively.

Combining the two companies may be more difficult, costly or time-consuming than we expect.

Cenveo and Nashua have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of key employees or disruption of each company's ongoing business or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with customers and employees or to achieve the anticipated benefits of the merger. The success of the combined company following the merger may depend in large part on the ability to integrate the two businesses, business models and cultures. If we are not able to integrate Cenveo and Nashua's operations successfully and in a timely manner, the expected benefits of the merger may not be realized.

The merger agreement limits Nashua's ability to pursue alternatives to the merger.

The merger agreement contains provisions that after June 4, 2009 limit Nashua's ability to discuss competing third-party proposals to acquire all or a significant part of Nashua. These provisions, which include a \$1.3 million termination fee and the reimbursement of up to \$800,000 in expenses, might discourage a potential competing acquiror that might have an interest in acquiring all or a significant part of Nashua from considering or proposing that acquisition even if it were prepared to pay consideration with a higher per share market price than that proposed in the merger, or might result in a potential competing acquiror proposing to pay a lower per share price to acquire Nashua than it might otherwise have proposed to pay.

If the merger is not consummated by November 6, 2009, either Cenveo or Nashua may choose not to proceed with the merger.

Either Cenveo or Nashua may terminate the merger agreement if the merger has not been completed by November 6, 2009, unless the failure of the merger to be completed has resulted from the material failure of the party seeking to terminate the merger agreement to perform its obligations.

Termination of the merger agreement could negatively impact Nashua.

If the merger agreement is terminated, there may be various consequences. For example, Nashua's businesses may have been adversely impacted by the failure to pursue other beneficial opportunities due to the focus of management on the merger, without realizing any of the anticipated benefits of completing the merger, or the market price of Nashua common stock could decline to the extent that the current market price reflects a market assumption that the merger will be completed. If the merger agreement is terminated and Nashua's board of directors seeks another merger or business combination, Nashua shareholders cannot be certain that Nashua will be able to find a party willing to pay an equivalent or more attractive price than the price Cenveo has agreed to pay in the merger.

Some of the directors and executive officers of Nashua may have interests and arrangements that may have influenced their decisions to support or recommend that you approve the merger agreement and the transactions contemplated thereby, including the merger.

The interests of some of the directors and executive officers of Nashua may be different from those of Nashua shareholders, and directors and executive officers of Nashua may be participants in arrangements that are different from, or in addition to, those of Nashua shareholders. These interests are described in more detail in the section of this proxy statement/prospectus entitled "The Merger — Interests of Nashua's Directors and Executive Officers in the Merger" beginning on page 46.

The shares of Cenveo common stock to be received by Nashua shareholders as a result of the merger will have different rights from the shares of Nashua common stock currently held by them.

The rights associated with Nashua common stock are different from the rights associated with Cenveo common stock. See the section of this proxy statement/prospectus entitled "Comparison of Common Shareholder Rights" commencing on page 96.

The market price of Cenveo common stock after the merger may be affected by factors different from those affecting Nashua common stock or Cenveo common stock currently.

The businesses of Cenveo and Nashua differ in some respects and, accordingly, the results of operations of the combined company and the market price of Cenveo's shares of common stock after the merger may be affected by factors different from those currently affecting the independent results of operations of each of Cenveo or Nashua. For

a discussion of the businesses of Cenveo and Nashua and of certain factors to consider in connection with those businesses, see the documents incorporated by reference into this proxy statement/prospectus and referred to under “Where You Can Find More Information” on page 102.

Cenveo may fail to realize the cost savings estimated for the merger.

Cenveo estimates to achieve cost savings from the merger when the two companies have been fully integrated. While Cenveo continues to be comfortable with these expectations as of the date of this proxy statement/prospectus, it is possible that the estimates of the potential cost savings could turn out to be incorrect. The cost savings estimates also assume Cenveo’s ability to combine the businesses of Cenveo and Nashua in a manner that permits those cost savings to be realized. If the estimates turn out to be incorrect or Cenveo is not able to combine successfully the two companies, the anticipated cost savings may not be fully realized or realized at all, or may take longer to realize than expected.

Nashua shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management.

Nashua’s shareholders currently have the right to vote in the election of the board of directors of Nashua and on other matters affecting Nashua. Upon the completion of the merger, each Nashua shareholder that receives shares of Cenveo common stock will become a shareholder of Cenveo with a percentage ownership of the combined organization that is much smaller than the shareholder’s percentage ownership of Nashua. It is expected that the former shareholders of Nashua as a group will receive shares in the merger constituting less than 10% of the outstanding shares of Cenveo common stock immediately after the merger. Because of this, Nashua’s shareholders may have less influence on the management and policies of Cenveo than they now have on the management and policies of Nashua.

#### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains forward-looking statements about Nashua and Cenveo. The Securities and Exchange Commission, which we refer to in this proxy statement/prospectus as the SEC, encourages companies to disclose forward-looking information so that investors can better understand a company’s future prospects and make informed investment decisions. These statements may be made directly in this proxy statement/prospectus and



they may also be made a part of this proxy statement/prospectus by reference to other documents filed by Cenveo with the SEC, which is known as “incorporation by reference.”

Statements that are not historical or current facts, including statements about beliefs and expectations are forward-looking statements. These statements often include the words “may,” “could,” “would,” “should,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “targets,” “potentially,” “probably,” “projects,” “outlook,” “objectives,” “strategies,” and similar expressions. These forward-looking statements cover, among other things, anticipated future plans and prospects of Cenveo and Nashua and words and terms of similar substance used in connection with any discussion of future operating or financial performance, or the acquisition of Nashua by Cenveo.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at which, or by which, such performance or results will be achieved. Forward-looking information is based on information available at the time and/or management’s good faith belief with respect to future events, and is subject to risks and uncertainties that could cause our actual performance or results to differ materially from those expressed or implied in the statements. Important factors that could cause such differences include, but are not limited to: whether the market price of Cenveo common stock will fluctuate; Nashua’s business uncertainties and contractual restrictions while the merger is pending; changes in circumstances between signing the merger agreement and completion of the merger; whether combining the two companies is more difficult, costly or time-consuming than expected; Nashua’s limited ability to pursue alternatives to the merger; whether Cenveo and Nashua choose not to proceed with the merger; whether the merger agreement is terminated and whether the cost savings estimated for the merger are realized.

Additional factors that could cause Cenveo’s results to differ materially from those described in the forward-looking statements can be found in Cenveo’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. See “Where You Can Find More Information” on page 102 for a description of where you can find this information.

Additional factors that could cause Nashua’s results to differ materially from those described in the forward-looking statements include the announcement and pendency of the planned acquisition by Cenveo, Nashua’s future capital needs, stock market conditions, the price of Nashua’s stock, fluctuations in customer demand, intensity of competition from other vendors, timing and acceptance of Nashua’s new product introductions, general economic and industry conditions and delays or difficulties in programs designed to increase sales and improve profitability and goodwill impairment. If one or more of these factors materialize, or if any of the underlying assumptions prove incorrect, actual results, performance or achievements may vary materially from any future results, performance or achievements expressed or implied by these forward-looking statements. All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters and attributable to Cenveo or Nashua or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to within this proxy statement/prospectus. Forward-looking statements speak only as of the date on which such statements are made. Cenveo and Nashua undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

#### NASHUA SPECIAL MEETING

This section contains information from Nashua for Nashua shareholders about the special meeting Nashua has called for shareholders to consider and approve the merger agreement and the transactions contemplated thereby including the merger. We are mailing this proxy statement/prospectus to you, as a Nashua shareholder, on or about , 2009. Together with this proxy statement/prospectus, we are also sending to you a notice of the special meeting of Nashua shareholders and a form of proxy card that Nashua’s board of directors is soliciting for use at the special meeting and at

any adjournments or postponements of the special meeting. The special meeting will be held on , 2009, at a.m. local time, at Nashua's offices at 250 South Northwest Highway, Park Ridge, Illinois.

#### Matters to Be Considered

The only matter to be considered at the Nashua special meeting is the approval of the merger agreement and the transactions contemplated thereby, including the merger. You may also be asked to vote upon a proposal to adjourn

or postpone the special meeting. Nashua could use any adjournment or postponement of the special meeting for the purpose, among others, of allowing more time to solicit votes in favor of the approval of the merger agreement.

#### Recommendation of Nashua's Board of Directors

Nashua's board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to and in the best interest of Nashua and Nashua's shareholders and recommends that Nashua shareholders vote "FOR" approval of the merger agreement and the transactions contemplated thereby, including the merger, and "FOR" the approval of the adjournment or postponement of the special meeting, if necessary, to solicit additional proxies in favor of the merger agreement and the transactions contemplated thereby, including the merger.

#### Record Date

Nashua's board of directors has fixed the close of business on August 3, 2009 as the record date for determining the Nashua shareholders entitled to receive notice of and to vote at the special meeting. Only Nashua shareholders of record as of the record date are entitled to and are being requested to vote at the special meeting. As of the record date, 5,567,737 shares of Nashua common stock were issued and outstanding and held by approximately 825 record holders. Nashua shareholders are entitled to one vote on each matter considered and voted on at the special meeting for each share of Nashua common stock held of record at the close of business on the record date. The presence, in person or by properly executed proxy, of the holders of a majority of the shares of Nashua common stock entitled to vote at the special meeting is necessary to constitute a quorum at the special meeting. For purposes of determining the presence of a quorum, abstentions will be counted as shares present, however, broker non-votes, if any, will not be counted as shares present. Abstentions and broker non-votes will have the same effect as votes against approval of the merger agreement and the transactions contemplated thereby, including the merger.

#### Action Required

The merger agreement and the transactions contemplated thereby must be approved by the holders of a majority of the outstanding shares of Nashua common stock entitled to vote on such matter. The merger agreement and the consummation of the transactions contemplated therein will not require the approval of the holders of Cenveo common stock under the Colorado Business Corporation Act or the rules of the NYSE.

As of August 3, 2009, there were 5,567,737 shares of Nashua common stock outstanding and entitled to vote, 1,388,997 of which, or 24.9%, were held by directors, executive officers and affiliates of Nashua. Directors, executive officers and affiliates of Nashua holding 1,251,369 shares, or 22.5% of the shares, of Nashua common stock outstanding and entitled to vote have agreed pursuant to a voting agreement with Cenveo to vote their shares in favor of the approval of the merger agreement.

As of the record date, Cenveo and its subsidiaries held no shares of Nashua common stock and Cenveo's directors and executive officers or their affiliates held no shares of Nashua common stock.

#### Solicitation of Proxies

Proxies are being solicited by Nashua's board of directors from Nashua shareholders. Shares of Nashua common stock represented by properly executed proxies will be voted in accordance with the instructions indicated on the enclosed proxy cards. If no instructions are indicated, such proxies will be voted "FOR" approval of the merger agreement and the transactions contemplated thereby, including the merger, and "FOR" any motion to adjourn or postpone the special meeting to another time and/or place for the purpose of soliciting additional proxies or otherwise.



Nashua has retained Georgeson, Inc., a proxy solicitation firm, to assist in the solicitation of proxies for this special meeting to consider the merger for a fee of approximately \$7,500.

#### Revocation of Proxies

A Nashua shareholder of record who has given a proxy may revoke it by (i) giving written notice of revocation to Nashua's Corporate Secretary prior to the special meeting, (ii) properly submitting to Nashua a duly executed proxy bearing a later date (but which is dated and received by Nashua prior to the special meeting) or (iii) attending the special meeting and voting in person. All written notices of revocation and other communications with respect to revocation of proxies should be addressed to Nashua as follows: Corporate Secretary, 11 Trafalgar Square, Suite 201, Nashua, New Hampshire 03063.

### THE MERGER

#### Terms of the Merger

Each of the Cenveo board of directors and the Nashua board of directors has approved and adopted or declared advisable the merger agreement, which provides for the merger of Nashua with Merger Sub, with either Nashua or Merger Sub being the surviving corporation in the merger and either becoming or remaining, respectively, a wholly-owned subsidiary of Cenveo. Each share of Nashua common stock, par value \$1.00 per share, issued and outstanding immediately prior to the completion of the merger, will be converted into the right to receive (x) an amount in cash equal to \$0.75 per share, without interest, and (y) a number of shares of Cenveo common stock equal to \$6.130 divided by the volume-weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger, which we refer to herein as the exchange ratio. However, in the event that such average is equal to or less than \$3.750, then Nashua's shareholders will receive 1.635 shares of Cenveo common stock per share of Nashua stock, and in the event that such average is equal to or greater than \$5.25, then Nashua's shareholders will receive 1.168 shares of Cenveo common stock per share of Nashua stock.

Nashua shareholders are being asked to approve the merger agreement and the transactions contemplated thereby including the merger.

#### Background of the Merger

As part of the continuous evaluation of its business, Nashua regularly considers opportunities for certain business combinations and other strategic and commercial transactions in order to enhance shareholder value, strengthen its market position, establish new growth platforms, and improve its capital position.

On December 3, 2007, the board of directors of Nashua held a meeting, and agreed that Nashua should hire an investment banking firm in order to prepare a valuation of Nashua's various business units.

Throughout December 2007 and January 2008, members of Nashua management contacted and evaluated the potential services of various investment banking firms in order to prepare such a valuation.

After contacting and evaluating various such firms, in January 2008, Nashua hired Lincoln International LLC ("Lincoln") to prepare and evaluate various strategic alternatives for the company.

In February and March 2008, Nashua's board reviewed Lincoln's analysis of different scenarios to sell one or more of Nashua's existing business units and its valuation analysis of Nashua's business as a whole. After reviewing Lincoln's

valuation analysis, Nashua's board decided to pursue the sale of Nashua's wide format ("WF") and point-of-sale ("POS") businesses either separately or as one unit.

In April 2008, Lincoln prepared marketing materials related to the potential sale of Nashua's WF and POS businesses and identified twenty-four potential strategic acquirers, nine of which were focused on the POS business, six of which were focused on the WF business, and nine of which were focused on the combined WF and POS businesses. Lincoln additionally identified a list of seventy-five to one hundred private equity firms to which

Lincoln's marketing materials would be distributed. The materials were distributed to potential acquirers throughout May and June 2008, during which time Nashua management also held in-person meetings with certain of such potential acquirers in Jefferson City, Tennessee.

On June 9, 2008, Nashua's board met (by telephone) to discuss the preliminary bids of the potential acquirers, and on July 29, 2008, Nashua narrowed the participants in the sale process to three potential financial sponsor acquirers, which we refer to as Party A, Party B and Party C.

On August 13, 2008, Nashua's board discussed offers from Party A, Party B and Party C and instructed Lincoln to seek further clarification on the offers from two of the potential acquirers.

On August 22, 2008, Lincoln presented Nashua's board with the final written offers of two of the potential acquirers. Nashua's board also reviewed an update of the financial analysis of such offers. Nashua's board instructed Lincoln to proceed with the offer made by Party A, and to discuss a letter of intent and due diligence with such party.

On August 26, 2008, Nashua executed a letter of intent with Party A with respect to the POS and wide format businesses. The letter of intent contained a 30-day exclusivity period. As a result, discussions with Party B and Party C were put on hold.

During September 2008, Nashua negotiated the terms of a transaction with Party A. During this time, Party A materially reduced the proposed purchase price for economic and other reasons. At a meeting on October 7, 2008, Nashua's board decided that Party A's offer was no longer acceptable and decided to end the sale process with respect to Nashua's WF and POS businesses.

On November 4, 2008, Nashua's board held a meeting to discuss a report from Lincoln that Party B had indicated its interest to acquire Nashua in its entirety, and had asked whether Nashua ever considered taking the company private.

In December 2008, Party B had a conversation with representatives of Lincoln, during which Lincoln indicated to Party B a range of values for the acquisition of Nashua in its entirety that Nashua's board of directors might find to be acceptable. The range of values Lincoln indicated to Party B represented a premium to Nashua's then current trading price. After this conversation, Party B informed Lincoln that it would not be able to offer a price for Nashua that represented a premium to the then current trading price of Nashua and that it was no longer interested in an acquisition of Nashua. Nashua's board subsequently determined that it would end discussions with Party B.

On January 14, 2009, Nashua's board held a special meeting (by telephone), at which meeting Mr. Thomas Brooker, Nashua's CEO and President, reported that Nashua had received an unsolicited offer from a private investment firm, which we refer to as Party D, to acquire the company. After reviewing the offer, Nashua's board determined the per-share price was inadequate. The board instructed Mr. Brooker to send the prospective acquirer a letter stating that the price was inadequate and requesting evidence of such prospective acquirer's ability to finance the transaction before engaging in any discussions. Party D did not respond to such letter.

On February 3, 2009, Cenveo sent a non-binding letter to Nashua indicating an interest in acquiring Nashua. Such letter proposed an aggregate per-share price of between \$4.00 and \$4.50 per share, subject to completion of Cenveo's due diligence, negotiation of a definitive merger agreement, entry into a voting agreement with one of Nashua's principal shareholders and certain members of management and Nashua's agreement to negotiate exclusively with Cenveo for a period of 30 days.

Upon review of such offer, on February 5, 2009, Nashua's board sent a letter to Cenveo rejecting its offer as inadequate. Also on February 5, 2009, Mr. Brooker spoke with representatives of Cenveo, who informed him of

Cenveo's desire to have additional discussions to explore the possibility of a transaction with Nashua.

On February 10, 2009, Nashua's board held a special meeting (by telephone) to discuss further the terms of Cenveo's offer, and Nashua's rejection of such offer as inadequate. At such meeting, Mr. Brooker reported to the



board that a meeting with representatives of Cenveo was planned for February 19, 2009 in order to discuss the potential benefit for Nashua's shareholders from a transaction with Cenveo.

On February 18, 2009, Nashua and Cenveo entered into a confidentiality and standstill agreement.

On February 19, 2009, representatives of Nashua and Cenveo met in Nashua, New Hampshire to discuss Cenveo's offer, the respective businesses of Nashua and Cenveo and the combination of the two companies.

On February 24, 2009, Cenveo sent a revised non-binding offer to Nashua's board, consisting of \$1.00 per share in cash and 1.198 shares of Cenveo common stock for each share of Nashua's common stock (and to the extent that the average closing price of Cenveo's common stock during a to-be determined period of time prior to closing is greater than \$3.50 per share, the value of Cenveo shares for each Nashua share would be limited to \$4.19 per share), subject to completion of Cenveo's due diligence, negotiation of a definitive merger agreement, and entry into a voting agreement with one of Nashua's principal shareholders and certain members of management. Based on Cenveo's closing stock price of \$2.82 on February 23, 2009 (the last trading day prior to submission of the offer), the non-binding offer would have been valued at \$4.38 per Nashua share.

On March 3, 2009, Lincoln presented its valuation analysis of Cenveo's offer to Nashua's board, and also described its methodology in preparing such analysis. Nashua's board reviewed Cenveo's revised offer with Lincoln, and following such review and a discussion of Cenveo's financial status, rejected the offer and requested a higher per-share price. The board agreed that the company would convey to Cenveo a request for a price of \$6.00 per share with no cap on the number of shares to be received by Nashua shareholders.

On March 4, 2009, Mr. Brooker, Mr. Coleman, and a representative of Lincoln, informed Cenveo that its previous offer was unacceptable and that the Nashua board requested a price of \$6.00 per share with no cap. Later that day, Cenveo responded with an oral revised offer, which consisted of \$1.50 in cash plus 1.198 shares of Cenveo common stock, subject to a cap of \$4.00 per share of Cenveo common stock. Based on Cenveo's closing stock price of \$2.44 on March 3, 2009 (the last trading day prior to submission of the offer), the non-binding offer would have been valued at \$4.42 per Nashua share.

On March 5, 2009, Nashua's board held a special meeting (by telephone) and reviewed the offer received from Cenveo on March 4. Nashua's board rejected this offer, and requested consideration of \$1.50 in cash and 1.60 shares of Cenveo common stock with no cap on the per-share price of shares of Cenveo common stock to be received by Nashua's shareholders in connection with the merger. A representative of Lincoln conveyed such counteroffer to Cenveo. Based on Cenveo's closing stock price of \$2.27 on March 4, 2009 (the last trading day prior to submission of the offer), the counteroffer would have been valued at \$5.13 per Nashua share.

Later in the day on March 5, 2009, a representative of Cenveo called Lincoln and communicated a revised offer consisting of \$1.75 per share in cash and 1.25 shares of Cenveo common stock for each share of Nashua's common stock. Based on Cenveo's closing stock price of \$2.27 on March 4, 2009 (the last trading day prior to submission of the offer), the non-binding offer would have been valued at \$4.59 per Nashua share. The Lincoln representative communicated to Cenveo that he did not think the revised proposal would be sufficient and asked Cenveo to consider revising the proposal further.

Later in the day on March 5, 2009, a representative of Cenveo called Lincoln and communicated a revised offer consisting of \$1.75 per share in cash and 1.30 shares of Cenveo common stock for each share of Nashua's common stock. Based on Cenveo's closing stock price of \$2.27 on March 4, 2009 (the last trading day prior to submission of the offer), the non-binding offer would have been valued at \$4.70 per Nashua share.

On March 6, 2009, Nashua's board held a special meeting (by telephone) to discuss Cenveo's latest offer. After consulting with Lincoln, Nashua's board agreed that per share consideration consisting of \$1.75 in cash and an exchange ratio of 1.40 shares with an increased cap or no cap would be acceptable, and the board agreed that Cenveo should be told accordingly. It was also agreed that a representative of Lincoln would contact Party B and Party D to gauge their interest in a transaction to acquire Nashua.

Later in the day on March 6, 2009, a representative of Cenveo contacted Nashua to convey a revised offer consisting of \$1.75 per share in cash and 1.40 Cenveo shares of common stock for each share of Nashua's common stock. Based on Cenveo's closing stock price of \$2.06 on March 5, 2009 (the last trading day prior to submission of the offer), the non-binding offer would have been valued at \$4.63 per Nashua share. Cenveo was asked to express the proposal in writing.

On March 9, 2009, a representative of Lincoln contacted Party B and inquired whether Party B would still be interested in acquiring all of Nashua. The representative of Party B asked Lincoln for certain financial information concerning Nashua, which the Lincoln representative provided to Party B. Such information was subject to a confidentiality agreement between Nashua and Party B, which was still in effect from the prior discussions. The representative of Party B told Lincoln that he would consider the information and respond the next day.

On March 9, 2009, Nashua's board held a special meeting (by telephone) to discuss the process regarding the proposed merger. At such meeting, Nashua's board discussed that no strategic buyers had emerged (only financial buyers on inadequate terms), and that financial buyers have been negatively impacted by recent market conditions. Nashua's board also discussed the feasibility of conducting a "market check" before entering into a definitive agreement or including a provision in the definitive agreement that would allow Nashua and its representatives to solicit and enter into alternative acquisition proposals for a period of time after the signing of the definitive agreement, which we refer to as a "go shop" provision, in the merger agreement, and the board received advice from Nashua's counsel, Wilmer Cutler Pickering Hale and Dorr LLP ("WilmerHale"), on such topics. Nashua's board decided that, given the foregoing, the board should proceed with granting Cenveo's request for exclusivity on the condition that the merger agreement contain an appropriate "go shop" provision to allow Lincoln to solicit superior acquisition proposals for the sale of the company after the signing of the merger agreement.

On March 10, 2009, Party B informed Lincoln that based on its review of the updated financial information it received on March 9, Party B would not be willing to offer a significant premium to Nashua's then-current share price (the closing price of Nashua's common stock was \$1.45 per share on March 9, 2009) and therefore Party B would not be interested in submitting a proposal to acquire Nashua.

On March 10, 2009, the Lincoln representative recommended that Nashua defer contacting Party D until the commencement of the "go-shop" period. Lincoln's recommendation was based on its judgment that Party D would not be in a position to provide Nashua with an informed response within a short timeframe. Nashua's board agreed.

On March 10, 2009, Cenveo delivered to Nashua its revised offer in writing confirming the consideration per share of Nashua common stock consisting of \$1.75 in cash plus 1.40 shares of Cenveo's common stock (without a cap on the number of shares of Cenveo common stock to be received by Nashua's shareholders) and requiring that Nashua negotiate exclusively with Cenveo in order to enter into an acquisition transaction for a period of 30-days.

On March 12, 2009, Nashua signed a 30-day exclusivity letter that had been negotiated by the parties.

On March 19, 2009, Hughes Hubbard & Reed LLP, outside legal counsel to Cenveo ("Hughes Hubbard") delivered a draft of the merger agreement to WilmerHale.

On March 24, 2009, Nashua's board held a special meeting (by telephone) to discuss the process regarding the proposed merger, and Lincoln discussed such process with Cenveo. WilmerHale was instructed to provide a revised draft of the merger agreement incorporating the Nashua board's input.

Also on March 24, 2009, representatives of Cenveo, Nashua, WilmerHale, Lincoln and Hughes Hubbard met (by telephone) to discuss the merger agreement.

On April 2, 2009, Thomas Brooker and John Patenaude, CFO and VP-Finance of Nashua, and representatives of Lincoln met with representatives of Cenveo, in Chicago, Illinois, to discuss various issues in connection with Cenveo's due diligence review of Nashua.

On April 7, 2009, Hughes Hubbard and WilmerHale held a discussion by telephone to discuss certain issues relating to the merger agreement.

On April 9, 2009, Messrs. Thomas Brooker, Clinton Coleman and Mark Schwarz, all members of Nashua's board, John Patenaude, representatives of Lincoln, and Riveron LLC, advisors to Nashua, met with members of Cenveo management and Cenveo's financial advisor, Cypress Partners LLC, to discuss various issues in connection with Cenveo's due diligence review of Nashua and Nashua's due diligence review of Cenveo.

On April 13, 2009, Nashua's board met (by telephone) to discuss the state of ongoing negotiations with Cenveo. Mr. Coleman presented a review of Nashua's due diligence review of Cenveo and a summary of the due diligence meeting held on April 9, 2009. The material terms of the merger agreement were also discussed with WilmerHale.

Between April 14, 2009 and April 24, 2009, Hughes Hubbard and WilmerHale discussed (by telephone) and revised the merger agreement and a proposed voting agreement.

On April 27, 2009, as a result of, among other things, Cenveo's due diligence, representatives of Cenveo orally submitted a revised offer, which consisted of a per share consideration of 1.40 Cenveo shares of common stock for each share of Nashua stock, and no cash consideration, and discussed the possibility of using caps and floors to manage the fluctuations in the price of Cenveo's common stock. Based on Cenveo's closing stock price of \$4.41 on April 24, 2009 (the last trading day prior to submission of the offer), the offer would have been valued at \$6.17 per Nashua share. Nashua's board met (by telephone) to discuss the new offer by Cenveo and determined to reject this offer.

On April 28, 2009, Nashua's board met (by telephone) to discuss the terms of Cenveo's latest offer, which had not changed. The board again rejected such offer, and agreed to present a counterproposal to Cenveo, which included consideration of 1.40 shares of Cenveo common stock per each share of Nashua's common stock and a minimum of \$0.50 in cash per share of Nashua common stock. Such cash component would be increased incrementally to offset declines in the price of Cenveo common stock to create a cash floor of \$1.75 per share. Lincoln was instructed to communicate the terms of such counterproposal to Cenveo.

On April 29, 2009, Cenveo offered to pay cash consideration of \$0.25 per share of Nashua common stock and a number of Cenveo shares with a per share value equal to \$6.30, subject to a "collar" if Cenveo's share price was less than \$4.00 per share or more than \$5.00 per share. Based on Cenveo's closing stock price of \$4.71 on April 28, 2009 (the last trading day prior to submission of the offer), the offer would have been valued at \$6.55 per Nashua share. Later in the day, Lincoln communicated to Cenveo that Nashua's board was not willing to accept Cenveo's outstanding offer. A representative of Cenveo then called Lincoln to propose a revised offer, which was to expire at 12:00 p.m. on April 30, 2009. The terms of such revised offer included consideration of \$0.50 per share in cash and a number of Cenveo shares with a value equal to \$6.30, subject to a "collar" if Cenveo's share price was less than \$3.75 per share or more than \$5.25 per share. Based on Cenveo's closing stock price of \$4.71 on April 28, 2009 (the last trading day prior to submission of the offer), the offer would have been valued at \$6.80 per Nashua share.

During the evening of April 29, 2009, Nashua's board met (by telephone) to discuss the terms of such revised offer.

At a special Nashua board meeting held on April 30, 2009, following discussions of Cenveo's revised proposal and specifically the value provided to Nashua's shareholders and downside protection against the price of Cenveo stock, Nashua's board agreed with the floating exchange ratio as limited by a "collar" if Cenveo's share price was less than \$3.75 per share or more than \$5.25 per share, but instructed Lincoln to request that the cash component of the Cenveo counterproposal be raised to \$0.75 per share, in which event, Nashua's board would be willing to accept the other terms of the transaction. Later in the day of April 30, 2009, a representative of Nashua had several conversations with

Cenveo regarding the Nashua board's response to Cenveo's offer.

On May 1, 2009, a representative of Nashua sent a letter, via email, to Cenveo regarding the Nashua board's response to Cenveo's offer and proposed a revised counter-offer. The terms of such revised counter-offer included cash consideration of \$0.75 per share of Nashua common stock and a number of Cenveo shares with a per share

value equal to \$6.13, subject to a “collar” if Cenveo’s share price was less than \$3.75 per share or more than \$5.25 per share. Nashua’s board agreed to accept the terms of such offer as reflected in the merger agreement, pending negotiation of the definitive merger agreement and resolution of other open issues.

On May 3, 2009, WilmerHale and Hughes Hubbard discussed by telephone certain open issues relating to the merger agreement. Later in the day on May 3, 2009, Hughes Hubbard delivered a revised draft of the merger agreement to WilmerHale.

On May 5, 2009, Nashua’s board met in person to discuss open issues relating to the merger agreement. At such meeting, Lincoln also gave a financial presentation to Nashua’s board and delivered a draft of the fairness opinion. Also at such meeting, WilmerHale reviewed with the board its fiduciary duties in relation to the merger and the transactions contemplated by the merger agreement, and Riveron LLC provided a report on its financial due diligence on Cenveo to the board.

During May 5, 2009 and May 6, 2009, Hughes Hubbard and WilmerHale exchanged several revised drafts of the merger agreement and the voting agreement.

On May 6, 2009, Nashua’s board held a meeting (by telephone) to discuss the resolution of open issues and the presentation of the final fairness opinion. WilmerHale reviewed the final form of merger agreement with Nashua’s board. Following such discussion and review, Nashua’s board unanimously adopted the merger agreement and recommended that Nashua’s shareholders vote “for” the approval of the merger agreement and the transactions contemplated thereby, including the merger. On the same day, Cenveo’s board met (by telephone) to approve and adopt the merger agreement and the transactions contemplated thereby.

On the morning of May 7, 2009, each of Cenveo and Nashua issued press releases announcing their entry into the merger agreement and Cenveo’s entry into the voting agreement with certain of Nashua’s shareholders.

#### Nashua’s Reasons for the Merger; Recommendation of Nashua’s Board of Directors

The Nashua board of directors consulted with Nashua management as well as with legal and financial advisors and determined that the merger is in the best interests of Nashua and Nashua’s shareholders.

In reaching its conclusion to approve the merger agreement, the Nashua board considered a number of factors, including the following material factors:

- its knowledge of the current and prospective business environment in which Nashua and Cenveo operate, including economic and market conditions, and specifically, its assessment of information with respect to both of Nashua’s and Cenveo’s financial condition, results of operations, business, competitive position and business prospects and risks, on both an historical and prospective basis, as well as current industry, economic and market conditions and trends;
- its assessment of Cenveo’s businesses, prospects, operations, earnings generation ability and financial condition and its view of the attractive growth characteristics of Cenveo’s existing markets and businesses and Cenveo’s ability to serve the growing needs of Nashua’s existing customers, including by creating enhanced marketing opportunities and achieving significant network and operational synergies;
- its assessment that Nashua’s operations strategically mirror and complement Cenveo’s existing product lines and will create strategic cross-selling opportunities for both companies’ customers;

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its assessment of trends in the industry in which Nashua's business operates and the strategic alternatives available to Nashua, including remaining an independent public company, strategic partnerships, acquisitions of or mergers with other companies in the industry, as well as the risks and uncertainties associated with such alternatives, and specifically that Lincoln's contacts with potential strategic partners had identified only a limited number of parties that were interested in meeting with Nashua, and that Lincoln believed a transaction with any of such other interested parties was uncertain;



- its consideration of the fact that entering into any negotiations with a third party would not necessarily lead to an equivalent or better offer and would be subject to significant due diligence and negotiation that would take time and would likely lead to the loss of the potential offer from Cenveo;
- its review with management and its outside financial and legal advisors of the terms and provisions of the merger agreement and the financial and other terms of the merger, including the exchange ratio and the final collar, and the commitments by both Cenveo and Nashua to complete the merger;
- the provisions in the merger agreement that permit Nashua, subject to the terms and conditions of the merger agreement, under certain circumstances, to, for a limited period of time, respond to market conditions and provide information to and engage in negotiations with other potential acquirers in accordance with the terms of the “go-shop” provision of the merger agreement, to generally provide information to and engage in negotiations with third parties that make unsolicited proposals, and, subject to payment of a termination fee and the other conditions set forth in the merger agreement, to enter into a transaction with a party that makes a superior proposal;
- its belief that the consideration provided for in the merger agreement, in light of Nashua’s activities to date (including, without limitation, overtures made to and from third parties in advance of the execution of the merger agreement), represented a significant premium for Nashua’s shareholders and also likely represented the best per-share price reasonably obtainable for Nashua’s shareholders;
- the fact that Nashua shareholders will have an opportunity to vote to approve the merger on the terms provided in the merger agreement;
- the likelihood that the shareholder approval needed to complete the transaction may be obtained in a timely manner and that no material regulatory approvals will be required;
- its view that Nashua, when merged with Cenveo, will be positioned to provide a comprehensive range of integrated products and services to its customers, and will have considerably greater geographic reach, which will enhance service to Nashua’s and Cenveo’s customers and communities and provide greater opportunities for its employees;
- the historical and current market prices of Cenveo common stock and Nashua common stock, as well as the financial analyses prepared by Lincoln and Riveron;
- the opinion delivered to it by Lincoln to the effect that, as of the date of its opinion, and subject to and based on the qualifications and assumptions set forth in such opinion, the exchange ratio plus the cash consideration to be paid by Cenveo in the merger was fair, from a financial point of view, to Nashua, as more fully described below in the section entitled “The Merger—Opinion of Nashua’s Financial Advisor”; and
- Cenveo’s track record of integrating acquisitions and its understanding of the opportunities and risks presented by an acquisition of a company with the size and other characteristics of Nashua.

The Nashua board of directors considered all of the foregoing factors as a whole along with other factors it deemed appropriate and, on balance, concluded that it would be advisable for Nashua and Nashua’s shareholders for Nashua to enter into the merger agreement.

The foregoing discussion of the information and factors considered by the Nashua board of directors is not exhaustive, but includes the material factors considered by the Nashua board of directors. In view of the wide variety of factors considered by the Nashua board of directors in connection with its evaluation of the merger and the complexity of these matters, the Nashua board of directors did not consider it practical to, nor did it attempt to, quantify, rank or

otherwise assign relative weights to the specific factors that it considered in reaching its decision.

The Nashua board of directors evaluated the factors described above, including discussions with, and questioning of, the management of Nashua and Nashua's legal and financial advisors and reached a consensus that the merger was advisable and in the best interests of Nashua and its shareholders. In considering the factors described above, individual members of the Nashua board of directors may have given different weights to different factors.

Nashua's board of directors, by a unanimous vote, has determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to and in the best interests of Nashua and its shareholders, has adopted the merger agreement, and recommends that Nashua shareholders vote "FOR" approval of the merger agreement and the transactions contemplated thereby, including the merger.

#### Nashua Unaudited Financial Projections

Nashua does not as a matter of course publicly disclose its internal forecasts or projections as to future performance, earnings or other results due to, among other reasons, the unpredictability and uncertainty of the underlying assumptions and estimates. However, Nashua is including unaudited financial projections in this proxy statement/prospectus to provide its shareholders access to non-public, unaudited financial projections that were made available to Lincoln in connection with the merger and which are referred to in "Opinion of Nashua's Financial Advisor" beginning on page 31 of this proxy statement/prospectus. The unaudited financial projections, set forth in the table below, consisted of estimates of Nashua's Net Sales and Adjusted EBITDA for the fiscal years 2009 through 2012 based on Nashua alone and do not give effect to or include any effect of the merger.

The unaudited financial projections set forth below were prepared for internal budgeting and other purposes and not with a view toward public disclosure, and the inclusion of these projections should not be regarded as an indication that any of Nashua, Cenveo, their respective financial advisors or any other recipient of this information considered, or now considers, it to be either material to Nashua or Cenveo or necessarily predictive of actual future results.

While prepared in good faith and presented with numeric specificity, the unaudited financial projections are not fact, constitute "forward-looking statements" and are based upon estimates and assumptions that require management to make judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions that are inherently subject to significant uncertainties and contingencies, including, among others, the risks and uncertainties described under "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" beginning on pages 16 and 18, respectively. Such risks and uncertainties are difficult to predict and many are beyond the control of Nashua and/or Cenveo and will be beyond the control of the combined company.

There can be no assurance that the estimates and assumptions underlying the unaudited financial projections will prove to be accurate or that the projected results will be realized. Further, neither Nashua nor Cenveo assumes any responsibility for the reliability of the unaudited financial projections and cautions you that actual results likely will differ, and may differ materially, from those reflected in the unaudited financial projections particularly because, among other things, such projections do not give effect to or include any effect of the merger. In light of the foregoing, and considering that the Nashua special meeting will be held several months after the date that the unaudited financial projections were prepared, the unaudited financial projections cannot be considered a reliable predictor of future results and you should not rely on the unaudited financial projections.

The unaudited financial projections were not prepared with a view toward complying with GAAP, the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. The unaudited financial projections included in this proxy statement/prospectus have been prepared by, and are the responsibility of, Nashua's management. Neither Nashua's independent registered public accounting firm, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the unaudited financial projections contained

herein, nor have they expressed any opinion or any other form of assurance on such projections or their achievability. The report of Nashua's independent registered public accounting firm contained in this proxy statement/prospectus relates to Nashua's historical financial information (See "Index to Nashua's Financial Statements" beginning on page F-1). It does not extend to the unaudited financial projections and should

not be read to do so. Furthermore, the unaudited financial projections do not take into account any circumstances or events occurring after the date they were prepared.

The following table presents selected unaudited financial projections provided to Lincoln for the fiscal years ending 2009 through 2012, which is referred to in “Opinion of Nashua’s Financial Advisor” beginning on page 31 of this proxy statement/prospectus as well as corresponding actual financial results for the fiscal year ended December 31, 2008, which were also provided to Lincoln in connection with the merger, for purposes of comparison only.

|                           | Fiscal Year Ended         |         |  |         |         |
|---------------------------|---------------------------|---------|--|---------|---------|
|                           | December 31, 2008(Actual) | 2009(E) | Fiscal Years Ending December 31, 2010(E) 2011(E) 2012(E) |         |         |
|                           | (in thousands)            |         |  |         |         |
| Net Sales 1               | \$264.9                   | \$257.4 | \$263.9  | \$271.8 | \$279.9 |
| Adjusted EBITDA 2         | \$7.0                     | \$8.2   | \$9.0  | \$9.8   | \$10.1  |
| Net Income (Loss)         | \$(19.8)                  | \$1.6   | \$2.6  | \$3.0   | \$3.1   |
| Earnings (Loss) Per Share | \$(3.65)                  | \$0.30  | \$0.49   | \$0.55  | \$0.57  |

- (1) Net sales are projected to decline 2.8% in 2009 in part due to the decline in the economy partially offset by projected new business. Net sales are projected to increase 2.5% in 2010 and 3% in both 2011 and 2012 as a result of the anticipated recovery in the world economy.
- (2) Adjusted EBITDA is calculated for all periods presented by adding back to net income the following: net interest expense, income tax expense, depreciation, amortization, goodwill impairment, severance cost, one-time costs associated with the closure of the Cranbury, New Jersey distribution center, costs associated with the closure of Jacksonville, Florida label plant and the consolidation of the label business into the Omaha, Nebraska and Jefferson City, Tennessee facilities, one-time environmental costs and fees related to the potential sale of all or part of Nashua and fees related to the potential merger with Cenveo. EBITDA is calculated by adding back net interest expense, income tax expense, depreciation and amortization to net income.

EBITDA and Adjusted EBITDA are non-GAAP financial measures. Adjusted EBITDA was calculated solely for purposes of preparing the unaudited financial projections provided to Lincoln in connection with the merger. EBITDA is used by management in the computation of ratios utilized for financing purposes and for planning and forecasting in future periods. Nashua’s management discloses EBITDA periodically to investors because it believes that it may be useful to some investors in evaluating the Company because it is widely used as a measure of evaluating a company’s operating performance. Neither EBITDA nor Adjusted EBITDA should be considered a substitute either for net income, as an indicator of Nashua’s operating performance, or for cash flow, as a measure of Nashua’s liquidity. In addition, because EBITDA and Adjusted EBITDA may not be calculated in the same manner by all companies, the information in the table may not be comparable to other similarly titled measures of other companies.

A table reconciling Adjusted EBITDA to net income, its most comparable GAAP financial measure, is presented below.

Reconciliation of Adjusted EBITDA to GAAP Net Income (Loss)

|  | 2008<br>(Actual) | 2009(E) | 2010(E) | 2011(E) | 2012(E) |
|--|------------------|---------|---------|---------|---------|
| Net Income (Loss)                        | \$ (19.8)        | \$ 1.6  | \$ 2.6  | \$ 3.0  | \$ 3.1  |
| Taxes                                    | \$ 3.4           | \$ 1.1  | \$ 1.8  | \$ 2.0  | \$ 2.0  |
| Interest                                 | \$ 1.0           | \$ 0.4  | \$ 0.2  | \$ 0.1  | \$ 0.1  |
| Depreciation and Amortization            | \$ 4.5           | \$ 4.0  | \$ 4.2  | \$ 4.5  | \$ 4.7  |
| Impairment of goodwill                   | \$ 14.1          | \$ -    | \$ -    | \$ -    | \$ -    |
| Severance                                | \$ 1.2           | \$ 0.3  | \$ -    | \$ -    | \$ -    |
| Label Products Plant Consolidation Costs | \$ 1.8           | \$ 0.4  | \$ 0.2  | \$ 0.2  | \$ 0.2  |
| New Jersey Facility Closure Costs        | \$ 0.2           | \$ -    | \$ -    | \$ -    | \$ -    |
| Professional Fees                        | \$ 0.4           | \$ 0.4  | \$ -    | \$ -    | \$ -    |
| Environmental cost                       | \$ 0.2           | \$ -    | \$ -    | \$ -    | \$ -    |
| Adjusted EBITDA                          | \$ 7.0           | \$ 8.2  | \$ 9.0  | \$ 9.8  | \$ 10.1 |

Adjusted EBITDA is calculated for all periods presented by adding back to net income the following: net interest expense, income tax expense, depreciation, amortization, goodwill impairment, severance cost, one-time costs associated with the closure of the Cranbury, New Jersey distribution center, costs associated with the closure of Jacksonville, Florida label plant and the consolidation of the label business into the Omaha, Nebraska and Jefferson City, Tennessee facilities, one-time environmental costs and fees related to the potential sale of all or part of Nashua and fees related to the potential merger with Cenveo.

The unaudited financial projections were prepared based on information available to Nashua's management at the time of their preparation.

No representation is made by Nashua, Cenveo or any other person to any Nashua shareholder or any other person regarding the ultimate performance of Nashua or the combined company compared to the information included in the above unaudited prospective financial information.

The unaudited prospective financial information is not included in this proxy statement/prospectus in order to induce any Nashua shareholder to vote in favor of any of the proposals to be voted on at the Nashua special meeting.

NASHUA DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE UNAUDITED FINANCIAL PROJECTIONS TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH UNAUDITED FINANCIAL PROJECTIONS ARE NO LONGER APPROPRIATE.

#### Cenveo's Reasons for the Merger

The Cenveo board of directors consulted with Cenveo management as well as with legal and financial advisors and determined that the merger is in the best interests of Cenveo and Cenveo's stockholders.

In reaching its conclusion to approve the merger agreement, the Cenveo board considered a number of factors, including the following material factors:

- its knowledge of the current and prospective business environment in which Nashua and Cenveo operate, including economic and market conditions, and specifically, its assessment of information with respect to both of Nashua's and Cenveo's financial condition, results of operations, business, competitive position and business prospects and risks, on both an historical and prospective basis, as well as current industry, economic and market conditions and trends;
- its assessment of Nashua's businesses, prospects, operations, earnings generation ability and financial condition and its view of the attractive growth characteristics of Nashua's existing markets and businesses and Nashua's ability to serve the growing needs of Cenveo's existing customers, including by creating enhanced marketing opportunities and achieving significant network and operational synergies;
- its assessment that Nashua's operations strategically complement certain Cenveo's existing product lines and will create strategic cross-selling opportunities for both companies' customers;
  - its assessment of trends in the industry in which Cenveo's business operates;
- its review with management and its outside financial and legal advisors of the terms and provisions of the merger agreement and the financial and other terms of the merger, including the exchange ratio and the final collar, and the commitments by both Cenveo and Nashua to complete the merger;
- the likelihood that the shareholder approval needed to complete the transaction may be obtained in a timely manner and that no material regulatory approvals will be required;
- its view that Cenveo, when merged with Nashua, will be positioned to provide a comprehensive range of integrated products and services to its customers, and will have considerably greater geographic reach, which will enhance service to Cenveo's and Nashua's customers and communities and provide greater opportunities for its employees;
  - the historical and current market prices of Cenveo common stock and Nashua common stock; and
    - the history, size and other such characteristics of Nashua.

The Cenveo board of directors considered all of the foregoing factors as a whole along with other factors it deemed appropriate and, on balance, concluded that it would be advisable for Cenveo and Cenveo's shareholders for Cenveo to enter into the merger agreement.

The foregoing discussion of the information and factors considered by the Cenveo board of directors is not exhaustive, but includes the material factors considered by the Cenveo board of directors. In view of the wide variety of factors considered by the Cenveo board of directors in connection with its evaluation of the merger and the complexity of these matters, the Cenveo board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision.



The Cenveo board of directors evaluated the factors described above, including discussions with, and questioning of, the management of Cenveo and Cenveo's legal and financial advisors and reached a consensus that the merger was advisable and in the best interests of Cenveo and its shareholders. In considering the factors described above, individual members of the Cenveo board of directors may have given different weights to different factors.

#### Opinion of Nashua's Financial Advisor

Pursuant to a letter agreement dated January 9, 2008 and amended on March 19, 2009, Nashua engaged Lincoln to act as its financial advisor in connection with the merger. Subsequently, the board of directors of Nashua also asked Lincoln to provide it with an opinion as to whether the consideration to be received in the merger pursuant to the merger agreement was fair, from a financial point of view, to Nashua's shareholders. The board of directors of Nashua selected Lincoln as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the transaction. Further, Lincoln has had a long standing relationship with Nashua, having performed services for Nashua beginning in 2003. More recently, Nashua engaged Lincoln, pursuant to an engagement letter dated January 9, 2008, in connection with its review of strategic alternatives that commenced in December 2007. The board of directors believes that Nashua's long standing relationship with Lincoln provides Lincoln with an understanding of Nashua's business and its operating units that the board believed could be leveraged in connection with the merger. Nashua did not impose any limitations on the scope of Lincoln's investigation made in connection with rendering Lincoln's fairness opinion.

On May 6, 2009, Lincoln rendered its opinion to Nashua's board of directors that, as of May 6, 2009, and based upon and subject to the factors and assumptions set forth therein, the consideration to be received by the holders of shares of Nashua's common stock in the merger pursuant to the merger agreement was fair from a financial point of view to Nashua's shareholders.

The full text of the written opinion of Lincoln, dated May 6, 2009, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C to this proxy statement/prospectus. Lincoln provided its advisory services and opinion for the information and assistance of Nashua's board of directors in connection with its consideration of the merger. The Lincoln opinion is not a recommendation as to how any holder of Nashua common stock should vote with respect to the transactions contemplated by the merger agreement or any other matter. Holders of shares of Nashua common stock are encouraged to read Lincoln's opinion carefully and in its entirety. The following discussion of Lincoln's fairness opinion is qualified in its entirety by reference to the full text of the written opinion of Lincoln, dated May 6, 2009, attached as Annex C to this proxy statement/prospectus.

In connection with rendering the opinion described above and performing its related financial analyses, Lincoln, among other things:

- reviewed a draft of the merger agreement dated May 5, 2009;
- reviewed Nashua's Annual Reports on Form 10-K filed with the SEC for each of the three years ended December 31, 2008, 2007 and 2006, and unaudited interim financial information for each of the three-month periods ended April 3, 2009 and March 28, 2008, which the management of Nashua identified as being the most current financial statements and other financial information available;
- reviewed Cenveo's Annual Reports on Form 10-K filed with the SEC for each of the three years ended January 3, 2009, December 31, 2007 and December 31, 2006, and Cenveo's Quarterly Reports on Form 10-Q filed with the SEC for each of the three-month periods ended March 28, 2009 and March 29, 2008, which the management of Cenveo identified as being the most current financial statements and other financial information available;

- discussed with certain members of Nashua's and Cenveo's management the business, financial outlook and prospects of each of Nashua and Cenveo;

- reviewed certain business, financial and other information relating to Nashua and Cenveo, including financial forecasts for Nashua and Cenveo provided to or discussed with Lincoln by the management of Nashua and Cenveo;
- reviewed certain stock trading, financial and other information for Nashua and Cenveo and compared that data and information with certain stock trading, financial and corresponding data and information for companies with publicly traded securities that Lincoln deemed relevant;
- reviewed the financial terms of the transactions contemplated by the merger agreement and compared those terms with the financial terms of certain business combinations and other transactions that Lincoln deemed relevant;
  - reviewed the press release regarding Cenveo's credit amendment;
- reviewed Riveron Consulting's Draft Financial Diligence Report as of April 23, 2009 regarding the financial diligence performed on Cenveo; and
- considered such other information, financial studies, analyses and investigations and financial, economic and market criteria that Lincoln deemed relevant.

In preparing its opinion, Lincoln relied upon and assumed the accuracy and completeness of all of the financial, accounting, legal, tax and other information discussed with or reviewed by it, and Lincoln did not assume any responsibility for the independent verification of any of such information. With respect to the financial forecasts provided to or discussed with Lincoln by the management of Nashua and Cenveo and the unaudited financial statements and other financial information prepared and provided to Lincoln by the management of Nashua and Cenveo, Lincoln assumed with the consent of Nashua's board of directors that they were reasonably prepared in good faith on a basis reflecting the best currently available estimates and judgments of the management of Nashua and Cenveo. Lincoln assumed no responsibility for the assumptions, estimates and judgments on which such forecasts and interim financial statements and other financial information were based. In addition, Lincoln was not requested to make, and did not make, an independent evaluation or appraisal of the assets or liabilities (contingent, derivative, off-balance sheet or otherwise) of Nashua and Cenveo or any of their respective subsidiaries, nor was Lincoln furnished with any such evaluations or appraisals. With regard to the information provided to Lincoln by Nashua and Cenveo, Lincoln relied upon the assurances of the members of management of Nashua and Cenveo that they were unaware of any facts or circumstances that would make such information materially incomplete or misleading. Lincoln also assumed that there had been no material change in the assets, liabilities, business, condition (financial or otherwise), results of operations or prospects of Nashua or Cenveo since the date of the most recent financial statements made available to Lincoln. With the consent of Nashua's board of directors, Lincoln also assumed that in the course of obtaining any necessary regulatory and third party consents, approvals and agreements for the transactions contemplated by the merger agreement, no modification, delay, limitation, restriction or condition would be imposed that will have an adverse effect on Nashua, Cenveo or the transactions contemplated by the merger agreement and that such transactions would be consummated in accordance with the terms of the merger agreement, without waiver, modification or amendment of any term, condition or agreement therein that is material to Lincoln's analysis. Representatives of Nashua advised Lincoln, and Lincoln further assumed, that the final terms of the merger agreement would not vary materially from those set forth in the draft reviewed by Lincoln.

Lincoln's opinion was necessarily based on financial, economic, market and other conditions as they existed on and the information made available to Lincoln as of May 5, 2009. Although subsequent developments may affect its opinion, Lincoln has no obligation to update, revise or reaffirm its opinion. Lincoln did not express any opinion as to the price or range of prices at which the shares of Nashua's common stock may trade subsequent to the announcement of the merger. Lincoln's opinion does not address Nashua's underlying business decision to engage in the transactions contemplated by the merger agreement.

The following is a summary of the material financial analyses delivered by Lincoln to the Nashua board of directors in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Lincoln, nor does the order of analyses

described represent relative importance or weight given to those analyses by Lincoln. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Lincoln's financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before May 5, 2009, and is not necessarily indicative of current market conditions.

#### Nashua Analysis

**Historical Stock Trading Analysis.** Lincoln reviewed the indexed historical daily closing prices for Nashua's common stock compared to Cenveo's common stock, to the other selected companies described under "Selected Publicly Traded Company Analysis" below and to the S&P 500 Index for the one-year and three-year periods ended May 5, 2009. The historical stock trading analysis was analyzed relative to the terms of the merger as background to determine the fairness of the transaction. Lincoln compared the historical stock trading of Nashua and Cenveo to the terms of the merger to evaluate the implied premium of the merger consideration to Nashua's stock price as one of the many factors Lincoln considered to determine the fairness of the transaction. The results of the historical stock trading analysis are summarized as follows:

Over the one year period ended May 5, 2009, Nashua's stock price, Cenveo's stock price, an index of the stock prices of the selected public companies and the S&P 500 stock index declined by 70%, 52%, 45% and 36%, respectively. Over the three year period ended May 5, 2009, Nashua's stock price, Cenveo's stock price, an index of the stock prices of the selected public companies and the S&P 500 stock index declined by 59%, 73%, 58% and 32%, respectively.

The S&P 500 Index was chosen as a comparison for the historical stock trading analysis as the S&P 500 Index provides a good proxy of overall market performance. The majority of the NasdaqGM Index, in which Nashua is listed, is comprised mostly of financial and technology companies (which are dissimilar to Nashua and Cenveo).

**Merger Premium Analysis.** Lincoln analyzed the per share value to be received by the holders of Nashua's common stock pursuant to the merger compared to the market price of Nashua's common stock as of May 5, 2009

and the volume-weighted average market prices of Nashua's common stock for the one-week, 30-day, 90-day, and 180-day periods ended May 5, 2009. The results of the merger premium analysis are summarized as follows:

|                                     | Price per Share | Implied Premium of the Merger |
|-------------------------------------|-----------------|-------------------------------|
| Then-current stock price (5/5/2009) | \$3.02          | 127.8%                        |
| One-week volume-weighted average    | \$3.00          | 129.1%                        |
| 30-day volume-weighted average      | \$2.19          | 214.5%                        |
| 90-day volume-weighted average      | \$1.98          | 210.0%                        |
| 180-day volume-weighted average     | \$3.17          | 101.1%                        |

Premiums Paid Analysis. Lincoln reviewed data from 176 acquisitions of publicly traded companies which have occurred since January 1, 1995. Lincoln determined that these were comparable acquisitions because, in addition to the target and buyer being publicly traded companies, in such transactions the vast majority of the target's equity was acquired, the consideration received was a combination of cash and stock and the equity value of the transaction was less than \$500.0 million. Lincoln searched for transactions with an equity value and other transaction characteristics comparable to those of the proposed transaction. However, Lincoln determined that the number of transactions with similar characteristics involving publicly traded companies with available stock trading and financial information at equity values similar to the approximate equity value in the proposed transaction would not be as statistically significant as a larger sample size that included transactions with similar characteristics but with equity values up to \$500 million. For all 176 transactions, Lincoln analyzed the acquisition price per share as a premium to the volume-weighted average share price one day, one week, one month, three months, and six months prior to the announcement of the transaction. Lincoln compared the range of resulting per share stock price premiums for the reviewed transactions to the premiums implied by the merger based on Nashua's common stock volume-weighted average price one day, one week, one month, three months, and six months prior to an assumed announcement date of the merger of May 5, 2009. A table listing all 176 transactions is set forth below.

| Date       | Target/Issuer                           | Buyers/Investors                 | Sellers  |
|------------|---|----------------------------------|--|
| 03/03/2009 | Western Goldfields Inc.                 | New Gold, Inc.                   | Aurora Oil & Gas Corp.;<br>Terranova Partners LP |
| 02/26/2009 | ZI Corp.                                | Nuance Communications, Inc.      | BayStar Capital; Lancer Partners                 |
| 02/12/2009 | Heartware International Inc.            | Thoratec Corp.                   | Apple Tree Partners                              |
| 12/04/2008 | People Telecom Ltd.                     | M2 Telecommunications Group Ltd. | -  |
| 11/13/2008 | YM BioSciences Inc.                     | BBM Holdings, Inc.               | Consortium of investors                          |
| 11/02/2008 | China Biopharmaceuticals Holdings, Inc. | Neostem, Inc.                    | -  |
| 10/06/2008 | Guidance Software, Inc.                 | AccessData Corporation           | -  |
| 10/03/2008 | Stallion Group, The                     | Delta Oil & Gas Inc.             | -  |
| 10/03/2008 | Cambridge Solutions, Ltd.               | Xchanging PLC                    | Scandent Group Ltd.                              |
| 08/28/2008 | Planktos Corp.                          | Maidon Services Limited          | Solar Energy Ltd.<br>(OTCBB:SLRE)                |
| 05/28/2008 | Service First Bancorp                   | Central Valley Community Bancorp | -  |
| 05/21/2008 | MedQuist Inc.                           | CBay, Inc.                       | Koninklijke Philips Electronics NV               |
| 05/09/2008 | NOVA RE S.p.A.                          | Aedes SpA                        | -  |
| 12/20/2007 |   | RealDolmen NV                    |  |

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|            |                                 |                                |                                      |
|------------|---------------------------------|--------------------------------|--------------------------------------|
|            | Dolmen Computer Applications NV |                                | Sofina SA; ETS Fr Colruyt SA         |
| 10/05/2007 | Paivis Corp.                    | Trustcash Holdings, Inc.       | -                                    |
| 10/02/2007 | Pavilion Bancorp Inc.           | First Defiance Financial Corp. | -                                    |
| 09/26/2007 | Glen Rose Petroleum Corp.       | Blackwood Ventures LLC         | -                                    |
| 08/31/2007 | Home Building Society Ltd.      | Bank of Queensland Ltd.        | -                                    |
| 08/23/2007 | Wham Energy Plc                 | Venture Production Plc         | -                                    |
| 05/07/2007 | Evogenix Pty Ltd.               | Arana Therapeutics Limited     | Start-up Australia Ventures Pty Ltd. |
| 04/23/2007 | Biomerge Industries Ltd         | Novadaq Technologies Inc.      | Canadian Medical Discoveries Fund    |
| 04/06/2007 | Roadhouse Grill Inc.            | Duffy's Holdings, Inc.         | Berjaya Group (Cayman) Limited       |
| 03/28/2007 | Mountain Bank Holding Co.       | Columbia Banking System Inc.   | -                                    |
| 03/28/2007 | Town Center Bancorp             | Columbia Banking System Inc.   | -                                    |
| 02/26/2007 | Falcon Gold Zimbabwe Ltd.       | Central African Gold plc       | Halogen Holdings SA                  |
| 11/27/2006 | RITA Medical Systems Inc.       | AngioDynamics Inc.             | Consortium of investors              |
| 09/17/2006 | Northern Empire Bancshares      | Sterling Financial Corp.       | -                                    |
| 07/02/2006 | Summit Bancshares Inc.          | Cullen/Frost Bankers, Inc.     | -                                    |
| 06/13/2006 | Anywhere MD, Inc.               | MedLink International, Inc.    | -                                    |

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| Date       | Target/Issuer   | Buyers/Investors                    | Sellers   |
|------------|---|-------------------------------------|---|
| 06/04/2006 | Firstbank NW Corp.  | Sterling Financial Corp.            | -   |
| 05/29/2006 | Nera ASA  | Eltek ASA                           | -   |
| 05/02/2006 | MacLellan Group plc   | Interserve plc                      | -   |
| 04/03/2006 | NOS ASA   | Imarex NOS ASA                      | VPS Holding ASA   |
| 03/31/2006 | Mossimo Inc.  | Iconix Brand Group, Inc.            | -   |
| 03/02/2006 | Popularinsa S.A.  | Union Europea de Inversiones S.A.   | -   |
| 02/22/2006 | Beta Systems Software AG  | Heidelberger Beteiligungsholding AG | -   |
| 02/15/2006 | HLD Land Development LP   | -                                   | -   |
| 02/15/2006 | Barplats Investments Ltd.   | Eastern Platinum Limited            | -   |
| 12/23/2005 | Chirripo Resources Inc.   | Milagro Energy Inc.                 | -   |
| 12/22/2005 | Syskoplan AG  | Reply SpA                           | DZ Equity Partner GmbH                                    |
| 12/21/2005 | Legacy Bank   | F.N.B. Corporation                  | -   |
| 11/21/2005 | The First National Bank of Newport                                | Orrstown Financial Services Inc.    | -   |
| 10/05/2005 | Centra Software Inc.  | Saba Software Inc.                  | -   |
| 09/18/2005 | Integrity Financial Corp.   | FNB United Corp.                    | -   |
| 08/17/2005 | CyberGuard Corp.  | Secure Computing Corp.              | -   |
| 07/28/2005 | Powermax Energy, Inc.   | High Plains Energy Inc.             | -   |
| 07/20/2005 | Guilford Pharmaceuticals Inc.                                     | MGI Pharma Inc.                     | Consortium of investors                                   |
| 06/22/2005 | Farsands Solutions Limited  | Coffey International Ltd.           | -   |
| 06/20/2005 | Quadra Resources Corp.  | Arsenal Energy, Inc.                | Firebird Management LLC                                   |
| 06/06/2005 | Blizzard Energy Inc.  | Shiningbank Energy Income Fund      | -   |
| 05/09/2005 | Nuance Communications Inc., Prior to Acquisition by ScanSoft Inc. | Nuance Communications, Inc.         | -   |
| 04/25/2005 | North East Bancshares, Inc.                                       | F.N.B. Corporation                  | -   |
| 12/29/2004 | ArelNet Ltd.  | Airspan Communications Ltd.         | Consortium of investors                                   |
| 12/29/2004 | Classic Bancshares Inc.   | City Holding Co.                    | -   |
| 11/16/2004 | SMTEK International Inc.  | CTS Corporation                     | -   |
| 09/03/2004 | KPS Ventures Ltd.   | Northern Financial Corp.            | -   |
| 07/28/2004 | Eurasia Gold Corp.  | TKA Corporation                     | -   |
| 06/05/2004 | Chesterfield Financial Corp.                                      | MAF Bancorp Inc.                    | -   |
| 05/03/2004 | Oiltec Resources Ltd.   | Forte Resources Inc.                | -   |
| 03/30/2004 | Brooklyn Energy Corp.   | Sequoia Oil & Gas Trust             | -   |
| 03/21/2004 | Axon Instruments Inc.   | Molecular Devices Corp.             | -   |
| 03/03/2004 | Merant plc  | Serena Software, Inc.               | Woodside Fund   |
| 02/11/2004 | Owosso Corp.  | Allied Motion Technologies Inc.     | -   |
| 01/23/2004 | FreeMarkets Inc.  | Ariba Inc.                          | Kleiner, Perkins, Caufield & Byers; On-Line Ventures, Inc |



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|            |   |   |                                     |
|------------|---|---|-------------------------------------|
| 01/19/2004 | Forever Broadcasting plc                  | UTV Radio (GB) Ltd.                     | -                                   |
| 11/18/2003 | Canaan National Bancorp, Inc.             | Salisbury Bancorp Inc.                  | -                                   |
| 11/11/2003 | Cartier Partners Financial Group Inc      | DundeeWealth Inc.                       | Cartier Capital Limited Partnership |
| 11/03/2003 | Southern Financial Bancorp Inc.           | Provident Bankshares Corp.              | -                                   |
| 09/26/2003 | Business Bancorp                          | UnionBanCal Corp.                       | -                                   |
| 08/06/2003 | iManage Inc.                              | Interwoven Inc.                         | MDV-Mohr Davidow Ventures           |
| 07/23/2003 | Brio Software, Inc.                       | Hyperion Solutions Corp.                | Consortium of investors             |
| 07/23/2003 | Commercesouth Inc.                        | BancTrust Financial Group, Inc.         | -                                   |
| 06/20/2003 | BelAir Energy Corp.                       | Point North Energy Ltd.                 | -                                   |
| 05/26/2003 | TMBR/Sharp Drilling Inc.                  | Patterson-UTI Energy Inc.               | -                                   |
| 05/15/2003 | Nu-Sky Energy Inc.                        | Kinloch Resources Inc.                  | -                                   |
| 03/27/2003 | Netro Corporation                         | SRX Post Holdings Inc.                  | -                                   |
| 03/11/2003 | Powder River Petroleum International Inc. | Imperial Petroleum Inc.                 | -                                   |
| 02/02/2003 | 3TEC Energy Corporation                   | Plains Exploration & Production Company | -                                   |
| 12/02/2002 | VL Dissolution Corp.                      | Sirenza Microdevices Inc.               | -                                   |
| 11/27/2002 | Elk Point Resources Inc.                  | Canetic Resources Trust                 | -                                   |
| 11/18/2002 | Bridge View Bancorp                       | Interchange Financial Services Corp.    | -                                   |
| 11/06/2002 | Aflease Gold Ltd.                         | sxr Uranium One Inc.                    | -                                   |

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| Date       | Target/Issuer                                 | Buyers/Investors                         | Sellers   |
|------------|---|--|---|
| 09/23/2002 | Acadiana Bancshares, Inc.                     | IberiaBank Corp.                         | -   |
| 08/22/2002 | Aurora Gold Ltd.                              | Abelle Ltd.                              | -   |
| 08/05/2002 | Netvalue SA                                   | NetRatings Inc.                          | Consortium of investors                           |
| 06/25/2002 | Gullane Entertainment                         | HIT Entertainment Limited                | -   |
| 06/14/2002 | Cranswick Premium Wines, Ltd.                 | ETW Corporation Limited                  | ANZ Banking Group Ltd.; ING Australia Pty Limited |
| 05/09/2002 | Alliance Resource Partners LP                 | -  | J.P. Morgan Partners, LLC                         |
| 04/05/2002 | Viant Corporation                             | Enivid Inc.                              | -   |
| 02/27/2002 | Enserco Energy Service Company, Inc.          | Nabors Industries Ltd.                   | -   |
| 02/20/2002 | OTG Software, Inc.                            | Legato Systems, Inc.                     | ABS Capital Partners                              |
| 02/11/2002 | Promotions.com, Inc.                          | iVillage Inc.                            | Consortium of investors                           |
| 01/21/2002 | Orogen Minerals Ltd.                          | Oil Search Ltd.                          | -   |
| 01/07/2002 | Applied Terravision Systems, Inc.             | Cognicase, Inc.                          | -   |
| 01/04/2002 | Talarian Corporation                          | Tibco Software Inc.                      | Dominion Ventures, Inc.                           |
| 01/03/2002 | CompuTrac, Inc.                               | RainMaker Software, Inc.                 | -   |
| 12/19/2001 | Independence Bank                             | BNC Bancorp                              | -   |
| 12/13/2001 | Malbak Ltd.                                   | Nampak Ltd.                              | -   |
| 11/20/2001 | Vista Bancorp, Inc.                           | United National Bancorp                  | -   |
| 11/19/2001 | Pelikan Holding AG                            | Pelikan International Corporation Berhad | Pbs Office Supplies Holding Sdn Bhd               |
| 11/13/2001 | First Financial Corp                          | Washington Trust Bancorp Inc.            | -   |
| 11/08/2001 | Mid-America Bancorp                           | BB & T Corp.                             | -   |
| 10/22/2001 | Quitman Bancorp, Inc.                         | Colony Bankcorp Inc.                     | -   |
| 09/24/2001 | International Pipeline Equipment Company Ltd. | Flint Energy Services Ltd.               | Lime Rock Partners                                |
| 09/19/2001 | BTG, Inc.                                     | L-3 Communications Titan Group           | -   |
| 09/19/2001 | Exchange FS Group plc                         | Vertex Financial Services                | -   |
| 09/12/2001 | Tidetime Sun (Group) Ltd.                     | Sina Corp.                               | -   |
| 06/28/2001 | Urocor, Inc.                                  | DIANON Systems, Inc.                     | -   |
| 06/14/2001 | Century Bancshares, Inc.                      | United Bankshares Inc.                   | -   |
| 06/14/2001 | ARIS Corporation                              | CIBER, Inc.                              | -   |
| 06/05/2001 | Columbia Financial of KY                      | Camco Financial Corp.                    | -   |
| 05/24/2001 | PictureTel Corporation                        | Polycom, Inc.                            | -   |
| 05/01/2001 | BXL Energy Ltd. (Canada)                      | Viking Energy Royalty Trust              | -   |
| 04/30/2001 | Southside Bancshares Corp.                    | Allegiant Bancorp Inc.                   | -   |
| 02/21/2001 | IMRglobal Corp.                               | CGI Group, Inc.                          | -   |
| 02/20/2001 | Golden Isles Financial Holdings, Inc.         | Ameris Bancorp                           | -   |
| 01/24/2001 | Bargo Energy Company                          | Mission Resources Corp.                  | -   |
| 01/23/2001 | Alliance Bancorp                              | -  | -   |

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|   | Charter One Financial<br>Inc.       |                               |
|---|-------------------------------------|-------------------------------|
| 01/22/2001 Pontotoc Production, Inc.              | Ascent Energy Inc.                  | -                             |
| 01/18/2001 Indigo Books & Music Inc.              | -                                   | -                             |
| 12/06/2000 Pyramid Energy, Inc.                   | Fox Energy Corporation              | -                             |
| 11/22/2000 Sloane Petroleum Inc                   | Gentry Resources Ltd.               | -                             |
| 09/26/2000 Hong Kong Energy<br>Holdings Limited   | Nam Tai Electronics, Inc.           | -                             |
| 09/24/2000 @Plan.Inc                              | DoubleClick Inc.                    | -                             |
| 09/20/2000 WesterFed Financial Corp.              | Glacier Bancorp Inc.                | -                             |
| 07/17/2000 Ophthalmic Imaging<br>Systems Inc.     | MediVision Medical<br>Imaging Ltd.  | Premier Laser Systems<br>Inc. |
| 06/05/2000 Laser Power Corporation                | II-VI Inc.                          | -                             |
| 06/02/2000 Panatlas Energy, Inc.                  | Velvet Exploration Ltd.<br>(Canada) | -                             |
| 05/16/2000 Northfield Bancorp, Inc.               | Patapsco Bancorp Inc.               | -                             |
| 05/15/2000 CITATION Computer<br>Systems           | Cerner Corp.                        | -                             |
| 03/31/2000 Bellator Exploration, Inc.             | Baytex Energy Trust                 | -                             |
| 03/21/2000 Citizens Bancorp                       | Lincoln Bancorp                     | -                             |
| 03/20/2000 Spiros Development Corp.               | Dura Pharmaceuticals,<br>Inc        | -                             |
| 03/06/2000 Genzyme Surgical Products              | Genzyme Biosurgery                  | Genzyme Corp.                 |
| 02/15/2000 Advanced Machine Vision<br>Corporation | Key Technology Inc.                 | -                             |
| 01/13/2000 Milton Federal Financial               | BancFirst Ohio Corp.                | -                             |

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| Date       | Target/Issuer                       | Buyers/Investors                     | Sellers   |
|------------|-------------------------------------|--------------------------------------|---|
| 12/21/1999 | Medical Dynamics, Inc.              | Practiceworks Inc.                   | -   |
| 12/09/1999 | Eve Group plc                       | Peterhouse Group plc                 | -   |
| 11/17/1999 | North American Vaccine              | Baxter International Inc.            | Shire BioChem Inc.; CDP Capital-Technology Ventures |
| 10/27/1999 | CNS Bancorp, Inc.                   | Hawthorn Bancshares, Inc.            | -   |
| 10/22/1999 | East/West Communications, Inc.      | Omnipoint Corporation                | -   |
| 10/19/1999 | Template Software, Inc.             | Cicero, Inc.                         | -   |
| 09/30/1999 | Harvest Home Financial Corp.        | -                                    | -   |
| 08/05/1999 | Westwood Homestead Financial Corp   | Camco Financial Corp.                | -   |
| 07/29/1999 | Xionics Document Technologies, Inc. | Oak Technology, Inc.                 | -   |
| 07/08/1999 | Community Federal Bancorp           | First M&F Corp.                      | -   |
| 07/02/1999 | South Carolina Community            | Provident Community Bancshares, Inc. | -   |
| 06/22/1999 | Morland plc                         | Greene King plc                      | -   |
| 06/17/1999 | First Marathon, Inc.                | National Bank of Canada (FI)         | -   |
| 05/19/1999 | Long Beach Financial Corp.          | Washington Mutual Inc.               | -   |
| 05/18/1999 | fine.com International              | ARIS Corporation                     | -   |
| 05/17/1999 | RaiLink, Ltd.                       | RailAmerica, Inc.                    | -   |
| 04/13/1999 | Game plc                            | Game Group plc                       | -   |
| 03/29/1999 | Derrick Energy Corp.                | Enerplus Resources Fund              | -   |
| 03/03/1999 | Andataco, Inc.                      | nStor Technologies Inc.              | -   |
| 02/09/1999 | Eltin Pty Ltd.                      | Henry Walker Eltin Group Ltd.        | -   |
| 01/27/1999 | Signature Inns, Inc.                | Jameson Inns Inc.                    | -   |
| 01/26/1999 | Little Falls Bancorp                | Hudson United Bancorp                | -   |
| 12/16/1998 | Lakeview Financial Corp.            | Dime Bancorp, Inc.                   | -   |
| 12/03/1998 | Micrion Corporation                 | FEI Co.                              | -   |
| 11/20/1998 | Opal Energy, Inc.                   | Provident Energy Trust               | -   |
| 10/08/1998 | Accel Financial Group Ltd           | T&W Financial Corporation            | -   |
| 06/01/1998 | PST Vans, Inc.                      | US Xpress Enterprises Inc.           | -   |
| 05/24/1998 | People's Savings Financial Corp.    | Emclaire Financial Corp.             | Webster Financial Corp.                             |
| 04/10/1998 | Dataflex Corporation                | CompuCom Systems, Inc.               | -   |
| 04/07/1998 | Ferex Corp                          | Recycling Industries, Inc.           | -   |
| 12/08/1997 | Holliday Chemical Holdings          | Yule Catto & Co. plc                 | -   |
| 09/24/1997 |                                     |                                      | -   |

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|            |   |                               |                      |
|------------|---|-------------------------------|----------------------|
|            | Allergan Ligand Retinoid Therapeutics, Inc. | Ligand Pharmaceuticals Inc.   |                      |
| 07/03/1997 | Intermetco Limited                          | Philip Services Corp.         | -                    |
| 07/02/1997 | Calnetics Corporation                       | Habasis Holding USA, Inc.     | -                    |
| 01/03/1997 | Extended Family Care Corp.                  | Star Multi Care Services Inc. | -                    |
| 12/06/1996 | Barefoot, Inc.                              | Servicemaster Co.             | -                    |
| 07/19/1996 | First Family Financial Corp.                | Colonial Bancgroup Inc.       | -                    |
| 02/05/1996 | Golf Enterprises, Inc.                      | National Golf Properties      | -                    |
| 12/02/1995 | Greiner Engineering, Inc.                   | URS Corp.                     | -                    |
| 11/30/1995 | Summit Family Restaurants Inc.              | CKE Restaurants Inc.          | ABS Capital Partners |

The results of the premiums paid analysis are summarized as follows:

| Volume-Weighted<br>Average Prior<br>to May 5, 2009 | Implied<br>Premium<br>of the<br>Merger | Premium Paid Percentage Data by Percentile |        |       |       |       |       |       |        |        |
|--|--|--|--------|-------|-------|-------|-------|-------|--------|--------|
|  |  | 10th                                       | 20th   | 30th  | 40th  | 50th  | 60th  | 70th  | 80th   | 90th   |
| One day prior                                      | 127.8%                                 | (50.2%)                                    | (0.8%) | 8.7%  | 16.7% | 24.8% | 35.0% | 47.0% | 72.9%  | 235.3% |
| One week prior                                     | 129.1%                                 | (45.0%)                                    | 4.0%   | 12.7% | 23.2% | 27.6% | 39.1% | 46.6% | 80.0%  | 234.1% |
| One month prior                                    | 214.5%                                 | (44.6%)                                    | 11.4%  | 19.0% | 23.0% | 36.6% | 38.0% | 55.7% | 91.6%  | 197.7% |
| Three months prior                                 | 210.0%                                 | (31.0%)                                    | 12.3%  | 30.4% | 40.7% | 43.6% | 45.8% | 59.2% | 115.6% | 168.3% |
| Six months prior                                   | 101.1%                                 | (43.2%)                                    | 5.7%   | 36.4% | 54.7% | 54.4% | 55.2% | 58.4% | 110.0% | 131.3% |

Lincoln noted that the premiums implied by the terms of the merger exceeded the 80th percentile for the one day and one week time periods, the 90th percentile for the one month and three month time periods, and the 70th percentile for the six month time period.

Although Lincoln compared the percentage purchase price premiums of these selected transactions to the implied percentage purchase price premium for the merger, none of these selected transactions or associated companies is identical to the merger or Nashua. Accordingly, any analysis of the selected transactions necessarily would involve complex considerations and judgments concerning the differences in financial and operating characteristics, parties involved and the terms of such transactions and other factors that would necessarily affect the comparison of the percentage purchase price premium implied by the merger versus the percentage purchase price premiums of these selected transactions. Lincoln determined that, despite differences in equity values, the transactions included in its premiums paid analysis were comparable transactions to the proposed transaction because of the other characteristics of the transactions evaluated, including the presence of a public buyer and target as well as mixed stock and cash consideration, and therefore included the premiums paid analysis in its fairness opinion as one factor in its overall analysis of the fairness of the proposed transaction.

**Selected Publicly Traded Company Analysis.** Lincoln reviewed certain publicly available financial information and stock market information for certain publicly traded companies in the label, commercial printing, and paper converting industries that Lincoln deemed relevant. The group of selected publicly traded companies reviewed, and revenue and EBITDA for each for its last twelve months as of the dates listed, are listed below.

| Company Name               | LTM as<br>of(1) | LTM Revenue | LTM EBITDA |
|----------------------------|-----------------|-------------|------------|
| Avery Dennison Corporation | 12/27/08        | \$ 6,710.4  | \$ 701.1   |
| Brady Corp.                | 1/31/09         | 1,423.5     | 246.9      |
| Ennis Inc.                 | 2/28/09         | 584.0       | 70.3       |
| MeadWestvaco Corporation   | 12/31/08        | 6,637.0     | 794.0      |
| Multi-Color Corp.          | 12/31/08        | 280.4       | 36.0       |
| NCR Corp.                  | 3/31/09         | 5,140.0     | 378.0      |
| Standard Register Co.      | 3/29/09         | 758.5       | 45.2       |
| Nashua Corp.(2)            | 4/3/09          | 263.5       | 7.4        |

(1)LTM figures represent most updated publicly available information as of the date of delivery of the fairness opinion to the board of directors of Nashua.

(2)Nashua information not publicly available as of the date of delivery of the fairness opinion to Nashua's board of directors. LTM EBITDA shown on an adjusted basis provided by Nashua management.

Lincoln chose these companies based on a review of publicly traded companies that possessed general business, operating and financial characteristics representative of companies in the label, commercial printing, and paper converting industries. Lincoln noted that none of the companies reviewed is identical to Nashua or the industry in which Nashua operates and that, accordingly, the analysis of such companies necessarily involves complex considerations and judgments concerning differences in the business, operating and financial characteristics of each company and other factors that affect the public market values of such companies. Although none of the selected companies is directly comparable to Nashua, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Nashua. Lincoln determined that the public companies included in its selected publicly traded companies analysis could be considered similar to certain operations of Nashua despite the greater revenues and EBITDA of these companies as compared to Nashua because Nashua is not directly comparable to any public company due to its size and business segments. A majority of Nashua's competitors and most comparable companies are either smaller in size, privately owned and/or are divisions of larger public companies, and information about such companies was not always available. As a result, Lincoln used its experience and judgment to select public companies that were similar to Nashua from the information available.

For each company, Lincoln calculated the "market capitalization" (defined as the closing market price per share multiplied by the company's common stock outstanding). In addition, Lincoln calculated the "enterprise value"

(defined as the market capitalization plus the book value of each company's total debt, preferred stock and minority interests, less cash, cash equivalents and marketable securities). Lincoln calculated the multiples of each company's: enterprise value to its last twelve months (which we refer to as LTM) earnings before interest, taxes, depreciation and amortization (which we refer to as EBITDA); enterprise value to its 3-year average EBITDA; enterprise value to 2009 expected EBITDA; and price per share to book value per share. Lincoln also analyzed operating statistics including: LTM revenue, LTM earnings before interest and taxes (which we refer to as EBIT) and LTM EBITDA; 3-year compound annual growth rate for revenue and EBITDA; LTM gross margin; and LTM EBITDA margin.

|                       | Nashua Financial Performance |
|-----------------------|------------------------------|
| LTM EBITDA            | \$7.0 million                |
| 2009 expected EBITDA  | \$8.2 million                |
| 3-year average EBITDA | \$8.5 million                |

Lincoln then compared the multiples implied in the merger with the corresponding trading multiples for the selected companies. Stock market and historical financial information for the selected companies was based on publicly available information as of May 5, 2009, and projected financial information was based on publicly available research reports as of such date.

The results of the selected public companies analysis is summarized as follows:

|  | Selected<br>Companies Range | The Merger | Nashua<br>Trading<br>Multiples |
|--|-----------------------------|------------|--------------------------------|
| Enterprise value / LTM EBITDA            | 3.4x – 7.2x                 | 6.0x       | 3.0x                           |
| Enterprise value / 2009 expected EBITDA  | 3.5x – 8.5x                 | 5.4x       | 2.7x                           |
| Enterprise value / 3-year average EBITDA | 3.8x – 6.8x                 | 5.2x       | 2.6x                           |
| Share price / Book value                 | 0.9x – 4.0x                 | 0.6x       | 0.3x                           |

In addition, Lincoln compared the multiples implied in the merger, taking into account the net of tax expense and deferred tax balance sheet liability associated with the defined benefit and other postretirement plans of Nashua, with the corresponding trading multiples for the selected companies, which resulted as follows:

|  | Selected<br>Companies Range | The Merger | Nashua<br>Trading<br>Multiples |
|--|-----------------------------|------------|--------------------------------|
| Enterprise value / LTM EBITDA            | 3.4x – 7.2x                 | 7.8x       | 5.4x                           |
| Enterprise value / 2009 expected EBITDA  | 3.5x – 8.5x                 | 7.1x       | 4.9x                           |
| Enterprise value / 3-year average EBITDA | 3.8x – 6.8x                 | 6.9x       | 4.8x                           |
| Share price / Book value                 | 0.9x – 4.0x                 | 1.8x       | 0.8x                           |

Selected Transactions Analysis. Lincoln reviewed certain publicly available financial information concerning completed or pending acquisition transactions that Lincoln deemed relevant. The group of selected acquisition transactions is listed below.



| Date   | Target Company   | Acquiring Company                 | Revenue | EBITDA | Enterprise Value / LTM EBITDA | Price Book Value |
|--------|--|-----------------------------------|---------|--------|-------------------------------|------------------|
| Jan-09 | Papierfabrik Scheufelen GmbH + Co. KG                                | Powerflute Oyj (AIM:POWR)         | \$ 320  | \$ 4   | 6.5x                          | n/a              |
| Aug-08 | Carmel Container Systems Ltd.  | Hadera Paper Ltd.                 | 140     | 10     | 6.7x                          | n/a              |
| Jul-08 | Premier Boxboard Limited, LLC  | Temple-Inland, Inc.               | 129     | 23     | 6.5x                          | n/a              |
| Jun-08 | Integrity Print Limited  | MBO                               | 40      | n/a    | n/a                           | n/a              |
| Apr-08 | Papyrus AB   | Altor Equity Partners             | 3,083   | n/a    | n/a                           | n/a              |
| Apr-08 | Clear Image Labels Pty Ltd.  | CCL Industries Inc. (TSX:CCL.B)   | 21      | 6      | 6.1x                          | n/a              |
| Mar-08 | Rex Corporation  | Cenveo Inc. (NYSE:CVO)            | 40      | -      | n/a                           | n/a              |
| Feb-08 | Collotype Labels International Pty Ltd.                              | Multi-Color Corp. (NasdaqGS:LABL) | 130     | n/a    | n/a                           | n/a              |
| Jan-08 | CD-Design GmbH   | CCL Industries Inc. (TSX:CCL.B)   | 26      | 3      | 5.6x                          | n/a              |
| Nov-07 | Metallised Products Limited  | PH Glatfelter Co. (NYSE:GLT)      | 53      | n/a    | n/a                           | n/a              |
| Nov-07 | Advance Agro Public Co. Ltd. (SET:AA)                                | Yothin Damnerncharnwanit          | 804     | 123    | 8.8x                          | 1.4x             |
| Oct-07 | M-real Zanders GmbH  | ArjoWiggins SAS                   | 203     | n/a    | n/a                           | n/a              |
| Sep-07 | Stora Enso North America Corp.                                       | Newpage Holding Corporation       | 2,030   | 309    | 8.2x                          | 0.8x             |
| Aug-07 | Commercial Envelope Manufacturing Co., Inc.                          | Cenveo Inc. (NYSE:CVO)            | 161     | 22     | n/a                           | n/a              |
| Jul-07 | ColorGraphics, Inc.  | Cenveo Inc. (NYSE:CVO)            | n/a     | n/a    | n/a                           | n/a              |
| Jun-07 | Blue Ridge Paper Products Inc.                                       | Rank Group Investments Limited    | 586     | 42     | 8.1x                          | 1.1x             |
| Mar-07 | Cadmus Communications Corp.  | Cenveo Inc. (NYSE:CVO)            | 451     | 35     | 12.3x                         | 3.8x             |
| Feb-07 | Fox River Paper Company LLC  | Neenah Paper, Inc. (NYSE:NP)      | 84      | n/a    | n/a                           | n/a              |
| Sep-06 | Pimaco Company   | Societe Bic                       | 20      | n/a    | n/a                           | n/a              |
| Aug-06 | International Paper Do Brasil Ltda., Brazilian Coated Paper Business | Stora Enso Corp.                  | 230     | n/a    | n/a                           | n/a              |
| Aug-06 | Block Graphics, Inc.   | Ennis Inc. (NYSE:EBF)             | 35      | n/a    | n/a                           | n/a              |
| Jul-06 | Rx Technology Corporation  | Cenveo Inc. (NYSE:CVO)            | 40      | n/a    | n/a                           | n/a              |
| Jun-06 | Outlook Group Corp.  | Milestone Partners                | 85      | 8      | 6.8x                          | 1.3x             |
| Jun-06 | Packaging Dynamics Corp.   | Thilmany, LLC                     | 361     | 32     | 8.5x                          | 2.6x             |
| Jun-06 | Verso Paper Holdings, LLC  | Apollo Management, L.P.           | 1,600   | 200    | 7.0x                          | 1.0x             |
| May-06 | Altivity Packaging, LLC  | Texas Pacific Group               | n/a     | 140    | 7.4x                          | n/a              |

Source: Capital IQ, public filings and press releases.

Note: No selected transaction is directly comparable to the merger, and no adjustment was made to the enterprise values of the above selected transactions for underfunded balance sheet pension liabilities.

Lincoln chose these acquisition transactions based on a review of completed and pending transactions involving target companies that possessed general business, operating and financial characteristics representative of companies in the label, commercial printing, and paper converting industries that Lincoln deemed relevant. In searching for transactions to be included in the selected transactions analysis for Nashua, Lincoln looked for target companies that operated in the office services and supplies, paper conversion, and label manufacturing industries over the last four fiscal years. Lincoln noted that none of the acquisition transactions or subject target companies reviewed is identical to the merger, Nashua, or the industry in which Nashua operates and that, accordingly, the analysis of such acquisition transactions necessarily involves complex considerations and judgments concerning differences in the business, operating and financial characteristics of each subject target company and each acquisition transaction and other factors, such as contemporaneous market conditions, that affect the values implied in such acquisition transactions.

For each transaction, Lincoln analyzed the LTM revenue and LTM EBITDA and calculated the enterprise value. Lincoln also calculated the multiples of each target company's enterprise value to its LTM EBITDA and the implied share price to book value. Lincoln then compared the multiples implied in the merger with the corresponding multiples for the selected transactions. Stock market and historical financial information for the selected transactions was based on publicly available information as of May 5, 2009. The results of the selected transactions analysis is summarized as follows:

|                               | Selected Transactions |   |        |            |
|-------------------------------|-----------------------|---|--------|------------|
|                               | Total Range           | Range for transactions occurring after 1/1/2008 | Median | The Merger |
| Enterprise value / LTM EBITDA | 5.6x – 12.3x          | 5.6x – 6.7x                                     | 7.2x   | 6.0x       |
| Share price / Book value      | 0.8x – 5.3x           | n/a   | 1.4x   | 0.6x       |

In addition, Lincoln compared the multiples implied in the merger, taking into account the net of tax expense and deferred tax balance sheet liability associated with the defined benefit and other postretirement plans of Nashua, with the corresponding trading multiples for the selected transactions, which resulted as follows:

|                               | Selected Transactions |   |        |            |
|-------------------------------|-----------------------|---|--------|------------|
|                               | Total Range           | Range for transactions occurring after 1/1/2008 | Median | The Merger |
| Enterprise value / LTM EBITDA | 5.6x – 12.3x          | 5.6x – 6.7x                                     | 7.2x   | 7.8x       |
| Share price / Book value      | 0.8x – 5.3x           | n/a   | 1.4x   | 1.8x       |

**Discounted Cash Flow Analysis.** Lincoln performed a discounted cash flow analysis utilizing Nashua's projected free cash flows (defined as net income excluding after-tax net interest income and expense, plus depreciation and amortization, less capital expenditures and increases in net working capital, plus adjustments associated with the liabilities under the defined benefit and other postretirement plans of Nashua) from 2009 to 2013, as provided by Nashua's senior management. In such analyses, Lincoln calculated the present values of the free cash flows from 2009 to 2013 by discounting such amounts at rates ranging from 12% to 14%. Lincoln arrived at a discount rate range of 12% to 14% for Nashua by analyzing the weighted average cost of capital for the capital structures of the companies in the selected publicly traded comparable companies analysis. Nashua did not provide such discount rates to Lincoln. Lincoln calculated the present values of the free cash flows beyond 2013 by calculating terminal values assuming growth rates ranging from 1.5% to 3.5% and discounting the resulting terminal values at rates ranging from 12% to 14%. Lincoln arrived at a growth rate range of 1.5% to 3.5% for Nashua based on Nashua's historical revenue trends. The projected free cash flows used in the discounted cash flow analysis for Nashua were \$7.4 million for 2009, \$6.0 million for 2010, \$5.8 million for 2011, \$5.4 million for 2012, and \$4.3 million for 2013. The summation of the present values of the free cash flows and the present values of the terminal values produced total enterprise values ranging from \$22.8 million to \$34.3 million. After deducting Nashua's net debt, this analysis resulted in a range of implied total equity value per share of \$3.11 to \$5.16.

#### Cenveo Analysis

**Historical Stock Trading Analysis.** Lincoln reviewed the indexed historical daily closing prices for the Cenveo common stock compared to Nashua, to the other selected companies described under "Selected Publicly Traded Company Analysis" below and to the S&P 500 Index for the one-year and three-year periods ended May 5, 2009. The historical stock trading analysis was analyzed relative to the terms of the merger as background to determine the fairness of the transaction. Lincoln compared the historical stock trading of Nashua and Cenveo to the terms of the merger to evaluate the implied premium of the merger consideration to Nashua's stock price as one of the many factors Lincoln considered to determine the fairness of the transaction. The results of the historical stock trading analysis are summarized as follows:



Over the one year period ended May 5, 2009, Nashua's stock price, Cenveo's stock price, an index of the stock prices of the selected public companies and the S&P 500 stock index declined by 70%, 52%, 58% and 36%, respectively. Over the three year period ended May 5, 2009, Nashua's stock price, Cenveo's stock price, an index of the stock prices of the selected public companies and the S&P 500 stock index declined by 59%, 73%, 61% and 32%, respectively.

The S&P 500 Index was chosen as a comparison for the historical stock trading analysis as the S&P 500 Index provides a good proxy of overall market performance. The majority of the NasdaqGM Index, in which Nashua is listed, is comprised mostly of financial and technology companies (which are dissimilar to Nashua and Cenveo).

Selected Publicly Traded Company Analysis. Lincoln reviewed certain publicly available financial information and stock market information for certain publicly traded companies in the envelope, commercial printing, and paper converting industries that Lincoln deemed relevant. The group of selected publicly traded companies reviewed, and revenue and EBITDA for each for its last twelve months as of the dates listed, are listed below.

| Company Name                     | LTM as<br>of(1) | LTM Revenue | LTM EBITDA |
|----------------------------------|-----------------|-------------|------------|
| Bowne & Co. Inc.                 | 12/31/08        | \$ 766.6    | \$ 26.5    |
| Consolidated Graphics Inc.       | 12/31/08        | 1,185.5     | 154.3      |
| Champion Industries Inc.         | 1/31/09         | 158.7       | 14.8       |
| Deluxe Corp.                     | 3/31/09         | 1,431.1     | 311.0      |
| Multi-Color Corp.                | 12/31/08        | 280.4       | 36.0       |
| R.R. Donnelley & Sons<br>Company | 12/31/08        | 11,581.6    | 1,761.3    |
| Schawk Inc.                      | 9/30/08         | 526.5       | 62.1       |
| Standard Register Co.            | 3/29/09         | 758.5       | 45.2       |
| Transcontinental Inc.            | 1/31/09         | 1,969.1     | 271.7      |
| X-Rite, Incorporated             | 1/3/09          | 261.5       | 46.7       |
| Cenveo Inc.(2)                   | 3/28/09         | 1,976.4     | 255.9      |

(1)LTM figures represent most updated publicly available information as of the date of delivery of the fairness opinion to the board of directors of Nashua.

(2)Cenveo information not publicly available as of the date of delivery of the fairness opinion to Nashua's board of directors. LTM EBITDA shown on an adjusted basis provided by Cenveo management.

Lincoln chose these companies based on a review of publicly traded companies that possessed general business, operating and financial characteristics representative of companies in the envelope, commercial printing, and paper converting industries. Lincoln noted that none of the companies reviewed is identical to Cenveo or the industry in which Cenveo operates and that, accordingly, the analysis of such companies necessarily involves complex considerations and judgments concerning differences in the business, operating and financial characteristics of each company and other factors that affect the public market values of such companies. Although none of the selected companies is directly comparable to Cenveo, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Cenveo.

For each company, Lincoln calculated the market capitalization and enterprise value. Lincoln calculated the multiples of each company's: enterprise value to its LTM EBITDA; enterprise value to its 3-year average EBITDA; enterprise value to 2009 expected EBITDA; and price per share to 2009 expected earnings per share. Lincoln also analyzed operating statistics including: LTM revenue, LTM EBIT and LTM EBITDA; 3-year compound annual growth rate for revenue and EBITDA; LTM gross margin; and LTM EBITDA margin. Lincoln then compared Cenveo's trading multiples with the corresponding trading multiples for the selected companies. Stock market and historical financial information for the selected companies was based on publicly available information as of May 5, 2009, and projected financial information was based on publicly available research reports as of such date. The results of the selected public companies analysis is summarized as follows:

|  | Selected<br>Companies Range | Cenveo |
|--|-----------------------------|--------|
| Enterprise value / LTM EBITDA                  | 3.5x – 9.0x                 | 5.9x   |
| Enterprise value / 2009 expected EBITDA        | 4.3x – 8.8x                 | 6.1x   |
| Enterprise value / 3-year average EBITDA       | 3.4x – 9.9x                 | 6.5x   |
| Share price / 2009 expected earnings per share | 6.0x – 17.4x                | 9.1x   |

Discounted Cash Flow Analysis. Lincoln performed a discounted cash flow analysis utilizing Cenveo's projected free cash flows (defined as net income excluding after-tax net interest income and expense, plus depreciation and amortization, less capital expenditures and increases in net working capital, plus/minus changes in other operating and investing cash flows) from 2009 to 2013, as provided by Cenveo's senior management. In such analyses, Lincoln calculated the present values of the free cash flows from 2009 to 2013 by discounting such amounts at rates ranging from 9.5% to 11.5%. Lincoln arrived at a discount rate range of 9.5% to 11.5% for Cenveo by analyzing the weighted average cost of capital for the capital structures of the companies in the selected publicly traded comparable companies analysis. Cenveo did not provide such discount rate to Lincoln. Lincoln calculated the present values of the free cash flows beyond 2013 by calculating terminal values assuming growth rates ranging from 2.5% to 3.5% and discounting the resulting terminal values at rates ranging from 9.5% to 11.5%. Lincoln arrived at a growth rate range of 2.5% to 3.5% for Cenveo based on Cenveo's historical revenue trends. The projected free cash flows used in the discounted cash flow analysis for Cenveo were \$191.1 million for 2009, \$144.4 million for 2010, \$143.1 million for 2011, \$152.1 million for 2012, and \$132.4 million for 2013. Cenveo did not provide such projected free cash flows to Lincoln. The summation of the present values of the free cash flows and the present values of the terminal values produced total enterprise values ranging from \$1.4 billion to \$2.0 billion. After deducting Cenveo's net debt, this analysis resulted in a range of implied total equity value per share of \$3.48 to \$14.54.

The foregoing summary does not purport to be a complete description of the analyses performed by Lincoln or its presentations to Nashua's board of directors. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the

summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Lincoln's opinion. In arriving at its fairness determination, Lincoln considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather,

Lincoln made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Nashua or Cenveo or the transactions contemplated by the merger agreement.

Lincoln prepared these analyses for purposes of providing its opinion to Nashua's board of directors as to the fairness from a financial point of view to Nashua's holders of outstanding common stock of the consideration to be received by such holders in exchange for shares of Nashua's common stock pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Nashua, Cenveo, Lincoln or any other person assumes responsibility if future results are materially different from those forecast.

The merger consideration was determined through arms'-length negotiations between Nashua and Cenveo and was approved by Nashua's board of directors. Lincoln provided advice to Nashua during these negotiations. Lincoln did not, however, recommend any specific amount or type of consideration to Nashua or its board of directors or that any specific amount or type of consideration constituted the only appropriate consideration for the merger.

As described above, Lincoln's opinion to Nashua's board of directors was one of many factors taken into consideration by Nashua's board of directors in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Lincoln in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Lincoln attached as Annex C to this proxy statement/prospectus.

Lincoln and its affiliates provide a range of investment banking and financial services and, in that regard, Lincoln and its affiliates may in the future provide investment banking and other financial services to Nashua, Cenveo and their respective affiliates for which Lincoln and its affiliates would expect to receive compensation. (However, Lincoln has not provided any such services to Cenveo or its affiliates.) Lincoln has provided services to Nashua prior to the transactions contemplated by the merger agreement for which Lincoln has received compensation.

Pursuant to the terms of the engagement letter dated January 9, 2008 (and amended on March 19, 2009), Nashua has agreed to pay Lincoln a transaction fee of \$250,000 plus 1.0% of the Sale Price of the transaction, as defined in the engagement letter, which will be payable upon completion of the merger. Sale Price generally means the aggregate consideration paid by Cenveo to the equity owners of Nashua, plus the value of Nashua's debt, underfunded pension liability, and certain other liabilities outstanding immediately prior to the closing of the merger. For the purpose of determining aggregate consideration paid by Cenveo, the value of Cenveo's common stock will be determined by calculating the average closing price of Cenveo's common stock for the ten trading days prior to the date on which the merger is completed. The value of Nashua's underfunded pension liability will be determined using a formula based upon the discounted present value of projected future minimum cash contributions on an after-tax basis, using projections determined by Nashua and their pension consultant. The value of debt and other liabilities will be generally equal to book value. The exact amount of the transaction fee will not be known until the date on which the merger is completed, but Nashua estimates that the fee will be approximately \$850,000. There is no maximum fee that may be paid by Nashua. In addition, Nashua has agreed to reimburse Lincoln for its expenses, including attorneys' fees and disbursements. Lincoln also received a non-contingent fee of \$150,000 to render the fairness opinion to the board of directors of Nashua.

Board of Directors and Management of Surviving Corporation Following Completion of the Merger



Each member of the board of directors of Nashua will resign effective immediately prior to the effective time of the merger. Upon completion of the merger, the current directors and officers of Merger Sub are expected to continue as directors or officers, as the case may be, of the surviving corporation.

## Public Trading Markets

Cenveo common stock is listed on the NYSE under the symbol “CVO.” Nashua common stock is quoted on NASDAQ under the symbol “NSHA.” Upon completion of the merger, Nashua common stock will be delisted from NASDAQ and thereafter will be deregistered under the Exchange Act. The Cenveo common stock issuable in the merger will be listed on the NYSE.

## No Appraisal Rights for Dissenting Shareholders

Section 13.02(a)(1) of the Massachusetts Business Corporation Act, which we refer to as the MBCA, generally provides that shareholders of a Massachusetts corporation are entitled to appraisal rights in the event of a merger. However, an exception to the general rule in Section 13.02(a)(1) of the MBCA provides that shareholders of a Massachusetts corporation are not entitled to appraisal rights in a merger transaction in which the sole consideration they receive consists of a combination of cash and marketable securities so long as no director, officer or controlling shareholder of Nashua has a direct or indirect material financial interest in the merger other than in:

- (i) his, her or its capacity as a shareholder of the corporation;
- (ii) his, her or its capacity as a director, officer, employee or consultant of the merging corporation or the surviving corporation or an affiliate of the surviving corporation pursuant to bona fide arrangements with the merging corporation or the surviving corporation or any affiliate; or
- (iii) any other capacity so long as the shareholder owns less than 5% of the voting securities of the corporation.

Nashua believes that this exception applies to the merger and that Nashua shareholders are not entitled to appraisal rights. However, the MBCA took effect on July 1, 2004 and Section 13.02 of the MBCA has not yet been the subject of judicial interpretation. Accordingly, it is possible that a court could conclude that this exception is not applicable in the present circumstances and that Nashua shareholders are entitled to appraisal rights under Massachusetts law.

If you believe you are entitled to appraisal rights under Massachusetts law, in order to exercise these rights you must: (i) deliver to Nashua, before the vote to approve the merger agreement is taken, written notice of your intent to demand payment for your shares if the merger is consummated; (ii) not vote your shares in favor of the proposal to approve the merger agreement; and (iii) comply with the other procedures specified in Part 13 of the MBCA. Because a submitted proxy not marked “against” or “abstain” will be voted FOR the approval of the merger agreement and FOR the adjournment or postponement of the special meeting, if necessary or appropriate, to solicit additional proxies, the submission of a proxy card not marked “against” or “abstain” will result in the waiver of appraisal rights, to the extent such rights are available. If you hold shares in the name of a broker, bank or other nominee and you want to attempt to assert appraisal rights, you must instruct your nominee to take the steps necessary to enable you to assert appraisal rights. If you or your nominee fails to follow all of the steps required by the statute, you will lose your right of appraisal (to the extent such right otherwise would be available).

Since Nashua does not believe that its shareholders are entitled to appraisal rights in the merger, Nashua will not deliver the appraisal notice and form called for by Section 13.22 of the MBCA. Any shareholder who believes he, she or it is entitled to appraisal rights and who wishes to preserve those rights should carefully review Sections 13.01 through 13.31 of Part 13 of the MBCA, attached as Annex D to this proxy statement/prospectus which sets forth the procedures to be complied with in perfecting any such rights. Failure to strictly comply with the procedures specified in Part 13 of the MBCA would result in the loss of any appraisal rights to which such shareholder may be entitled. Please read Part 13 carefully, because exercising appraisal rights involves several procedural steps, and failure to follow appraisal procedures could result in the loss of such rights. Shareholders should consult with their

advisors, including legal counsel, in connection with any demand for appraisal. The foregoing discussion is not a complete statement of the law pertaining to appraisal rights under the MBCA and is qualified in its entirety by reference to Part 13 of the MBCA.

### Regulatory Approvals Required for the Merger

Nashua and Cenveo have agreed to use their respective reasonable best efforts to obtain all regulatory approvals required to complete the merger and the other transactions contemplated by the merger agreement. As of the date of this proxy statement/prospectus, we do not have any reason to believe that any regulatory approvals are required to complete the merger and the other transactions contemplated by the merger agreement.

### Dividends

During the period beginning on May 6, 2009 and ending at the earlier of the effective time of the merger or the termination of the merger agreement, pursuant to the merger agreement, each of Cenveo and Nashua is prohibited from declaring, setting aside, paying or making any dividend or other distribution or payment (whether in cash, stock or other property) with respect to any shares of its respective capital stock or any other of its voting securities unless approved in advance by the other. The payment, timing and amount of dividends with respect to Cenveo after the effective time of the merger is subject to the determination of Cenveo's board of directors and may change at any time. Cenveo has not paid a dividend on its common stock since its incorporation and does not anticipate paying dividends in the foreseeable future as the instruments governing a significant portion of its debt obligations limit its ability to pay common stock dividends. Nashua did not declare or pay a cash dividend on its common stock in 2008 or 2007 as its ability to pay dividends is restricted under the provisions of its credit agreement with Bank of America.

The payment, timing and amount of dividends by Cenveo following the effective time of the merger or the termination of the merger agreement and Nashua, in the event that the merger agreement is terminated, on their common stock in the future, are subject to the determination of each company's respective board of directors and depend on cash requirements, contractual restrictions, financial condition and earnings, legal and regulatory considerations and other factors.

For further information, please see "Comparative Market Prices and Dividends" on page 67 and "Recent Developments" on page 11.

### Interests of Nashua's Directors and Executive Officers in the Merger

In considering the recommendation of Nashua's board of directors that you vote to approve the agreement and plan of merger and the transactions contemplated thereby, you should be aware that some of Nashua's directors and executive officers may have interests in the merger that are different from, or in addition to, those of Nashua's shareholders generally and that create potential or actual conflicts of interest. Together Nashua's executive officers and directors hold approximately 24.9% of Nashua's common stock outstanding as of the date of this proxy statement/prospectus (excluding options held by such directors and executive officers). In addition, Nashua's executive officers may become entitled to certain payments in the event that, following the consummation of the merger, such executive officer is terminated other than for "cause" or leaves his or her job for good reason (as described further below in "Change of Control and Severance Agreements" on page 49). The independent members of Nashua's board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending that Nashua's shareholders approve the agreement and plan of merger and the transactions contemplated thereby. These interests are described below.

### Share Ownership of Nashua's Directors and Executive Officers

Nashua's directors and executive officers hold the following shares of Nashua common stock:

Unrestricted Shares

Total Shares Owned

Shares Held in Nashua  
401(k)

| Directors               |         |        |         |
|-------------------------|---------|--------|---------|
| Andrew Albert (1)       | 87,120  | 0      | 87,120  |
| Scott Barnard           | 6,000   | 0      | 6,000   |
| Clinton Coleman         | 0       | 0      | 0       |
| Avrum Gray (2)          | 86,718  | 0      | 86,718  |
| Michael Leatherman      | 100     | 0      | 100     |
| Mark Schwarz (3)        | 803,239 | 0      | 803,239 |
| Executive Officers      |         |        |         |
| Thomas Brooker          | 66,542  | 8,099  | 74,641  |
| John Patenaude          | 1,750   | 18,469 | 20,219  |
| Thomas Kubis            | 0       | 11,207 | 11,207  |
| William Todd<br>McKeown | 3,500   | 8,517  | 12,017  |
| Michael Travis (4)      | 200     | 0      | 200     |
| Donald Granholm         | 6,000   | 3,143  | 9,143   |
| Margaret Callan         | 0       | 2,095  | 2,095   |

- (1) Includes 200 shares held by Mr. Albert's mother for which Mr. Albert has voting power.
- (2) Includes 14,000 shares held by GF Limited Partnership in which Mr. Gray is a general partner and 10,967 shares held by AVG Limited Partnership in which Mr. Gray is a general partner. Mr. Gray disclaims beneficial ownership of these shares. Also includes 53,749 shares held by JYG Limited Partnership in which Mr. Gray's spouse is a general partner. Mr. Gray disclaims beneficial ownership of these shares.
- (3) Includes shares Mr. Schwarz is deemed to beneficially own as a result of his employment with Newcastle Partners. Please see footnote 3 to the table included in "Security Ownership of Certain Beneficial Owners and Nashua's Executive Officers and Directors" on page 93.
- (4) Includes 200 shares held by Mr. Travis as custodian for his children.

## Equity Awards Held by Nashua Directors and Executive Officers

Nashua's directors and executive officers hold the following equity awards.

|                           | Restricted Stock | Stock Options /<br>Exercise Price (1) |          | Director<br>Restricted<br>Stock Units (2) |
|---------------------------|------------------|---------------------------------------|----------|---|
| <b>Directors</b>          |                  |                                       |          |   |
| Andrew Albert             | 0                | 0                                     | 0        | 8,095                                     |
| Scott Barnard             | 0                | 10,000                                | \$9.61   | 8,095                                     |
| Clinton Coleman           | 0                | 0                                     | 0        | 0   |
| Avrum Gray                | 0                | 5,000                                 | \$6.25   | 8,095                                     |
|                           |                  | 5,000                                 | \$5.85   |   |
|                           |                  | 2,700                                 | \$6.70   |   |
| <b>Michael</b>            |                  |                                       |          |   |
| Leatherman                | 0                | 0                                     | 0        | 8,095                                     |
| Mark Schwarz              | 0                | 5,000                                 | \$5.85   | 8,095                                     |
|                           |                  | 2,700                                 | \$6.70   |   |
| <b>Executive Officers</b> |                  |                                       |          |   |
| Thomas Brooker            | 66,144 (4)(5)(6) | 0                                     | -        | -   |
| John Patenaude            | 40,000 (4)(5)    | 25,000                                | \$6.625  | -   |
|                           |                  | 15,000                                | \$4.01   |   |
|                           |                  | 15,000                                | \$5.70   |   |
|                           |                  | 10,000                                | \$4.01   |   |
| Thomas Kubis              | 40,000 (3)(4)(5) | 0                                     | 0        | -   |
| <b>WilliamTodd</b>        |                  |                                       |          |   |
| McKeown                   | 55,000 (3)(4)(5) | 0                                     | 0        | -   |
| Michael Travis            | 35,000 (3)(4)(5) | 0                                     | 0        | -   |
| Donald Granholm           | 25,000 (3)(4)(5) | 0                                     | 0        | -   |
| Margaret Callan           | 15,000 (4)(5)    | 2,000                                 | \$6.04   | -   |
|                           |                  | 500                                   | \$8.0625 |   |

- (1) All stock options held by Nashua directors and executive officers are fully vested and currently exercisable.
- (2) All restricted stock units held by Nashua directors are fully vested. Restricted stock units were only granted to Nashua directors.
- (3) Includes the following amounts of shares of restricted stock which will vest upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant.

| Name                | Number of Restricted Shares | Date of Grant     |
|---------------------|-----------------------------|-------------------|
| Donald Granholm     | 5,000                       | October 3, 2006   |
| Thomas Kubis        | 15,000                      | September 1, 2006 |
| WilliamTodd McKeown | 15,000                      | September 1, 2006 |
| Michael Travis      | 10,000                      | October 3, 2006   |

The terms of the restricted stock grant provide that 33% of such shares shall vest if the 40-day average closing price is at least \$13.00 but less than \$14.00, 66% of such shares shall vest if the 40-day average closing price is at least \$14.00 but less than \$15.00, and 100% of such shares shall vest if the 40-day average closing price is \$15.00 or greater. Shares of restricted stock are forfeited if the target average prices of Nashua common stock are not met. The restricted shares vest upon a change in control if Nashua's share price at the date of a change in control equals or exceeds \$13.00.

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(4) Includes the following amounts of shares of restricted stock which will vest upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant.

| Name                 | Number of Restricted Shares | Date of Grant  |
|----------------------|-----------------------------|----------------|
| Thomas Brooker       | 40,000                      | August 1, 2007 |
| Margaret Callan      | 5,000                       | August 1, 2007 |
| Donald Granholm      | 10,000                      | August 1, 2007 |
| Thomas Kubis         | 15,000                      | August 1, 2007 |
| William Todd McKeown | 25,000                      | August 1, 2007 |
| John Patenaude       | 25,000                      | August 1, 2007 |
| Michael Travis       | 15,000                      | August 1, 2007 |

The terms of the restricted stock grant provide that 33% of such shares shall vest if the 40-day average closing price is at least \$11.00 but less than \$12.00, 66% of such shares shall vest if the 40-day average closing price is at least \$12.00 but less than \$13.00, and 100% of such shares shall vest if the 40-day average closing price is \$13.00 or greater. Shares of restricted stock are forfeited if the target average prices of Nashua common stock are not met. The restricted shares vest upon a change in control if Nashua's share price at the date of a change in control equals or exceeds \$11.00. In accordance with Nashua's stock ownership guidelines, in order to retain the award, the participants are required to acquire Nashua's shares equal to 20% of their award within one year of the grant date, unless extended by Nashua's Board of Directors.

(5) Includes the following amounts of shares of restricted stock which will vest upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant.

| Name                 | Number of Restricted Shares | Date of Grant  |
|----------------------|-----------------------------|----------------|
| Thomas Brooker       | 25,000                      | April 28, 2008 |
| Margaret Callan      | 10,000                      | April 28, 2008 |
| Donald Granholm      | 10,000                      | April 28, 2008 |
| Thomas Kubis         | 10,000                      | April 28, 2008 |
| William Todd McKeown | 15,000                      | April 28, 2008 |
| John Patenaude       | 15,000                      | April 28, 2008 |
| Michael Travis       | 10,000                      | April 28, 2008 |

The terms of the restricted stock grant provide that 33% of such shares shall vest if the 40-day average closing price is at least \$13.00 but less than \$14.00, 66% of such shares shall vest if the 40-day average closing price is at least \$14.00 but less than \$15.00, and 100% of such shares shall vest if the 40-day average closing price is \$15.00 or greater. Shares of restricted stock are forfeited if the target average prices of Nashua common stock are not met. The restricted shares vest upon a change in control if Nashua's share price at the date of a change in control equals or exceeds \$13.00. In accordance with Nashua's stock ownership guidelines, in order to retain the award, the participants are required to acquire Nashua's shares equal to 10% of their award within one year of the grant date, unless extended by Nashua's Board of Directors.

(6) Includes 1,144 shares of restricted stock granted to Mr. Brooker on March 2, 2007. The shares will vest on March 2, 2010 or upon a change in control.

#### Merger Consideration

Nashua's executive officers and directors will receive the same merger consideration per share as other Nashua stockholders for each share of Nashua common stock that they hold. See above in this section on page 46 and "Security Ownership of Certain Beneficial Owners and Nashua's Executive Officers and Directors" commencing on page 92 for additional information about the shares of Nashua common stock held by Nashua directors and executive officers.

#### Impact on Equity Awards

The merger agreement does not provide for accelerated vesting of restricted shares, restricted stock units, or options to acquire shares of Nashua common stock and none of the restricted shares or options held by any Nashua executive officer or director will vest as a result of the consummation of the merger, except for 1,144 shares of restricted stock granted to Mr. Brooker pursuant to his restricted stock agreement granted under Nashua's 1999 Shareholder Value Plan. See above in this section on page 47 and "Security Ownership of Certain Beneficial Owners and Nashua's Executive Officers and Directors" commencing on page 92 for additional information about the options, restricted shares and restricted stock units held by Nashua directors and executive officers.

Each Nashua restricted share will be converted into the right to receive \$0.75 in cash and a number of share(s) of Cenveo common stock determined by applying the same formula that applies to shares of Nashua common stock generally, as described below under "Terms of the Merger" beginning on page 50. After the closing of the merger, such Nashua restricted shares, and hence the shareholder's right to receive the merger consideration in exchange for such shares, will remain subject to the same terms and conditions as are contained in the Nashua equity plan pursuant to which they were granted, except with respect to the equitable adjustment of the target Nashua share price thresholds contained in the vesting conditions of such shares described below.

The vesting of all outstanding Nashua restricted shares granted to Nashua executive officers (excluding the 1,144 restricted shares granted to Mr. Brooker pursuant to Nashua's 1999 Shareholder Value Plan, which are subject to time-based vesting) is contingent upon Nashua's share price reaching specified price targets prior to the third anniversary of the date on which such restricted shares were granted. For example, as noted in "Equity Awards held by



Nashua Directors and Executive Officers” on page 47 and in footnote 12 in “Security Ownership of Certain Beneficial Owners and Nashua’s Executive Officers and Directors” on page 92, restricted shares granted to Mr. Brooker, Ms. Callan, Mr. Granholm, Mr. Kubis, Mr. McKeown, Mr. Patenaude and Mr. Travis on August 1, 2007 provide for vesting in the following amounts if the average closing price of Nashua’s common stock over the 40 trading days prior to and ending on the third anniversary of the date such shares were granted (August 1, 2010) is as follows: (i) 33% of such shares if the average closing price is at least \$11.00 but less than \$12.00; (ii) 66% of such shares if the average closing price is at least \$12.00 but less than \$13.00; and (iii) 100% of such shares if the average closing price exceeds \$13.00. As a result of the merger, the price targets applicable to such restricted shares will be equitably adjusted to account for the merger consideration and the fact that Nashua’s common stock will no longer be publicly traded. For example, at the effective time of the merger, a price target of \$13.00 before the merger will be adjusted by multiplying (i) the quotient of \$13.00 divided by the per share merger consideration, as determined in accordance with the merger agreement (see “The Agreement and Plan of Merger – Terms of the Merger” on page 50) by (ii) the volume-weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger. Please see Exhibit B to the Merger Agreement on page A-53 for a detailed description of the adjustments to be made to the target Nashua share price thresholds.

Each option to purchase shares of Nashua common stock will be converted into an option to purchase a number of shares of Cenveo common stock equal to the product (rounded down to the nearest whole share) of (x) the number of shares of Nashua common stock subject to the Nashua option immediately prior to the merger and (y) the number obtained by dividing \$6.130 by the volume-weighted average price per share of Cenveo common stock on 15 days selected by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger, provided that (i) if the 15-day price is less than or equal to \$3.750, this clause (y) shall equal 1.635; and (ii) if the 15-day price equals or exceeds \$5.250, this clause (y) shall equal 1.168. The per-share exercise price of the resulting option will be determined by (a) subtracting \$0.75 from the exercise price per share of Nashua common stock at which the option was exercisable immediately prior to the merger, (b) dividing that difference by the value in clause (y) of the preceding sentence, and (c) rounding the result up to the nearest whole cent.

All restricted stock units held by Nashua directors are fully vested and will be settled for the merger consideration at the effective time in the same manner as Nashua common shares, as described above under “Terms of the Merger.”

### Certain Executive Officers May be Employed by Cenveo Following the Merger

Following the merger, any or all of Nashua's employees may continue to be employed by the surviving corporation. However, no employment terms were negotiated in advance of the signing of the merger agreement, no employment terms have been proposed to any Nashua employees by Cenveo and the completion of the merger is not conditioned on any such arrangements.

### Change of Control and Severance Agreements.

Nashua has entered into substantially similar change of control agreements with each of the following executive officers of Nashua: Messrs. Thomas Brooker, Donald Granholm, Thomas Kubis, William Todd McKeown, John Patenaude and Michael Travis. Pursuant to each such executive's agreement, upon a change of control of Nashua, such as the merger, Nashua, or its successor by merger, such as the surviving corporation, will continue to employ the executive and the executive agrees to remain employed by Nashua, or its successor by merger, such as the surviving corporation, for a period of one year following the effective time of such change of control, which we refer to as the employment continuation period. If the executive officer is terminated other than for "cause" or "disability" (in each case, as defined in the change of control agreement) or if the executive officer terminates his employment for "good reason" (as defined in his change of control agreement) during the employment continuation period he will be entitled to:

- (i) a lump sum cash payment equal to one times (two times in the case of Mr. Brooker and one-and-a-half times in the case of Mr. Patenaude) the sum of his annual base salary and his annual bonus for the most recently completed fiscal year plus all accrued but unpaid base salary, vacation pay and previously deferred compensation; and
- (ii) for the remainder of the employment continuation period, continued health and welfare benefits for him and his family at least equal to those which would have been provided to them under the plans and programs in place at the time he was terminated.

If such executive officer is terminated at any time prior to the effective time of the merger or after the employment continuation period for a reason other than misconduct, then the executive shall continue to receive his salary and health and dental benefits for a period of one year following the date of such termination.

The agreements further provide that if any amounts payable to the employee (whether under the change of control agreement or otherwise) subject the executive to additional tax as "parachute payments," those amounts will be reduced to the extent necessary so that the tax does not apply, unless the executive would retain at least \$25,000 more on an after-tax basis if he received the unreduced parachute payments and paid the 20% excise tax on those payments.

Ms. Margaret Callan, an executive officer of Nashua, is party to a letter agreement that similarly provides her with 12 months of salary continuation and 12 months of continued medical and dental benefits at active employee rates upon her involuntary termination at any time by Nashua other than for misconduct.

Assuming that the merger is consummated in the third quarter of 2009, and the executive officer is terminated without cause or leaves for good reason immediately thereafter, the value of the benefits (including cash severance payments, payment of accrued vacation and the estimated value of medical, dental and life insurance, and, in the case of Mr. Brooker, the value of 1,144 shares of restricted Nashua common stock that will vest as a result of the merger) that could be paid to each of the executive officers, subject to limitations that apply to parachute payments as discussed above, pursuant to his change of control agreement is approximately \$871,635 for Mr. Brooker, \$241,308 for Mr. Granholm, \$210,630 for Mr. Kubis, \$283,914 for Mr. McKeown, \$372,097 for Mr. Patenaude, and \$223,573 for Mr. Travis. Ms. Callan would receive \$178,454 pursuant to her letter agreement if involuntarily terminated by Nashua other than for misconduct during that period.

Restrictive Covenant Agreements. In addition, each of Messrs. Brooker, Granholm, Kubis, McKeown and Patenaude are party to a confidentiality, non-competition, return of property and developments agreement with Nashua. Each such agreement among other things prohibits the executive officer (i) during the term of his employment and for one year thereafter, from competing with Nashua, and (ii) during the term of his employment and for two years thereafter, from recruiting or hiring Nashua employees or soliciting Nashua employees to leave their employment or work elsewhere, and from soliciting Nashua customers or prospective customers. Such agreements also require the executive officer to maintain in perpetuity the confidentiality of any confidential information obtained during the course of his employment.

#### Interests of Cenveo's Directors and Executive Officers in the Matters to be Voted On

No director or executive officer of Cenveo who has been a director or executive officer of Cenveo at any time since January 1, 2008, nor any of their affiliates, have any financial interests in the matters to be voted on (other than interests arising by virtue of the fact that they are officers, directors or shareholders of Cenveo).

#### Indemnification and Insurance

The merger agreement requires (i) the surviving corporation to cause all rights to indemnification and exculpation from liabilities for acts or omissions occurring at or prior to the completion of the merger, to the extent provided under any indemnification agreement or the respective certificates or articles of organization or bylaws (or comparable organizational documents) of Nashua or any of its subsidiaries in effect on the date of the merger agreement in favor of any current and former officers, directors and employees of Nashua or any of its subsidiaries and any person prior to the merger serving at the request of any such party as a director, officer, employee, fiduciary or agent of another corporation, partnership, trust or other enterprise, to survive the merger and continue in full force and effect for a period of six years from the completion of the merger and (ii) Cenveo to guarantee the payment and performance by the surviving corporation of the indemnification and exculpation obligations set forth in clause (i) above. The merger agreement also provides that, for a period of six years after completion of the merger, Cenveo shall provide, or shall cause the surviving corporation to provide, directors' and officers' liability insurance to reimburse current and former directors, officers and employees with respect to claims arising at or prior to the completion of the merger. The insurance will contain coverage that is on terms no less than the current coverage provided by Nashua, except that Cenveo is not required to incur annual premium expense greater than 200% of Nashua's current annual directors' and officers' liability insurance premium. In lieu of the insurance described in the preceding sentences, Cenveo may, at its option, purchase prepaid or "tail" directors' and officers' liability insurance coverage not materially less favorable than the coverage described in the preceding sentences.

## THE AGREEMENT AND PLAN OF MERGER

The following describes certain aspects of the merger, including certain material provisions of the merger agreement. The following description of the merger agreement is subject to, and qualified in its entirety by reference to, the merger agreement, which is attached to this proxy statement/prospectus as Annex A and is incorporated by reference into this proxy statement/prospectus. We urge you to read the merger agreement carefully and in its entirety, as it is the legal document governing this merger.

### Terms of the Merger

Each of Cenveo's board of directors and Nashua's board of directors has declared advisable the merger agreement, which provides for the merger of Nashua with Merger Sub, with either Nashua or Merger Sub being the surviving corporation in the merger and either becoming or remaining a wholly-owned subsidiary of Cenveo. Each share of Nashua common stock, par value \$1.00 per share, issued and outstanding immediately prior to the completion of the merger, will be converted into the right to receive (x) an amount in cash equal to \$0.75 per share, without interest, and (y) a number of shares of Cenveo common stock equal to \$6.130 divided by the volume-weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger, which we refer to herein as the exchange ratio. However, in the event that such average is equal to or less than \$3.750, then Nashua's shareholders will receive 1.635 shares of Cenveo common stock per share of Nashua stock, and in the event that such average is equal to or greater than \$5.25, then Nashua's shareholders will receive 1.168 shares of Cenveo common stock per share of Nashua stock. If the number of shares of common stock of Cenveo changes before the merger is completed because of a reclassification, recapitalization, stock split, split-up, combination or exchange of shares, stock dividend, or other similar change in capitalization, then a proportionate adjustment will be made to the merger consideration and the exchange ratio.

Cenveo will not issue any fractional shares of Cenveo common stock in the merger. Nashua shareholders who would otherwise be entitled to a fractional share of Cenveo common stock will instead receive an amount in cash, rounded to the nearest cent and without interest, equal to (i) the fraction of a share to which such holder would otherwise have been entitled multiplied by (ii) the volume-weighted average price per share of Cenveo common stock on the 15 trading days Cenveo and Nashua shall select by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger.

The articles of organization of Merger Sub, as in effect immediately prior to the completion of the merger, will be the articles of incorporation of the surviving corporation (except that the name of the surviving corporation will be Nashua Corporation), and the bylaws of Merger Sub, as in effect immediately prior to the completion of the merger, will be the bylaws of the surviving corporation (except that the name of the surviving corporation will be Nashua Corporation).

### Closing and Effective Time of the Merger

The merger will be completed only if all conditions to the merger discussed in this proxy statement/prospectus and set forth in the merger agreement are either satisfied or waived. See "Conditions to Complete the Merger" below.

The merger will be complete and will become effective when articles of merger are filed with the Secretary of the Commonwealth of Massachusetts and we will refer to such time as the effective time of the merger. However, we may agree to a later time for completion of the merger and specify that time in accordance with Massachusetts law. In the merger agreement, we have agreed to cause the completion of the merger to occur as promptly as practicable after the satisfaction or waiver of the last of the conditions specified in the merger agreement, or on another mutually agreed date. It currently is anticipated that the completion of the merger will occur in the third quarter of 2009, but we cannot

guarantee when or if the merger will be completed.

#### Treatment of Nashua Stock Options, Restricted Stock and Restricted Share Units

Under the terms of the merger agreement, upon completion of the merger, the outstanding and unexercised stock options to acquire Nashua common stock will be converted into stock options to acquire Cenveo common stock adjusted to reflect the exchange ratio applicable to Nashua common stock generally as follows:

- Each option to purchase shares of Nashua common stock will be converted into an option to purchase a number of shares of Cenveo common stock equal to the product (rounded down to the nearest whole share) of (x) the number of shares of Nashua common stock subject to the Nashua option immediately prior to the merger and (y) the number obtained by dividing \$6.130 by the volume-weighted average price per share of Cenveo common stock on 15 days selected by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger, provided that (i) if the 15-day price is less than or equal to \$3.750, this clause (y) shall equal 1.635; and (ii) if the 15-day price equals or exceeds \$5.250, this clause (y) shall equal 1.168.
- The per-share exercise price of the resulting Cenveo option will be determined by (a) subtracting \$0.75 from the exercise price per share of Nashua common stock at which the option was exercisable immediately prior to the merger, (b) dividing that difference by the number in clause (y) of the preceding bullet point, and (c) rounding the result up to the nearest whole cent.

With respect to Nashua restricted shares, under the terms of the merger agreement, immediately prior to the completion of the merger, each outstanding Nashua restricted share will be converted into the right to receive \$0.75 in cash and a number of share(s) of Cenveo common stock determined by applying the same formula that applies to shares of Nashua common stock generally as described in “Terms of the Merger,” above. The Nashua restricted shares will continue to be subject to the same terms and conditions as in the applicable Nashua equity plan, and the restrictions on the cash payments and covered Cenveo shares will lapse when and as the performance targets applicable to the restricted shares, as adjusted in accordance with the merger agreement, are attained. The performance targets applicable to the restricted shares will be equitably adjusted in the merger in accordance with Exhibit B to the merger agreement.

Nashua restricted stock units, which are held only by Nashua directors, will be settled for shares of Cenveo common stock and cash at closing in the same manner that applies to shares of Nashua common stock generally.

#### Conversion of Shares; Exchange of Certificates

The conversion of Nashua common stock into the right to receive the merger consideration will occur automatically at the effective time of the merger. As promptly as practicable, but in no event later than three business days, after the completion of the merger, an exchange agent will exchange certificates representing shares of Nashua stock for the merger consideration, without interest, to be received by holders of Nashua stock in the merger pursuant to the terms of the merger agreement. At or prior to the completion of the merger, Cenveo will appoint an exchange agent to exchange certificates for the merger consideration and perform other duties as explained in the merger agreement.

If any Cenveo shares are to be issued, or cash payments made, to a person or entity other than the person or entity in whose name the Nashua stock certificates surrendered in exchange for the merger consideration are registered, then the person or entity requesting the exchange must pay any transfer or other taxes required by reason of the issuance of the new Cenveo shares or the payment of the cash to a person or entity other than that of the registered holder of the Nashua stock certificate surrendered, or must establish to the satisfaction of Cenveo or the exchange agent that any such taxes have been paid or are not applicable.

#### Representations and Warranties

In the merger agreement, Cenveo, Merger Sub and Nashua each made representations and warranties relating to, among other things:

- corporate organization and existence;
- corporate power and authority to enter into and perform obligations under the merger agreement, and the enforceability of, the merger agreement;
  - required regulatory filings and consents and approvals of governmental entities; and
- the accuracy of certain documents filed with the SEC since December 31, 2005, disclosure controls and procedures and internal control over financial reporting, and the fair presentation of each of their consolidated financial positions by their financial statements;
  - the absence of certain material adverse changes or events since December 31, 2008;
- the absence of conflicts with or defaults under organizational documents, debt instruments, other contracts and applicable laws and judgments;
  - the absence of material litigation; and
  - the absence of use of brokers or finders in connection with the merger.

In the merger agreement, Cenveo and Merger Sub also made representations and warranties relating to Cenveo's ownership of Merger Sub's common stock, that Merger Sub had no prior business activities, that Cenveo and Merger Sub would have access to cash on hand sufficient to enable them to complete the merger and pay all associated fees, costs and expenses and that neither Cenveo nor Merger Sub nor any of their affiliates have taken any action that would prevent the merger from being treated as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended.

Nashua also made representations and warranties relating to, among other things:

- capital structure;
- subsidiaries;
- the absence of undisclosed liabilities;
- the board of directors' adoption of the merger agreement;
- permits and compliance with applicable laws;
- compliance with environmental laws and regulations;
- intellectual property matters;
- tax matters;
- compliance with the Employee Retirement Income Securities Act of 1974, as amended, and other employee benefit matters;
- labor relations;
- contracts and arrangements;
- title to properties and assets;

- insurance matters;
- suppliers and customers;
- transactions with affiliates;
- the opinion of Nashua's financial advisor;
- agreements with other advisors; and
- state takeover laws.

In the merger agreement, Nashua also made a representation that neither Nashua nor any of its affiliates has taken any action that would prevent the merger from being treated as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended.

The representations and warranties described above and included in the merger agreement were made by each of Cenveo and Nashua to the other. These representations and warranties were made as of specific dates, may be subject to important qualifications and limitations agreed to by Cenveo and Nashua in connection with negotiating the terms of the merger agreement, and may have been included in the merger agreement for the purpose of allocating risk between Cenveo and Nashua rather than to establish matters as facts. The merger agreement is described in, and included as Annex A to, this proxy statement/prospectus only to provide you with information regarding its terms and conditions, and not to provide any other factual information regarding Cenveo, Nashua or their respective businesses. Accordingly, the representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read only in conjunction with the information provided elsewhere in this proxy statement/prospectus and in the documents incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information" on page 102.

#### Covenants and Agreements

In the merger agreement, Nashua has agreed, until the effective time of the merger or the termination of the merger agreement, unless contemplated or permitted by the merger agreement or set forth in Nashua's disclosure schedule or approved in writing by Cenveo, Nashua will, and will cause its subsidiaries to, operate their business in the ordinary and usual course and in a manner consistent with past practice and to use commercially reasonable efforts to preserve intact their business organizations, to keep available the services of their present officers and key employees and to preserve the goodwill of those having a business relationship with them. In addition, Nashua has agreed that it will not and will cause its subsidiaries to not:

- amend its or their articles of incorporation or bylaws;
- declare, pay or set aside any dividends;
- purchase or redeem, split, adjust or combine or otherwise acquire or reclassify any shares of its or their capital stock;
- amend any existing or enter into any new employee benefit plan or increase the compensation or benefits or grant or pay any benefits to any director, officer or employee, subject to certain exceptions;
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grant, issue or sell any shares of its or their capital stock, issue any securities convertible into or exchangeable for options or warrants to purchase any shares of its capital stock, take any action to accelerate the vesting of any stock options or take any action with respect to any stock option plans, employee benefit plans, stock options or restricted shares that is inconsistent with the treatment contemplated by the merger agreement;

- assume or incur any indebtedness, enter into any capital leases, make any loans or advances to any other person or entity except in the ordinary course of business consistent with past practice, or enter into or amend or modify any credit agreement;
  - merge or consolidate or purchase a substantial portion of the stock or assets of any other entity;
- lease, mortgage or otherwise encumber or sell, transfer or otherwise dispose of any of its or their properties or assets, except in the ordinary course of business consistent with past practice;

- make any tax election that results in a material change in its or their tax liability or tax refund, waive any restriction on any assessment period relating to a material amount of taxes or settle or compromise any material tax liability or refund, or change any material aspect of its method of accounting for tax purposes;
- satisfy any material liabilities or obligations or settle any material claim, proceeding or investigation, except in the ordinary course of business consistent with past practice;
- make or commit to make any capital expenditure in respect of any capital expenditure project other than those capital expenditures that Nashua had approved as of the date of the merger agreement and disclosed to Cenveo or capital expenditures not exceeding \$100,000 in the aggregate;
- enter into or terminate any material contract, or make any amendment to any material contract, other than renewals of contracts without materially adverse changes or contracts with customers in the ordinary course of business;
- permit any of its or their material insurance policies or arrangements to be canceled or terminated (unless such policy or arrangement is canceled or terminated in the ordinary course of business consistent with past practice and concurrently replaced with a policy or arrangement with substantially similar coverage) or materially impaired;
- implement or adopt any change in its or their material accounting principles, practices or methods except to the extent required by generally accepted accounting policies or the rules or policies of the Public Company Accounting Oversight Board;
- except as required by law, conduct or cause to be conducted any testing or sampling of soil, groundwater or other environmental media at any real property it or they currently or formerly owned, leased, occupied or operated; or
  - enter into any agreement or commitment to do any of the foregoing.

Nashua also agreed to a number of additional agreements, including:

- recommending, through Nashua's board of directors, that the Nashua shareholders approve the merger;
- calling a meeting of Nashua shareholders to vote on the merger proposal;
- taking actions to have any dispositions of Nashua common stock in connection with the merger exempt from the short swing profit rules under the federal securities laws;
- using reasonable best efforts to grant approvals and take such actions as are necessary to comply with any applicable state takeover or similar laws;
  - giving Cenveo the opportunity to participate in any litigation related to the proposed merger and related transactions and agreeing not to settle any such litigation without Cenveo's consent; and
- causing each member of its board of directors to resign effective immediately prior to the effective time of the merger.

The merger agreement contains a number of additional mutual covenants by Cenveo and Nashua relating to:

- the preparation of this proxy statement/prospectus;

- the holding of the special meeting of Nashua shareholders;
- access to information of the other company;

- cooperating and using reasonable best efforts to take, or cause to be taken, all appropriate action to consummate the merger and associated transactions;
- preparing all documentation to effect all necessary filings and obtaining all third party and governmental permits, consents, approvals and authorizations necessary to consummate the transactions contemplated by the merger agreement;
- cooperating with respect to public statements concerning the transactions contemplated by the merger agreement;
- furnishing notice to each other of any material breach or failure to comply by such party of any representation, warranty, covenant or agreement in the merger agreement;
- preserving the confidentiality of all information provided to each other in connection with the merger proposal; and
- using reasonable best efforts to cause the merger to be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended.

Additionally, the merger agreement contains additional agreements by Cenveo, including agreements relating to:

- for the period beginning on May 6, 2009 and ending at the effective time of the merger, not declaring, setting aside, paying or making any dividend or other distribution or payment (whether in cash, stock or other property) with respect to any shares of the capital stock or any other of its voting securities without the prior written approval of Nashua;
- continuing to provide indemnification and directors and officers insurance for Nashua's directors and officers for a period of six years after the effective time of the merger;
- promptly transferring all of the capital stock of the surviving corporation to Cenveo Corporation, its wholly-owned subsidiary;
- continuing Nashua's existing employee benefit plans or offering participation in Cenveo's employee benefit plans for non-union employees who continue to work for the surviving corporation or Cenveo after the effective time of the merger, until the end of any applicable benefit plan year;
- agreeing to give continuing employees full credit for prior service with Nashua for purposes of eligibility and vesting but not for purposes of benefit accrual (other than with respect to vacation) under the Cenveo employee benefit plans, except to the extent it would result in a duplication of benefits or be prohibited under applicable law, waiving all limitations under Cenveo's welfare plans with respect to preexisting conditions and exclusions and providing credit for co-payments and deductibles paid by continuing employees during the plan year in which the effective time occurs; and
- reserving (free from preemptive rights) sufficient shares of Cenveo common stock to provide for effecting the conversion of the issued and outstanding shares of Nashua common stock.

#### Reasonable Best Efforts of Nashua to Obtain the Shareholder Vote

Nashua has agreed to take all lawful action to call and hold a meeting of its shareholders as soon as practicable for the purpose of obtaining its shareholders' approval of the merger agreement and the transactions contemplated thereby. Pursuant to the merger agreement, Nashua's board has agreed to recommend to Nashua's shareholders that they

approve the merger agreement and the transactions contemplated thereby. However, at any time prior to the shareholder vote, Nashua's board of directors may withdraw, modify, or qualify its recommendation that shareholders approve the merger agreement and the transactions contemplated thereby only if Nashua's board of directors determines, in good faith after consultation with its outside legal advisors, that the failure to take such action would breach their fiduciary obligations under applicable law. As discussed below, additional requirements

apply to any change in recommendation with respect to certain acquisition proposals. Notwithstanding the foregoing, the merger agreement requires Nashua to submit the merger agreement and transactions contemplated thereby to a shareholder vote even if its board of directors no longer recommends approval of the merger agreement and the transactions contemplated thereby, in which event the board may communicate its basis for its lack of a recommendation to shareholders.

#### Acquisition Proposals

Nashua and Cenveo have agreed to certain opportunities and restrictions with respect to Nashua's ability to solicit and respond to acquisition proposals made by third parties.

Under the merger agreement:

- the term "acquisition proposal" means any offer, proposal or public announcement from any person relating to:
  - o any direct or indirect acquisition or purchase of 20% or more of Nashua's consolidated revenues, net income or assets or 20% or more of any class of Nashua's equity securities or equity securities of any of its subsidiaries;
  - o any tender offer or exchange offer that, if consummated, would result in any person beneficially owning 20% or more of any class of Nashua's equity securities; or
  - o any merger, reorganization, share exchange, consolidation, business combination, sale of all or substantially all of the assets, recapitalization, liquidation, dissolution or similar transaction involving Nashua or any of its subsidiaries.
- the term "superior proposal" means a bona fide unsolicited, other than with respect to a solicitation permitted prior to 11:59 p.m. New York City time on June 4, 2009, written proposal that is reasonably capable of being fully financed and made by any person to acquire all of the issued and outstanding shares of Nashua's common stock pursuant to a tender offer, exchange offer or a merger or to acquire all of Nashua's properties and assets on terms and conditions that a majority of the members of Nashua's board of directors determines in good faith, after consultation with its financial advisor and taking into account all of the terms and conditions of such proposal, is more favorable to Nashua's shareholders from a financial point of view than the merger and is reasonably capable of being consummated.

Prior to 11:59 p.m. on June 4, 2009 Nashua and its legal and financial representatives had the right to:

- initiate, solicit and encourage, whether publicly or otherwise, acquisition proposals, including by way of providing access to non-public information pursuant to one or more confidentiality agreements (so long as the same information was provided to Cenveo); and
- enter into and maintain discussions or negotiations with respect to acquisition proposals or otherwise cooperate with or assist or participate in, or facilitate any such inquiries, proposals, discussions or negotiations so long as (i) prior to participating in discussions or negotiations with, or providing any nonpublic information to, the third party Nashua provides Cenveo with written notice of the identity of the third party and of Nashua's intention to provide information to or participate in discussions or negotiations with such person, (ii) prior to participating in discussions or negotiations with, or providing any nonpublic information to, the third party Nashua receives from the third party an executed confidentiality agreement containing terms no less restrictive than those in Cenveo's confidentiality agreement with Nashua and (iii) prior to providing information to the third party, Nashua provides such information to Cenveo (to the extent such information has not previously been delivered or made available by Nashua to Cenveo).

From and after 11:59 p.m. on June 4, 2009, until the earlier of the consummation of the merger or the termination of the merger agreement, Nashua and its legal and financial representatives may not, directly or indirectly:

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- solicit or initiate the making of, or take any other action to knowingly facilitate any inquiries or the making of any proposal that constitutes or may reasonably be expected to lead to, any proposal from a third party regarding certain acquisitions of Nashua, its shares, or its business;
- participate in discussions or negotiations with, or provide nonpublic information to, any person with respect to an acquisition proposal;
  - change its recommendation in favor of the merger;
- approve or recommend, or publicly announce it is considering approving or recommending, any acquisition proposal; or
- enter into any agreement, letter of intent, agreement-in-principle or acquisition agreement relating to any acquisition proposal.

However, at any time prior to the time that Nashua's shareholders approve the merger agreement and the transactions contemplated thereby (including the merger), Nashua may:

- participate in discussions or negotiations with, or provide information to, a third party who makes an unsolicited, bona fide, written acquisition proposal so long as (i) such acquisition proposal has not been solicited (other than solicitations permitted prior to 11:59 p.m. New York City time on June 4, 2009), (ii) a majority of the members of Nashua's board of directors determines, in good faith, after consultation with its financial advisors that the acquisition proposal constitutes or is reasonably likely to constitute a superior proposal, (iii) a majority of the members of Nashua's board of directors determines, in good faith, after consultation with its outside legal advisors, that failing to take such action would be inconsistent with their fiduciary duties, (iv) prior to participating in discussions or negotiations with, or providing any nonpublic information to, the third party Nashua provides Cenveo with written notice of the identity of the third party and of Nashua's intention to provide information to or participate in discussions or negotiations with such person, (v) prior to participating in discussions or negotiations with, or providing any nonpublic information to, the third party Nashua receives from the third party an executed confidentiality agreement containing terms no less restrictive than those in Cenveo's confidentiality agreement with Nashua and (vi) prior to providing information to the third party, Nashua provides such information to Cenveo (to the extent such information has not previously been delivered or made available by Nashua to Cenveo);
- approve or recommend, or enter into (and, in connection therewith, change the recommendation of Nashua's board) a definitive agreement with respect to an unsolicited, bona fide, written acquisition proposal so long as (i) neither Nashua nor any of its affiliates or representatives has solicited the acquisition proposal (other than solicitations permitted prior to 11:59 p.m. New York City time on June 4, 2009) or otherwise violated the restrictions on acquisition proposals in the merger agreement; (ii) Nashua provides Cenveo with written notice indicating that Nashua, acting in good faith, believes the acquisition proposal is reasonably likely to be a superior proposal; (iii) during the three business day period after the foregoing notice is provided to Cenveo, Nashua causes its financial and legal advisors to negotiate in good faith with Cenveo in an effort to make such adjustments to the terms and conditions of the merger agreement such that the acquisition proposal would not constitute a superior proposal; (iv) after taking such negotiations and adjustments into account, a majority of the members of Nashua's board of directors determines, in good faith, after consultation with outside legal counsel, that failing to approve or recommend or enter into a definitive agreement with respect to the acquisition proposal would be inconsistent with their fiduciary duties and that the acquisition proposal remains a superior proposal; and (v) Nashua terminates the merger agreement and pays the required termination fee and expenses; or
- change its recommendation in favor of the merger if a majority of the members of Nashua's board of directors determines in good faith, after consultation with outside legal counsel, that failure to do so would constitute a breach of their fiduciary duties.





Additionally, Nashua must give Cenveo written notice of Nashua's receipt of any request for information, any acquisition proposal or any inquiry, proposal, discussion or negotiations with respect to any acquisition proposal within one business day after receipt thereof. The notice must include the material terms and conditions of the request, acquisition proposal, inquiry, proposal, discussions or negotiations and the identity of the person making the request, acquisition proposal, inquiry or proposal or with whom the discussions or negotiations are taking place. Nashua is also required to keep Cenveo informed of the status and general progress of any request or acquisition proposal and provide Cenveo with written notice prior to any meeting of Nashua's board of directors to consider any material action with respect to an acquisition proposal.

Except with respect to any acquisition proposal made between May 6, 2009 and 11:59 p.m. on June 4, 2009, at 11:59 p.m. on June 4, 2009, Nashua is required to cease, and cause its affiliates and legal and financial representatives to cease, all discussions or negotiations, if any, with any person that may be ongoing as of the date of the merger agreement with respect to any acquisition proposal and to request promptly that each person who has executed a confidentiality agreement in connection with its consideration of acquiring Nashua return or destroy all nonpublic information furnished to such person by Nashua or on Nashua's behalf.

#### Employee Matters

Cenveo has agreed that immediately following the merger, non-union employees of Nashua who continue their employment with Cenveo or one of its affiliates will continue to be covered by employee benefit plans in which they participated immediately prior to the merger or will be eligible to participate in employee benefit plans sponsored or maintained by Cenveo or its Affiliates, as determined by Cenveo.

For purposes of vesting and eligibility but not for purposes of benefit accrual (other than determining the amount of vacation benefits) under each Cenveo plan in which continuing employees become eligible to participate after the merger, each participating continuing employee will be credited with his or her years of service with Nashua and its subsidiaries (and their respective predecessors) to the same extent as he or she was entitled to credit for such service under any similar Nashua plan, except to the extent such credit would result in a duplication of benefits or is prohibited under applicable law. Cenveo has also agreed with Nashua that continuing employees who participate in Cenveo plans after the merger will be able to do so, except to the extent prohibited by law, irrespective of preexisting conditions and exclusions regarding participation and coverage requirements (unless they were subject to those limitations prior to the merger). In addition, each participating continuing employee shall receive credit for any co-payments and deductibles paid prior to the merger and during the plan year of the Cenveo welfare plan in which the merger occurs in satisfying any analogous deductible or out-of-pocket requirements.

However, Cenveo has no obligation to continue the employment of any Nashua employee for any period following the merger and may review employee benefit programs from time to time and make such changes as it deems appropriate. Nothing in the merger agreement establishes, amends or modifies any benefit plan or arrangement or limits the ability of Nashua or Cenveo to modify or terminate any benefit plan or arrangement, and no Nashua employee is a third party beneficiary of the merger agreement.

#### Indemnification and Insurance

Cenveo has agreed that the existing rights to indemnification of all of Nashua's and its subsidiaries' current and former officers, directors and employees and any person who at Nashua's, or one of its subsidiaries', request served as a director, officer, employee, fiduciary or agent of another corporation, partnership, trust or other enterprise, shall survive the merger and shall continue in full force and effect for a period of six years. Cenveo has further guaranteed the payment and performance by the surviving corporation of such indemnification obligations.

From the effective time, for a period of not less than six (6) years, Cenveo has agreed to provide, or to cause the surviving corporation to provide, an insurance policy that provides coverage for events occurring at or prior to the effective time on the same terms as provided by Nashua's directors' and officers' liability insurance policies covering Nashua's current and former officers, directors and employees and any person who at Nashua's, or one of its subsidiaries', request served as a director, officer, employee, fiduciary or agent of another corporation, partnership, trust or other enterprise. If such a policy is not available, then Cenveo has agreed to obtain a policy that provides for terms which are no less favorable than Nashua's existing policy, however Cenveo is not required to

spend more than 200% of the last annual premium that Nashua paid prior to the date of the merger agreement on such policy. In lieu of maintaining such policies, Cenveo may elect to cause Nashua to purchase a tail policy covering a period of six years after the effective time that provides terms and conditions not materially less favorable than Nashua's existing policy, but not to exceed the present value cost of the premiums required to be paid on Nashua's existing policy.

#### Conditions to the Merger

Each of Cenveo's, Merger Sub's, and Nashua's respective obligations to complete the merger are subject to the fulfillment or waiver of certain conditions, including:

- the approval of the merger agreement and the transactions contemplated thereby, including the merger, by Nashua shareholders;
- the effectiveness of the registration statement of which this proxy statement/prospectus is a part with respect to the Cenveo common stock to be issued in the merger under the Securities Act and the absence of any stop order suspending the effectiveness of the registration statement or proceedings initiated or threatened by the SEC for that purpose;
- the absence of any law, statute, rule, regulation, judgment, decree, injunction or other order by any court or other governmental entity, that prohibits completion of the merger;
- in the event that Cenveo and Merger Sub determine that the waiting period applicable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, is applicable to the merger, then the expiration or termination of such waiting period; and
- the authorization of the listing of the shares of Cenveo common stock to be issued in connection with the merger on the New York Stock Exchange, subject to official notice of issuance.

Cenveo and Merger Sub's obligations to complete the merger are also separately subject to the satisfaction or waiver of a number of conditions including that:

- Nashua's representations and warranties regarding capitalization, undisclosed liabilities and absence of material changes since December 31, 2008 contained in the merger agreement must be true and correct as of the date of the merger agreement and as of the closing date of the merger and Nashua's other representations and warranties contained in the merger agreement must be true and correct as of the date of the merger agreement and as of the closing date, except for changes permitted by the merger agreement, to the extent representations and warranties by their terms speak only as of a certain date, in which case such representations and warranties shall be true and correct as of such date, and for inaccuracies that, individually or in the aggregate, have not had and would not reasonably be expected to have a "company material adverse effect" (as such term is defined in the merger agreement);
- Nashua shall have performed in all material respects all obligations and covenants that it is required to perform under the merger agreement;
  - Nashua shall not have suffered a material adverse effect since May 6, 2009;
- Nashua shall have delivered to Cenveo a certification of an executive officer of Nashua to the effect that each of the conditions set forth above is satisfied in all respects;

- if the merger is to be structured such that Merger Sub is the surviving corporation, Cenveo and Merger Sub will have received a legal opinion from Cenveo's counsel with respect to certain United States federal income tax consequences of the merger and a certification from Nashua's counsel that it will not be able to provide an opinion which would be necessary for Nashua to be the surviving corporation and that certain representations made by Nashua regarding pension plan reporting requirements under federal law are true and correct in all respects as of the closing date of the merger;

- there shall be no more than 835,160 dissenting shares, as defined in the merger agreement, owned by Nashua shareholders other than Cenveo and its affiliates.

Nashua's obligations to complete the merger are also separately subject to the satisfaction or waiver of a number of conditions including that:

- Cenveo's representations and warranties regarding capitalization and absence of material changes since January 3, 2009 contained in the merger agreement must be true and correct as of the date of the merger agreement and as of the closing date and Cenveo's other representations and warranties contained in the merger agreement must be true and correct as of the date of the merger agreement and as of the closing date, except for changes permitted by the merger agreement, to the extent representations and warranties by their terms speak only as of a certain date, in which case such representations and warranties shall be true and correct as of such date, and for inaccuracies that, individually or in the aggregate, have not had and would not reasonably be expected to have a "parent material adverse effect" (as such term is defined in the merger agreement);
- Cenveo shall have performed in all material respects all obligations and covenants that it is required to perform under the merger agreement;
  - Cenveo shall not have suffered a material adverse effect since May 6, 2009;
- Cenveo shall have delivered to Nashua a certification of an executive officer of Nashua to the effect that each of the conditions set forth above is satisfied in all respects;
- if the merger is to be structured such that Merger Sub is the surviving corporation, Nashua will have received a legal opinion from Nashua's counsel with respect to certain United States federal income tax consequences of the merger; and
- if the merger is to be structured such that Nashua is the surviving corporation, Nashua will have received a legal opinion from Nashua's counsel with respect to certain United States federal income tax consequences of the merger, Cenveo's counsel will have certified to Nashua that it is unable to deliver an opinion which would be necessary for Merger Sub to be the surviving corporation or certain conditions for Merger Sub being the surviving corporation will not have been met.

We cannot provide assurance as to when or if all of the conditions to the merger can or will be satisfied or waived by the appropriate party. As of the date of this proxy statement/prospectus, we have no reason to believe that any of these conditions will not be satisfied.

#### Termination of the Merger Agreement

The merger agreement can be terminated at any time prior to completion by mutual written consent, or by either party in the following circumstances:

- if the merger has not been completed on or prior to November 6, 2009 or such other date as Cenveo and Nashua agree to in writing, unless the failure to complete the merger by that date is due to the breach of the merger agreement by the party seeking to terminate the merger agreement;
- if there is any law or order permanently restraining, enjoining or otherwise prohibiting the completion of the merger; or

- if the Nashua shareholders fail to approve the merger agreement and the transactions contemplated thereby at the special meeting.

In addition, Cenveo may terminate the merger agreement if (1) Nashua breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the merger agreement which would result in the failure of a condition to Cenveo's obligation to consummate the merger and such breach is not cured within a

specified period of time or cannot be cured; (2) Nashua fails to recommend or changes the recommendation that the Nashua shareholders approve the merger, or Nashua materially breaches its obligations by failing to call the special shareholders meeting to approve the merger or to prepare and mail to its shareholders the proxy statement as required by the merger agreement and such breach is not cured within a specified time period or cannot be cured; or (3) Nashua's board of directors recommends (or resolves or publicly proposes to recommend) to its shareholders, or Nashua enters into an agreement, letter of intent, agreement-in-principle or acquisition agreement contemplating an acquisition proposal or a superior proposal.

Further, Nashua may terminate the merger agreement if (1) Cenveo breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the merger agreement which would result in the failure of a condition to Nashua's obligation to consummate the merger and such breach is not cured within a specified period of time or cannot be cured or (2) Nashua's board of directors approves, or Nashua enters into a definitive agreement with respect to, a superior proposal before the time that its shareholders vote on whether to approve the merger agreement, and Nashua simultaneously pays the termination fee to and reimburses Cenveo for the expenses described under "Termination Fee."

If the merger agreement is terminated, it will become void, and there will be no liability on the part of Cenveo or Nashua, except that (1) both Cenveo and Nashua will remain liable for any willful breach of the merger agreement and (2) designated provisions of the merger agreement, including with respect to the payment of fees and expenses and the confidential treatment of information, will survive the termination.

#### Termination Fee

Nashua will pay Cenveo a \$1.3 million termination fee and will reimburse Cenveo for its reasonable fees and expenses incurred in connection with the merger up to a maximum of \$800,000 in the event that the merger agreement is terminated:

- by Cenveo because Nashua's board of directors fails to recommend, or changes the recommendation (or resolves or publicly proposes to take any such action), that its shareholders approve the merger agreement (even if permitted by the merger agreement);
- by Cenveo because Nashua's board of directors recommends (or resolves or publicly proposes to recommend) to its shareholders, or Nashua enters into an agreement, letter of intent, agreement-in-principle or acquisition agreement relating to an acquisition proposal or a superior proposal; or
- by Nashua because Nashua's board of directors approves or recommends, or Nashua enters into a definitive agreement with respect to, a superior proposal before the time that its shareholders vote on whether to approve the merger agreement.

If the merger agreement is terminated as described above, Nashua must pay the termination fee and expenses not later than the date of such termination.

Nashua will also pay such termination fee and expenses in the event that the agreement is terminated:

- by either Cenveo or Nashua if the merger has not been completed on or prior to November 6, 2009 or such other date as Cenveo and Nashua agree to in writing, Nashua has failed to hold the special meeting of shareholders to vote on approval of the merger agreement and the party who is seeking to terminate the merger agreement is not the cause of the failure to complete the merger by such date because of such party's breach of the merger agreement;



- by either Cenveo or Nashua because the Nashua shareholders have not approved the merger agreement at a duly held special meeting or at any adjournment or postponement thereof;
- by Cenveo because Nashua materially breaches its obligations under the merger agreement by failing to call the special shareholders meeting to approve the merger agreement and the transactions contemplated

- thereby or to prepare and mail to its shareholders this proxy statement as required by the merger agreement; or
- by Cenveo or Nashua for any reason (other than as set forth in the bullets above) following a material breach by Nashua of any material provision in its covenant to refrain from soliciting alternate acquisition proposals;

and, in each of the foregoing cases, prior to such termination an acquisition proposal is publicly announced or otherwise communicated to Nashua's senior management or Nashua's board of directors; and prior to the date that is 12 months after the effective date of such termination, Nashua enters into a definitive agreement with respect to an acquisition proposal or an acquisition proposal is consummated.

If the merger agreement is terminated as described above, Nashua must pay the termination fee and expenses within two business days following consummation of the acquisition proposal.

#### Amendments and Waiver

Nashua and Cenveo may amend the merger agreement by action taken or authorized by their respective boards of directors (or a committee thereof) at any time before or after the shareholders' vote is obtained. However, after the shareholders approve the merger agreement, the merger agreement may not be amended to (i) change the amount or kind of merger consideration, (ii) change the articles of organization of the surviving corporation or (iii) change any of the other terms or conditions of the merger agreement if the change would adversely affect Nashua's shareholders in any material respect, without the further approval of the Nashua shareholders. At any time prior to the completion of the merger, each of Cenveo and Nashua, to the extent legally allowed, may waive in whole or in part any conditions to that party's obligation to complete the merger.

### THE VOTING AGREEMENT

This section of the proxy statement/prospectus describes the material provisions of the voting agreement but does not purport to describe all of the terms of the voting agreement. The following summary is qualified in its entirety by reference to the complete text of the voting agreement, which is attached as Annex B to this proxy statement/prospectus and incorporated into this proxy statement/prospectus by reference. We urge you to read the voting agreement in its entirety.

#### Introduction

In connection with the merger agreement, and concurrently with the execution of the merger agreement, Andrew B. Albert, L. Scott Barnard, Thomas G. Brooker, Avrum Gray, Michael T. Leatherman, William Todd McKeown, John Patenaude, Mark Schwarz and Newcastle Partners, L.P. entered into a voting agreement with Cenveo. Collectively, the shares held by them represented approximately 22.5% of Nashua's outstanding common stock as of the record date for the special meeting. We refer to the individuals and entity named above as the voting shareholders.

#### Agreement to Vote

Pursuant to the terms of the voting agreement, each voting shareholder has agreed, until the earlier of (i) the effective time of the merger or (ii) the termination of the merger agreement in accordance with its terms, to:

- be present, in person or represented by proxy, at each meeting (whether annual or special and whether or not an adjourned or postponed meeting) of Nashua's shareholders, however called, so that all of such voting shareholder's shares of Nashua's common stock may be counted for purposes of determining the presence of a quorum at such meeting;

- at each such meeting, and at any adjournment or postponement thereof, vote their respective shares of Nashua common stock to: (A) approve the merger agreement and the transactions contemplated thereby and any action required in furtherance thereof; and (B) approve any proposal to adjourn or postpone such meeting to a later date or time if there are not sufficient votes for approval of the merger agreement on the date on which the special meeting is held; and

- at each such meeting, and at any adjournment or postponement thereof, vote against: (A) any action or agreement that would reasonably be expected to frustrate the purposes of, impede, hinder, interfere with, or prevent or delay the consummation of the transactions contemplated by the merger proposal and (B) any acquisition proposal (other than the merger) and any action required in furtherance thereof.

#### No Solicitation

During the term of the voting agreement, each voting shareholder has agreed not to, directly or indirectly, subject to certain exceptions:

- solicit or initiate the making of, or take any other action to knowingly facilitate any inquiries or the making of any proposal that constitutes or may reasonably be expected to lead to, any acquisition proposal;
- participate in any way in discussions or negotiations with, or furnish or disclose any information to, any person (other than Cenveo or any of its representatives) in connection with any acquisition proposal; or
- publicly announce that he or it is considering approving or recommending any acquisition proposal.

Each voting shareholder has agreed to promptly notify Cenveo after receipt by such voting shareholder of any acquisition proposal or of any request for information relating to Nashua or for access to Nashua's business, properties, assets, books or records by any person that such voting shareholder reasonably believes is seeking to make, or has made, an acquisition proposal.

Notwithstanding the foregoing, in the event that Nashua's board of directors is permitted to engage in negotiations or discussions with any person who made a bona fide written acquisition proposal in accordance with the merger agreement, each voting shareholder is permitted, at the request of Nashua's board of directors, to respond to inquiries from, and discuss such acquisition proposal with, Nashua's board of directors, and a Nashua shareholder that is an entity may, at the request of Nashua's board of directors, take any action that Nashua is permitted to take during the go-shop period, so long as such action is permitted by the terms of the merger agreement. In addition, any voting shareholder who is an individual is permitted to take any action in his capacity as an officer or director of Nashua that does not violate the merger agreement.

#### No Short Sales

During the term of the voting agreement, each voting shareholder will not and will not permit any of his or its affiliates to enter into any short sale of or a similar transaction involving Cenveo common stock.

#### Irrevocable Proxy

Pursuant to the voting agreement, each voting shareholder has delivered to Cenveo a proxy, irrevocably appointing Cenveo and Cenveo's designees, as such voting shareholder's proxy and attorney-in-fact, for the term of the voting agreement, with full power of substitution to attend all Nashua shareholders meetings and to vote (or act by written consent) all shares of Nashua's common stock owned by such voting shareholder for the purpose of complying with the provisions of the voting agreement as described herein.

#### Transfer Restrictions

While the voting agreement is in effect, each voting shareholder has also agreed:

- that he or it will not sell, transfer, assign, encumber or otherwise dispose of any shares of Nashua common stock without the prior written consent of Cenveo;
- that if he or it sells, transfers, assigns, encumbers or otherwise disposes, which this proxy statement/prospectus refers to as a Transfer, of any shares of Nashua's common stock, he or it will require the transferee of such shares to execute and deliver to Cenveo a joinder to the voting agreement in form and substance satisfactory to Cenveo; and

- to permit Cenveo to direct Nashua to impose stop orders to prevent the Transfer of any shares of Nashua common stock beneficially owned by a voting shareholder on Nashua's books in violation of the voting agreement.

#### Termination

The voting agreement will terminate upon the earlier to occur of:

- the termination of the agreement of merger in accordance with its terms; or
- the effective time of the merger.

#### ACCOUNTING TREATMENT

The merger will be accounted for as a "business combination," as that term is used under generally accepted accounting principles, for accounting and financial reporting purposes, with Cenveo treated as the acquiror. Under the acquisition method of accounting, the assets (including identifiable intangible assets) and liabilities (including executory contracts and other commitments) of Nashua as of the effective time of the merger will be recorded at their respective fair values and consolidated into Cenveo. Any excess of purchase price over the fair values is recorded as goodwill. Consolidated financial statements of Cenveo issued after the merger would reflect these fair values and would not be restated retroactively to reflect the historical financial position or results of operations of Nashua prior to the effective time of the merger.

#### UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER

Subject to the limitations and qualifications set forth herein, the following discussion constitutes the opinion of Hughes Hubbard & Reed LLP, counsel to Cenveo, and Wilmer Cutler Pickering Hale and Dorr LLP, counsel to Nashua, as to the material U.S. federal income tax consequences of the merger to the Nashua shareholders. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations, administrative pronouncements of the Internal Revenue Service and judicial decisions all as in effect as of the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion applies only to Nashua shareholders who hold their Nashua stock as capital assets within the meaning of Section 1221 of the Code. Further, this discussion does not address all aspects of United States federal income taxation that may be relevant to a Nashua shareholder in light of such shareholder's particular circumstances or that may be applicable to a Nashua shareholder if such shareholder is subject to special treatment under the United States federal income tax laws, including if such shareholder is:

- a financial institution;
- a tax-exempt organization;
- an S corporation or other pass-through entity (or an investor in an S corporation or other pass-through entity);
- an insurance company;
- a mutual fund;
- a dealer or broker in stocks and securities, or currencies;
- a trader in securities that elects mark-to-market treatment;

- a holder of Nashua stock that received such stock through the exercise of an employee stock option, through a tax qualified retirement plan or otherwise as compensation;

- a person that has a functional currency other than the U.S. dollar;

- a holder of Nashua stock that holds such stock as part of a hedge, straddle, constructive sale, conversion or other integrated transaction;
- a holder other than a U.S. holder (as defined below); or
- a U.S. expatriate.

This discussion also does not consider the effect of any foreign, state or local tax laws, the U.S. federal alternative minimum tax or any other U.S. federal tax laws other than U.S. federal income tax laws. Accordingly, Nashua shareholders should consult their own tax advisors as to the particular tax consequences to them of the merger and the ownership of Cenveo common shares, including the application and effect of U.S. federal, state, and local and foreign income and other tax laws.

Furthermore, this discussion is based in part upon certain assumptions and representations, including the assumptions that there will be full compliance without waiver with all of the provisions in the merger agreement, that no condition to the merger will be waived or the merger agreement amended and that the representations and covenants contained in the merger agreement and this proxy statement/prospectus are currently true, correct and complete and will remain so, and will be complied with, at all relevant times. No ruling has been or will be sought from the Internal Revenue Service as to the U.S. federal income tax consequences to Nashua shareholders of the merger or the ownership of Cenveo common shares received in the merger. There can be no assurance that the Internal Revenue Service will not take a position contrary to the conclusions described herein or that a court will not agree with a contrary position of the Internal Revenue Service.

The United States federal income tax consequences to a partner in an entity or other arrangement treated as a partnership, for United States federal income tax purposes, that holds Nashua stock generally will depend on the status of the partner and the activities of the partnership. Partners in a partnership holding Nashua stock should consult their own tax advisors.

For purposes of this discussion, the term “U.S. holder” means a beneficial owner of Nashua stock that is for United States federal income tax purposes (i) an individual citizen or resident of the United States, (ii) a corporation, or entity treated as a corporation, organized in or under the laws of the United States or any state thereof or the District of Columbia, (iii) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) such trust has made a valid election to be treated as a U.S. person for U.S. federal income tax purposes or (iv) an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source.

## Tax Consequences of the Merger

### Introduction

Nashua and Cenveo agreed to structure the merger as either a merger of Merger Sub with and into Nashua, which we refer to as a reverse subsidiary merger, or as a merger of Nashua with and into Merger Sub, which we refer to as a forward subsidiary merger (each of which is referred to as the “merger”). In order for either the reverse subsidiary merger or the forward subsidiary merger to qualify as a reorganization under Section 368(a) of the Code, certain requirements under the Code and applicable regulations must be satisfied. Each of Nashua and Cenveo has represented in the merger agreement that it has not taken and has not agreed to take any action which would prevent the merger from qualifying as a reorganization under Section 368(a) of the Code. Moreover, each of Nashua and Cenveo has covenanted in the merger agreement that it will use its reasonable best efforts to cause the merger to be



treated as a reorganization under Section 368(a) of the Code. However, counsel cannot at this time render an opinion that the merger, however structured, will qualify as a reorganization because such qualification is dependent upon certain contingencies that are beyond the control of Nashua and Cenveo and that will not be certain until the closing date of the merger, including the fair market value of the Cenveo common stock delivered at the closing of the merger. In particular:

in order for a reverse subsidiary merger to qualify as a reorganization under Section 368(a) of the Code, the fair market value, as of the closing date of the merger, of the Cenveo common stock received by the Nashua shareholders must be at least 80% of the total fair market value of the consideration received by the Nashua shareholders (which means that the fair market value of the Cenveo common stock on the closing date of the merger must be at least approximately \$2.57 per share in order for a reverse subsidiary merger to qualify as a reorganization, assuming that Cenveo does not acquire Nashua shares other than in the merger, which Cenveo does not intend to do, and that the minimum number of shares of Cenveo common stock issuable under the merger agreement is issued by Cenveo); and

in order for a forward subsidiary merger to qualify as a reorganization under Section 368(a) of the Code, the fair market value, as of the closing date of the merger, of the Cenveo common stock received by the Nashua shareholders must be at least 40% of the total fair market value of the consideration received by the Nashua shareholders (which means that the closing price of the Cenveo common stock on the closing date of the merger must be at least approximately \$0.43 per share in order for a forward subsidiary merger to qualify as a reorganization, assuming that Cenveo does not acquire Nashua shares other than in the merger, which Cenveo does not intend to do, and that the minimum number of shares of Cenveo common stock issuable under the merger agreement is issued by Cenveo).

For purposes of the tests set forth above, the fair market value of the Cenveo common stock on the closing date of the merger generally will be based upon the last reported sale price of Cenveo common stock at 4:00 p.m., Eastern Time, at the end of regular trading hours on the NYSE on the closing date.

Neither Nashua nor Cenveo will know whether the merger will be structured as a reverse subsidiary merger or as a forward subsidiary merger until the closing date of the merger. Pursuant to the merger agreement, the merger will be structured as a reverse subsidiary merger if either (i) Nashua receives an opinion from Wilmer Cutler Pickering Hale and Dorr LLP that if the merger is structured as a reverse subsidiary merger, it will qualify as a reorganization under Section 368(a) of the Code or (ii) the conditions for structuring the merger as a forward subsidiary merger are not all met. If Wilmer Cutler Pickering Hale and Dorr LLP certifies that it cannot provide the opinion described above with respect to a reverse subsidiary merger, the merger will be structured as a forward subsidiary merger that is intended to be treated as a reorganization for U.S. federal income tax purposes provided that (x) Cenveo receives an opinion from Hughes Hubbard & Reed LLP and Nashua receives an opinion from Wilmer Cutler Pickering Hale and Dorr LLP, in each case, that such merger will qualify as a reorganization under Section 368(a) of the Code and (y) no “reportable event” (as defined in the Employee Retirement Income Security Act of 1974, as amended, or ERISA, and regulations under ERISA) shall have occurred with respect to any Nashua employee benefit plan prior to the closing of the merger or will occur as a result of the merger. It is uncertain whether a transaction structured as a forward subsidiary merger is a “reportable event” under ERISA with respect to Nashua’s employee benefit plans. However, Cenveo and Nashua do not anticipate that a forward subsidiary merger would be a “reportable event” with respect to Nashua’s employee benefit plans. Accordingly, in the absence of further regulatory or other guidance on this issue, Nashua and Cenveo will assume that a forward subsidiary merger does not result in a reportable event and will proceed with the merger under such assumption.

In issuing the opinions described above, Wilmer Cutler Pickering Hale and Dorr LLP and Hughes Hubbard & Reed LLP will rely on certain customary assumptions and representations made by Nashua and Cenveo and will rely on the fair market value of the Cenveo common stock on the closing date.

Following the completion of the merger, Nashua and Cenveo will notify Nashua shareholders whether Nashua and/or Cenveo received an opinion of its counsel upon completion of the merger to the effect that the merger will be treated as a reorganization under Section 368(a) of the Code.

#### Treatment of Merger as a Reorganization

If the merger qualifies as a reorganization under Section 368(a) of the Code, then the following tax consequences will result. If a U.S. holder’s adjusted tax basis in the Nashua stock surrendered in the merger (which would generally be the purchase price of such shares less any prior distributions that reduced the U.S. holder’s tax basis) is less than the sum of the fair market value, as of the closing date of the merger, of the Cenveo common shares and the amount of cash received by the U.S. holder pursuant to the merger, then the U.S. holder will recognize gain equal to the lesser of (x) the sum of the amount of cash and the fair market value, as of the closing date of the merger, of the Cenveo common shares received by the Nashua shareholder minus the adjusted tax basis of the Nashua stock surrendered in exchange therefor and (y) the amount of cash received by the U.S. holder in the merger (excluding cash received in lieu of a fractional share of Cenveo common stock). If a U.S. holder’s adjusted tax basis in the Nashua stock surrendered in the merger is greater than the sum of the amount of cash and the fair market value of the Cenveo common shares received in the merger, the U.S. holder will realize a loss that is not currently recognized for U.S. federal income tax purposes prior to a taxable disposition of the Cenveo shares. U.S. holders who bought shares of Nashua stock at different prices, or otherwise own shares with unequal bases, must make the above calculations separately for each Nashua share surrendered in the merger, taking into account the U.S. holder’s adjusted tax basis in each share and a pro rata portion of the aggregate consideration received by the U.S. holder. A loss realized on one Nashua share may not be used to offset a gain realized on another share.

In the case of a U.S. holder who recognizes gain pursuant to the merger, any gain recognized will be long-term capital gain if the holding period for the Nashua stock surrendered in the merger is longer than one year as of the effective time of the merger and if the exchange of shares pursuant to the merger sufficiently reduces the U.S. holder's proportionate stock interest (as discussed below). Long-term capital gain recognized by a non-corporate taxpayer is currently subject to a maximum U.S. federal income tax rate of 15%. If the exchange does not sufficiently reduce the U.S. holder's proportionate stock interest, such gain will be taxable as a dividend to the extent of the U.S. holder's ratable share of available earnings and profits (and the remainder of such recognized gain, if any, will be capital gain). A non-corporate U.S. holder should generally be subject to a maximum U.S. federal income tax rate of 15% on such dividend income provided that such holder satisfies applicable holding period requirements.

The determination of whether the exchange sufficiently reduces a U.S. holder's proportionate stock interest will be made in accordance with Section 302 of the Code, taking into account the stock ownership attribution rules of Section 318 of the Code. Under those rules, for purposes of determining whether the exchange sufficiently reduces a shareholder's proportionate stock interest, a U.S. holder is treated as if:

- all of such shareholder's Nashua stock was first exchanged in the merger for Cenveo common shares; and
- a portion of those Cenveo common shares were then redeemed for the cash actually received in the merger.

The U.S. holder's hypothetical stock interest in Cenveo (both actual and constructive) after the second step is compared to such holder's hypothetical stock interest in Cenveo (both actual and constructive) after the first step. Dividend treatment will apply unless the shareholder's stock interest in Cenveo has been completely terminated, there has been a "substantially disproportionate" reduction in the shareholder's stock interest in Cenveo (i.e., such interest after the second step is less than 80% of the interest after the first step), or the exchange is not "essentially equivalent to a dividend." While the determination is based on a U.S. holder's particular facts and circumstances, the Internal Revenue Service has indicated in published rulings that a distribution is not "essentially equivalent to a dividend" and will therefore result in capital gain treatment if the distribution results in any actual reduction in the stock interest of a minority shareholder with an extremely small interest in a publicly held corporation and the shareholder exercises no control with respect to corporate affairs.

**BECAUSE THE DETERMINATION OF WHETHER A PAYMENT WILL BE TREATED AS HAVING THE EFFECT OF THE DISTRIBUTION OF A DIVIDEND GENERALLY WILL DEPEND UPON THE FACTS AND**

CIRCUMSTANCES OF EACH U.S. HOLDER, U.S. HOLDERS ARE STRONGLY ADVISED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX TREATMENT OF CASH RECEIVED IN THE MERGER, INCLUDING THE APPLICATION OF THE CONSTRUCTIVE OWNERSHIP RULES OF THE CODE AND THE EFFECT OF ANY TRANSACTIONS IN CENVEO COMMON SHARES OR NASHUA STOCK BY THE U.S. HOLDER.

Cash received by a U.S. holder in lieu of a fractional share of Cenveo common stock will be treated as received as a distribution in redemption of such fractional share, subject to the provisions of Section 302 discussed above, as if such fractional share had been issued pursuant to the merger and then redeemed by Cenveo. A U.S. holder should recognize capital gain or loss with respect to cash received in lieu of a fractional share equal to the difference, if any, between the amount of cash received and the tax basis allocable to such fractional share, unless such cash received is treated as a dividend pursuant to the rules discussed above.

A U.S. holder's initial tax basis in the Cenveo common shares received in the merger, including any fractional share of Cenveo common stock not actually received, will equal the U.S. holder's adjusted tax basis in the Nashua stock surrendered in the merger, increased by any gain recognized as a result of the merger (other than gain attributable to cash received in lieu of a fractional share) and reduced by the amount of cash received in the merger (other than cash received in lieu of a fractional share). The holding period of the Cenveo common shares received in the merger will include the holding period of the Nashua stock surrendered in the merger.

#### Treatment of Merger as a Taxable Exchange

If Nashua and Cenveo fail to receive the respective tax opinions described above, or if the other contingencies outlined in the introduction above fail to be satisfied, Nashua and Cenveo will effect the merger as a reverse subsidiary merger of Merger Sub with and into Nashua that is not intended to be treated as a reorganization. In that case, the merger is likely to be a fully taxable transaction and the following principal U.S. federal income tax consequences will result. A U.S. holder would recognize capital gain or loss in an amount equal to the difference between the amount realized and such U.S. holder's adjusted tax basis in the Nashua stock surrendered. The amount realized would be the fair market value, as of the closing date of the merger, of the Cenveo common stock plus the amount of cash received in connection with the merger. Any gain recognized would be long-term capital gain if the holding period for the Nashua stock surrendered in the merger was longer than one year, and, with respect to a non-corporate U.S. holder, such gain would be subject to a maximum U.S. federal income tax rate currently equal to 15%. The deductibility of capital losses is subject to limitations. The U.S. holder's initial tax basis in the Cenveo common shares received in the merger would be equal to the fair market value of such shares on the date of the merger, and the holding period would commence on the day after the merger.

#### Treatment of U.S. Holders Exercising Appraisal Rights

Neither the discussion regarding the treatment of the merger as a reorganization nor the discussion regarding the treatment of the merger as a taxable exchange apply to U.S. holders who properly perfect appraisal rights. A U.S. holder who perfects appraisal rights with respect to such shareholder's shares of Nashua stock will recognize capital gain or loss equal to the difference between such shareholder's adjusted tax basis in such shares and the amount of cash received in exchange for such shares. For information relating to appraisal rights, please see "The Merger – No Appraisal Rights for Dissenting Shareholders" on page 45.

#### Information Reporting and Backup Withholding

In general, except in the case of certain exempt recipients such as corporations, backup withholding (currently at a rate of 28%) may apply with respect to amounts received by a Nashua shareholder in the merger if such shareholder fails

to provide an accurate tax identification number, to certify that such shareholder is not subject to backup withholding, or to otherwise comply with the applicable backup withholding rules. Backup withholding is not an additional tax. The amount of backup withholding imposed upon a payment to a Nashua shareholder will be allowed as a credit against the holder's U.S. federal income tax liability provided that the required information is properly furnished to the Internal Revenue Service.

**THIS SUMMARY IS NOT A SUBSTITUTE FOR AN INDIVIDUAL ANALYSIS OF THE TAX CONSEQUENCES OF THE MERGER TO YOU. WE URGE YOU TO CONSULT WITH YOUR TAX**

ADVISOR REGARDING THE PARTICULAR FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE MERGER TO YOU IN LIGHT OF YOUR PERSONAL CIRCUMSTANCES.

#### COMPARATIVE MARKET PRICES AND DIVIDENDS

##### Cenveo

Cenveo common stock is traded on the NYSE under the symbol "CVO." The following table sets forth the high and low reported intra-day sales prices per share of Cenveo common stock as reported by the NYSE for the last date of the calendar quarters indicated and the cash dividends declared per share.

##### Nashua

Nashua common stock is traded on NASDAQ under the symbol "NSHA." The following table sets forth the high and low reported intra-day sales prices per share of Nashua common stock as reported by NASDAQ for the last date of the calendar quarters indicated and the cash dividends declared per share.

|                      | Cenveo (CVO) |          |           | Nashua (NSHA) |          |           |
|----------------------|--------------|----------|-----------|---------------|----------|-----------|
|                      | High         | Low      | Dividends | High          | Low      | Dividends |
| <b>2009 Quarters</b> |              |          |           |               |          |           |
| Second               | \$ 4.53      | \$ 4.10  | \$ 0.00   | \$ 6.70       | \$ 6.53  | \$ 0.00   |
| First                | 3.82         | 3.53     | 0.00      | 1.09          | 0.78     | 0.00      |
| <b>2008 Quarters</b> |              |          |           |               |          |           |
| Fourth               | \$ 4.92      | \$ 4.27  | \$ 0.00   | \$ 5.33       | \$ 4.25  | \$ 0.00   |
| Third                | 7.80         | 7.50     | 0.00      | 8.50          | 8.03     | 0.00      |
| Second               | 10.62        | 9.94     | 0.00      | 10.00         | 9.73     | 0.00      |
| First                | 10.58        | 10.16    | 0.00      | 11.00         | 10.91    | 0.00      |
| <b>2007 Quarters</b> |              |          |           |               |          |           |
| Fourth               | \$ 18.08     | \$ 17.46 | \$ 0.00   | \$ 11.78      | \$ 11.50 | \$ 0.00   |
| Third                | 22.21        | 21.02    | 0.00      | 11.17         | 11.10    | 0.00      |
| Second               | 23.80        | 23.03    | 0.00      | 10.79         | 10.45    | 0.00      |
| First                | 24.49        | 23.97    | 0.00      | 9.03          | 8.80     | 0.00      |

On May 6, 2009, the last full trading day before the public announcement of the merger agreement, the high and low sales prices of shares of Cenveo common stock as reported on the NYSE were \$5.06 and \$4.71, respectively. On July 28, 2009, the last practicable trading day before the date of this proxy statement/prospectus, the last sale price of shares of Cenveo common stock as reported on the NYSE was \$4.96.

On May 6, 2009, the last full trading day before the public announcement of the merger agreement, the high and low sales prices of shares of Nashua common stock as reported on the NASDAQ were \$3.30 and \$2.50, respectively. On July 28, 2009, the last practicable trading day before the date of this proxy statement/prospectus, the last sale price of shares of Nashua common stock as reported on the NASDAQ was \$6.72.

As of the record date, there were approximately 288 registered holders of Cenveo common stock and approximately 825 registered holders of Nashua common stock.

Past price performance is not necessarily indicative of likely future performance. Because market prices of Cenveo and Nashua common stock will fluctuate, you are urged to obtain current market prices for shares of Cenveo and Nashua common stock. The market price of Cenveo common stock and Nashua common stock will fluctuate between

the date of this proxy statement/prospectus and the effective date of the merger. No assurance can be given concerning the market price of Cenveo common stock or Nashua common stock before or after the effective date of the merger. Cenveo may repurchase shares of its common stock in accordance with applicable legal guidelines. The actual amount of shares repurchased will depend on various factors, including: market conditions; legal limitations and considerations affecting the amount and timing of repurchase activity; the company's capital position; internal capital generation; and alternative potential investment opportunities. Federal law prohibits Cenveo from purchasing shares of its common stock from the date this proxy statement/prospectus is first disseminated to shareholders until completion of the special meeting of shareholders.

Cenveo's timing, payment and amount of dividends (when, as and if declared by Cenveo's board of directors out of funds legally available) remains subject to determination by Cenveo's board of directors. Cenveo has not paid a dividend on its common stock since its incorporation and does not anticipate paying dividends in the foreseeable future as the instruments governing a significant portion of its debt obligations limit its ability to pay common stock dividends.

In the period before completion of the merger, Nashua is not permitted by the merger agreement to declare, set aside, pay or make any dividend or other distribution or payment (whether in cash, stock or other property) with respect to any shares of the capital stock or any other voting securities of Nashua.

The payment, timing and amount of dividends by Cenveo or Nashua on their common stock in the future, either before or after the merger is completed, are subject to the determination of each company's respective board of directors and depend on cash requirements, contractual restrictions, its financial condition and earnings, legal and regulatory considerations and other factors. See "Recent Developments" on page 11 for more information concerning dividends.

#### INFORMATION ABOUT CENVEO

Cenveo is a Colorado corporation that was incorporated in 1997 as the successor to Mail-Well, Inc., a Delaware corporation. It is the third largest diversified printing company in North America, according to the December 2008 Printing Impressions 400 report. Cenveo's portfolio of products includes envelope, form and label manufacturing, commercial printing and packaging and publisher offerings. It operates from a global network of over 70 printing and manufacturing, content management and distribution facilities, which serve a diverse base of over 100,000 customers.

Cenveo's principal executive offices are located at One Canterbury Green, 201 Broad Street, Stamford, CT 06901.



## INFORMATION ABOUT NASHUA

### BUSINESS OF NASHUA

#### General

Nashua is a manufacturer, converter and marketer of labels and specialty papers. Nashua's primary products include thermal and other coated papers, wide-format papers, pressure-sensitive labels, tags, and transaction and financial receipts.

Nashua is incorporated in Massachusetts. Nashua's principal executive offices are located at 11 Trafalgar Square, Suite 201, Nashua, New Hampshire 03063, and Nashua's telephone number is (603) 880-2323. Nashua's Internet address is [www.nashua.com](http://www.nashua.com). Copies of Nashua's reports, including Nashua's annual report on Form 10-K, Nashua's quarterly reports on Form 10-Q, Nashua's current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, can all be accessed from Nashua's website free of charge and immediately after filing with the SEC. Nashua is subject to the informational requirements of the Exchange Act, and, accordingly, files reports, proxy statements and other information with the Securities and Exchange Commission. Such reports, proxy statements and other information can be read and copied at the public reference facilities maintained by the SEC at the Public Reference Room, 100 F Street, NE, Washington, D.C. 20549. Information regarding the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC maintains a website (<http://www.sec.gov>) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. References in this subsection titled "Information About Nashua" to the "company" or to "Nashua" refer to Nashua Corporation and its consolidated subsidiaries, unless the context requires otherwise.

#### Operating Segments

Set forth below is a brief summary of each of Nashua's two operating segments together with a description of their more significant products, competitors and operations. Nashua's two operating segments are:

##### (1) Label Products

##### (2) Specialty Paper Products

Additional financial information regarding Nashua's business segments is contained in Nashua's Management's Discussion and Analysis of Financial Condition and Results of Operations on page 75, and Note 12 to Nashua's Consolidated Financial Statements on page F-33.

#### Label Products Segment

Nashua's Label Products segment converts, prints and sells pressure-sensitive labels, radio frequency identification (RFID) labels and tickets and tags to distributors and end-users. Nashua's Label Products segment's net sales were \$105.1 million, \$115.5 million and \$109.7 million for the years ended December 31, 2008, 2007 and 2006, respectively.

Nashua's pressure-sensitive labels and tags are used in a variety of applications including supermarket weighscale, retail shelf marking, prescription fulfillment, inventory control and tracking, automatic identification, event ticketing, and address labels. Nashua is a major supplier of labels to the grocery, retail, manufacturing and transportation market segments. Nashua also supplies tickets used in cinema and entertainment venues. Nashua's RFID products are utilized

for inventory control, tracking and automatic identification.

Nashua sells labels directly to end users and through distributors. Nashua's sales force includes both inside and outside representatives calling on existing and prospective customers. Nashua participates in many on-line auctions and other bidding opportunities against numerous competitors.

The label industry is price-sensitive and competitive. Nashua competes with various label converters with similar capabilities. There is overcapacity throughout the industry and a decreased demand from current and potential customers due to the slowness in the economy. These business conditions have created tremendous downward pressure on pricing and profit margin. Nashua is a leading supplier among numerous competitors in the United States. Competitors in this segment include R. R. Donnelley & Sons Company, NCR Corporation, Corporate Express, and Hobart Corporation, a subsidiary of Illinois Toolworks, as well as numerous regional converters.

Nashua depends on outside suppliers for most of the raw materials used by Nashua's Label Products segment. Primary materials used in producing Nashua's products include laminated pressure sensitive materials and tag materials, RFID inlays and inks. Thermal and non-thermal base papers constitute a large percentage of the raw material cost for Nashua's products. As a result, Nashua's costs and market pricing are heavily impacted by changes in thermal and other paper costs. Nashua purchases materials from multiple suppliers and believes that adequate quantities of supplies are available. However, for some important raw materials, such as certain laminated papers and inks, Nashua obtains supplies from a few vendors. There is no current or anticipated supply disruption, but a future supply disruption could negatively impact Nashua's operations until an alternate source of supply could be qualified. Additionally, there can be no assurance that Nashua's future operating results would not be adversely affected by either future increases in the cost of raw materials or the curtailment of supply of raw materials or sourced products. Suppliers of materials into this segment include Avery Dennison, Raflatac, Nashua's Specialty Paper segment and other regional laminators and paper coaters.

#### Specialty Paper Products Segment

Nashua's Specialty Paper Products segment coats, converts, prints and sells papers and films. Products produced by Nashua's Specialty Paper Products segment include thermal papers, dry-gum papers, heat seal papers, bond papers, wide-format media papers, small rolls, financial receipts, point-of-sale receipts, retail consumer products and ribbons. Nashua's Specialty Paper Products segment's net sales were \$162.3 million, \$160.3 million and \$162.5 million for the years ended December 31, 2008, 2007 and 2006, respectively.

Thermal papers develop an image upon contact with either a heated stylus or a thermal print head. Thermal papers are used in point-of-sale printers, package identification systems, gaming and airline ticketing systems, facsimile machines, medical and industrial recording charts and for conversion to labels. Nashua coats and sells large roll thermal papers primarily to printers, laminators and converters.

Nashua sells specialty paper directly to end users, distributors and value added resellers. Nashua's sales force consists of outside representatives calling on existing and prospective customers. Nashua competes with various specialty paper converters and coaters with similar capabilities. There is overcapacity throughout the industry and a decreased demand from current and potential customers due to the slowness in the economy. These business conditions have created tremendous downward pressure on pricing and profit. Nashua is a smaller competitor in this segment than other competitors. Competitors in the large roll thermal papers market include companies such as Appleton Papers, Inc. and Ricoh Corporation, as well as other manufacturers in the United States, Asia and Europe.

Dry-gum paper is coated with a moisture-activated adhesive. Nashua sells dry-gum paper primarily to fine paper merchants, business forms manufacturers and paper manufacturers, who convert it into various types of labels. Products are distributed directly to Nashua's customers. The use of dry-gum products is declining as these products are being replaced by pressure sensitive products. There are fewer manufacturers of the dry-gum product due to its decline in the market place. Nashua's sales representatives make sales calls directly to its dry-gum customers and prospects. Nashua's major competitor in the dry-gum label market is Troy Laminating and Coating, Inc. Nashua's understanding is that Troy Laminating and Coating, Inc.'s sales representatives call directly on the same set of customers and prospects as Nashua. Typically, Nashua and Troy will bid for the same business and will present proposals to the same customers for such business.

Nashua's heat seal papers are coated with an adhesive that is activated when heat is applied. Nashua sells these products primarily to fine paper merchants who, in turn, resell them to printers who convert the papers into labels for use primarily in the pharmaceutical industry. The heat seal business is mainly dominated by in-mold applications. Nashua participates in a small portion of the market which is not related to in-mold applications. Nashua is not a major vendor in the heat seal market as Nashua tends to participate in the commodity portion of the business. Heat seal papers are also used in bakery, meat packaging and other barcode applications.

Small rolls of bond, carbonless and thermal papers are used for such applications as point-of-sale receipts for cash registers, credit card verification systems, financial receipts for ATMs, teller systems and check processing

systems, adding machine papers, and self-service kiosk applications, such as gas station pay-at-the-pump, casino/gambling and thermal facsimile for thermal fax printers. Certain of Nashua's small roll products contain security features utilized in loss prevention applications. Nashua sells converted small rolls to paper merchants, paper distributors, superstores, warehouse clubs, resellers and end-users. Small roll brands include Perfect Print and IBM.

Nashua sells small rolls directly to end users and distributors. Nashua's sales force includes both inside and outside representatives calling on existing and prospective customers. Nashua participates in many on-line auctions and other bidding opportunities against numerous competitors. Nashua competes with various small roll converters with similar capabilities. There is overcapacity throughout the industry and a decreased demand from current and potential customers due to the slowness in the economy. These business conditions have created tremendous downward pressure on pricing and profit. In the past year, overall retail industry sales have trended downward due to economic factors. Nashua is a leading supplier in this segment. Nashua's major competitors in the small roll market include NCR Corporation, R. R. Donnelley & Sons Company, and several regional converters.

Wide-format media papers are premium quality coated and uncoated bond and ink jet papers untreated or treated with either resin or non-resin coatings. Nashua sells wide-format media papers to merchants, resellers, print-for-pay retailers and end-users for use in graphic applications, signs, engineering drawings, posters and for the reproduction of original copies. Products are sold both to end users and to distributors for sale to their customers. Nashua's sales force consists of outside representatives calling on existing and prospective customers. Nashua participates in bidding opportunities against numerous competitors. The wide-format market is dependent upon the construction industry. Nashua has seen a decline in the sales of wide-format products due to the national decline of sales in the housing and construction industry. Nashua is an average size competitor in this segment. Nashua's primary competitors in the wide-format papers market include several regional converters.

Nashua depends on outside suppliers for the raw materials used by Nashua's Specialty Paper Products segment. Primary raw materials include paper, chemicals used in producing the various coatings that Nashua applies, inks and ribbons. Paper constitutes a large percentage of the raw material cost for Nashua's products and Nashua's competitors' products. As a result, Nashua's costs and market pricing are heavily impacted by changes in paper costs. Generally, Nashua purchases materials from multiple suppliers. However, Nashua purchases some raw materials for specific coated product applications from a single supplier. Sole suppliers of raw materials, mainly chemicals, to Nashua's Specialty Paper Products Segment are as follows: Nagase America, Marubeni Specialty Chemical Inc., Sumitomo Corp. of America, Rohm and Haas Company, The M.F. Cachat Co., CIBA, Tate and Lyle Ingredients, Mitsui & Company (USA) Inc, ChemDesign Corp., TMC Materials, Shamrock Technologies, Inc., Miljac Inc., OilChem Inc., DH Litter Company, Hercules Incorporated, RT Vanderbilt Co. Inc, Specialty Minerals Inc., Univar USA Inc., DSM Neo Resins, EW Kaufmann Company, BASF Corp, Lubrisol, DN Lukens, Inc., U.S. Polymers / Accurex LLC, N E Resins and Pigments, Clariant Corporation, Honeywell, Michelman Inc., H.M. Royal Inc., Dewolf Chemical Inc., Van Horn, Metz & Co., Resinall Corporation, Northern Products Inc. and Monson Companies. While there is no current or anticipated supply disruption, a future supply disruption could negatively impact Nashua's operations until an alternate source of supply could be qualified. There can be no assurance that Nashua's future operating results would not be adversely affected by future increases in either the cost of raw materials or the curtailment of supply of raw materials or sourced products. Major suppliers of specialty paper products include Koehler Paper Group, Appleton Papers, Inc., NewPage Corporation and Domtar, Inc.

The decline in the use of dry-gum and heat seal will both lower sales and margins. Dry gum product usage is declining as those papers are mainly used by paper mills and the paper industry is realizing lower sales due to the economic environment. Dry-gum paper sales were approximately 2% of the company's total sales in 2008. Nashua is a small player in the overall heat seal market. Heat seal papers represented less than 1% of total Nashua sales in 2008. Carbonless papers, bond papers and ribbon products are being impacted by technological changes whereby these products are being replaced by thermal printers and thermal papers. To the extent they are substituted for thermal

products, sales and margins should not be impacted. Sales of carbonless and bond papers and ribbon products represented approximately 8% of Nashua's 2008 sales.

Future sales and profitability for these product lines depend on Nashua's ability to maintain current prices and retain and increase Nashua's market share in these declining markets.

#### Information About Major Customers and Products

Nashua's 2008 net revenues for the Specialty Paper Products segment include sales of Nashua's thermal point-of-sale (POS) rolls to Wal-Mart and Sam's Club. Sam's Club is owned by Walmart. The combined Wal-Mart and Sam's Club sales accounted for 11 percent of Nashua's consolidated net revenues in 2008. While no other customer represented 10 percent of Nashua's consolidated net revenues in 2008, both of Nashua's segments have significant customers. The loss of Wal-Mart and Sam's Club or any other significant customer or the loss of sales of Nashua's POS rolls could have a material adverse effect on Nashua or Nashua's segments.

Nashua's 2007 net revenues for the Label Products segment include sales of Nashua's automatic identification labels to Federal Express Corporation (FedEx). FedEx sales were 12 percent of Nashua's consolidated net revenues for 2007.

### Intellectual Property

Nashua's ability to compete may be affected by Nashua's ability to protect its proprietary information, as well as its ability to design products outside the scope of its competitors' intellectual property rights. Nashua holds a limited number of U.S. and foreign patents for Nashua's continuing operations, of which one is related to Nashua's Label Products segment and seven are related to Nashua's Specialty Paper Products segment, expiring in various years between 2009 and 2023. There can be no assurance that Nashua's patents will provide meaningful protection, nor can there be any assurance that third parties will not assert infringement claims against Nashua or its customers in the future. If one of Nashua's products was ruled to be in violation of a competitor's intellectual property rights, Nashua could be required to expend significant resources to develop non-infringing alternatives or to obtain required licenses. There can be no assurance that Nashua could successfully develop commercially viable alternatives or that Nashua could obtain necessary licenses. Additionally, litigation relating to infringement claims could be lengthy or costly and could have an adverse material effect on Nashua's financial condition or results of operations regardless of the outcome of the litigation.

### Manufacturing Operations

Nashua operates manufacturing facilities in the following locations:

- Merrimack, New Hampshire
- Omaha, Nebraska
- Jefferson City, Tennessee
- Vernon, California

Nashua's New Hampshire, Nebraska and California facilities are unionized. Nashua has union contracts with its hourly employees at the New Hampshire site that expire in 2009. The union contracts for the California and Nebraska sites expire in 2011 and 2012, respectively. There can be no assurance that future operating results will not be adversely affected by changes in either Nashua's labor wage rates or productivity.

### Research and Development

Nashua's research and development efforts have been instrumental in the development of many of Nashua's products. Nashua directs its research efforts primarily toward developing new products and processes and improving product performance, often in collaboration with Nashua's customers. Nashua's research and development efforts are focused primarily on new thermal coating applications for Nashua's Specialty Paper Products and Label Products segments and RFID products for Nashua's Label Products segment. Nashua's research and development expenditures were \$.7 million in 2008, \$.8 million in 2007, and \$.6 million in 2006.

### Environmental Matters

Nashua and its competitors are subject to various environmental laws and regulations. These include the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act, commonly known as "CERCLA," the Resource Conservation and Recovery Act,

commonly known as "RCRA," the Clean Water Act and other state and local counterparts of these statutes. Nashua believes that its operations have operated and continue to operate in compliance with applicable environmental laws and regulations. Nevertheless, Nashua has received notices of alleged environmental violations in the past and Nashua could receive additional notices of alleged environmental violations in the future. Violations



of these environmental laws and regulations could result in substantial fines and penalties. Historically, Nashua has addressed and/or attempted to remedy any alleged environmental violation upon notification.

Nashua's pre-tax expenditures for compliance with environmental laws and regulations for continuing and discontinued operations were \$.2 million in 2008 and \$.3 million in 2007. Additionally, for sites which Nashua has received notification of the need to remediate, Nashua has assessed its potential liability and has established a reserve for estimated costs associated with the remediation. At December 31, 2008, Nashua's reserve for potential environmental liabilities was \$.7 million for continuing operations. However, liability of potentially responsible parties under CERCLA and RCRA is joint and several, and actual remediation expenses at sites where Nashua is a potentially responsible party could either exceed or be below Nashua's current estimates. Nashua believes, based on the facts currently known to it, insurance coverage and the environmental reserve recorded, that Nashua's estimated remediation expense and on-going costs of compliance with environmental laws and regulations are not likely to have a material adverse effect on Nashua's consolidated financial position, results of operations, capital expenditures or Nashua's competitive place in the market.

#### Executive Officers

Listed below are Nashua's executive officers as of March 13, 2009. No family relationships exist among Nashua's executive officers.

| Name                 | Age | Position  |
|----------------------|-----|---|
| Thomas G. Brooker    | 50  | President and Chief Executive Officer                           |
| John L. Patenaude    | 59  | Vice President — Finance, Chief Financial Officer and Treasurer |
| Margaret M. Callan   | 42  | Corporate Controller and Chief Accounting Officer               |
| Donald A. Granholm   | 54  | Vice President — Supply Chain and Human Resources Management    |
| Thomas M. Kubis      | 48  | Vice President of Operations                                    |
| William Todd McKeown | 43  | Vice President of Sales and Marketing                           |
| Michael D. Travis    | 49  | Vice President of Marketing                                     |

Mr. Brooker has been Nashua's President and Chief Executive Officer since May 2006. Prior to joining Nashua, Mr. Brooker was a partner in Brooker Brothers LLC (a real estate development company) from December 2004 to May 2006. He served as Group President — Forms, Labels and Office Products of Moore Wallace, a label and printing company and a subsidiary of R.R. Donnelley & Sons Company, a provider of print and related services, from January 2004 through November 2004. From May 2003 to December 2003, Mr. Brooker served as Executive Vice President of Sales for Moore Wallace Incorporated. From May 1998 through May 2003, Mr. Brooker served as Corporate Vice President of Sales for Wallace Computer Services, Inc.

Mr. Patenaude has been Nashua's Vice President — Finance and Chief Financial Officer since May 1998. In addition, since August 2000 and from May 1998 to October 1999, Mr. Patenaude has served as Treasurer.

Ms. Callan has been Nashua's Corporate Controller and Chief Accounting Officer since May 2003. She served as Nashua's Director of Strategic Planning and Analysis from January 2001 to May 2003.

Mr. Granholm has been Nashua's Vice President — Supply Chain and Human Resources Management since July 2008 and an executive officer since May 2007. He served as Vice President — Supply Chain Management from September 2006 to July 2008. From January 1995 to September 2006, Mr. Granholm was Vice President — Transportation

Network Planning for DHL Worldwide Express.

Mr. Kubis has been Nashua's Vice President of Operations since August 2006. From May 2004 to August 2006, he served as Vice President of Manufacturing for Nashua's Label Products segment. From July 2003 to May 2004, Mr. Kubis served as Vice President of Manufacturing for Nashua's Label Products facility in Tennessee. From August 1996 to July 2003, Mr. Kubis served as Plant Manager, Label Manufacturing Division, at Wallace Computer Services, Inc., a subsidiary of Moore Corporation Limited (predecessor of R.R. Donnelley & Sons Company).

Mr. McKeown has been Nashua's Vice President of Sales and Marketing since September 2006. From February 2005 to June 2006, Mr. McKeown was Vice President of Sales and Marketing for Interlake Material Handling, Inc., a manufacturer of storage rack products. From January 2004 to November 2004, Mr. McKeown served as Senior Vice President of Sales of Moore Wallace North America. From 2001 to February 2003, he served as Vice President of Corporate Accounts for Wallace Computer Services, Inc.

Mr. Travis has been Nashua's Vice President of Marketing since October 2006. He served as Vice President and General Manager of manufacturing operations in Jefferson City, Tennessee for Nashua's Label Products division from May 2002 to October 2006.

Nashua's executive officers are generally appointed to their offices each year by Nashua's board of directors shortly after the Annual Meeting of Nashua's Shareholders.

### Employees

Nashua had 659 full-time employees at February 6, 2009. Approximately 200, or 30.4 percent, of Nashua's employees are members of one of several unions, principally the United Steelworkers of America. Nashua believes its employee relations are satisfactory.

Nashua's significant labor agreements include:

| Union                          | Approximate # of Employees Covered | Location      | Expiration Date |
|--------------------------------|------------------------------------|---------------|-----------------|
| United Steelworkers of America | 98                                 | Omaha, NE     | March 31, 2012  |
| United Steelworkers of America | 69                                 | Merrimack, NH | July 5, 2009    |
| United Commercial Food Workers | 33                                 | Vernon, CA    | March 7, 2011   |

### Properties

All of Nashua's manufacturing facilities are located in the United States. Nashua believes that its manufacturing facilities are in good operating condition and suitable for the production of its products. Nashua has excess manufacturing space in some locations. Nashua's corporate headquarters is located in a leased facility in Nashua, New Hampshire. The lease for Nashua's corporate offices expires on May 31, 2011.

Nashua's principal facilities are listed below by operating segment, location and principal products produced. Except as otherwise noted, Nashua owns each of the facilities listed.

| Location                                | Total Square Footage | Nature of Products Produced   |
|---|----------------------|-------------------------------|
| <b>Corporate</b>                        |                      |                               |
| Nashua, New Hampshire (leased)          | 8,000                | none (corporate offices)      |
| Park Ridge, Illinois (leased)           | 11,000               | none (administrative offices) |
| <b>Specialty Paper Products Segment</b> |                      |                               |
| Merrimack, New Hampshire (leased)       | 156,000              | paper products                |

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|                                |         |                |
|--------------------------------|---------|----------------|
| Jefferson City, Tennessee      | 198,000 | paper products |
| Vernon, California (leased)    | 61,000  | paper products |
| Label Products Segment         |         |                |
| Omaha, Nebraska                | 170,000 | label products |
| Jefferson City, Tennessee      | 60,000  | label products |
| Jacksonville, Florida (leased) | 42,000  | none (unused)  |

## NASHUA'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

### Overview

Nashua's continuing operations include results of Nashua's Label Products and Specialty Paper Products segments.

Nashua's net sales decreased to \$264.9 million in 2008 compared to \$272.8 million in 2007. Nashua's gross margin percentage decreased to 14.9 percent in 2008 compared to 17.7 percent in 2007. Nashua's selling and distribution expenses increased \$1.8 million and administrative expenses decreased \$2.1 million in 2008. Nashua's results from continuing operations before income taxes decreased to a loss of \$16.4 million in 2008 compared to income of \$6.5 million in 2007. These financial results are further discussed in the Consolidated Results of Operations.

Nashua's sales are impacted by economic conditions and as such Nashua's earnings are subject to volatility based on the economic conditions. Nashua is positioned to maintain profitability and minimize sales decline in 2009 as Nashua believes that retail sales will continue to decline in 2009. In order to achieve the sustainability of earnings Nashua took significant steps in 2008, as outlined below, to reduce Nashua's cost structure.

Nashua expects total sales to decline slightly in 2009 due to economic conditions. Nashua expects the Label Products segment sales to increase in the upcoming year as Nashua believes they will capture greater market share through the addition of significant new customers and increases in the pharmacy and retail shelf product line sales. While Nashua expects sales growth, it expects the gross profit margins in the Label Products segment to be negatively impacted by increased waste cost and increased operator training cost associated with the label plant consolidation project. Nashua expects sales in its Specialty Paper Products segment to decline as overall sales in the retail industry decline due to unfavorable economic conditions. Nashua also expects competitive pricing pressures to continue as Nashua and its competitors compete for volume in a shrinking market as a result of declining retail sales. Profit margins in Nashua's Specialty Paper Products segment are expected to decline due to the anticipated sales volume decreases.

Nashua continues to face challenges due to plant overcapacity and overall pricing strategies in the marketplace. The actions taken during the year to lower cost should allow Nashua to continue to operate profitably but the direction of the overall economy could impact Nashua negatively and reduce profitability. Nashua believes that the change in the economy has created a certain irrationality in the market place and that, if the economy improves, Nashua is in a position to grow profitably.

One of Nashua's major expenses is the pension cost associated with Nashua's defined benefit plans which are frozen. Funding of these plans was negatively impacted in 2008 by the conditions in the financial markets. As a result, the underfunding of the plans increased by approximately \$20 million at December 31, 2008. The underfunding of these plans and the conditions of the financial markets could negatively impact both Nashua's cost structure and liquidity in future years.

During 2008, Nashua:

- closed the Cranbury, New Jersey facility in the Specialty Paper Products segment.
- replaced certain leased distribution centers with public warehouses.
- incurred a \$14.1 million goodwill impairment charge in the third quarter of 2008 related to the Specialty Paper Products segment.

- closed the Jacksonville, Florida facility and consolidated operations into the Tennessee and Nebraska facilities in the Label Products segment.

- streamlined the workforce and eliminated 25 positions in the selling, general and administrative areas, which resulted in the recognition of \$1.1 million of associated severance expense.
- incurred a tax charge of \$4.3 million in the fourth quarter as a result of increasing the valuation reserve on deferred tax assets.
- announced to employees not covered by contractual agreements that Nashua would suspend matching contributions to its defined contribution 401(k) plan.

In March 2009, Nashua entered into an amendment to its credit facility with Bank of America that, among other things, changed the termination date of the agreement to March 29, 2010 from March 30, 2012, reduced the amount of the revolving credit facility from \$28 million to \$15 million until June 30, 2009 and \$17 million thereafter, increased the interest rate on borrowings to LIBOR plus 335 basis points or prime plus 110 basis points, and limited Nashua's annual capital expenditures to \$2 million. Pursuant to the amendment, Bank of America waived Nashua's non-compliance with the fixed charge coverage ratio and the funded debt to adjusted EBITDA ratio on financial covenants at December 31, 2008, and amended the terms of those covenants for the quarter ending April 3, 2009 and subsequent periods.

#### Recent Development

On May 6, 2009, Nashua entered into an Agreement and Plan of Merger with Cenveo, Inc. and NM Acquisition Corp., a wholly owned subsidiary of Cenveo, referred to as Merger Sub, pursuant to which either: (i) Merger Sub will merge with and into Nashua, and Nashua will continue as the surviving entity, or (ii) under certain circumstances, Nashua will merge with and into Merger Sub, and Merger Sub will continue as the surviving entity (either (i) or (ii), as applicable, referred to as the merger). Upon consummation of the merger, the surviving entity will be a wholly owned subsidiary of Cenveo. Consummation of the merger is subject to the approval of the merger agreement by Nashua's shareholders. The merger is expected to close during the third quarter of 2009.

At the effective time of the merger, referred to as the effective time, each issued and outstanding share of Nashua's common stock, other than shares owned by Cenveo or Merger Sub, will be converted into the right to receive (i) \$0.75 in cash without interest, referred to as the cash consideration, and (ii) a number of shares of Cenveo's common stock, referred to as the stock consideration and together with the cash consideration, the merger consideration, equal to the quotient obtained by dividing \$6.130 by the volume-weighted average price per share of Cenveo common stock on fifteen days selected by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger (that average is referred to as the Cenveo stock measurement price). However, in the event that such average is equal to or less than \$3.750, then Nashua's shareholders will receive 1.635 shares of Cenveo common stock per share of Nashua stock, and in the event that such average is equal to or greater than \$5.25, then Nashua's shareholders will receive 1.168 shares of Cenveo common stock per share of Nashua stock.

At the effective time of the merger, each unvested share of Nashua's common stock subject to restrictions contained in a restricted stock award agreement made pursuant to one of Nashua's stock plans, referred to as restricted shares, will be cancelled and converted and will be exchanged for the merger consideration in the same manner as Nashua's common stock. The merger consideration issued with respect to the restricted shares will remain subject to the same terms and conditions set forth in the applicable stock plan. Any cash payments to be made with respect to the restricted shares will only be made upon the attainment of certain adjusted performance targets with respect to Cenveo common stock, as specified in the merger agreement.

Also at the effective time, each outstanding option to purchase Nashua's common stock granted under certain of Nashua's stock plans will be assumed by Cenveo. Each such outstanding option shall be exercisable for shares of

Cenveo common stock in accordance with a formula set forth in the merger agreement.



## Consolidated Results of Operations For the First Quarter of 2009 and the First Quarter of 2008

|                                     | First Quarter<br>2009 | First Quarter<br>2008 |
|-------------------------------------|-----------------------|-----------------------|
|                                     | (in millions)         |                       |
| Net sales                           | \$ 62.5               | \$ 63.9               |
| Gross margin (% of net sales)       | 14.2%                 | 15.4%                 |
| Distribution expenses               | \$ 2.8                | \$ 3.4                |
| Selling expenses                    | \$ 2.6                | \$ 2.9                |
| General and administrative expenses | \$ 3.6                | \$ 3.8                |
| Research and development expenses   | \$ .2                 | \$ .2                 |
| Interest expense, net               | \$ .3                 | \$ .5                 |
| Other income                        | \$ (.2)               | \$ (.3)               |
| Loss before income taxes            | \$ (.3)               | \$ (.6)               |
| Net loss                            | \$ (.3)               | \$ (.4)               |
| Depreciation and amortization       | \$ 1.0                | \$ 1.1                |
| Investment in plant and equipment   | \$ .2                 | \$ .5                 |

Nashua's net sales decreased \$1.4 million, or 2.2 percent, to \$62.5 million for the first quarter of 2009 compared to \$63.9 million for the first quarter of 2008. The decrease was due to decreased sales in Nashua's Specialty Paper Products segment which more than offset increased sales in Nashua's Label Products segment.

Nashua's gross margin as a percentage of net sales decreased to 14.2 percent for the first quarter of 2009 compared to 15.4 percent for the first quarter of 2008. The decrease was due to decreased margin percentages in both Nashua's Label Products and Specialty Paper Products segments. Gross margin decreased \$1.0 million to \$8.9 million for the first quarter of 2009 compared to \$9.9 million for the first quarter of 2008 which was the result of lower margins in both Nashua's Label Products and Specialty Paper Products segments.

Distribution expenses decreased \$.6 million to \$2.8 million for the first quarter of 2009 compared to \$3.4 million for the first quarter of 2008. The decrease was primarily due to the closure of Nashua's Cranbury, New Jersey distribution facility, which occurred in the second quarter of 2008, lower fuel prices and lower sales volume. As a percentage of sales, distribution expenses decreased from 5.3 percent for the first quarter of 2008 to 4.5 percent for the first quarter of 2009.

Selling expenses decreased \$.3 million from \$2.9 million for the first quarter of 2008 to \$2.6 million for the first quarter of 2009. The decrease was primarily the result of lower salary and employee benefit costs due to reduced headcount and lower commission and travel expenses. As a percentage of sales, selling expenses decreased from 4.5 percent for the first quarter of 2008 to 4.2 percent for the first quarter of 2009.

General and administrative expenses decreased \$.2 million from \$3.8 million for the first quarter of 2008 to \$3.6 million for the first quarter of 2009. The decrease was primarily due to lower salary and employee benefit costs related to reduced headcount and lower professional fees. As a percentage of sales, general and administrative expenses decreased from 5.9 percent for the first quarter of 2008 to 5.8 percent for the first quarter of 2009.

Research and development expenses remained relatively unchanged at \$.2 million for first quarters of both 2008 and 2009.

Net interest expense decreased \$.2 million to \$.3 million for the first quarter of 2009 compared to \$.5 million for the first quarter of 2008. The decrease was primarily the result of \$.2 million decrease in the expense related to the change in fair value of Nashua's interest rate swap.

Other income decreased \$0.1 million to \$.2 million for the first quarter of 2009 compared to \$.3 million for the first quarter of 2008. The decrease was due to a decrease in royalty income related to Nashua's sale of toner formulations.

The estimated annual effective income tax rate for continuing operations was zero percent for the first quarter of 2009 and 40.1 percent (benefit) for the first quarter of 2008. The estimated rates for 2008 are higher than the U.S. statutory rate principally due to the impact of state income taxes. Nashua increased the valuation reserve in the first quarter of 2009 to offset the tax benefit of the loss.

Nashua's net loss for the first quarter of 2009 was \$.3 million, or \$0.06 per share, compared to a net loss of \$.4 million, or \$0.07 per share, for the first quarter of 2008.

#### Results of Operations by Reportable Segment For the First Quarter of 2009 and the First Quarter of 2008

##### Label Products Segment

|                                   | First Quarter<br>2009 | First Quarter<br>2008 |
|-----------------------------------|-----------------------|-----------------------|
|                                   | (in millions)         |                       |
| Net sales                         | \$27.2                | \$26.0                |
| Gross margin %                    | 10.6 %                | 14.6 %                |
| Depreciation and amortization     | \$ .4                 | \$ .5                 |
| Investment in plant and equipment | \$ .1                 | \$ .1                 |

Net sales for Nashua's Label Products segment increased \$1.2 million, or 4.6 percent, to \$27.2 million for the first quarter of 2009 compared to \$26.0 million for the first quarter of 2008. The increase is primarily due to increases of \$1.0 million in Nashua's pharmacy product line, \$1.1 million in Nashua's automatic identification product line as the result of net business gains, \$.3 million in Nashua's ticket product line and \$.4 million in miscellaneous other product lines, offset by decreases of \$.9 million in Nashua's supermarket scale product line due to the loss of business, \$.4 million in Nashua's retail shelf product line and \$.3 million in Nashua's EDP product line.

Gross margin for Nashua's Label Products segment decreased \$.9 million to \$2.9 million for the first quarter of 2009 compared to \$3.8 million for the first quarter of 2008. As a percentage of net sales, the gross margin percentage decreased from 14.6 percent for the first quarter of 2008 to 10.6 percent for the first quarter of 2009. The decrease in gross margin was primarily attributable to increased manufacturing expenses, including overtime related to employee training, higher material waste, and repair and maintenance cost related to the transfer of the Jacksonville, Florida manufacturing operations into Nashua's Jefferson City, Tennessee and Omaha, Nebraska manufacturing centers. The incremental cost relates to the learning curve for products which were not previously manufactured in the Nebraska and Tennessee locations.

##### Specialty Paper Products Segment

|                | First Quarter<br>2009 | First Quarter<br>2008 |
|----------------|-----------------------|-----------------------|
|                | (in millions)         |                       |
| Net sales      | \$ 35.8               | \$ 38.6               |
| Gross margin % | 15.1%                 | 15.3%                 |

|                                   |       |       |
|-----------------------------------|-------|-------|
| Depreciation and amortization     | \$ .5 | \$ .5 |
| Investment in plant and equipment | \$ .1 | \$ .1 |

Net sales for Nashua's Specialty Paper Products segment decreased \$2.8 million, or 7.3 percent, to \$35.8 million for the first quarter of 2009 from \$38.6 million for the first quarter of 2008. The decrease is primarily the result of decreases of \$1.9 million in Nashua's Wide Format product line as a result of softness in the construction industry, \$.4 million in Nashua's dry gum product line and \$.4 million in Nashua's heat seal product line and \$1.4

million in other product lines. The decreases were partially offset by increases of \$.5 million in Nashua's IBM branded products, \$.4 million in Nashua's thermal point of sale product line and \$.4 million in Nashua's thermal ticket and tag product line as the result of increased business to existing customers.

Gross margin for Nashua's Specialty Paper Products segment decreased \$.5 million to \$5.4 million for the first quarter of 2009 from \$5.9 million for the first quarter of 2008. As a percentage of net sales, the gross margin percentage decreased from 15.3 percent for the first quarter of 2008 to 15.1 percent for the first quarter of 2009. The decrease in gross margin was primarily due to the volume shortfall and competitive pricing in the marketplace.

#### Consolidated Results of Operations for the Fiscal Years Ended December 31, 2008 and December 31, 2007

|   | For the years ended<br>December 31, |               | Dollar<br>Change | 2008 vs. 2007<br>Percent<br>Change |
|---|-------------------------------------|---------------|------------------|------------------------------------|
|   | 2008                                | 2007          |                  |                                    |
|   | (In millions)                       |               |                  |                                    |
| <b>Net sales</b>  |                                     |               |                  |                                    |
| Label Products  | \$ 105.1                            | \$ 115.5      | \$ (10.4)        | (9.0)                              |
| Specialty Paper Products  | 162.3                               | 160.3         | 2.0              | 1.2                                |
| Other   | 4.4                                 | 4.1           | .3               | 7.3                                |
| Eliminating   | (6.9)                               | (7.1)         | .2               | 2.8                                |
| Consolidated net sales  | 264.9                               | 272.8         | (7.9)            | (2.9)                              |
| <b>Gross margin</b>   |                                     |               |                  |                                    |
| Label Products  | 13.3                                | 21.0          | (7.7)            | (36.7)                             |
| Specialty Paper Products  | 25.3                                | 26.5          | (1.2)            | (4.5)                              |
| Other   | .8                                  | .7            | .1               | 14.3                               |
| Consolidated gross margin                                       | 39.4                                | 48.2          | (8.8)            | (18.3)                             |
| Gross margin %  | 14.9%                               | 17.7%         | $\frac{3}{4}$    | $\frac{3}{4}$                      |
| Selling and distribution expenses                               | 25.9                                | 24.1          | 1.8              | 7.5                                |
| General and administrative expenses                             | 14.9                                | 17.0          | (2.1)            | (12.4)                             |
| Research and development expenses                               | .7                                  | .8            | (.1)             | (12.5)                             |
| Other income  | (1.0)                               | (1.2)         | .2               | 16.7                               |
| Impairment of goodwill  | 14.1                                | $\frac{3}{4}$ | 14.1             | 100.0                              |
| Loss from equity investments                                    | .2                                  | .2            | $\frac{3}{4}$    | $\frac{3}{4}$                      |
| Interest expense, net   | 1.0                                 | .9            | .1               | 11.1                               |
| Income (loss) from continuing operations<br>before income taxes | (16.4)                              | 6.5           | (22.9)           | (352.3)                            |
| Income from discontinued operations, net<br>of taxes            | $\frac{3}{4}$                       | .3            | (.3)             | (100.0)                            |
| Net income (loss)   | \$ (19.8)                           | \$ 4.1        | \$ (23.9)        | (582.9)                            |

Nashua's net sales decreased \$7.9 million to \$264.9 million in 2008, from \$272.8 million in 2007.

- The decrease from 2007 to 2008 was primarily due to a \$10.4 million decrease in sales in Nashua's Label Products segment partially offset by a \$2.0 million increase in sales in Nashua's Specialty Paper Products segment.
- Net sales for both of Nashua's business segments are discussed in detail below under "Results of Operations by Operating Segment for the Fiscal Years Ended December 31, 2008 and December 31, 2007."

Nashua's gross margin was \$39.4 million in 2008 compared to \$48.2 million in 2007. Nashua's gross margin percentage decreased to 14.9 percent in 2008 from 17.7 percent in 2007.

- The margin percent in 2008 compared to 2007 decreased in both of Nashua's operating segments. The decreases were primarily attributable to lower sales volume in Nashua's Label Products segment, the cost of closing Nashua's Florida label facility and the integration of the Florida manufacturing into Nashua's Tennessee and Nebraska label facilities, unfavorable sales mix and higher manufacturing costs in both of Nashua's operating segments.
- Gross margin changes for both of Nashua's business segments are discussed in detail below under "Results of Operations by Operating Segment for the Fiscal Years Ended December 31, 2008 and December 31, 2007."

Selling and distribution expenses increased to \$25.9 million in 2008 from \$24.1 million in 2007. As a percent of sales, selling and distribution expenses increased to 9.8 percent in 2008 from 8.8 percent in 2007.

- The \$1.8 million increase was due to an increase in distribution expenses of \$1.9 million partially offset by a decrease in selling expenses of \$.1 million. Distribution expenses increased primarily due to severance related to the closure of distribution facilities and the change in Nashua's New Jersey facility from a manufacturing facility to a distribution facility in January 2008, the subsequent closure of the New Jersey distribution facility in July 2008 and the subsequent buyout of Nashua's Cranbury, New Jersey lease in December 2008 within Nashua's Specialty Paper Products segment. Selling expenses decreased primarily due to lower personnel costs as a result of reductions in workforce.

General and administrative expenses decreased \$2.1 million to \$14.9 million in 2008 from \$17.0 million in 2007. As a percent of sales, general and administrative expenses were 5.6 percent in 2008 from 6.2 percent in 2007.

- The decrease in general and administrative expenses in 2008 from 2007 was primarily due to lower management incentive cost, as well as reduced legal and pension expenses partially offset by severance charges related to a reduction in workforce and higher stock compensation expenses.

Research and development expenses decreased to \$.7 million in 2008 from \$.8 million in 2007. As a percent of sales, research and development expenses remained unchanged at 0.3 percent.

Other income decreased \$.2 million to \$1.0 million in 2008 from \$1.2 million in 2007.

- Other income in 2008 includes amortization of the deferred gain from the sale of New Hampshire real estate in 2006 and royalty income related to the 2006 sale of toner formulations

Loss from equity investments remained unchanged at \$.2 million for 2008 and 2007. The losses related to Nashua's investment in Tec Print, LLC.

The business climate related to the ongoing economic crisis and Nashua's reliance on retail sales, banking activity and construction activity within Nashua's Specialty Paper Products business caused it to re-evaluate its current projections as well as expected market multiples during the third quarter of 2008. As a result, Nashua performed an interim impairment test as of September 26, 2008, using a discounted cash flow model. Based on Nashua's assessment, Nashua determined that the fair value of the reporting unit did not exceed the carrying value and therefore an impairment was necessary. The net book value of the reporting unit exceeded the fair value of the business and, after performing step 2 of the evaluation, Nashua has recorded the entire amount of \$14.1 million as an impairment charge in 2008.

Net interest expense increased \$.1 million to \$1.0 million in 2008 from \$.9 million in 2007. Nashua's weighted average annual interest rate on long-term debt was 3.8 percent in 2008 compared to 5.5 percent in 2007. Nashua's average balance on long-term debt decreased to \$12.3 million in 2008.

- The \$.1 million increase in net interest expense was due to a \$.2 million increase in expense related to the change in the fair value of Nashua's interest rate swap and a \$.1 million decrease in interest income partially offset by a \$.2 million decrease in interest expense. The decrease in interest expense is the result



of a reduction in debt as well as lower interest rates which also resulted in lower interest income. Nashua's interest rate swap is discussed in detail under "Liquidity, Capital Resources and Financial Condition."

Nashua's loss from continuing operations before income taxes was \$16.4 million in 2008 compared to income of \$6.5 million in 2007.

- The change in Nashua's pre-tax income from 2007 to 2008 was primarily due to the \$14.1 million expense for the impairment of goodwill in Nashua's Specialty Paper Products segment in addition to charges related to the closure of Nashua's Florida facility in Nashua's Label Products segment, charges related to closure of its Cranbury, New Jersey facility and severance charges related to a reduction in workforce.

Nashua's annual effective income tax rate from continuing operations was an expense of 20.5 percent in 2008 due to the impact of the goodwill impairment charge, state taxes and the valuation allowance on deferred tax assets. In the fourth quarter of 2008, Nashua recorded a valuation allowance in the amount of \$4.3 million due to the uncertainty surrounding the recovery of Nashua's deferred tax assets over the next several years. The annual effective income tax rate from continuing operations for 2007 was 40.6 percent which is higher than the U.S. statutory rate of 35 percent due to the impact of state taxes (4.8%) and an increase in the valuation reserve (3.0%) partially reduced by the impact of other non-deductible and deductible items (2.2%).

Nashua's loss from continuing operations, net of income taxes, for 2008 was \$19.8 million, or \$3.65 per share, compared to income of \$3.9 million, or \$0.67 per share, for 2007.

Income from discontinued operations, net of taxes, for 2007 was \$.3 million, or \$0.05 per share. The results of Nashua's discontinued operations for 2007 represent the reimbursement of Nashua's legal fees related to the Cerion litigation which was dismissed by the courts.

Nashua's net loss for 2008 was \$19.8 million, or \$3.65 per share, compared to net income of \$4.1 million, or \$0.72 per share, for 2007.

#### Results of Operations by Reportable Segment For the Fiscal Years Ended December 31, 2008 and December 31, 2007

##### Label Products Segment

|                | For the years ended |          | Dollar<br>Change<br>2008 vs.<br>2007 | Percent<br>Change<br>2008 vs.<br>2007 |
|----------------|---------------------|----------|--------------------------------------|---------------------------------------|
|                | 2008                | 2007     |                                      |                                       |
|                | (In millions)       |          |                                      |                                       |
| Net sales      | \$ 105.1            | \$ 115.5 | \$ (10.4)                            | (9.0)                                 |
| Gross margin   | 13.3                | 21.0     | (7.7)                                | (36.7)                                |
| Gross margin % | 12.7%               | 18.2%    | ¾                                    | ¾                                     |

Net sales for Nashua's Label Products segment decreased to \$105.1 million in 2008, from \$115.5 million in 2007.

- The \$10.4 million, or 9.0 percent, decrease in net sales in 2008 compared to 2007 resulted primarily from an \$8.9 million decrease in Nashua's automatic identification product line, a \$2.0 million decrease in Nashua's supermarket scale product line and a \$1.6 million decrease in Nashua's EDP product line. The decreases were partially offset by increases of \$.9 million in Nashua's ticket product line, \$.9 million in Nashua's RFID product line, \$.2 million in Nashua's pharmacy product line and \$.1 million in Nashua's prime label product line. The decrease in Nashua's

automatic identification product line was primarily the result of decreased volume from existing customers due to the impact of the economic downturn and the loss of a major customer. The decrease in Nashua's supermarket scale product line was mainly the result of lost business. The decrease in Nashua's EDP product line resulted primarily from lost business due to Nashua's customer's conversion to alternate label technologies. The increase in Nashua's ticket product line was primarily due to increased volume from new and existing customers.

Gross margin for Nashua's Label Products segment decreased to \$13.3 million in 2008, from \$21.0 million in 2007. The gross margin percentage decreased to 12.7 percent in 2008 from 18.2 percent in 2007.

- The gross margin decrease of \$7.7 million in 2008 compared to 2007 was partially due to the lower sales volume and competitive pricing pressure on new business as well as overall increased spending. The gross margin in 2008 was unfavorably impacted by the recognition of a lease liability, severance and other expenses related to the closure of Nashua's Jacksonville, Florida facility. In addition to the plant closure cost, Nashua incurred manufacturing inefficiencies due to the transfer of business to Nashua's Tennessee and Nebraska manufacturing facilities.

#### Specialty Paper Products Segment

|                | For the years ended<br>December 31, |          | Dollar<br>Change<br>2008 vs.<br>2007 | Percent<br>Change<br>2008 vs.<br>2007 |
|----------------|-------------------------------------|----------|--------------------------------------|---------------------------------------|
|                | 2008                                | 2007     |                                      |                                       |
|                | (In millions)                       |          |                                      |                                       |
| Net sales      | \$ 162.3                            | \$ 160.3 | \$ 2.0                               | 1.2                                   |
| Gross margin   | 25.3                                | 26.5     | (1.2)                                | (4.5)                                 |
| Gross margin % | 15.6%                               | 16.5%    | $\frac{3}{4}$                        | $\frac{3}{4}$                         |

Nashua's Specialty Paper Products segment reported net sales of \$162.3 million in 2008 compared to net sales of \$160.3 million in 2007.

- The \$2.0 million, or 1.2 percent, increase in net sales in 2008 compared to 2007 was primarily due to increased sales of \$10.9 million in Nashua's thermal point of sale product line mainly due to new business and increased sales to an existing customer. The increased point of sale thermal sales were partially offset by decreases of \$2.4 million in Nashua's wide-format product line, \$1.5 million in Nashua's thermal facesheet product line, \$1.5 million in Nashua's retail product line, \$.8 million in Nashua's heat seal product line, \$.8 million in Nashua's financial product line, \$.6 million in Nashua's core bond product line, \$.4 million in Nashua's ribbon product line and \$.9 million in other miscellaneous product lines. The decrease in Nashua's wide-format product line was the result of overall softness in the construction industry. The thermal facesheet and retail product line decreases were primarily the result of lower sales to major customers.

Gross margin for Nashua's Specialty Paper Products segment decreased to \$25.3 million in 2008 compared to \$26.5 million in 2007. The gross margin percentage decreased to 15.6 percent in 2008 compared to 16.5 percent in 2007.

- The gross margin percentage decrease in 2008 compared to 2007 was due primarily to raw material price increases in Nashua's thermal facesheet product line, higher sales volume at lower selling prices partially offset by savings associated with the transformation of Nashua's Cranbury, New Jersey facility from manufacturing to distribution.

#### Discontinued Operations

Discontinued operations includes the reimbursement of legal cost of \$500,000 (\$289,000 net of taxes) paid related to the Cerion litigation which was concluded in the quarter ended March 30, 2007. Nashua's asset balance related to discontinued operations included in Nashua's Consolidated Balance Sheets as of December 31, 2008 and 2007 was \$1.5 million which was included in other assets and consists primarily of Nashua's 37.1 percent interest in the Cerion Technologies Liquidating Trust, a trust established pursuant to the liquidation of Cerion Technologies Inc., formerly a publicly held company. Cerion ceased operations during the fourth quarter of 1998 and will liquidate upon resolution of legal matters.



## Quarterly Operating Results

Nashua's quarterly operating results from continuing operations based on its use of 13-week periods are as follows:

|  | Unaudited<br>3/28/08 | For the Quarter Ended |                      | Unaudited<br>12/31/08 |
|--|----------------------|-----------------------|----------------------|-----------------------|
|  |                      | Unaudited<br>6/27/08  | Unaudited<br>9/26/08 |                       |
| (In thousands, except per share data)      |                      |                       |                      |                       |
| 2008                                       |                      |                       |                      |                       |
| Net sales                                  | \$ 63,926            | \$ 67,003             | \$ 66,239            | \$ 67,735             |
| Gross margin                               | 9,858                | 11,327                | 10,558               | 7,662                 |
| Net income (loss)(1)                       | (353)                | 300                   | (13,689)             | (6,022)               |
| Earnings per common share:                 |                      |                       |                      |                       |
| Net income (loss)                          | (0.07)               | 0.06                  | (2.52)               | (1.11)                |
| Net income (loss), assuming dilution       | (0.07)               | 0.05                  | (2.52)               | (1.11)                |
| 2007                                       |                      |                       |                      |                       |
| Net sales                                  | \$ 65,169            | \$ 67,688             | \$ 67,610            | \$ 72,332             |
| Gross margin                               | 11,449               | 12,298                | 11,564               | 12,943                |
| Income from continuing operations          | 637                  | 1,252                 | 852                  | 1,110                 |
| Income from discontinued operations        | 289                  | —                     | —                    | —                     |
| Net income                                 | 926                  | 1,252                 | 852                  | 1,110                 |
| Earnings per common share:                 |                      |                       |                      |                       |
| Continuing operations                      | 0.10                 | 0.21                  | 0.16                 | 0.20                  |
| Discontinued operations                    | 0.05                 | —                     | —                    | —                     |
| Net income                                 | 0.15                 | 0.21                  | 0.16                 | 0.20                  |
| Continuing operations, assuming dilution   | 0.10                 | 0.20                  | 0.16                 | 0.20                  |
| Discontinued operations, assuming dilution | 0.05                 | —                     | —                    | —                     |
| Net income, assuming dilution              | 0.15                 | 0.20                  | 0.16                 | 0.20                  |

(1) Nashua recorded an impairment charge related to goodwill in the third quarter of 2008 in the amount of \$14.1 million. Nashua recorded an increase in the valuation allowance on deferred income taxes in the fourth quarter of 2008 in the amount of \$4.3 million.

## Liquidity, Capital Resources and Financial Condition

Cash and cash equivalents decreased \$1.6 million during the first quarter of 2009. Cash from operations of \$4.2 million was more than offset by cash used in investing activities of \$.2 million and cash used in financing activities of \$5.6 million. Nashua's cash flows from continuing and discontinuing operations are combined in Nashua's consolidated statements of cash flows.

For the years ended December 31, 2008 and December 31, 2007 cash and cash equivalents changed as set forth in the table below:

|                             | For the year ended December 31 |        |
|-----------------------------|--------------------------------|--------|
|                             | (in millions)                  |        |
| Cash provided by (used in): | 2008                           | 2007   |
| Operating activities        | \$ (1.5)                       | \$ 7.9 |
| Investing activities        | (1.8)                          | (1.5)  |

|  |    |       |    |     |
|--|----|-------|----|-----|
| Financing activities                             |    | (2.5) |    | .7  |
| Increase (decrease) in cash and cash equivalents | \$ | (5.8) | \$ | 7.1 |

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#### Cash used in and provided by operating activities

Cash provided by operations of \$4.2 million for the first quarter of 2009 resulted primarily from changes in operating assets and liabilities. The change in operating assets and liabilities of \$3.5 million was primarily due to an increase of \$1.6 million in accounts payable, a decrease in accounts receivable of \$2.0 million and a \$.7 million decrease in inventory which was partially offset by a \$1.2 million decrease in accrued expenses. In addition, cash provided by operations included Nashua's net loss of \$.3 million, which was impacted by non-cash charges of \$1.0 million for depreciation and amortization, stock-based compensation, and non-cash income related to the amortization of the deferred gain on the sale of Nashua's Merrimack, New Hampshire property.

Cash used in operations of \$1.5 million in 2008 was primarily the result of Nashua's net loss of \$19.8 million, the contribution to Nashua's pension plans of \$4.9 million, an increase in inventories of \$1.8 million and a decrease in accounts payable of \$2.5 million, which more than offset a decrease in accounts receivable of \$1.9 million, and an increase in other long-term liabilities of \$1.6 million. Nashua had significant non-cash charges impacting Nashua's net loss including a \$14.1 million impairment of goodwill, a decrease in deferred tax assets of \$4.8 million, depreciation and amortization of \$4.4 million and stock-based compensation expense of \$.9 million. The increase in Nashua's inventory balance was primarily in Nashua's Label Products segment related to the shutdown of Nashua's Florida facility and the associated inventory build in order to manage customer needs. The decrease in Nashua's accounts payable was primarily related to the timing of cash payments in both of Nashua's segments while the decrease in accounts receivable was primarily in Nashua's Label Products segment related to a decrease in net revenues in the fourth quarter of 2008 when compared to the fourth quarter of 2007. The decrease in Nashua's deferred tax assets in 2008 was primarily the result of an increase to Nashua's valuation reserve on the tax assets.

Cash flow from operations of \$7.9 million in 2007 was generated primarily by Nashua's net income as adjusted for depreciation and amortization combined with a decrease in inventory balances which were partially offset by a contribution to Nashua's pension plans and a decrease in accounts payable. The decrease in Nashua's inventory balance was primarily in Nashua's Specialty Paper Products segment.

#### Cash used in investing activities

During the first quarter of 2009, cash used in investing activities of \$.2 million related to cash used for investments in fixed assets.

During 2008, cash used in investing activities of \$1.8 million was primarily the result of investment in plant and equipment of \$1.7 million and a \$.1 million equity investment in Tec Print LLC. Capital expenditures for 2009 are expected to be in the range between \$1.0 million and \$2.0 million. Funding of the projected capital expenditures is expected to be provided by operating cash flows and Nashua's revolving credit facility.

During 2007, cash used in investing activities of \$1.5 million was primarily the result of investment in plant and equipment of \$1.3 million and a \$.2 million equity investment in Tec Print LLC.

#### Cash used in and provided by financing activities

During the first quarter of 2009, Cash used in financing activities of \$5.6 million related primarily to the \$8.1 million repayment of Nashua's term loan offset by \$2.6 million in proceeds from Nashua's revolving credit facility.

During 2008, cash used in financing activities of \$2.5 million includes the principal repayments on the term portion of Nashua's long-term debt of \$1.8 million, which is described in detail below, and \$.7 million related to the repurchase of shares of Nashua's common stock as part of the 2008 stock repurchase program.

Cash provided by financing activities of \$.7 million in 2007 includes \$10 million proceeds from Nashua's second amended and restated credit agreement, \$.6 million proceeds from shares exercised under stock option plans and \$1.0 million received as repayment of a loan from a related party, offset by a payment of \$7.9 million for the repurchase of shares as part of Nashua's tender offer, \$.3 million in payments made for expenses related to the tender offer, a \$2.0 million repayment on the revolving portion of Nashua's long-term debt and 0.8 million related to Nashua's repurchase of shares of Nashua's common stock as part of Nashua's 2006 repurchase program.



On March 30, 2009, Nashua entered into an amendment to Nashua's credit facility with Bank of America that, among other things, changed the termination date of the agreement to March 29, 2010 from March 30, 2012, reduced the amount of the revolving credit facility from \$28 million to \$15 million until June 30, 2009 and \$17 million thereafter, increased the interest rate on borrowings to LIBOR plus 335 basis points or prime plus 110 basis points, and limited Nashua's annual capital expenditures to \$2 million. Pursuant to the amendment, Bank of America waived Nashua's non-compliance with the fixed charge coverage ratio and the funded debt to adjusted EBITDA ratio financial covenants at December 31, 2008, and amended the terms of those covenants for the quarter ending April 3, 2009 and subsequent periods. At April 3, 2009, Nashua was in compliance with the covenants under Nashua's credit facility.

In addition, the terms of the Amended Credit Agreement adjusted the fixed charge coverage ratio financial covenant to 1.1 to 1.0 for the rolling twelve months ended April 3, 2009 and 1.2 to 1.0 for the rolling twelve months ended June 30, 2009. The maximum fixed charge coverage ratio returns to 1.5 to 1.0 for each quarterly measurement period through the end of the agreement. Under the Restated Credit Agreement, Nashua's funded debt to adjusted EBITDA ratio for the period ended April 3, 2009 and thereafter is to be less than 2.25 to 1.0.

On March 26, 2009, Nashua's borrowings were \$3.6 million under the revolving line of credit and \$2.8 million on the IRB note.

Nashua had borrowings of \$8.1 million under a term loan and \$2.8 million under Nashua's Industrial Revenue Bond loan outstanding at December 31, 2008. On February 9, 2009, Nashua borrowed \$4.6 million under Nashua's revolving line of credit with Bank of America and used cash of \$3.5 million to pay down the term loan in its entirety.

For the years ended December 31, 2008 and December 31, 2007, the weighted average annual interest rate on Nashua's long-term debt was 3.8 percent and 5.5 percent, respectively. Nashua had \$24.8 million of available borrowing capacity at December 31, 2008 under Nashua's revolving loan commitment. Nashua had \$3.2 million of obligations under standby letters of credit with the banks which are included in Nashua's bank debt when calculating Nashua's borrowing capacity.

Future cash flows will be affected by Nashua's 2009 planned contribution to Nashua's pension plans of up to \$2.9 million. Nashua plans to fund this requirement through cash flows from operations and Nashua's revolving credit facility.

Nashua had \$29.7 million of working capital at April 3, 2009. Nashua had \$27.4 million of working capital at December 31, 2008. Nashua believes that its working capital amounts at April 3, 2009, along with cash expected to be generated from operating activities as well as borrowings available under the revolving line of credit, are adequate to allow Nashua to meet its obligations during 2009. In the event Nashua's results of operations do not meet forecasted results and therefore impact financial covenants with Nashua's lender, Nashua believes there are alternative forms of financing available to Nashua. There can be no assurance, however, that such financing will be available on conditions acceptable to Nashua. In the event such financing is not available to Nashua, Nashua believes it can effectively manage operating and financial obligations by adjusting the timing of working capital components.

Nashua uses derivative financial instruments to reduce Nashua's exposure to market risk resulting from fluctuations in interest rates. During the first quarter of 2006, Nashua entered into an interest rate swap, with a notional debt value of \$10.0 million, which expires in 2011. During the term of the agreement, Nashua has a fixed interest rate of 4.82 percent on the notional amount and Bank of America, as counterparty to the agreement, paid Nashua interest at a floating rate based on LIBOR on the notional amount. Interest payments are made quarterly on a net settlement basis.

This derivative does not qualify for hedge accounting, therefore, changes in fair value of the hedge instrument are recognized in earnings. Nashua recognized a \$.5 million mark-to-market expense in 2008 and a \$.3 million mark-to-market expense in 2007, both related to the change in fair value of the derivative. The fair market value of



the derivative resulted in liabilities of \$.7 million at December 31, 2008 and \$.3 million at December 31, 2007, which were determined based on current interest rates and expected trends.

Nashua has net deferred tax assets of \$6.2 million on Nashua's Consolidated Balance Sheets at December 31, 2008. During 2008, Nashua decreased deferred tax assets by \$4.8 million primarily due to a \$4.3 million increase in Nashua's valuation allowance on deferred taxes. The increase in Nashua's valuation allowance relates primarily to the uncertainty of the utilization of Nashua's deferred tax assets including federal tax credits, state net operating losses and credits and other tax assets. Nashua expects the \$6.2 million tax assets to be fully utilized in the future based on Nashua's expectations of future taxable income. Nashua expects future cash expenditures to be less than taxes provided in the financial statements.

Nashua maintains defined benefit pension plans. Nashua contributed \$4.9 million to Nashua's pension plans in 2008. Nashua intends to contribute at least \$2.9 million to Nashua's pension plans in 2009.

The 2008 cash payment for the Supplemental Executive Retirement Plan was \$.3 million. For 2009, the estimated payments to retirees are \$.3 million. The 2008 cash payments for postretirement benefits were \$.1 million. For 2009, the estimated cash payments are expected to be \$.1 million.

During the fourth quarter of 2008, Nashua's board of directors authorized the repurchase of up to 1,000,000 shares of Nashua's common stock from time to time on the open market or in privately negotiated transactions. During 2008, Nashua repurchased and retired 135,544 shares totaling \$.7 million.

During the fourth quarter of 2006, Nashua's board of directors authorized the repurchase of up to 500,000 shares of Nashua's common stock from time to time on the open market or in privately negotiated transactions. In 2006, Nashua repurchased and retired 15,429 shares totaling \$.1 million. During 2007, Nashua repurchased and retired 100,300 shares totaling \$.8 million. The share repurchase program expired on December 31, 2007.

On May 29, 2007, Nashua commenced a tender offer in which Nashua sought to acquire up to 1,900,000 shares of Nashua's common stock at a price of \$10.50 per share. The tender offer expired on June 28, 2007 at which time 751,150 shares were tendered at a price of \$10.50 per share. During the third quarter of 2007, Nashua settled the obligation of the tender offer and paid \$7.9 million for the tendered shares. Transaction fees of \$.3 million were paid during 2007 and recorded as a reduction to retained earnings. The transaction fees included the dealer manager, information agent, depository, legal and other fees.

Nashua has operating leases primarily for office, warehouse and manufacturing space, and electronic data processing and transportation equipment.

## Litigation and Other Matters

### Environmental

Nashua is involved in certain environmental matters and has been designated by the Environmental Protection Agency, referred to as the EPA, as a potentially responsible party for certain hazardous waste sites. In addition, Nashua has been notified by certain state environmental agencies that Nashua may bear responsibility for remedial action at other sites which have not been addressed by the EPA. The sites at which Nashua may have remediation responsibility are in various stages of investigation and remediation. Due to the unique physical characteristics of each site, the remediation technology employed, the extended timeframes of each remediation, the interpretation of applicable laws and regulations and the financial viability of other potential participants, Nashua's ultimate cost of remediation is difficult to estimate. Accordingly, Nashua's estimates of such costs could either increase or decrease in the future due to changes in such factors. At April 3, 2009, based on the facts currently known and Nashua's prior experience with these matters, Nashua has concluded that it is probable that site assessment, remediation and

monitoring costs will be incurred. Nashua has estimated a range for these costs of \$.6 million to \$.9 million for continuing operations. These estimates could increase if other potentially responsible parties or Nashua's insurance carriers are unable or unwilling to bear their allocated share and cannot be compelled to do so. At April 3, 2009, Nashua's accrual balance relating to environmental matters was \$.6 million for continuing operations. Based on information currently available, Nashua believes that it is probable that the major potentially responsible parties will

fully pay the costs apportioned to them. Nashua believes that its remediation expense is not likely to have a material adverse effect on Nashua's consolidated financial position or results of operations.

#### State Street Bank and Trust

On October 24, 2007, the Nashua Pension Plan Committee filed a Class Action Complaint in the United States District Court for the District of Massachusetts against State Street Bank and Trust, State Street Global Advisors, Inc. and John Does 1-20, referred to collectively as State Street. On January 14, 2008, the Nashua Pension Plan Committee filed a revised Complaint with the United States District Court for the Southern District of New York against the same defendants. The Complaint alleges that the defendants violated their obligations as fiduciaries under the Employment Retirement Income Securities Act of 1974, referred to as ERISA.

On February 7, 2008, the Court consolidated the Nashua Pension Plan Committee action with other pending ERISA actions and appointed the Nashua Pension Plan Committee as one of the lead plaintiffs in the consolidated action. On August 22, 2008, the lead plaintiffs filed a consolidated amended complaint. The complaint alleges that State Street failed to loyally and prudently manage assets in certain bond funds, and seeks to recover the investment losses caused by State Street's alleged breach of its fiduciary duties. The aggregate damages suffered by the proposed class have not been adjudicated but are estimated to be in the hundreds of millions of dollars.

On October 17, 2008, State Street filed an answer and included a counterclaim against the trustees of the named plaintiff plans, including the trustees of Nashua's Pension Plan Committee, asserting that to the extent State Street is liable to the plans, the trustees are liable to State Street for contribution and/or indemnification in the amount of any payment by State Street in excess of State Street's share of liability, including fees and costs suffered by State Street in connection with the claims asserted in the Complaint. On December 22, 2008, State Street filed an amended counterclaim against the trustees maintaining their allegations concerning contribution and/or indemnification and adding a claim for breach of fiduciary duty. The breach of fiduciary duty claim seeks to restore the losses suffered by the Plans.

In the opinion of Nashua's management, the resolution of the counterclaim will not materially affect Nashua.

On March 3, 2009, the trustees filed a motion to dismiss the counterclaim. Nashua believes the counterclaim is without merit and the trustees intend to vigorously defend against the counterclaim.

Discovery commenced in March 2008 and is ongoing.

#### Merger Litigation

On May 20, 2009, two putative class action complaints challenging the merger were filed in New Hampshire Superior Court for Hillsborough County: Joel Gerber v. Nashua Corporation, et al., No. 09-C-307, and Oscar Schapiro v. Nashua Corporation et al., No. 09-E-0148. The two suits were subsequently removed to the United States District Court for the District of New Hampshire and consolidated into one action, In re Nashua Corporation S' Holders Litigation, No. 09-cv-188-SM.

On June 18, 2009, plaintiffs filed an amended consolidated complaint, purportedly on behalf of all public shareholders of Nashua. The amended complaint names Nashua, its directors, Cenveo, and Merger Sub as defendants. It alleges, among other things, that the consideration to be paid to Nashua shareholders in the merger is unfair and undervalues Nashua. It also alleges that Nashua's directors violated their fiduciary duties by, among other things, failing to maximize shareholder value, failing to engage in a fair sale process, and failing to disclose in the proxy material information regarding the merger. The amended consolidated complaint also alleges that Cenveo and Merger Sub aided and abetted the alleged breaches of fiduciary duties by Nashua's directors. The amended and consolidated complaint seeks, among other relief, an injunction preventing completion of the merger or, if the merger is

consummated, rescission of the merger.

The parties have entered into a settlement agreement dated as of July 2, 2009, which provides for the disclosure of additional information that is contained in this proxy statement/prospectus and which plaintiffs contend is material to Nashua's shareholders. The settlement is subject to approval by the court. If approved, it will resolve

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the above litigation. On July 14, 2009, the court issued an order preliminarily approving the settlement and scheduling a hearing for October 19, 2009 to determine whether to issue a final order.

On June 12, 2009, a third putative class action challenging the merger, William Russell v. Thomas Brooker, et al., was filed in Massachusetts Superior Court for Suffolk County, 09-2470-BLS. An amended complaint was filed on June 16. The Massachusetts complaint is substantially duplicative of the amended consolidated complaint that was filed in In re Nashua Corporation S' Holders Litigation: it asserts substantially the same claims against the same defendants on behalf of the same putative class of Nashua's public shareholders. It also seeks, among other relief, an injunction preventing completion of the merger, or if the merger is consummated, rescission of the merger or rescissory damages. On June 23, 2009, Nashua served a motion to stay all proceedings in the matter on the basis of the substantially duplicative, earlier-filed federal litigation described above. On July 3, 2009, Plaintiff sent Nashua an opposition to that motion. Nashua filed the motion and opposition with the court, together with a reply brief, on July 16, 2009. Although Nashua requested a hearing on the motion, one has not yet been scheduled.

#### Other

Nashua is involved in various other lawsuits, claims and inquiries, most of which are routine to the nature of Nashua's business. In the opinion of Nashua's management, the resolution of these matters will not materially affect Nashua.

#### Application of Critical Accounting Policies

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that Nashua make estimates and assumptions for the reporting period and as of the financial statement date. Nashua's management has discussed Nashua's critical accounting estimates, policies and related disclosures with the Audit/Finance and Investment Committee of Nashua's board of directors. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenues and expenses. Actual results could differ from those amounts.

Critical accounting policies are those that are important to the portrayal of Nashua's financial condition and results, and which require Nashua to make difficult, subjective and/or complex judgments. Critical accounting policies cover accounting matters that are inherently uncertain because the future resolution of such matters is unknown. Nashua believes that its critical accounting policies include:

#### Accounts Receivable — Allowance for Doubtful Accounts

Nashua evaluates the collectibility of its accounts receivable based on a combination of factors. In circumstances where Nashua becomes aware of a specific customer's inability to meet its financial obligations to Nashua, such as a bankruptcy filing or a substantial downgrading of a customer's credit rating, Nashua records a specific reserve to reduce Nashua's net receivable to the amount Nashua reasonably expects to collect. Nashua also records reserves for bad debts based on the length of time Nashua's receivables are past due, the payment history of Nashua's individual customers and the current financial condition of Nashua's customers based on obtainable data and historical payment and loss trends. After Nashua's management's review of accounts receivable, Nashua increased the allowance for doubtful accounts to \$.5 million at December 31, 2008 from \$.3 million at December 31, 2007. Uncertainties affecting Nashua's estimates include future industry and economic trends and the related impact on the financial condition of Nashua's customers, as well as the ability of Nashua's customers to generate cash flows sufficient to pay Nashua amounts due. If circumstances change, such as higher than expected defaults or an unexpected material adverse change in a customer's ability to meet its financial obligations to Nashua, Nashua's estimates of the recoverability of the receivables due Nashua could be either reduced or increased by a material amount.

#### Inventories — Slow Moving and Obsolescence

Nashua estimates and reserves amounts related to slow moving and obsolete inventories that result from changing market conditions and the manufacture of excess quantities of inventory. Nashua develops its estimates based on the quantity and quality of individual classes of inventory compared to historical and projected sales trends. Inventory values at December 31, 2008 have been reduced by a reserve of \$1.1 million, based on Nashua's



assessment of the probable exposure related to excess and obsolete inventories. Nashua's estimated reserve was \$.9 million at December 31, 2007. Major uncertainties in Nashua's estimation process include future industry and economic trends, future needs of Nashua's customers, Nashua's ability to retain or replace Nashua's customer base and other competitive changes in the marketplace. Significant changes in any of the uncertainties used in estimating the loss exposure could result in a materially different net realizable value for Nashua's inventory.

#### Goodwill and Amortizable Intangible Assets

As of December 31, 2008, Nashua had \$17.4 million of recorded goodwill. Effective January 1, 2002, Nashua adopted Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets, or FAS 142. Goodwill and indefinite lived intangible assets are no longer amortized but are reviewed annually, or more frequently if impairment indicators arise, for impairment. Given the economic environment as it impacted Nashua's business, Nashua performed an impairment test during the third quarter ended September 26, 2008. As a result, Nashua recognized a goodwill impairment charge of \$14.1 million related to Nashua's Specialty Paper Products segment. Nashua concluded there was no impairment to any other assets related to Nashua's business. There was no impairment related to Nashua's Label Products segment. Additionally, Nashua has performed the annual impairment test required by FAS 142 for the Label Products segment and has concluded that no further impairment existed as of November 3, 2008. Nashua computed the fair value of its reporting units based on a discounted cash flow model and compared the result to the book value of each unit. The fair value exceeded book value for the Label Products segment as of Nashua's valuation date of November 3, 2008. Significant estimates included in Nashua's valuation included certain assumptions including future business results, discount rate and terminal values. These future operating results are dependent on increasing sales volumes, which will have an impact on Nashua's gross margin due to available capacity at Nashua's plants. These future operating results will be impacted by the results of an investment in Nashua's sales force as well as managing Nashua's cost structure. Changes in Nashua's estimated future operating results, discount rate or terminal values could significantly impact Nashua's carrying value of goodwill and require further impairment charges.

As of December 31, 2008, Nashua had \$.3 million of intangibles, net of amortization.

#### Pension and Other Postretirement Benefits

The most significant elements in determining Nashua's pension income or expense are mortality tables, the expected return on plan assets and the discount rate. Nashua assumed an expected long-term rate of return on plan assets of 8.0 percent for the year ended December 31, 2008 and 8.5 percent for the year ended December 31, 2007. The assumed long-term rate of return on assets is applied to a calculated value of plan assets, which recognizes changes in the fair value of plan assets in a systematic manner over five years. This produces the expected return on plan assets that is included in the determination of Nashua's pension income or expense. The difference between this expected return and the actual return on plan assets is partially deferred. The net deferral of past asset gains or losses affects the calculated value of plan assets and, ultimately, Nashua's future pension income or expense. Should Nashua's long-term return on plan assets either fall below or increase above 8.0 percent, Nashua's future pension expense would either increase or decrease.

Each year Nashua determines the discount rate to be used to discount plan liabilities which reflects the current rate at which Nashua's pension liabilities could be effectively settled. The discount rate that Nashua utilizes for determining future benefit obligations is based on a review of long-term bonds, including published indices, which receive one of the two highest ratings given by recognized ratings agencies. Nashua also prepares an analysis comparing the duration of its pension obligations to spot rates originating from a highly rated index to further support Nashua's discount rate. For the year ended December 31, 2007, Nashua used a discount rate of 6.25 percent. This rate was used to determine fiscal year 2008 expense. For the year ended December 31, 2008 disclosure purposes, Nashua used a discount rate of 6.0 percent. Should the discount rate either fall below or increase above 6.0 percent, Nashua's future pension expense would either increase or decrease accordingly. Nashua's policy is to defer the net effect of changes in

actuarial assumptions and experience. As discussed in detail in Note 11 to Nashua's Consolidated Financial Statements for the year ended December 31, 2008 and attached hereto, Nashua froze benefits under its salaried pension plans effective December 31, 2002, and during 2006 Nashua froze benefits for certain employees under its hourly pension plan in Omaha, Nebraska. In 2007, Nashua froze benefits for certain hourly employees located in New Hampshire.

At December 31, 2008, Nashua's consolidated pension liability was \$41.4 million compared to a consolidated pension liability of \$24.7 million at the end of 2007. Nashua recognized incremental comprehensive loss of \$20.5 million (excluding income taxes) for 2008 related to Nashua's defined benefit pension plans. Nashua recognized pre-tax pension expense from continuing operations of \$1.4 million for the year ended December 31, 2008, compared to \$1.6 million in 2007. Future changes in Nashua's actuarial assumptions and investment results due to future interest rate trends could have a material adverse effect on Nashua's future costs and pension obligations.

At December 31, 2008, Nashua's liability for its other postretirement benefits was \$.4 million compared to \$.5 million at December 31, 2007. Nashua recognized incremental comprehensive income of \$.1 million in 2008 related to Nashua's other postretirement benefits. Nashua recognized pre-tax income for its other postretirement benefits for continuing operations of \$.1 million in 2007.

Assumed health care cost trend rates for Nashua have a significant effect on the amounts reported for Nashua's health care plan. Nashua's assumed health care cost trend rate is 10 percent for 2008 and ranges from 10 percent to 5 percent for future years.

#### Stock Based Compensation

Effective January 1, 2006, Nashua adopted the fair value recognition provisions of Statement of Financial Accounting Standard 123 (revised 2004) Share-Based Payment, or FAS 123R, using the modified-prospective application method for new awards and to awards modified, repurchased or cancelled after the FAS 123R effective date, January 1, 2006. Additionally, compensation cost for the portion of awards for which the requisite service has not been rendered that are outstanding on January 1, 2006 is recognized based on the fair value estimated on grant date and as the requisite service is rendered on or after January 1, 2006.

Compensation expense for the year ended December 31, 2008 for restricted stock awards and restricted stock units was \$.9 million and is included in selling, general and administrative expenses. Total compensation related to non-vested awards not yet recognized at December 31, 2008 is \$.9 million, which Nashua expects to recognize as compensation expense over the next three years.

#### Deferred Tax Assets

In July 2006, Financial Accounting Standards Board (FASB) Interpretation No. (FIN) 48, Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109, was issued. FIN 48 prescribes a recognition threshold and measurement attribute for tax positions. Nashua adopted FIN 48 at the beginning of fiscal year 2007 with no material impact to Nashua's financial position, earnings or cash flows. See Note 6 to Nashua's Consolidated Financial Statements for the Year Ended December 31, 2008, attached hereto, for related disclosures.

As of December 31, 2008, Nashua had approximately \$6.2 million of deferred tax assets. During 2008, Nashua decreased deferred tax assets by \$4.8 million, of which \$4.3 million was the result of an increase in Nashua's valuation allowance for deferred taxes. The remaining decrease related to a lower deferral of Nashua's pension and postretirement benefits (\$2.5 million) partially offset by other operating temporary tax differences (\$1.9 million). Nashua has a valuation allowance of \$1.8 million for Nashua's state loss carryforwards and credits, \$1.5 million for Nashua's federal alternative minimum tax credits, plus \$10.1 million related to Nashua's pension accrual charged to other comprehensive loss and other operating tax differences of \$1.0 million. Although realization of Nashua's deferred tax assets is not assured, Nashua believes it is more likely than not that all of the net deferred tax asset will be realized.

Significant changes in any of the estimated future taxable income could impair Nashua's ability to utilize Nashua's deferred tax assets. Additional disclosures relating to income taxes and Nashua's deferred tax assets are included in Note 6 to Nashua's Consolidated Financial Statements for the Year Ended December 31, 2008, attached hereto.



## Environmental Reserves

Nashua expenses environmental expenditures relating to ongoing operations unless the expenditures extend the life, increase the capacity or improve the safety or efficiency of Nashua's property, mitigate or prevent environmental contamination that has yet to occur and improve Nashua's property compared with its original condition or are incurred for property held for sale. Nashua records specific reserves related to site assessments, remediation or monitoring when the costs are both probable and the amount can be reasonably estimated. Nashua bases estimates on in-house and third-party studies considering current technologies, remediation alternatives and current environmental standards. In addition, if there are other participants and the site is joint and several, the financial stability of other participants is considered in determining Nashua's accrual. Nashua believes the probable range for future expenditures is \$.6 million to \$.9 million and has accrued \$.6 million for continuing operations at April 3, 2009.

Uncertainties affecting Nashua's estimates include changes in the type or degree of contamination uncovered during assessment and actual clean-up; changes in available treatment technologies; changes in the financial condition of other participants for sites with joint and several responsibility; changes in the financial condition of insurance carriers financially responsible for Nashua's share of the remediation costs at certain sites; and changes in local, state or federal standards or the application of those standards by governmental officials. Nashua believes a material change in any of the uncertainties described above could result in spending materially different from the amounts accrued.

## New Accounting Pronouncements

In September 2006, FASB issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). This standard defines fair value, establishes a market-based framework or hierarchy for measuring fair value, and expands disclosures about fair value measurements. FAS 157 is applicable whenever another accounting pronouncement requires or permits assets and liabilities to be measured at fair value. FAS 157 does not expand or require any new fair value measures, however, the application of this statement may change current practice. The requirements of FAS 157 are effective for measurements of financial instruments and recurring fair value measurements of non-financial assets and liabilities for Nashua's fiscal year beginning January 1, 2008. As of January 1, 2009, FAS 157 applies to non-recurring valuations of non-financial assets and liabilities, including those used in measuring impairments of goodwill, other intangible assets and other long-lived assets. It also applies to fair value measurements of non-financial assets acquired and liabilities assumed in business combinations that occur after January 1, 2009.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities — including an Amendment of FASB Statement No. 115 (FAS 159). This standard allows an entity to choose to measure certain financial instruments and liabilities at fair value. Subsequent measurements for the financial instruments and liabilities an entity elects to fair value will be recognized in earnings. FAS 159 also established additional disclosure requirements. The requirements of FAS 159 were effective for Nashua's fiscal year beginning January 1, 2008. Nashua adopted FAS 159 and elected not to measure any additional financial instruments and other items at fair value. The adoption of FAS 159 had no impact on Nashua's financial statements.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141 (revised 2007), Business Combinations (FAS 141R). FAS 141R establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree and the goodwill acquired. The standard also establishes disclosure requirements to enable the evaluation for the nature and financial effects of the business combination. The requirements of FAS 141R are effective for Nashua's fiscal year beginning January 1, 2009. Nashua does not expect the adoption of this standard to have a significant impact on its financial statements upon adoption.



## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND NASHUA'S EXECUTIVE OFFICERS AND DIRECTORS

The following table sets forth information regarding beneficial ownership of Nashua's common stock as of July 27, 2009 by:

- each person, or group of affiliated persons, known to Nashua to be the beneficial owner of more than 5% of the outstanding shares of Nashua's common stock as of such date based on currently available Schedules 13D and 13G filed with the SEC;
- each of Nashua's directors;
- Nashua's Chief Executive Officer, Chief Financial Officer, its other most highly compensated executive officer, during the fiscal year ended December 31, 2008, and its other executive officers; and
- all of Nashua's directors and executive officers as a group.

The number of shares beneficially owned is determined in accordance with the rules promulgated by the SEC. Under such rules, beneficial ownership includes any shares as to which an individual or group has sole or shared voting power or investment power. Also under such rules, any shares which a person has the right to acquire within 60 days of July 27, 2009 through the exercise of any stock option or the settlement of restricted stock units are deemed beneficially owned by such person and are used to compute the percentage ownership of the person holding the options or restricted stock units, but are not deemed outstanding for computing the percentage ownership of any other person. Unless otherwise indicated, to Nashua's knowledge, all persons named in the table have sole voting and investment power with respect to their shares of common stock, except to the extent authority is shared by spouses under community property laws where applicable. The inclusion of any shares deemed beneficially owned in this table does not constitute an admission of beneficial ownership of those shares for any other purpose.

| Name and Address of Beneficial Owner  | Shares       | Percentage (1) |
|---|--------------|----------------|
| <b>5% Beneficial Owners:</b>  |              |                |
| Gabelli Funds, LLC/GAMCO Asset Management Inc./ Teton Advisors, Inc./GGCP, Inc./ GAMCO Investors, Inc./ Mario J. Gabelli<br>One Corporate Center, Rye, NY 10580                     | 1,321,546(2) | 23.7%          |
| Newcastle Partners, L.P./Newcastle Capital Group, L.L.C./ Newcastle Capital Management, L.P./Mark E. Schwarz/Clinton J. Coleman<br>200 Crescent Court, Suite 1400, Dallas, TX 75201 | 819,034(3)   | 14.6%          |
| Dimensional Fund Advisors LP<br>Palisades West, Bldg. One,<br>6300 Bee Cave Road, Austin, TX 78746  | 435,252(4)   | 7.8%           |
| Franklin Resources, Inc./Charles B. Johnson/Rupert H. Johnson, Jr./Franklin Advisory Services, LLC<br>One Franklin Parkway, San Mateo, CA 94403                                     | 357,930(5)   | 6.4%           |
| MM Asset Management Inc./MMCAP International, Inc. SPC<br>120 Adelaide Street West<br>Suite 2601, Box 35<br>Toronto, Ontario<br>Canada M5H 1T1                                      | 322,864(6)   | 5.8%           |
| <b>Executive Officers and Directors:</b>  |              |                |
| Andrew B. Albert(9)(10)   | 95,215       | 1.7%           |

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|  |           |       |
|--|-----------|-------|
| L. Scott Barnard(7)(9)   | 24,095    | *     |
| Thomas G. Brooker(8)(12)(13)(14)                                       | 140,900   | 2.5%  |
| Margaret Callan (7)(8)(12)(13)   | 19,592    | *     |
| Clinton J. Coleman(3)  | 0         | *     |
| Avrum Gray(7)(9)(15)   | 107,513   | 1.9%  |
| Donald Granholm (8)(11)(12)(13)  | 34,138    | *     |
| Thomas Kubis (8)(11)(12)(13)   | 51,193    | *     |
| Michael T. Leatherman(9)   | 8,195     | *     |
| William Todd McKeown(8)(11)(12)(13)                                    | 67,098    | 1.2%  |
| John Patenaude(7)(8)(12)(13)   | 125,194   | 2.2%  |
| Mark E. Schwarz(3)(7)(9)   | 819,034   | 14.7% |
| Michael Travis (8)(11)(12)(13)(16)                                     | 35,205    | *     |
| Directors and Executive Officers as a Group (13 persons)(7)(8)(17)(18) | 1,527,328 | 26.8% |



\* Less than 1%

- (1) Applicable percentage ownership for each holder is based on 5,567,737 shares of common stock outstanding on July 27, 2009, plus any presently exercisable stock options or restricted stock units held by each such person, and any stock options or restricted stock units held by each such person which will become exercisable on or before September 15, 2009.
- (2) Information is based on a Schedule 13D (Amendment No. 45) filed on July 27, 2009 with the Securities and Exchange Commission. Gabelli Funds, LLC is reported to beneficially own 407,500 shares for which it has sole investment power. GAMCO Asset Management Inc. is reported to own 814,046 shares, of which it has sole voting power and sole investment power with respect to 779,046 shares and of which it has shared voting power and sole investment power with respect to 35,000 shares. Teton Advisors, Inc. is reported to own 100,000 shares for which it has sole voting power and sole dispositive power. Mario Gabelli, GGCP, Inc., and GAMCO Investors, Inc. are each deemed to beneficially own 1,394,910 shares.
- (3) Information is based on a Schedule 13D (Amendment No. 8) filed on March 5, 2009 with the Securities and Exchange Commission. Newcastle Partners, L.P. is reported to beneficially own 798,437 shares for which it has sole voting power and sole dispositive power. Newcastle Capital Management, L.P., as the general partner of Newcastle Partners, L.P. and Newcastle Capital Group, L.L.C., as the general partner of Newcastle Capital Management, L.P., may each be deemed to beneficially own the 798,437 shares beneficially owned by Newcastle Partners, L.P. Mark Schwarz, as the managing member of Newcastle Capital Group, L.L.C., may be deemed to beneficially own 798,437 shares for which he has sole voting power and sole dispositive power. Newcastle Capital Management, L.P., Newcastle Capital Group, L.L.C. and Mr. Schwarz disclaim beneficial ownership of the shares owned by Newcastle Partners, L.P., except to the extent of their pecuniary interest therein. Mr. Coleman does not currently beneficially own any shares. The share information in the table above includes 4,802 shares owned directly by Mark Schwarz, 7,700 shares Mr. Schwarz has a right to acquire through stock options which are currently exercisable, and 8,095 shares issuable upon settlement of restricted stock units granted under the 2008 Directors' Plan which are eligible for settlement within 60 days of July 27, 2009.
- (4) Information is based on a Schedule 13G (Amendment No. 2) filed on February 9, 2009 with the Securities and Exchange Commission. Dimensional Fund Advisors LP, an investment advisor, furnishes investment advice to four investment companies registered under the Investment Company Act of 1940, and serves as investment manager to certain other commingled group trusts and separate accounts (the "Funds"). In its role as investment advisor or manager, Dimensional Fund Advisors LP possesses investment and/or voting power over Nashua's securities that are owned by the Funds. Dimensional Fund Advisors LP disclaims beneficial ownership of such securities.
- (5) Information is based on a Schedule 13G (Amendment No. 8) filed on February 4, 2008 with the Securities and Exchange Commission. The Schedule 13G/A was filed on behalf of Franklin Resources, Inc., a parent holding company; Charles B. Johnson, a principal stockholder of the parent holding company; Rupert H. Johnson, a principal stockholder of the parent holding company; and Franklin Advisory Services, LLC, an investment adviser, all of which disclaim beneficial ownership of the shares. The shares are reported to be beneficially owned by one or more open or closed-end investment companies or other managed accounts which are advised by direct and indirect investment advisory subsidiaries of Franklin Resources, Inc. Franklin Advisory Services, LLC is reported to have sole voting power and sole dispositive power with respect to such shares.
- (6) Information is based on a Schedule 13G filed on May 13, 2009 with the Securities and Exchange Commission. MMCAP International Inc. SPC is reported to beneficially own 322,864 shares for which it shares dispositive power and voting power with MM Asset Management Inc. MM Asset Management Inc. is reported to beneficially own 322,864 shares for which it shares dispositive power and voting power with MMCAP International Inc. SPC. MMCAP International Inc. SPC is a fund that is managed by MM Asset Management Inc.

(7) Includes shares that may be acquired through the exercise of stock options, all of which are currently exercisable:

| Name  | # of Shares |
|---|-------------|
| Mr. Barnard                                 | 10,000      |
| Ms. Callan                                  | 2,500       |
| Mr. Gray                                    | 12,700      |
| Mr. Patenaude                               | 65,000      |
| Mr. Schwarz                                 | 7,700       |
| Directors and Executive Officers as a Group | 97,900      |

(8) Includes shares held in trust under Nashua's Employees' Savings Plan (401k) under which participating employees have voting power as to the shares in their account.

| Name  | # of Shares |
|---|-------------|
| Mr. Brooker                                 | 8,214       |
| Ms. Callan                                  | 2,092       |
| Mr. Granholm                                | 3,138       |
| Mr. Kubis                                   | 11,193      |
| Mr. McKeown                                 | 8,598       |
| Mr. Patenaude                               | 18,444      |
| Mr. Travis                                  | 5           |
| Directors and Executive Officers as a Group | 51,684      |

(9) Includes 8,095 shares issuable upon settlement of restricted stock units granted pursuant to the 2008 Directors' Plan which are eligible for settlement within 60 days of July 27, 2009.

(10) Includes 200 shares held by Mr. Albert's mother for which Mr. Albert has voting power.

(11) Includes shares of restricted stock which will vest upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant.

| Name         | # of Restricted Shares | Date of Grant     |
|--------------|------------------------|-------------------|
| Mr. Granholm | 5,000                  | October 3, 2006   |
| Mr. Kubis    | 15,000                 | September 1, 2006 |
| Mr. McKeown  | 15,000                 | September 1, 2006 |
| Mr. Travis   | 10,000                 | October 3, 2006   |

The terms of the restricted stock grant provide that 33% of such shares shall vest if a 40-day average closing price of at least \$13.00 but less than \$14.00 is achieved, 66% of such shares shall vest if a 40-day average closing price of at least \$14.00 but less than \$15.00 is achieved, and 100% of such shares shall vest if a 40-day average closing price of \$15.00 or greater is achieved. Shares of restricted stock are forfeited if the specified closing prices of Nashua's common stock are not met. The restricted shares vest upon a change in control if the share price at the date of a change in control equals or exceeds \$13.00.

(12) Includes shares of restricted stock which will vest upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant.

| Name        | # of Restricted Shares | Date of Grant  |
|-------------|------------------------|----------------|
| Mr. Brooker | 40,000                 | August 1, 2007 |
| Ms. Callan  | 5,000                  | August 1, 2007 |

|               |        |                |
|---------------|--------|----------------|
| Mr. Granholm  | 10,000 | August 1, 2007 |
| Mr. Kubis     | 15,000 | August 1, 2007 |
| Mr. McKeown   | 25,000 | August 1, 2007 |
| Mr. Patenaude | 25,000 | August 1, 2007 |
| Mr. Travis    | 15,000 | August 1, 2007 |

The terms of the restricted stock grant provide that 33% of such shares shall vest if a 40-day average closing price of at least \$11.00 but less than \$12.00 is achieved, 66% of such shares shall vest if a 40-day average closing price of at least \$12.00 but less than \$13.00 is achieved, and 100% of such shares shall vest if a 40-day average closing price of \$13.00 or greater is achieved. Shares of restricted stock are forfeited if the specified closing prices of Nashua's common stock are not met. The restricted shares vest upon a change in control if the share price at the date of a change in control equals or exceeds \$11.00. In accordance with Nashua's stock ownership guidelines, in order to retain the award, the participants are required to acquire Nashua's shares equal to 20% of their award within one year of the grant date, unless extended by the Board of Directors.

(13) Includes shares of restricted stock which will vest upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant.

| Name          | # of Restricted Shares | Date of Grant  |
|---------------|------------------------|----------------|
| Mr. Brooker   | 25,000                 | April 28, 2008 |
| Ms. Callan    | 10,000                 | April 28, 2008 |
| Mr. Granholm  | 10,000                 | April 28, 2008 |
| Mr. Kubis     | 10,000                 | April 28, 2008 |
| Mr. McKeown   | 15,000                 | April 28, 2008 |
| Mr. Patenaude | 15,000                 | April 28, 2008 |
| Mr. Travis    | 10,000                 | April 28, 2008 |

The terms of the restricted stock grant provide that 33% of such shares shall vest if a 40-day average closing price of at least \$13.00 but less than \$14.00 is achieved, 66% of such shares shall vest if a 40-day average closing price of at least \$14.00 but less than \$15.00 is achieved, and 100% of such shares shall vest if a 40-day average closing price of \$15.00 or greater is achieved. Shares of restricted stock are forfeited if the specified closing prices of Nashua's common stock are not met. The restricted shares vest upon a change in control if the share price at the date of a change in control equals or exceeds \$13.00. In accordance with Nashua's stock ownership guidelines, in order to retain the award, the participants are required to acquire Nashua's shares equal to 10% of their award within one year of the grant date, unless extended by the Board of Directors.

(14) Includes 1,144 shares of restricted stock granted to Mr. Brooker on March 2, 2007. The shares will vest on March 2, 2010 or upon a change in control.

(15) Includes 14,000 shares held by GF Limited Partnership in which Mr. Gray is a general partner and 10,967 shares held by AVG Limited Partnership in which Mr. Gray is a general partner. Mr. Gray disclaims beneficial ownership of these shares. Also includes 53,749 shares held by JYG Limited Partnership in which Mr. Gray's spouse is a general partner. Mr. Gray disclaims beneficial ownership of these shares.

(16) Includes 200 shares held by Mr. Travis as custodian for his children.

(17) Includes 276,144 shares of restricted stock.

(18) Includes 40,475 shares issuable upon settlement of restricted stock units granted under the 2008 Directors' Plan which are eligible for settlement within 60 days of July 27, 2009.

## DESCRIPTION OF CENVEO CAPITAL STOCK

As a result of the merger, Nashua shareholders who receive shares of Cenveo common stock in the merger will become shareholders of Cenveo. Your rights as shareholders of Cenveo will be governed by Colorado law and the certificate of incorporation, as amended, and the amended and restated bylaws of Cenveo. The following description of the material terms of Cenveo's capital stock, including the common stock to be issued in the merger, reflects the anticipated state of affairs upon completion of the merger. We urge you to read the applicable provisions of Colorado law, Cenveo's certificate of incorporation, as amended, and amended and restated bylaws carefully and in their entirety.

### General

Cenveo's authorized capital stock consists of 100,000,000 shares of common stock, par value \$0.01 per share. As of July 29, 2009, there were 54,606,238 shares of Cenveo common stock outstanding. In addition, as of July 29, 2009, no shares of Cenveo common stock were reserved for issuance upon conversion or exercise of outstanding stock options and awards.

### Common Stock

The holders of common stock are entitled to share ratably in dividends when and if declared by the Cenveo board of directors from funds legally available for the dividends. In the event of liquidation, dissolution or winding-up of Cenveo, whether voluntary or involuntary, the holders of Cenveo common stock will be entitled to share ratably in any of its assets or funds that are available for distribution to its shareholders after the satisfaction of its liabilities (or after adequate provision is made therefor) and after preferences of any outstanding Cenveo preferred stock. Cenveo common stock is neither redeemable nor convertible into another security of Cenveo.

Each holder of Cenveo common stock has one vote for each share held on matters presented for consideration by the shareholders.

Each director of Cenveo is elected at an annual meeting of shareholders or at any meeting of shareholders held in lieu of such annual meeting and holds office until the next annual meeting and until his or her successor has been elected and qualified.

The holders of Cenveo common stock have no preemptive rights to acquire any additional shares of Cenveo common stock.

For more information regarding the rights of holders of Cenveo common stock, please see the description captioned "Comparison of Common Shareholder Rights," commencing below.

## COMPARISON OF COMMON SHAREHOLDER RIGHTS

The rights of Cenveo shareholders are governed by the Colorado Business Corporation Act, or CBCA, and Cenveo's restated certificate of incorporation, as amended, and amended and restated bylaws. The rights of Nashua shareholders are governed by the Massachusetts Business Corporation Act, or MBCA, and Nashua's articles of incorporation, as amended, and amended and restated bylaws. After the merger, the rights of Nashua's common shareholders that receive Cenveo shares will be governed by the CBCA and Cenveo's restated certificate of incorporation and amended and restated bylaws. The following discussion summarizes the material differences between the rights of Nashua common shareholders and the rights of Cenveo's common shareholders. We urge you to read Cenveo's restated certificate of incorporation, as amended, Cenveo's amended and restated bylaws, Nashua's articles of incorporation, as amended, Nashua's amended and restated bylaws, and the CBCA, the MBCA, and federal law governing bank holding companies carefully and in their entirety.

### Authorized Capital Stock

Cenveo. Cenveo's articles of incorporation, as amended, authorize Cenveo to issue up to 100,000,000 shares of common stock, par value \$0.01 per share, and 25,000 shares of preferred stock, par value \$0.01 per share. As of July 29, 2009, there were 54,606,238 shares of Cenveo common stock outstanding, and no shares of the Cenveo preferred stock were outstanding.

Nashua. Nashua's articles of organization authorize Nashua to issue up to 20,000,000 shares of common stock, par value \$1.00 per share. As of July 29, 2009, there were 5,567,737 shares of Nashua common stock outstanding.

### Size of Board of Directors

Cenveo. Cenveo's amended and restated bylaws provide that its board of directors shall consist of at least one director. The exact number of directors may be determined from time to time by a majority of the entire Cenveo directors then in office. The Cenveo board of directors currently has 5 directors.

Nashua. Nashua's amended and restated bylaws provide that its board of directors shall consist of at least 5 directors and no more than 15 directors. The exact number of directors may be determined by vote of the board of directors. Nashua's board of directors currently has 7 directors.

### Classes of Directors

Cenveo. Cenveo's board of directors is not classified. Cenveo's amended and restated bylaws provide that each director is elected annually.

Nashua. Nashua's board of directors is not classified. Nashua's amended and restated bylaws provide that each director is elected annually.

### Removal of Directors

Cenveo. Cenveo's amended and restated bylaws provide that directors may be removed from office, with or without cause, by the holders of a majority of shares entitled to vote at an election of directors.

Nashua. Nashua's amended and restated bylaws provide that directors may be removed from office, with or without cause, by vote of the holders of a majority of the shares entitled to vote in the election of directors.

#### Filling Vacancies on the Board of Directors

Cenveo. Under Cenveo's amended and restated bylaws, any vacancy may be filled by a majority of the directors then in office, whether or not a quorum exists, and the director so chosen shall hold office until the next annual meeting of shareholders and his or her successor is duly elected and qualified, or until his or her earlier death, resignation or removal.

Nashua. Under Nashua's amended and restated bylaws, any vacancy, including a vacancy resulting from an enlargement of the board of directors, may be filled by vote of a majority of the directors then in office, whether or not a quorum exists, and the director so chosen shall hold office until the next annual meeting of shareholders and until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal.

#### Nomination of Director Candidates by Shareholders

Cenveo. Under Cenveo's amended and restated bylaws, directors may be nominated for election to the board of directors at a meeting of shareholders (a) by or at the direction of the board of directors or (b) by any shareholder of the corporation who is a shareholder of record at the time of giving notice, who is entitled to vote for the election of directors at the meeting and who complies with the notice procedures. Notice in writing must be mailed and received at the principal executive offices of Cenveo (a) with respect to an election to be held at the annual meeting of shareholders, not later than 90 days prior to the anniversary date of the immediately preceding annual meeting of shareholders and (b) with respect to an election to be held at a special meeting of shareholders for the election of directors, not later than the close of business on the 10th day following the day on which such notice of the date of the meeting was mailed or public disclosure of the date of the meeting was made, whichever first occurs. The notice must set forth (a) as to each person whom the shareholder proposes to nominate for election or re-election as a director, the name of the nominee and, all information required to be disclosed under the Exchange Act, including such nominee's consent to being named in the attendant proxy statement and to serving as a director, and (b) as to the shareholder giving the notice (i) the name and address, as they appear on Cenveo's books, of such shareholder and (ii) the class and number of shares of capital stock of Cenveo which are beneficially owned by the shareholder.

Nashua. Under Nashua's amended and restated bylaws, directors may be nominated for election to the board of directors at a meeting of shareholders (a) by or at the direction of the board of directors or (b) by any shareholder of the corporation who is a shareholder of record at the time of giving of notice. Notice in writing must be delivered to or mailed and received at the principal executive offices of Nashua not less than 60 days nor more than 90 days prior to the meeting; provided that in the event that less than 70 days' prior disclosure of the date of the meeting is first given or made (whether by public disclosure or written notice to shareholders), notice by the shareholder to be timely must be received not later than the close of business on the 10th day following the day on which such disclosure of the date of the meeting was made. The notice must set forth (a) as to each proposed director, the name of the nominee and, all information required to be disclosed under the Exchange Act, including such nominee's consent to being named in the attendant proxy statement and to serving as a director, and (b) as to the shareholder giving the notice (i) the name and address, as they appear on Nashua's books, of such shareholder and (ii) the class and number of shares of capital stock of Nashua which are beneficially owned by such shareholder.

#### Calling Special Meetings of Shareholders

Cenveo. Under Cenveo's amended and restated bylaws, a special meeting of shareholders may be called at any time by the President and shall be called by the President or Secretary at the request in writing of a majority of the board of directors, or at the request in writing of shareholders owning a majority in amount of the entire capital stock of Cenveo issued and outstanding and entitled to vote.

Nashua. Under Nashua's amended and restated bylaws, a special meeting of shareholders may be called by the President or by the board of directors. In addition, upon written application of one or more shareholders who are



entitled to vote and who hold at least the Required Percentage (as defined below) of the capital stock entitled to vote at the meeting, special meetings shall be called by the Clerk/Secretary, or in case of the death, absence, incapacity or refusal of the Clerk/Secretary, by any other officer. Required Percentage shall be (i) 10% at any time at which the corporation shall not have a class of voting stock registered under the Securities Exchange Act of 1934, as amended, and (ii) 40% at any time at which the corporation shall have a class of voting stock registered under the Exchange Act.

## Shareholder Proposals

Cenveo. Cenveo's amended and restated bylaws provide that in order to be properly bring forth business at any meeting of shareholders, a shareholder of the corporation who is a shareholder of record at the time of giving notice who is entitled to vote at the meeting must give timely notice in writing to the Secretary of the corporation. To be timely, a shareholder's notice related to the business to be conducted at any annual meeting must be delivered to or mailed and received at the principal executive offices of the corporation not less than 90 days prior to the anniversary date of the immediately preceding annual meeting of shareholders of the corporation in the case of each subsequent annual meeting of shareholders. To be timely, a shareholder's notice related to the business to be conducted at any special meeting must be submitted to the corporation with the request for a special meeting of shareholders. A public announcement of an adjournment or postponement of an annual meeting shall not commence a new time period for the giving of shareholder notices. The notice shall set forth as to each matter the shareholder proposes to bring before the meeting (i) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting, (ii) the name and address, as they appear on the corporation's books, of the shareholder proposing such business, (iii) the acquisition date, the class and the number of shares of voting stock of the corporation which are beneficially owned by the shareholder, (iv) any material interest of the shareholder in such business, and (v) a representation that the shareholder intends to appear in person or by proxy at the meeting to bring the proposed business before the meeting.

Nashua. Nashua's amended and restated bylaws provide that in order to be properly bring forth business at any meeting of shareholders, a shareholder of the corporation who is a shareholder of record at the time of giving notice who is entitled to vote at the meeting must give timely notice in writing to the Secretary of the corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the corporation not less than 60 days nor more than 90 days prior to the meeting; provided that in the event that less than 70 days' prior disclosure of the date of the meeting is first given or made (whether by public disclosure or written notice to shareholders), notice by the shareholder to be timely must be received no later than the close of business on the 10th day following the day on which such disclosure of the date of the meeting was made. The notice shall set forth as to each matter the shareholder proposes to bring before the meeting (i) a brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting, (ii) the name and address, as they appear on the corporation's books, of the shareholder proposing such business, (iii) the acquisition date, the class and the number of shares of voting stock of the corporation which are beneficially owned by the shareholder, and (iv) any material interest of the shareholder in such business.

## Notice of Shareholder Meetings

Cenveo. Cenveo's amended and restated bylaws provide that Cenveo must give notice between 10 and 60 days before any shareholders meeting to each shareholder entitled to vote at such a meeting. The notice shall state the place, date and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

Nashua. Nashua's amended and restated bylaws provide that Nashua must give notice between 7 and 50 days before any shareholders meeting to each shareholder entitled to such notice. The notice shall state the place, date and time of the meeting and the purposes for which the meeting is to be held.

## Anti-Takeover Provisions and Other Shareholder Protections

Cenveo. The Colorado Business Corporation Act does not contain anti-takeover provisions.

Nashua.

## Massachusetts Business Combination Statute

Under the Massachusetts Business Combination Statute, if a person acquires 5% or more of the stock of a Massachusetts corporation without the approval of the board of directors of that corporation, such person may not engage in certain transactions with the corporation for a period of three years (certain persons are excluded). The Massachusetts Business Combination Statute does contain certain exceptions to this prohibition. For example, if the board of directors approves the stock acquisition or the transaction prior to the time that the person becomes an

interested shareholder, or if the interested shareholder acquires 90% of the voting stock of the corporation (excluding voting stock owned by directors who are also officers and by certain employee stock plans) in one transaction, or if the transaction is approved by the board of directors and by the affirmative vote of two-thirds of the outstanding voting stock that is not owned by the interested shareholder, then the prohibition on business combinations is not applicable.

The articles of organization of Nashua provide that the Massachusetts Business Combination Statute will not apply to Nashua. However, Nashua may, at any time, elect to be governed by the Massachusetts Business Combination Statute through an amendment to its articles of organization.

#### Massachusetts Control Share Acquisition Statute

Under the Massachusetts Control Share Acquisition Statute, a person who acquires beneficial ownership of shares of stock of a Massachusetts corporation in a threshold amount equal to or greater than one-fifth, one-third, or a majority of the voting stock of the corporation (a “control share acquisition”) must obtain the approval of a majority of shares entitled to vote generally in the election of directors (excluding (1) any shares owned by such person acquiring or proposing to acquire beneficial ownership of shares in a control share acquisition, (2) any shares owned by any officer of the corporation and (3) any shares owned by any employee of the corporation who is also a director of the corporation) in order to vote the shares that such person acquires in crossing the foregoing thresholds. The statute does not require that such person consummate the purchase before the shareholder vote is taken. Certain transactions are excluded from the definition of “control share acquisition,” including shares acquired pursuant to a tender offer, merger or consolidation if the transaction is pursuant to an agreement of merger or consolidation to which the corporation issuing the shares is a party.

The Massachusetts Control Share Acquisition Statute permits, to the extent authorized by a corporation’s articles of organization and bylaws, redemption of all shares acquired by an acquiring person in a control share acquisition for fair value (which is to be determined in accordance with procedures adopted by the corporation) if (1) no control acquisition statement is delivered by the acquiring person or (2) a control share acquisition statement has been delivered and voting rights were not authorized for such shares by the shareholders in accordance with applicable law.

The Massachusetts Control Share Acquisition Statute permits a Massachusetts corporation to elect not to be governed by the statute’s provisions, by including a provision in the corporation’s articles of organization or bylaws pursuant to which the corporation opts out of the statute. The articles of organization of Nashua provide that the Massachusetts Control Share Acquisition Statute will not apply to Nashua. However, Nashua may, at any time, elect to be governed by the Massachusetts Control Share Acquisition Statute through an amendment to its articles of organization.

#### Indemnification of Directors and Officers

Cenveo. Cenveo’s bylaws provide that Cenveo is authorized to indemnify any person entitled to indemnity under the Colorado Business Corporation Act, as it exists or may be amended, to the fullest extent permitted by it; provided that Cenveo is not permitted to indemnify any person in connection with any proceeding initiated by such person, unless such proceeding is authorized by a majority of the directors of Cenveo.

Under the Colorado Business Corporation Act, a corporation may indemnify a director or officer, a former director or officer or a person who acts or acted at the corporation’s request as a director or officer, or an individual acting in a similar capacity of another entity (an “indemnifiable person”) against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the indemnifiable person in any civil, criminal, administrative, investigative or other proceeding in which the person is involved because of that association, if (1) the person acted honestly and in good faith with a view to the best interests of the corporation or other entity, and (2) in the case of a criminal or administrative action enforceable by a monetary penalty, the person had reasonable grounds for believing the person’s conduct was lawful. An indemnifiable person is also entitled to indemnity for

reasonable defense costs and expenses if the person fulfills the above-mentioned requirements and was not judged to have committed any fault or omitted to do anything the person ought to have done. In the case of a derivative action, indemnity may be made only with court approval.

The Colorado Business Corporation Act does not permit any limitation of a director's liability other than in connection with the adoption of a unanimous shareholder agreement that restricts certain powers of the directors.

Nashua. Nashua's articles of organization contain provisions that provide indemnification to the fullest extent permitted by Massachusetts law. The articles of organization of Nashua contain a provision that incorporates by reference the Massachusetts statute regarding the limitation of director liability.

Massachusetts law permits a corporation to provide indemnification of directors, officers, employees and other agents against expenses in a derivative or third party action, except that no indemnification shall be provided for any person with respect to any matter as to which he shall have been adjudicated not to have acted (1) in good faith in the reasonable belief that his action was in the best interests of the corporation or (2) to the extent that such matter relates to service with respect to any employee benefit plan, in the best interests of the participants or beneficiaries of such benefit plan. Indemnification provided by a Massachusetts corporation is permitted to the extent authorized by (1) the corporation's articles of organization, (2) a bylaw adopted by the shareholders or (3) a vote adopted by the holders of a majority of the shares of stock entitled to vote on the election of directors. Under Massachusetts law, expenses incurred by an officer or director in defending an action may be paid in advance if such director or officer undertakes to repay such amounts should it be determined ultimately that he is not entitled to indemnification. Additionally, Massachusetts law permits a corporation to purchase indemnity insurance for the benefit of its officers, directors, employees and agents whether or not the corporation would have the power to indemnify against the liability covered by the policy.

Under Massachusetts law, a corporation's articles of organization may limit the personal liability of a director to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability. However, under Massachusetts law, a charter provision limited director liability cannot limit or eliminate the liability of a director (1) for breach of the director's duty of loyalty to the corporation or its shareholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) for the unlawful payment of dividends, unlawful repurchases or redemptions of stock, improper loans to insiders, or (4) for any transactions from which the director derived an improper personal benefit.

#### Amendments to Articles of Incorporation/Organization and Bylaws

Cenveo. Under the Cenveo amended and restated bylaws, Cenveo's bylaws may be altered, amended or repealed or new bylaws may be adopted by the shareholders or, unless expressly prohibited by a particular bylaw, the board of directors (i) at any regular meeting of the shareholders or of the board of directors or (ii) at any special meeting of the shareholders or of the board of directors if notice of such alteration, amendment, repeal or adoption of new bylaws shall be contained in the notice of such special meeting.

Under the Colorado Business Corporation Act, an amendment to the articles of incorporation generally requires approval by special resolution of the voting shares. Specified amendments may also require the approval of other classes of shares. If the amendment is of a nature affecting a particular class or series in a manner requiring a separate class or series vote, that class or series is entitled to vote on the amendment whether or not it otherwise carries the right to vote.

Under the Colorado Business Corporation Act, the board of directors may, by resolution, make, appear or repeal any bylaw that regulates the business or affairs of the corporation. Where the directors make, amend or repeal a bylaw, they are required under the Colorado Business Corporation Act to submit that action to the shareholders at the next meeting of shareholders, and the shareholders may confirm, reject or amend that action by simple majority, or ordinary resolution. If the action is rejected by shareholders, or the directors of a corporation do not submit the action to shareholders at the next meeting of shareholders, the action will cease to be effective, and no subsequent resolution of the directors to make, amend or repeal a bylaw having substantially the same purpose or effect will be effective until it is confirmed.

Nashua. Under Nashua's amended and restated bylaws, Nashua's bylaws may be amended by a vote of the holders of a majority of the shares of each class of the capital stock at the time outstanding and entitled to vote at

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any annual or special meeting of shareholders, if notice of the substance of the proposed amendment is stated in the notice of such meeting. Nashua's articles of organization and amended and restated bylaws provide that the directors may make, amend or repeal the bylaws in whole or in part, except with respect to (a) the provisions of the bylaws governing (i) the removal of directors and (ii) the amendment of the bylaws and (b) any provision of such bylaws which by law or the articles of organization or the bylaws require action by the shareholders.

Under Massachusetts law, a majority vote of each class of stock outstanding and entitled to vote thereon is required to authorize an amendment of the articles of organization effecting one or more of the following: (1) an increase or reduction of the capital stock of any authorized class; (2) a change of the par value of authorized shares with par value, or any class thereof; (3) a change of authorized shares from shares with par value to shares without par value, or from shares without par value to shares with par value; (4) certain changes in the number of authorized shares; or (5) a corporate name change. Subject to certain conditions, a two-thirds vote of each class of stock outstanding and entitled to vote thereon is required to authorize any other amendment of the articles of organization, or, if the articles of organization so provide for a vote of a lesser proportion but not less than a majority of each class of stock outstanding and entitled to vote thereon. If any amendment requiring a two-thirds vote would adversely affect the rights of any class or series of stock, a two-thirds vote of such class voting separately, or a two-thirds vote of such series, voting together with any other series of the same class adversely affected in the same manner, is also necessary to authorize such amendment.

#### LEGAL MATTERS

The validity of the Cenveo common stock to be issued in connection with the merger will be passed upon for Cenveo by Timothy M. Davis, Senior Vice President, General Counsel and Secretary of Cenveo. Certain U.S. federal income tax consequences relating to the merger will also be passed upon for Cenveo by Hughes Hubbard & Reed LLP and for Nashua by Wilmer Cutler Pickering Hale and Dorr LLP.

#### EXPERTS

The consolidated financial statements of Cenveo, Inc. for the year ended December 30, 2006 (including schedule appearing therein), incorporated by reference in the Prospectus of Cenveo, Inc., which is referred to and made a part of this Registration Statement, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report incorporated by reference herein, and are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The financial statements and the related financial statement schedule as of and for the year ended December 29, 2007, incorporated in this Prospectus by reference from Cenveo, Inc.'s Annual Report on Form 10-K, for the year ended January 3, 2009, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report (which report expresses an unqualified opinion and includes an explanatory paragraph referring to the adoption of the provisions of Financial Accounting Standards Board Interpretation No. 48, Accounting for Uncertainty in Income Taxes), which is incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements, financial statement schedule and management's assessment of the effectiveness of internal control over financial reporting of Cenveo, Inc. and subsidiaries as of and for the year ended January 3, 2009 incorporated by reference in this prospectus and elsewhere in the registration statement have been so incorporated by reference in reliance upon the reports of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing in giving said reports.

The consolidated financial statements of Nashua Corporation at December 31, 2008 and 2007, and for each of the two years in the period ended December 31, 2008, included in the Proxy Statement of Nashua Corporation, which is



referred to and made a part of this Prospectus and Registration Statement of Cenveo, Inc., have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

## OTHER MATTERS

As of the date of this proxy statement/prospectus, Nashua's board of directors knows of no matters that will be presented for consideration at the special meeting other than as described in this proxy statement/prospectus. Nashua's shareholders may, however, be asked to vote on a proposal to adjourn or postpone the special meeting including, if necessary, to allow more time to solicit votes to approve the merger agreement and the transactions contemplated thereby. If any other matters properly come before the Nashua special meeting, or any adjournments or postponements of that meeting, and are voted upon, the enclosed proxies will be deemed to confer discretionary authority on the individuals that they name as proxies to vote the shares represented by these proxies as to any of these matters. The individuals named as proxies intend to vote or not to vote in accordance with the recommendation of the management of Nashua.

### SUBMISSION OF SHAREHOLDER PROPOSALS - 2010 NASHUA ANNUAL MEETING

Any shareholder proposal which is to be included in Nashua's proxy materials for the 2010 annual meeting must be submitted to Nashua in writing and received by Nashua on or before December 4, 2009. Such proposals should be directed to Nashua Corporation, 11 Trafalgar Square, Suite 201, Nashua, New Hampshire 03063, Attention: Corporate Secretary. If the merger agreement is approved and the merger is completed prior to Nashua's 2010 Annual Meeting, then the Nashua 2010 Annual Meeting of shareholders will not be held.

In addition, Nashua's by-laws require that Nashua be given advance notice of shareholder nominations for election to the Board of Directors and of other matters which shareholders wish to present for action at an annual meeting of shareholders, other than matters included in Nashua's proxy statement in accordance with SEC Rule 14a-8. The required notice must be in writing and received by Nashua's Corporate Secretary at Nashua's principal executive offices not less than 60 days nor more than 90 days prior to the annual meeting of shareholders. However, in the event that less than 70 days' prior disclosure of the date of the meeting is first given or made (whether by public disclosure or written notice to shareholders), notice by the shareholder to be timely must be received by Nashua's Corporate Secretary at Nashua's principal executive offices no later than the close of business on the 10th day following the day on which such disclosure of the date of the meeting was made. The date of Nashua's 2010 annual meeting of shareholders has not yet been established, but assuming it is held on May 5, 2010, in order to comply with the time periods set forth in Nashua's by-laws, appropriate notice for the 2010 annual meeting would need to be provided to Nashua's Corporate Secretary no earlier than February 4, 2010 and no later than March 8, 2010.

### SHAREHOLDERS SHARING AN ADDRESS

Only one copy of this proxy statement/prospectus is being delivered to multiple shareholders of Nashua unless Nashua has previously received contrary instructions from one or more shareholders. Shareholders who hold shares in "street name" can request further information on householding through their banks, brokers or other holders of record. On written or oral request to American Stock Transfer & Trust Company, Nashua's stock transfer agent at 59 Maiden Lane, New York, NY 10038 (800)-937-5449, Nashua will deliver promptly a separate copy of this proxy statement/prospectus to a shareholder at a shared address to which a single copy of the document was delivered. Shareholders sharing an address who wish, in the future, to receive separate copies or a single copy of Nashua's proxy statements and annual reports should provide written or oral notice to American Stock Transfer & Trust Company, at the address and telephone number set forth above. Holders in "street name" who wish, in the future, to receive separate copies or a single copy of Nashua's proxy statements and annual reports, must contact their banks and brokers.

### WHERE YOU CAN FIND MORE INFORMATION

Cenveo has filed a registration statement on Form S-4 with the SEC under the Securities Act that registers the shares of Cenveo common stock to be issued in the merger to Nashua shareholders and includes this proxy statement/prospectus. The registration statement, including the attached exhibits and schedules, contains additional

relevant information about Cenveo and its common stock, Nashua and the combined company. The rules and regulations of the SEC allow us to omit some information included in the registration statement from this proxy statement/prospectus.

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In addition, Cenveo (File No. 1-12551) and Nashua (File No. 1-05492) file reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy this information at the Public Reference Room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

The SEC also maintains an Internet site that contains reports, proxy statements and other information about issuers, like Cenveo and Nashua, that file electronically with the SEC. The address of that site is <http://www.sec.gov>. Cenveo's Internet address is <http://www.cenveo.com> and Nashua's Internet address is <http://www.nashua.com>. The information on our Internet sites is not a part of this proxy statement/prospectus.

You can also inspect reports, proxy statements and other information about Cenveo at the offices of the NYSE, 20 Broad Street, New York, New York 10005.

The SEC allows Cenveo to "incorporate by reference" information into this proxy statement/prospectus. This means that Cenveo can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this proxy statement/prospectus, except for any information that is superseded by information that is included directly in this proxy statement/prospectus.

This proxy statement/prospectus incorporates by reference the documents listed below that Cenveo has previously filed with the SEC. These documents contain important information about Cenveo and its financial condition.

| Cenveo Filings                  | Period or Date Filed   |
|---------------------------------|--|
| Annual Report on Form 10-K      | Year ended January 3, 2009 (filed on March 19, 2009)   |
| Proxy Statement on Schedule 14A | April 6, 2009  |
| Quarterly Reports on Form 10-Q  | Quarter ended March 28, 2009 (filed on May 6, 2009)  |
| Current Reports on Form 8-K     | April 27, 2009; May 7, 2009; May 7, 2009; June 5, 2009; June 9, 2009; July 24, 2009 (in each case, except to the extent furnished but not filed) |

|   |  |
|---|--|
| The description of Cenveo common stock set forth in Cenveo's registration statements on Form 8-A filed pursuant to Section 12 of the Exchange Act, and any amendment or report filed for the purpose of updating any such description | December 10, 1996; November 14, 1997; April 22, 2005; August 3, 2006 |
|---|--|

Cenveo incorporates by reference additional documents that it may file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act between the date of this proxy statement/prospectus and the date of Nashua's special meeting (other than the portions of those documents not deemed to be filed). These documents include periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as well as proxy statements.

Cenveo has supplied all information contained or incorporated by reference into this proxy statement/prospectus relating to Cenveo, and Nashua has supplied all information relating to Nashua contained in this proxy statement/prospectus.

You can obtain any of the documents referred to or incorporated by reference into this proxy statement/prospectus through Cenveo or from the SEC through the SEC's Internet site at the address described above. Documents incorporated by reference are available from Cenveo without charge, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit in this proxy statement/prospectus. You can obtain documents incorporated by reference into this proxy statement/prospectus by requesting them in writing or by telephone from Cenveo at the following address:

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Cenveo, Inc.  
One Canterbury Green  
201 Broad Street  
Stamford, CT 06901  
(203) 595-3000  
Attention: Investor Relations

If you would like to request documents, please do so by , 2009 to receive them before the Nashua special meeting. If you request any incorporated documents from Cenveo, we will mail them to you by first-class mail, or another equally prompt means, within one business day after we receive your request.

The merger agreement as described in this proxy statement/prospectus is subject to, and qualified in its entirety by reference to, the merger agreement, which is attached to this proxy statement/prospectus as Annex A and is incorporated by reference into this proxy statement/prospectus.

We have not authorized anyone to give any information or make any representation about the merger or our companies that is different from, or in addition to, that contained in this proxy statement/prospectus or in any of the materials that Cenveo has incorporated into this proxy statement/prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it. If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this proxy statement/prospectus or the solicitation of proxies is unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this proxy statement/prospectus does not extend to you. The information contained in this proxy statement/prospectus speaks only as of the date of this proxy statement/prospectus unless the information specifically indicates that another date applies.

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NASHUA CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS AS OF APRIL 3, 2009 AND AS OF DECEMBER 31, 2008

|  | April 3,<br>2009<br>(Unaudited)<br>(In thousands) | December 31,<br>2008 |
|--|---|----------------------|
| <b>ASSETS:</b>   |   |                      |
| <b>Current assets:</b>                                 |   |                      |
| Cash and cash equivalents                              | \$ ¾  | \$ 1,592             |
| Accounts receivable                                    | 25,513  | 27,469               |
| <b>Inventories:</b>                                    |   |                      |
| Raw materials  | 9,304   | 8,902                |
| Work in process  | 3,633   | 3,329                |
| Finished goods   | 8,142   | 9,554                |
|  | 21,079  | 21,785               |
| Other current assets                                   | 7,089   | 5,599                |
| <b>Total current assets</b>                            | <b>53,681</b>                                     | <b>56,445</b>        |
| <b>Plant and equipment</b>                             |   |                      |
| Plant and equipment                                    | 70,503  | 70,264               |
| Accumulated depreciation                               | (51,083)  | (50,110)             |
|  | 19,420  | 20,154               |
| Goodwill   | 17,374  | 17,374               |
| Intangibles, net of amortization                       | 248   | 260                  |
| Other assets   | 4,444   | 5,970                |
| <b>Total assets</b>                                    | <b>\$ 95,167</b>                                  | <b>\$ 100,203</b>    |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY:</b>           |   |                      |
| <b>Current liabilities:</b>                            |   |                      |
| Accounts payable                                       | \$ 13,556   | \$ 11,968            |
| Accrued expenses                                       | 7,794   | 8,900                |
| Borrowings under revolving line of credit              | 2,575   | ¾                    |
| Current maturities of long-term debt                   | ¾   | 8,125                |
| Current maturities of notes payable to related parties | 13  | 18                   |
| <b>Total current liabilities</b>                       | <b>23,938</b>                                     | <b>29,011</b>        |
| <b>Long-term debt</b>                                  |   |                      |
| Long-term debt   | 2,800   | 2,800                |
| Other long-term liabilities                            | 46,966  | 46,879               |
| <b>Total long-term liabilities</b>                     | <b>49,766</b>                                     | <b>49,679</b>        |
| <b>Commitments and contingencies (see Note 5)</b>      |   |                      |
| <b>Shareholders' equity:</b>                           |   |                      |
| Common stock   | 5,600   | 5,608                |





|  |           |            |
|--|-----------|------------|
| Additional paid-in capital                       | 15,351    | 15,076     |
| Retained earnings                                | 39,388    | 39,705     |
| Accumulated other comprehensive loss:            |           |            |
| Minimum pension liability adjustment, net of tax | (38,876)  | (38,876)   |
| Total shareholders' equity                       | 21,463    | 21,513     |
| Total liabilities and shareholders' equity       | \$ 95,167 | \$ 100,203 |

See accompanying notes.

NASHUA CORPORATION AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS  
 ENDED APRIL 3, 2009 AND MARCH 28, 2008  
 (Unaudited)

|  | Three Months Ended |                   |
|--|--------------------|-------------------|
|  | April 3,<br>2009   | March 28,<br>2008 |
| (In thousands, except per share data)                      |                    |                   |
| Net sales  | \$ 62,478          | \$ 63,926         |
| Cost of products sold                                      | 53,588             | 54,068            |
| Gross margin   | 8,890              | 9,858             |
| Selling, distribution, general and administrative expenses | 8,986              | 10,013            |
| Research and development expenses                          | 147                | 186               |
| (Income) loss from equity investments                      | (2)                | 37                |
| Interest expense   | 165                | 163               |
| Interest income  | (1)                | (48)              |
| Change in fair value of interest rate swap                 | 121                | 360               |
| Other income   | (209)              | (264)             |
| Loss before income tax benefit                             | (317)              | (589)             |
| Benefit for income taxes                                   | $\frac{3}{4}$      | (236)             |
| Net loss   | \$ (317)           | \$ (353)          |
| Basic earnings per share:                                  |                    |                   |
| Net loss per common share                                  | \$ (0.06)          | \$ (0.07)         |
| Average common shares                                      | 5,314              | 5,396             |

See accompanying notes.

NASHUA CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS  
ENDED AS OF APRIL 3, 2009 AND MARCH 28, 2008  
(Unaudited)

|   | Three Months Ended |                   |
|---|--------------------|-------------------|
|   | April 3,<br>2009   | March 28,<br>2008 |
|   | (In thousands)     |                   |
| Cash flows from operating activities:   |                    |                   |
| Net loss  | \$ (317)           | \$ (353)          |
| Adjustments to reconcile net income to cash provided by (used in) operating activities: |                    |                   |
| Depreciation and amortization   | 985                | 1,051             |
| Amortization of deferred gain   | (169)              | (168)             |
| Change in fair value of interest rate swap  | 121                | 360               |
| Stock based compensation  | 267                | 98                |
| Excess tax benefit from exercised stock based compensation                              | ¾                  | (4)               |
| Equity in (gain) loss from unconsolidated joint ventures                                | (2)                | 37                |
| Contributions to pension plans  | (260)              | (11)              |
| Change in operating assets and liabilities  | 3,577              | (4,159)           |
| Cash provided by (used in) operating activities   | 4,202              | (3,149)           |
| Cash flows from investing activities:   |                    |                   |
| Investment in plant and equipment   | (239)              | (525)             |
| Cash used in investing activities   | (239)              | (525)             |
| Cash flows from financing activities:   |                    |                   |
| Net proceeds from revolving portion of long-term debt                                   | 2,575              | ¾                 |
| Repayment of term loan  | (8,125)            | ¾                 |
| Repayment of notes payable to related parties   | (5)                | (5)               |
| Proceeds from shares exercised under stock option plans                                 | ¾                  | 27                |
| Excess tax benefit from exercised stock based compensation                              | ¾                  | 4                 |
| Cash (used in) provided by financing activities   | (5,555)            | 26                |
| Decrease in cash and cash equivalents   | (1,592)            | (3,648)           |
| Cash and cash equivalents at beginning of period  | 1,592              | 7,388             |
| Cash and cash equivalents at end of period  | \$ ¾               | \$ 3,740          |
| Supplemental disclosures of cash flow information:                                      |                    |                   |
| Interest paid   | \$ 208             | \$ 164            |
| Income taxes paid, net  | \$ 31              | \$ 21             |

See accompanying notes.



## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## Note 1: Basis of Presentation and Liquidity

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying financial statements contain all adjustments consisting of normal recurring accruals necessary to present fairly the financial position, results of operations and cash flows for the periods presented. The accompanying financial statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in Nashua's Annual Report on Form 10-K for the year ended December 31, 2008.

## Liquidity

Nashua had \$29.7 million of working capital at April 3, 2009. Nashua believes that its working capital amounts at April 3, 2009, along with cash expected to be generated from operating activities as well as borrowings available under the revolving line of credit, are adequate to allow Nashua to meet its obligations during 2009. In the event Nashua's results of operations do not meet forecasted results and therefore impact financial covenants with Nashua's lender, Nashua believes there are alternative forms of financing available to it. There can be no assurance, however, that such financing will be available on conditions acceptable to Nashua. In the event such financing is not available to Nashua, Nashua believes it can effectively manage operating and financial obligations by adjusting the timing of working capital components.

## Note 2: Acquired Intangible Assets

Details of acquired intangible assets are as follows:

| (In thousands)                   | Gross<br>Carrying<br>Amount | As of April 3, 2009         |   |
|----------------------------------|-----------------------------|-----------------------------|---|
|                                  |                             | Accumulated<br>Amortization | Weighted<br>Average<br>Amortization<br>Period |
| Trademarks and tradenames        | \$ 211                      | \$ 105                      | 15 years                                      |
| Customer relationships and lists | 829                         | 687                         | 12 years                                      |
|                                  | \$ 1,040                    | \$ 792                      |   |

## Amortization Expense:

|   |       |
|---|-------|
| For the three months ended April 3, 2009        | \$ 12 |
| Estimated for the year ending December 31, 2009 | \$ 47 |
| Estimated for the year ending December 31, 2010 | \$ 39 |
| Estimated for the year ending December 31, 2011 | \$ 34 |
| Estimated for the year ending December 31, 2012 | \$ 31 |

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|   |    |    |
|---|----|----|
| Estimated for the year ending December 31,<br>2013                | \$ | 30 |
| Estimated for the year ending December 31,<br>2014                | \$ | 28 |
| Estimated for the year ending December 31,<br>2015 and thereafter | \$ | 51 |

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## Note 3: Pension and Postretirement Benefits

Net periodic pension and postretirement benefit costs for the quarters ended April 3, 2009 and March 28, 2008 for the plans include the following components:

|  | 1. Pension Benefits for<br>the three months ended |                   | 2. Postretirement Benefits for<br>the three months ended |                   |
|--|---|-------------------|--|-------------------|
|  | April 3,<br>2009                                  | March 28,<br>2008 | April 3,<br>2009   | March 28,<br>2008 |
|  | (In thousands)                                    |                   |  |                   |
| Components of net periodic (income) cost |   |                   |  |                   |
| Service cost                             | \$ 125  | \$ 125            | \$ —   | \$ —              |
| Interest cost                            | 1,487   | 1,480             | 5  | 7                 |
| Expected return on plan assets           | (1,634)   | (1,634)           | $\frac{3}{4}$  | $\frac{3}{4}$     |
| Amortization of prior service cost       | 1   | 1                 | (17)   | (17)              |
| Recognized net actuarial (gain)/loss     | 578   | 343               | (22)   | (21)              |
| Net periodic (income) cost               | \$ 557  | \$ 315            | \$ (34)  | \$ (31)           |

Nashua funded the pension plans \$.3 million in the first quarter of 2009 and Nashua anticipates making a total contribution of up to \$2.9 million to Nashua's pension plans in 2009.

## Note 4: Segment and Related Information

The following table presents information about Nashua's reportable segments.

|                          | Net Sales                              |   | Gross Margin                           |   |
|--------------------------|--|---|--|---|
|                          | Three Months Ended<br>April 3,<br>2009 | Three Months Ended<br>March 28,<br>2008 | Three Months Ended<br>April 3,<br>2009 | Three Months Ended<br>March 28,<br>2008 |
|                          | (In thousands)                         |   |  |   |
| Label Products           | \$ 27,187                              | \$ 26,026                               | \$ 2,883                               | \$ 3,805                                |
| Specialty Paper Products | 35,752                                 | 38,588                                  | 5,400                                  | 5,893                                   |
| All other                | 1,594                                  | 1,093                                   | 607                                    | 166                                     |
| Reconciling items:       |  |   |  |   |
| Eliminations             | (2,055 )                               | (1,781)                                 | $\frac{3}{4}$                          | (6)                                     |
| Consolidated             | \$ 62,478                              | \$ 63,926                               | \$ 8,890                               | \$ 9,858                                |



## Note 5: Contingencies

### Environmental

Nashua is involved in certain environmental matters and has been designated by the Environmental Protection Agency, referred to as the EPA, as a potentially responsible party for certain hazardous waste sites. In addition, Nashua has been notified by certain state environmental agencies that Nashua may bear responsibility for remedial action at other sites which have not been addressed by the EPA. The sites at which Nashua may have remedial responsibilities are in various stages of investigation and remediation. Due to the unique physical characteristics of each site, the remedial technology employed, the extended timeframes of each remediation, the interpretation of applicable laws and regulations and the financial viability of other potential participants, Nashua's ultimate cost of remediation is difficult to estimate. Accordingly, Nashua's estimates of such costs could either increase or decrease in the future due to changes in such factors. At April 3, 2009, based on the facts currently known and Nashua's prior experience with these matters, Nashua has concluded that it is probable that site assessment, remediation and monitoring costs will be incurred. Nashua has estimated a range for these costs of \$.6 million to \$.9 million for continuing operations. These estimates could increase if other potentially responsible parties or Nashua's insurance carriers are unable or unwilling to bear their allocated share and cannot be compelled to do so. At April 3, 2009, Nashua's accrual balance relating to environmental matters was \$.6 million for continuing operations. Based on information currently available, Nashua believes that it is probable that the major potentially responsible parties will fully pay the costs apportioned to them. Nashua believes that Nashua's remediation expense is not likely to have a material adverse effect on Nashua's consolidated financial position or results of operations.

### State Street Bank and Trust

On October 24, 2007, the Nashua Pension Plan Committee filed a Class Action Complaint in the United States District Court for the District of Massachusetts against State Street Bank and Trust, State Street Global Advisors, Inc. and John Does 1-20, referred to collectively as State Street. On January 14, 2008, the Nashua Pension Plan Committee filed a revised Complaint with the United States District Court for the Southern District of New York against the same defendants. The Complaint alleges that the defendants violated their obligations as fiduciaries under the Employment Retirement Income Securities Act of 1974, referred to as ERISA.

On February 7, 2008, the Court consolidated Nashua's action with other pending ERISA actions and appointed the Nashua Pension Plan Committee as one of the lead plaintiffs in the consolidated action. On August 22, 2008, the lead plaintiffs filed a consolidated amended complaint. On October 17, 2008, State Street filed an answer and included a counterclaim against the trustees of the named plaintiff plans, including the trustees of Nashua's Pension Plan Committee, asserting that to the extent State Street is liable to the plans, the trustees are liable to State Street for contribution and/or indemnification in the amount of any payment by State Street in excess of State Street's share of liability. On December 22, 2008, State Street filed an amended counterclaim against the trustees maintaining their allegations concerning contribution and/or indemnification and adding a claim for breach of fiduciary duty. On March 3, 2009, the trustees filed a motion to dismiss the counterclaim. Nashua believes the counterclaim is without merit and the trustees intend to vigorously defend against the counterclaim. Discovery commenced in March 2008 and is ongoing.

### Other

Nashua is involved in various other lawsuits, claims and inquiries, most of which are routine to the nature of Nashua's business. In the opinion of Nashua's management, the resolution of these matters will not materially affect Nashua.

## Note 6: Fair Value Measurements

In the first quarter of 2009, Nashua adopted Statement of Financial Accounting Standards No. 157, Fair Value Measurements, (FAS 157) for Nashua's nonfinancial assets and liabilities that are not recognized or disclosed at fair value in the financial statements on a recurring basis. This adoption did not have a material impact on Nashua's financial position or results of operations.

FAS 157 provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. FAS 157 defines fair value as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. FAS 157 also established a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required by the standard that Nashua uses to measure fair value.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table sets forth the financial liability as of April 3, 2009 that Nashua measured at fair value on a recurring basis by level within the fair value hierarchy. As required by FAS 157, assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to their fair value measurement.

| (in thousands of dollars)    | Fair Value Measurements at April 3, 2009 Using |   |   |   |
|------------------------------|--|---|---|---|
|                              | Total Carrying Value at April 3, 2009          | Quoted prices in active markets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Interest rate swap liability | \$ 707   | \$ ¾                                      | \$ 707  | \$ ¾                                      |

The fair value of the interest rate swap was derived from a discounted cash flow analysis based on the terms of the contract and the forward interest rate curve adjusted for Nashua's credit risk.

#### Note 7: Goodwill

Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets (FAS 142), requires that Nashua tests goodwill for impairment on an annual basis and on an interim basis when circumstances change between annual tests that would more-likely-than-not reduce the fair value of the reporting unit below its carrying value, and to write down goodwill and non-amortizable intangible assets when impaired. Nashua's annual impairment date is the fourth quarter of each year. This assessment requires Nashua to estimate the fair market value of each of Nashua's reporting units and recognize an impairment when the calculated fair market value is less than Nashua's carrying value.

The current business climate related to the ongoing economic crisis caused Nashua to re-evaluate Nashua's current projections as well as expected market multiples during the first quarter of 2009. As a result, Nashua performed an interim impairment test as of April 3, 2009, using a discounted cash flow model. Based on Nashua's assessment, Nashua determined that the fair value of the reporting unit exceeded the carrying value and therefore no impairment was necessary. The carrying amount of goodwill for Nashua's Label Products business was \$17.4 million at April 3, 2009.

#### Note 8: New Accounting Pronouncement

In September 2006, the Financial Accounting Standards Board (“FASB”) issued Statement of Financial Accounting Standards No. 157, Fair Value Measurement (FAS 157). This statement defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. In February 2008, the FASB issued Staff Position (“FSP”) No. 157-2, delaying the effective date of FAS 157 for nonfinancial assets and nonfinancial liabilities for one year.

Effective January 1, 2009, the first day of Nashua's current fiscal year, Nashua adopted the provisions of FAS 157 for Nashua's nonfinancial assets and nonfinancial liabilities. The adoption did not have a material impact on Nashua's consolidated financial position, operations and cash flows.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141 (revised 2007), Business Combinations (FAS 141R). FAS 141R establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree and the goodwill acquired. The standard also establishes disclosure requirements to enable the evaluation for the nature and financial effects of the business combination. The requirements of FAS 141R were effective for Nashua's fiscal year beginning January 1, 2009. The adoption of FAS 141R did not have a material impact on Nashua's financial statements at April 3, 2009.

#### Note 9: Subsequent Event

On May 6, 2009, Nashua entered into an Agreement and Plan of Merger with Cenveo, Inc. and NM Acquisition Corp., a wholly owned subsidiary of Cenveo, referred to as Merger Sub, pursuant to which either: (i) Merger Sub will merge with and into Nashua, and Nashua will continue as the surviving entity, or (ii) under certain circumstances, Nashua will merge with and into Merger Sub, and Merger Sub will continue as the surviving entity (either (i) or (ii), as applicable, referred to as the merger). Upon consummation of the merger, the surviving entity will be a wholly owned subsidiary of Cenveo. Consummation of the merger is subject to the approval of the merger agreement by Nashua's shareholders. The merger is expected to close during the summer of 2009.

At the effective time of the merger, referred to as the effective time, each issued and outstanding share of Nashua's common stock, other than shares owned by Cenveo or Merger Sub, will be converted into the right to receive (i) \$0.75 in cash without interest, referred to as the cash consideration, and (ii) a number of shares of Cenveo's common stock, referred to as the stock consideration and together with the cash consideration, the merger consideration, equal to the quotient obtained by dividing \$6.130 by the volume-weighted average price per share of Cenveo common stock on fifteen days selected by lot out of the 30 trading days ending on and including the second trading day immediately prior to the closing date of the merger (that average is referred to as the Cenveo stock measurement price). However, in the event such average is equal to or less than \$3.750, then Nashua's shareholders will receive 1.635 shares of Cenveo common stock per share of Nashua stock, and in the event that such average is equal to or greater than \$5.25, then Nashua's shareholders will receive 1.168 shares of Cenveo common stock per share of Nashua stock.

At the effective time, each unvested share of Nashua's common stock subject to restrictions contained in a restricted stock award agreement made pursuant to one of Nashua's stock plans, referred to as restricted shares, will be cancelled and converted and will be exchanged for the merger consideration in the same manner as Nashua's common stock. The merger consideration issued with respect to the restricted shares will remain subject to the same terms and conditions set forth in the applicable stock plan. Any cash payments to be made with respect to the restricted shares will only be made upon the attainment of certain adjusted performance targets with respect to Cenveo common stock, as specified in the merger agreement.

Also at the effective time, each outstanding option to purchase Nashua's common stock granted under certain of Nashua's stock plans will be assumed by Cenveo. Each such outstanding option shall be exercisable for shares of Cenveo common stock in accordance with a formula set forth in the merger agreement.

## NASHUA CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

|   | Year Ended December 31,               |            |
|---|---------------------------------------|------------|
|   | 2008                                  | 2007       |
|   | (In thousands, except per share data) |            |
| Net sales   | \$ 264,903                            | \$ 272,799 |
| Cost of products sold   | 225,498                               | 224,545    |
| Gross margin  | 39,405                                | 48,254     |
| Selling and distribution expenses   | 25,937                                | 24,088     |
| General and administrative expenses   | 14,857                                | 16,991     |
| Research and development expenses   | 666                                   | 806        |
| Loss from equity investment   | 192                                   | 200        |
| Impairment of goodwill  | 14,142                                | ¾          |
| Interest expense  | 535                                   | 765        |
| Interest income   | (98)                                  | (179)      |
| Change in fair value of interest rate swap                                  | 538                                   | 295        |
| Other income  | (958)                                 | (1,196)    |
| Income (loss) from continuing operations before income taxes                | (16,406)                              | 6,484      |
| Provision for income taxes  | 3,358                                 | 2,633      |
| Income (loss) from continuing operations                                    | (19,764)                              | 3,851      |
| Income from discontinued operations, net of \$211,000 of taxes              | ¾                                     | 289        |
| Net income (loss)   | \$ (19,764)                           | \$ 4,140   |
| Per share amounts:  |                                       |            |
| Income (loss) from continuing operations per common share                   | \$ (3.65)                             | \$ 0.67    |
| Income from discontinued operations per common share                        | ¾                                     | 0.05       |
| Net income (loss) per common share  | \$ (3.65)                             | \$ 0.72    |
| Income (loss) from continuing operations per common share-assuming dilution | \$ (3.65)                             | \$ 0.66    |
| Income from discontinued operations per common share-assuming dilution      | ¾                                     | 0.05       |
| Net income (loss) per common share-assuming dilution                        | \$ (3.65)                             | \$ 0.71    |
| Average shares outstanding:   |                                       |            |
| Common shares   | 5,414                                 | 5,743      |
| Common shares-assuming dilution   | 5,414                                 | 5,817      |

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

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## NASHUA CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2008 AND 2007

|  | December 31,                      |            |
|--|-----------------------------------|------------|
|  | 2008                              | 2007       |
|  | (In thousands, except share data) |            |
| <b>Assets</b>  |                                   |            |
| <b>Current assets</b>  |                                   |            |
| Cash and cash equivalents  | \$ 1,592                          | \$ 7,388   |
| Accounts receivable, net   | 27,469                            | 29,375     |
| Inventories:   |                                   |            |
| Raw materials  | 8,902                             | 9,079      |
| Work in process  | 3,329                             | 2,565      |
| Finished goods   | 9,554                             | 8,354      |
|  | 21,785                            | 19,998     |
| Other current assets   | 5,599                             | 2,828      |
|  | 56,445                            | 59,589     |
| <b>Plant and equipment:</b>  |                                   |            |
| Land   | 986                               | 986        |
| Buildings and improvements   | 15,591                            | 16,409     |
| Machinery and equipment  | 53,181                            | 53,512     |
| Construction in progress   | 506                               | 189        |
|  | 70,264                            | 71,096     |
| Accumulated depreciation   | (50,110)                          | (47,805)   |
|  | 20,154                            | 23,291     |
| Goodwill   | 17,374                            | 31,516     |
| Intangibles, net of amortization   | 260                               | 331        |
| Other assets   | 5,970                             | 12,975     |
| Total assets   | \$ 100,203                        | \$ 127,702 |
| <b>Liabilities and Shareholders' Equity</b>  |                                   |            |
| <b>Current liabilities</b>   |                                   |            |
| Accounts payable   | \$ 11,968                         | \$ 14,432  |
| Accrued expenses   | 8,900                             | 9,185      |
| Current portion of long-term debt  | 8,125                             | 1,875      |
| Current portion of notes payable to related parties  | 18                                | 31         |
|  | 29,011                            | 25,523     |
| Long-term debt, less current portion   | 2,800                             | 10,925     |
| Notes payable to related parties, less current portion   | ¾                                 | 18         |
| Other long-term liabilities  | 46,879                            | 29,728     |
| Commitments and contingencies (see Note 10)  |                                   |            |
| <b>Shareholders' equity:</b>   |                                   |            |
| Common stock, par value \$1.00; authorized 20,000,000 shares; issued and outstanding 5,607,642 shares in 2008 and 5,640,636 shares in 2007 | 5,608                             | 5,641      |
| Additional paid-in capital   | 15,076                            | 14,562     |
| Retained earnings  | 39,705                            | 59,648     |
| Accumulated other comprehensive loss:  |                                   |            |
| Minimum pension liability adjustment, net of tax   | (38,876)                          | (18,343)   |
|  | 21,513                            | 61,508     |
| Total liabilities and shareholders' equity   | \$ 100,203                        | \$ 127,702 |

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

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## NASHUA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY  
AND COMPREHENSIVE LOSS FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

|   | Shares                            | Common Stock<br>Par<br>Value | Additional<br>Paid-In<br>Capital | Retained<br>Earnings | Accumulated<br>Other<br>Comprehensive<br>Loss | Total         |
|---|-----------------------------------|------------------------------|----------------------------------|----------------------|---|---------------|
|   | (In thousands, except share data) |                              |                                  |                      |   |               |
| Balance, December 31, 2006                                | 6,344,178                         | \$ 6,344                     | \$ 15,998                        | \$ 61,358            | \$ (14,673)                                   | \$ 69,027     |
| Stock options exercised and related tax benefit           | 85,150                            | 85                           | 596                              | $\frac{3}{4}$        | $\frac{3}{4}$                                 | 681           |
| Stock-based compensation                                  | $\frac{3}{4}$                     | $\frac{3}{4}$                | 232                              | $\frac{3}{4}$        | $\frac{3}{4}$                                 | 232           |
| Restricted stock issued                                   | 148,000                           | 148                          | (148)                            | $\frac{3}{4}$        | $\frac{3}{4}$                                 | $\frac{3}{4}$ |
| Restricted stock forfeited                                | (88,673)                          | (88)                         | 88                               | $\frac{3}{4}$        | $\frac{3}{4}$                                 | $\frac{3}{4}$ |
| Purchase and retirement of treasury shares                | (100,300)                         | (100)                        | (260)                            | (445)                | $\frac{3}{4}$                                 | (805)         |
| Purchase and retirement of treasury shares – tender offer | (751,150)                         | (751)                        | (2,009)                          | (5,405)              | $\frac{3}{4}$                                 | (8,165)       |
| Other   | 3,431                             | 3                            | 65                               | $\frac{3}{4}$        | $\frac{3}{4}$                                 | 68            |
| Comprehensive income:                                     |                                   |                              |                                  |                      |   |               |
| Net income  | $\frac{3}{4}$                     | $\frac{3}{4}$                | $\frac{3}{4}$                    | 4,140                | $\frac{3}{4}$                                 | 4,140         |
| Minimum pension liability adjustment, net of tax          | $\frac{3}{4}$                     | $\frac{3}{4}$                | $\frac{3}{4}$                    | $\frac{3}{4}$        | (3,670)                                       | (3,670)       |
| Comprehensive income                                      | $\frac{3}{4}$                     | $\frac{3}{4}$                | $\frac{3}{4}$                    | $\frac{3}{4}$        | $\frac{3}{4}$                                 | 470           |
| Balance, December 31, 2007                                | 5,640,636                         | \$ 5,641                     | \$ 14,562                        | \$ 59,648            | \$ (18,343)                                   | \$ 61,508     |
| Stock options exercised and related tax benefit           | 7,550                             | 7                            | 55                               | $\frac{3}{4}$        | $\frac{3}{4}$                                 | 62            |
| Stock-based compensation                                  | $\frac{3}{4}$                     | $\frac{3}{4}$                | 888                              | $\frac{3}{4}$        | $\frac{3}{4}$                                 | 888           |
| Restricted stock issued                                   | 118,000                           | 118                          | (118)                            |                      |   | $\frac{3}{4}$ |
| Restricted stock forfeited                                | (23,000)                          | (23)                         | 23                               | $\frac{3}{4}$        | $\frac{3}{4}$                                 | $\frac{3}{4}$ |
| Purchase and retirement of treasury shares                | (135,544)                         | (135)                        | (334)                            | (179)                | $\frac{3}{4}$                                 | (648)         |
| Comprehensive loss:                                       |                                   |                              |                                  |                      |   |               |
| Net loss  | $\frac{3}{4}$                     | $\frac{3}{4}$                | $\frac{3}{4}$                    | (19,764)             | $\frac{3}{4}$                                 | (19,764)      |
| Minimum pension liability adjustment, net of tax          | $\frac{3}{4}$                     | $\frac{3}{4}$                | $\frac{3}{4}$                    | $\frac{3}{4}$        | (20,533)                                      | (20,533)      |
|   | $\frac{3}{4}$                     | $\frac{3}{4}$                | $\frac{3}{4}$                    | $\frac{3}{4}$        | $\frac{3}{4}$                                 | (40,297)      |

Comprehensive  
loss

|                            |           |    |       |    |        |    |        |    |          |    |        |
|----------------------------|-----------|----|-------|----|--------|----|--------|----|----------|----|--------|
| Balance, December 31, 2008 | 5,607,642 | \$ | 5,608 | \$ | 15,076 | \$ | 39,705 | \$ | (38,876) | \$ | 21,513 |
|----------------------------|-----------|----|-------|----|--------|----|--------|----|----------|----|--------|

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

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## NASHUA CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

|  | Year Ended December 31 |          |
|--|------------------------|----------|
|  | 2008                   | 2007     |
|  | (in thousands)         |          |
| Cash Flows from Operating Activities   |                        |          |
| Net income (loss)  | \$ (19,764)            | \$ 4,140 |
| Adjustments to reconcile net income (loss) to cash provided by (used in) operating activities: |                        |          |
| Depreciation and amortization  | 4,445                  | 4,608    |
| Amortization of deferred gain  | (674)                  | (674)    |
| Change in fair value of interest rate swap   | 538                    | 295      |
| Impairment of goodwill   | 14,142                 | ¾        |
| Deferred income taxes  | 4,818                  | 1,309    |
| Stock based compensation   | 888                    | 261      |
| Excess tax benefit from exercised stock based compensation                                     | (14)                   | (125)    |
| Loss on sale/disposal of fixed assets  | 411                    | 65       |
| Equity in loss from unconsolidated joint venture   | 192                    | 200      |
| Contributions to pension plans (see Note 11)   | (4,888)                | (5,339)  |
| Change in operating assets and liabilities, net of effects from acquisition of businesses:     |                        |          |
| Accounts receivable  | 1,906                  | 95       |
| Inventories  | (1,787)                | 3,766    |
| Other assets   | (633)                  | (315)    |
| Accounts payable   | (2,464)                | (2,188)  |
| Accrued expenses   | (285)                  | 546      |
| Other long-term liabilities  | 1,642                  | 1,202    |
| Cash provided by (used in) operating activities  | (1,527)                | 7,846    |
| Cash Flows from Investing Activities   |                        |          |
| Investment in plant and equipment  | (1,648)                | (1,346)  |
| Investment in unconsolidated joint venture   | (129)                  | (146)    |
| Proceeds from sale of plant and equipment  | ¾                      | 6        |
| Cash used in investing activities  | (1,777)                | (1,486)  |
| Cash Flows from Financing Activities   |                        |          |
| Net repayments on revolving portion of long-term debt  | ¾                      | (1,950)  |
| Net repayments on term portion of long-term debt   | (1,875)                | ¾        |
| Principal repayment on note payable to related parties   | (31)                   | (71)     |
| Proceeds from repayment on loan to related party   | ¾                      | 1,049    |
| Proceeds from refinancing  | ¾                      | 10,000   |
| Proceeds from shares exercised under stock option plans  | 48                     | 556      |
| Excess tax benefit from exercised stock based compensation                                     | 14                     | 125      |

|   |          |          |
|---|----------|----------|
| Purchase and retirement of treasury shares                | (648)    | (805)    |
| Purchase and retirement of treasury shares – tender offer | ¾        | (8,165)  |
| Cash provided by (used in) financing activities           | (2,492)  | 739      |
| Increase (decrease) in cash and cash equivalents          | (5,796)  | 7,099    |
| Cash and cash equivalents at beginning of year            | 7,388    | 289      |
| Cash and cash equivalents at end of year                  | \$ 1,592 | \$ 7,388 |
| Supplemental Disclosures of Cash Flow Information         |          |          |
| Interest paid   | \$ 445   | \$ 959   |
| Income taxes paid, net                                    | \$ 61    | \$ 1,952 |

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

## Note 1: Summary of Significant Accounting Policies

### Description of the Company

Nashua Corporation is a manufacturer, converter and marketer of labels and specialty papers. Nashua's primary products include thermal and other coated papers, wide-format papers, pressure-sensitive labels and tags, and transaction and financial receipts.

### Segment and Related Information

Nashua has two segments as discussed in detail in Note 12:

(1) Label Products

(2) Specialty Paper Products

### Basis of Consolidation

Nashua's Consolidated Financial Statements include the accounts of Nashua Corporation and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

### Use of Estimates

The preparation of Nashua's Consolidated Financial Statements, in accordance with U.S. GAAP, requires Nashua to make estimates and assumptions that affect the amounts reported in Nashua's financial statements and accompanying notes. Significant estimates include allowances for obsolete inventory and uncollectible receivables, environmental obligations, pension and other postretirement benefits, valuation allowances for deferred tax assets, future cash flows associated with assets and useful lives for depreciation and amortization. Actual results could differ from Nashua's estimates.

### Cash Equivalents

Nashua considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents.

### Accounts Receivable

Nashua evaluates the collectibility of its accounts receivable based on a combination of factors. In circumstances where Nashua becomes aware of a specific customer's inability to meet its financial obligations to Nashua, such as a bankruptcy filing or a substantial downgrading of a customer's credit rating, Nashua records a specific reserve to reduce its net receivable to the amount it reasonably expects to collect. Nashua also records reserves for bad debts based on the length of time its receivables are past due, the payment history of Nashua's individual customers and the current financial condition of Nashua's customers based on obtainable data and historical payment and loss trends. After Nashua's management's review of accounts receivable, Nashua increased the allowance for doubtful accounts to \$.5 million at December 31, 2008 from \$.3 million at December 31, 2007. Uncertainties affecting Nashua's estimates include future industry and economic trends and the related impact on the financial condition of Nashua's customers, as well as the ability of Nashua's customers to generate cash flows sufficient to pay Nashua amounts due. If circumstances change, such as higher than expected defaults or an unexpected material adverse change in a customer's ability to meet its financial obligations to Nashua, Nashua's estimates of the recoverability of the receivables due Nashua could be either reduced or increased by a material amount.



## Inventories

Nashua's inventories are carried at the lower of cost or market. Cost is determined by the first-in, first-out, or commonly known as FIFO, method for approximately 77 percent of Nashua's inventories at December 31, 2008 and 2007, and by the last-in, first-out, or commonly known as LIFO, method for the balance. If the FIFO method had been used to cost all inventories, the balances would have been approximately \$2.0 million higher for December 31, 2008 and \$1.8 million higher for December 31, 2007.

## Plant and Equipment

Nashua's plant and equipment are stated at cost. Nashua charges expenditures for maintenance and repairs to operations as incurred, while additions, renewals and betterments of plant and equipment are capitalized. Items which are sold, retired or otherwise disposed of, together with related accumulated depreciation, are removed from Nashua's accounts and, where applicable, the related gain or loss is recognized.

Depreciation expense was \$4.4 million for 2008 and \$4.4 million for 2007. Depreciation expense includes amortization of assets recorded under capital leases. For financial reporting purposes, Nashua computes depreciation expense using the straight-line method over the following estimated useful lives:

|                            |              |
|----------------------------|--------------|
| Buildings and improvements | 5 – 40 years |
| Machinery and equipment    | 3 – 20 years |

Nashua reviews the value of its plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

## Goodwill and Intangible Assets

Goodwill represents the excess of the cost of acquired businesses over the fair value of identifiable net assets acquired. For the purposes of performing the required impairment tests, a present value (discounted cash flow) method was used to determine fair value of the reporting units. Nashua performs its annual impairment test in the fourth quarter of each year. Nashua performed an interim impairment test in the third quarter of 2008, as described in more detail in Note 3.

Intangible assets have determinable useful lives between 5 and 15 years. Nashua reviews intangible assets for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. When indicators of impairment are present, Nashua evaluates the carrying value of the intangible asset in relation to its operating performance and future undiscounted cash flows. If the asset's carrying value is not recoverable, an impairment loss is recorded to write down the asset to its fair value.

## Stock-Based Compensation

At December 31, 2008 Nashua had five stock compensation plans, which are described more fully in Note 8. Effective January 1, 2006, Nashua accounts for stock-based compensation in accordance with the fair value recognition provision of statement of Financial Accounting Standard No. 123 (revised 2004), Share-Based Payment, or FAS 123R, using the modified-prospective method. Nashua uses the Monte Carlo Simulation, which requires the input of subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them, the estimated volatility of Nashua's common stock price over the expected term and the number of options that will ultimately not complete their vesting requirements. Changes in the subjective assumptions can materially affect the estimate of fair value stock-based compensation, and consequently, the related amount recognized on the Consolidated Statements of Operations.

Compensation expense for the year ended December 31, 2008 for restricted stock awards and restricted stock units was \$.9 million compared to expense for restricted stock awards of \$.2 million in 2007 and is included in selling, general and administrative expenses. Total compensation related to non-vested awards not yet recognized at

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December 31, 2008 is \$.9 million, which Nashua expects to recognize as compensation expense over the next three years.

#### Postretirement Benefits

Effective December 31, 2006, Nashua adopted Financial Accounting Standard No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, or FAS 158. FAS 158 requires Nashua to recognize the funding status of Nashua's defined benefit postretirement plans in Nashua's statement of financial position and to recognize changes in the funding status in comprehensive income in the year in which the change occurs. FAS 158 and its effects on Nashua's Consolidated Financial Statements are described more fully in Note 11.

#### Revenue Recognition

Nashua recognizes revenue from product sales or services rendered when the following four revenue recognition criteria are met: persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the selling price is fixed or determinable, and collectibility is reasonably assured.

#### Environmental Expenditures

Nashua expenses environmental expenditures relating to ongoing operations unless the expenditures extend the life, increase the capacity or improve the safety or efficiency of Nashua's property, mitigate or prevent environmental contamination that has yet to occur and improve Nashua's property compared with its original condition, or are incurred for property held for sale.

Expenditures relating to site assessment, remediation and monitoring are accrued and expensed when the costs are both probable and the amount can be reasonably estimated. Nashua bases estimates on in-house and third-party studies considering current technologies, remediation alternatives and current environmental standards. In addition, if there are other participants and the liability is joint and several, the financial stability of the other participants is considered in determining Nashua's accrual.

#### Shipping Costs

Nashua classifies third-party shipping costs as a component of selling and distribution expenses in Nashua's Consolidated Statement of Operations. Third-party shipping costs totaled \$11.7 million for the year ended December 31, 2008 and \$11.2 million for the year ended December 31, 2007.

#### Research and Development

Nashua expenses research and development costs as incurred.

#### Income Taxes

Income taxes are accounted for under the liability method in accordance with Financial Accounting Standard No. 109 (FAS 109) Accounting for Income Taxes. Deferred income taxes result principally from the use of different methods of depreciation and amortization for income tax and financial reporting purposes, the recognition of expenses for financial reporting purposes in years different from those in which the expenses are deductible for income tax purposes, and the recognition of the tax benefit of net operating losses and other tax credits. Deferred taxes reflect the tax consequences on future years of differences between the tax bases of assets and liabilities and their financial reporting amounts. The carrying value of Nashua's deferred tax assets is dependent upon the ability to generate

sufficient future taxable income in certain tax jurisdictions. Should Nashua determine that it is more likely than not that some portion or all of its deferred assets will not be realized, a valuation allowance to the deferred tax assets would be established in the period such determination was made.

In accordance with Financial Accounting Standards Board Interpretation 48, Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109 (FIN 48), Nashua’s policy is to provide for uncertain tax positions and the related interest and penalties based upon management’s assessment of whether a tax benefit is

more likely than not to be sustained upon examination by tax authorities. At December 31, 2008, Nashua believes it has appropriately accounted for any unrecognized tax benefits. To the extent Nashua prevails in matters for which a liability for an unrecognized tax benefit is established or is required to pay amounts in excess of the liability, Nashua's effective tax rate in a given financial statement period may be affected.

#### Concentrations of Credit Risk

Financial instruments that potentially subject Nashua to concentrations of credit risk consist primarily of cash equivalents and trade receivables.

Nashua places its temporary cash investments with high quality financial institutions and in high quality liquid investments. Concentrations of credit risk with respect to accounts receivable are limited because Nashua's customer base consists of a large number of geographically diverse customers. Nashua performs ongoing credit evaluations of Nashua's customers' financial condition and maintain allowances for potential credit losses. Nashua generally does not require collateral or other security to support customer receivables.

#### Concentrations of Labor

Nashua had 659 full-time employees at February 6, 2009. Approximately 200 of Nashua's employees are members of one of several unions, principally the United Steelworkers of America. The agreements have initial durations of three to six years and expire on March 7, 2011 or March 31, 2012. Nashua believes its employee relations are satisfactory.

#### Concentrations of Supply

Nashua purchases certain important raw materials from a sole source or a limited number of manufacturers. Nashua's management believes that other suppliers could qualify to provide similar raw materials on comparable terms. The time required to locate and qualify other suppliers, however, could cause a delay in manufacturing that could be disruptive to Nashua.

#### Fair Value of Financial Instruments

The recorded amounts for cash and cash equivalents, other current assets, accounts receivable and accounts payable and other current liabilities approximate fair value due to the short-term nature of these financial instruments. The fair values of amounts outstanding under Nashua's debt instruments approximate their book values in all material respects due to the variable nature of the interest rate provisions associated with such instruments.

#### Earnings per Common and Common Equivalent Shares

Earnings per common and common equivalent share are computed based on the total of the weighted average number of common shares and the weighted average number of common equivalent shares outstanding during the period presented.

#### Repurchased Shares

Effective July 1, 2004, companies incorporated in Massachusetts became subject to the Massachusetts Business Corporation Act, Chapter 156D. Chapter 156D provides that shares that are reacquired by a company become authorized but unissued shares under Section 6.31, and thereby eliminates the concept of "treasury shares." Accordingly, Nashua designates its treasury shares as authorized but unissued and allocate the cost of treasury stock to common stock, additional paid-in capital and retained earnings.

New Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board, or FASB, issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). This standard defines fair value, establishes a market-based framework or hierarchy for measuring fair value, and expands disclosures about fair value

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measurements. FAS 157 is applicable whenever another accounting pronouncement requires or permits assets and liabilities to be measured at fair value. FAS 157 does not expand or require any new fair value measures, however, the application of this statement may change current practice. The requirements of FAS 157 are effective for measurements of financial instruments and recurring fair value measurements of non-financial assets and liabilities for Nashua's fiscal year beginning January 1, 2008. On January 1, 2009, FAS 157 applies to non-recurring valuations of non-financial assets and liabilities, including those used in measuring impairments of goodwill, other intangible assets and other long-lived assets. It also applies to fair value measurements of non-financial assets acquired and liabilities assumed in business combinations which occur after January 1, 2009. Nashua is in the process of evaluating these deferred provisions of FAS 157 on Nashua's 2009 financial statements.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities – including an Amendment of FASB Statement No. 115 (FAS 159). This standard allows an entity to choose to measure certain financial instruments and liabilities at fair value. Subsequent measurements for the financial instruments and liabilities an entity elects to fair value will be recognized in earnings. FAS 159 also established additional disclosure requirements. The requirements of FAS 159 were effective for Nashua's fiscal year beginning January 1, 2008. Nashua adopted FAS 159 and elected not to measure any additional financial instruments and other items at fair value. The adoption of FAS 159 had no impact on Nashua's financial statements.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141 (revised 2007), Business Combinations (FAS 141R). FAS 141R establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree and the goodwill acquired. The standard also establishes disclosure requirements to enable the evaluation for the nature and financial effects of the business combination. The requirements of FAS 141R are effective for Nashua's fiscal year beginning January 1, 2009. Nashua does not expect the impact of adopting FAS 141R to have a significant impact on Nashua's financial statements upon adoption.

#### Note 2: Discontinued Operations

Discontinued operations includes the reimbursement of legal cost of \$500,000 (\$289,000 net of taxes) paid related to the Cerion litigation which was concluded in the quarter ended March 30, 2007.

Nashua's asset balance related to discontinued operations included in Nashua's Consolidated Balance Sheets as of December 31, 2008 and 2007 was \$1.5 million which was included in other assets and consists primarily of Nashua's 37.1 percent interest in the Cerion Technologies Liquidating Trust, a trust established pursuant to the liquidation of Cerion Technologies Inc., formerly a publicly held company. Cerion ceased operations during the fourth quarter of 1998 and will liquidate upon resolution of legal matters.

#### Note 3: Goodwill and Other Intangible Assets

Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets (FAS 142), requires that Nashua tests goodwill for impairment at least on an annual basis and on an interim basis when circumstances change between annual tests that would more-likely-than-not reduce the fair value of the reporting unit below its carrying value, and to write down goodwill and non-amortizable intangible assets when impaired. Nashua's annual impairment date is in the fourth quarter of each year. This assessment requires Nashua to estimate the fair market value of each of Nashua's reporting units and recognize an impairment when the calculated fair value is less than Nashua's carrying value.

For the year ended December 31, 2008, Nashua recognized a goodwill impairment charge of \$14.1 million related to Nashua's Specialty Paper Products business.

The current business climate related to the ongoing economic crisis and Nashua's reliance on retail sales, banking activity and construction activity within Nashua's Specialty Paper Products business caused Nashua to re-evaluate Nashua's current projections as well as expected market multiples during the third quarter. As a result, Nashua performed an interim impairment test as of September 26, 2008, using a discounted cash flow model. Based on Nashua's assessment, Nashua determined that the fair value of the reporting unit did not exceed the carrying

value and therefore indicated a potential impairment of the reporting unit's goodwill and other assets. After performing step 2 of the evaluation, Nashua has concluded that the entire amount of \$14.1 million was impaired and accordingly, recorded as an impairment charge in the third quarter. No other assets of the reporting unit were deemed impaired.

The carrying amount of goodwill and activity for the year ended December 31, 2008 is as follows:

| (In thousands)                        | Specialty Paper<br>Products | Label Products | Total     |
|---------------------------------------|-----------------------------|----------------|-----------|
| Aggregate amount of goodwill acquired | \$ 14,142                   | \$ 17,374      | \$ 31,516 |
| Impairment charge                     | (14,142)                    | ¾              | (14,142)  |
| Balance as of December 31, 2008       | \$ ¾                        | \$ 17,374      | \$ 17,374 |

Details of acquired intangible assets are as follows:

|                                  | At December 31, 2008        |   | Weighted<br>Average<br>Amortization<br>Period |
|----------------------------------|-----------------------------|---|---|
|                                  | Gross<br>Carrying<br>Amount | Accumulated<br>Amortization<br>(In thousands) |   |
| Trademarks and trade names       | \$ 211                      | \$ 101  | 15 years                                      |
| Customer relationships and lists | 829                         | 679   | 12 years                                      |
|                                  | \$ 1,040                    | \$ 780  |   |

|                                  | At December 31, 2007        |   | Weighted<br>Average<br>Amortization<br>Period |
|----------------------------------|-----------------------------|---|---|
|                                  | Gross<br>Carrying<br>Amount | Accumulated<br>Amortization<br>(In thousands) |   |
| Trademarks and trade names       | \$ 211                      | \$ 88   | 15 years                                      |
| Customer relationships and lists | 829                         | 631   | 12 years                                      |
| Customer contracts               | 450                         | 440   | 5 years                                       |
|                                  | \$ 1,490                    | \$ 1,159                                      |   |

|                                      | (In<br>thousands) |
|--------------------------------------|-------------------|
| Amortization Expense:                |                   |
| For the year ended December 31, 2007 | \$ 225            |
| For the year ended December 31, 2008 | \$ 71             |
| Estimated for the year ending:       |                   |
| December 31,<br>2009                 | \$ 47             |
| December 31,<br>2010                 | \$ 39             |
| December 31,<br>2011                 | \$ 34             |
|                                      | \$ 31             |

|                                     |       |
|-------------------------------------|-------|
| December 31,<br>2012                |       |
| December 31,<br>2013                | \$ 30 |
| December 31, 2014 and<br>thereafter | \$ 79 |

The gross carrying amount, accumulated amortization and weighted average amortization period has been adjusted to remove fully amortized intangible assets as of December 31, 2008.

#### Note 4: Indebtedness

On May 23, 2007, Nashua entered into a Second Amended and Restated Credit Agreement with LaSalle Bank National Association, which was subsequently merged with Bank of America, N.A. and the lenders party thereto (the "Restated Credit Agreement") to amend and restate in its entirety Nashua's Amended and Restated Credit Agreement, dated March 30, 2006, as amended (the "Original Credit Agreement"). The Restated Credit Agreement



extended the term of the credit facility under the Original Credit Agreement to March 30, 2012 (unless earlier terminated in accordance with its terms) and provided for a revolving credit facility of \$28 million, including a \$5 million sublimit for the issuance of letters of credit and a \$2,841,425 secured letter of credit that will continue to support Industrial Development Revenue Bonds issued by the Industrial Development Board of the City of Jefferson City, Tennessee. In addition, the Restated Credit Agreement established a term loan of \$10 million. The term loan was payable in quarterly installments of \$625,000 beginning June 30, 2008. The revolving credit facility is subject to reduction upon the occurrence of a mandatory prepayment event (as defined in the Restated Credit Agreement). Nashua is obligated to make prepayments of the term loan periodically and upon the occurrence of certain specified events. The Restated Credit Agreement also adjusted Nashua's requirement to maintain fixed charge coverage ratio to be not less than 1.50 to 1.00. All other terms of the Original Agreement remained substantially the same.

The interest rate on loans outstanding under the Restated Credit Agreement was based on the total debt to adjusted EBITDA ratio and was, at Nashua's option, either (1) a range from zero to .25 percent over the base rate (prime) or (2) a range from 1.25 percent to 2 percent over LIBOR. Nashua is also subject to a non-use fee for any unutilized portion of the revolving credit facility under the Restated Credit Agreement.

For the years ended December 31, 2008 and December 31, 2007, the weighted average annual interest rate on Nashua's long-term debt was 3.8 percent and 5.5 percent, respectively. Nashua had \$24.8 million of available borrowing capacity at December 31, 2008 under Nashua's revolving loan commitment. Nashua had \$3.2 million of obligations under standby letters of credit with the banks which are included in Nashua's bank debt when calculating Nashua's borrowing capacity.

Furthermore, without prior consent of Nashua's lenders, the Restated Credit Agreement limited, among other things, annual capital expenditures to \$8.0 million, the incurrence of additional debt and restricts the sale of certain assets and merger or acquisition activities. Nashua may use cash for dividends or the repurchase of shares to the extent that the availability under the line of credit exceeds \$3.0 million.

As noted in the following table, Nashua was not in compliance with the fixed charge coverage ratio and the funded debt to adjusted EBITDA ratio financial covenants at December 31, 2008 under the Restated Credit Agreement.

| Covenant  | Requirement<br>at December 31, 2008 | Ratio at<br>December 31, 2008 |
|---|-------------------------------------|-------------------------------|
| • Maintain a fixed charge coverage ratio          | Not less than 1.5 to 1.0            | 1.1 to 1.0                    |
| • Maintain a funded debt to adjusted EBITDA ratio | Less than 2.5 to 1.0                | 2.6 to 1.0                    |

In February 2009, Nashua paid down the term loan under the Restated Credit Agreement with cash on hand and use of the revolving credit facility. On March 30, 2009, Nashua entered into an Amendment Agreement to Nashua's Second Amended and Restated Credit Agreement (the "Amended Credit Agreement") with Bank of America, N.A., to waive Nashua's non-compliance with the fixed charge coverage ratio and the funded debt to adjusted EBITDA ratio financial covenants at December 31, 2008. In addition, pursuant to the Amended Credit Agreement:

- The termination date is changed from March 30, 2012 to March 29, 2010;
- advances under the revolving credit facility are limited to 75 percent of eligible accounts receivable and 40 percent of eligible inventory, and eligible inventory is limited to \$6 million;
- the revolving credit facility is decreased from \$28 million to \$15 million until June 30, 2009, when it will increase to \$17 million;

- the interest rate on borrowings is increased to LIBOR plus 335 basis points or prime plus 110 basis points;

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- the fee for the unused line of credit is 75 basis points;
- annual capital expenditures are limited to \$2 million; and
- equipment and fixtures are added to the collateral securing the loan.

In addition, the terms of the Amended Credit Agreement adjusted the fixed charge coverage ratio financial covenant to 1.1 to 1.0 for the rolling twelve months ended April 3, 2009 and 1.2 to 1.0 for the rolling twelve months ended June 30, 2009. The maximum fixed charge coverage ratio returns to 1.5 to 1.0 for each quarterly measurement period through the end of the agreement. Under the Restated Credit Agreement, Nashua's funded debt to adjusted EBITDA ratio for the period ended April 3, 2009 and thereafter is to be less than 2.25 to 1.0.

Pursuant to the Amended Credit Agreement, at December 31, 2008 Nashua's minimum payment obligations relating to long-term debt are as follows:

|                                | 2009     | 2024     | Total     |
|--------------------------------|----------|----------|-----------|
| Term portion of long-term debt | \$ 8,125 | \$ ¾     | \$ 8,125  |
| Industrial revenue bond        |          | ¾        | 2,800     |
|                                | \$ 8,125 | \$ 2,800 | \$ 10,925 |

Nashua had borrowings of \$8.1 million under a term loan and \$2.8 million under Nashua's IRB loan outstanding at December 31, 2008. On February 9, 2009, Nashua borrowed \$4.6 million under Nashua's revolving line of credit with Bank of America and used cash of \$3.5 million to pay down the term loan in its entirety.

Nashua has presented the \$8.1 million term loan as current at December 31, 2008 since the amount was refinanced using cash generated from current assets at December 31, 2008 and borrowings under the revolving line of credit.

On March 26, 2009, Nashua's borrowings were \$3.6 million under the revolving line of credit and \$2.8 million on the IRB note.

Nashua had \$27.4 million of working capital at December 31, 2008. Nashua believes that Nashua's working capital amounts at December 31, 2008, along with cash expected to be generated from operating activities as well as borrowings available under the revolving line of credit, are adequate to allow Nashua to meet its obligations during 2009. In the event Nashua's results of operations do not meet forecasted results and therefore impact financial covenants with Nashua's lender, Nashua believes there are alternative forms of financing available to it. There can be no assurance, however, that such financing will be available on conditions acceptable to Nashua. In the event such financing is not available to it, Nashua believes it can effectively manage operating and financial obligations by adjusting the timing of working capital components.

Nashua uses derivative financial instruments to reduce Nashua's exposure to market risk resulting from fluctuations in interest rates. During the first quarter of 2006, Nashua entered into an interest rate swap, with a notional debt value of \$10.0 million, which expires in 2011. During the term of the agreement, Nashua has a fixed interest rate of 4.82 percent on the notional amount and Bank of America, as counterparty to the agreement, paid Nashua interest at a floating rate based on LIBOR on the notional amount. Interest payments are made quarterly on a net settlement basis.

This derivative does not qualify for hedge accounting, therefore, changes in fair value of the hedge instrument are recognized in earnings. Nashua recognized a \$.5 million mark-to-market expense in 2008 and a \$.3 million mark-to-market expense in 2007, both related to the change in fair value of the derivative. The fair market value of the

derivative resulted in liabilities of \$.7 million at December 31, 2008 and \$.3 million at December 31, 2007, which were determined based on current interest rates and expected trends.

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## Note 5: Lease Exit Charges

During the third quarter of 2008, Nashua recorded \$.3 million related to the closure of Nashua's leased facility located in Cranbury, New Jersey as part of distribution expense. In December 2008, Nashua was released from the Cranbury, New Jersey lease obligation and reversed the expense related to the exit charges. During the fourth quarter of 2008, Nashua recorded a lease liability expense of \$1.0 million included in cost of products sold related to the closure of Nashua's leased facility located in Jacksonville, Florida in Nashua's Label Products segment and \$.1 million related to leased trucks no longer used by Nashua's distribution facilities and included in selling and distribution expense. In accordance with Statement of Financial Accounting Standards No. 146, Accounting for Costs Associated with Exit or Disposal Activities (FAS 146), Nashua calculated the costs associated with the closure of the facilities and Nashua's related lease obligations. The calculation includes the discounted effect of future minimum lease payments from the date of closure to the end of the remaining lease term, net of estimated cost recoveries that may be achieved through subletting the facility or favorably terminating the lease. The total cost expected to be incurred with the Florida lease is \$1.8 million, which will be expensed through May 2013, in Nashua's Label Products segment. A roll forward of the activity for the year ended December 31, 2008 is as follows:

|                                  | (in<br>thousands) |
|----------------------------------|-------------------|
| Balance as of December 31, 2007  | \$ —              |
| Provision for lease exit charges | 1,374             |
| Reduction of lease exit charges  | (298 )            |
| Balance as of December 31, 2008  | \$ 1,076          |

## Note 6: Income Taxes

The provision for income taxes from continuing operations consists of the following:

|   | 2008           | 2007     |
|---|----------------|----------|
|   | (In thousands) |          |
| Current:  |                |          |
| Federal   | \$ (1,460)     | \$ 1,073 |
| State   | ¾              | 251      |
| Total current                                     | (1,460)        | 1,324    |
| Deferred:   |                |          |
| Federal   | 4,343          | 1,110    |
| State   | 475            | 199      |
| Total deferred                                    | 4,818          | 1,309    |
| Provision for income taxes, continuing operations | \$ 3,358       | \$ 2,633 |

Total net deferred tax assets (liabilities) are comprised of the following:

|  | 2008           | December 31,<br>2007 |
|--|----------------|----------------------|
|  | (In thousands) |                      |
| Depreciation   | \$ (304)       | \$ (725)             |
| Other  | (614)          | (611)                |
| Gross deferred tax liabilities                                 | (918)          | (1,336)              |
| Pension and postretirement benefits                            | 14,947         | 9,287                |
| State net operating loss carryforwards and other state credits | 1,767          | 1,690                |
| Alternative minimum tax and general business credits           | 1,528          | 1,109                |
| Accrued expenses   | 743            | 278                  |
| Inventory reserves   | 565            | 478                  |
| Bad debt reserves  | 266            | 351                  |
| Other  | 1,648          | 1,082                |
| Gross deferred tax assets                                      | 21,464         | 14,275               |
| Deferred tax asset valuation allowance                         | (14,384)       | (1,959)              |
| Deferred tax assets, net                                       | 7,080          | 12,316               |
| Net deferred tax assets  | \$ 6,162       | \$ 10,980            |

Reconciliations between income tax provision from continuing operations computed using the United States statutory income tax rate and Nashua's effective tax rate are as follows:

|   | 2008       |         | 2007     |       |
|---|------------|---------|----------|-------|
| United States federal statutory rate    | \$ (5,742) | (35.0)% | \$ 2,268 | 35.0% |
| State taxes, net of federal tax benefit | 309        | 1.9     | 310      | 4.8   |
| Goodwill impairment                     | 5,609      | 34.2    | ¾        | ¾     |
| Change in valuation allowance           | 4,293      | 26.2    | 195      | 3.0   |
| Other items                             | (1,111)    | (6.8)   | (140)    | (2.2) |
|   | \$ 3,358   | 20.5%   | \$ 2,633 | 40.6% |

At December 31, 2008, other current assets included \$3.2 million of net deferred tax assets and other assets included \$3.0 million of net deferred tax assets. At December 31, 2007, other current assets included \$1.5 million of net deferred tax assets and \$9.5 million was included in other assets.

At December 31, 2008, Nashua had \$19.2 million of state net operating loss carryforwards and other state credits (net benefit of \$1.8 million) and \$1.5 million of federal tax credit carryforwards, which are available to offset future domestic taxable earnings and taxes and are fully reserved at December 31, 2008. The state net operating loss carryforward benefits and other state credits expire between tax years 2009 and 2020. Primarily all of the \$1.5 million of federal tax credit carryforwards are for alternative minimum tax and have no expiration date. In 2008, Nashua increased its valuation allowance by approximately \$12.4 million for uncertainty related to the overall utilization of Nashua's deferred tax assets. The increase in the valuation allowance related to pension and postretirement benefits (\$9.1 million), of which \$8.1 million was recorded through other comprehensive loss, federal tax credits (\$1.5 million), state net operating losses and credits (\$.7 million), and other tax assets (\$1.6 million). \$4.3 million of the increase in valuation allowance was recorded through the income tax provision and \$8.1 million was recorded through other comprehensive loss due to the nature of the items.

In 2007, Nashua increased its valuation allowance by approximately \$.2 million for uncertainty related to Nashua's expected decrease in utilization of state net operating losses.

In 2008, Nashua's minimum pension liability increased due to changes in the pension plan funded status. Accordingly, Nashua increased both the deferred tax asset and related valuation allowance by \$8.1 million through accumulated other comprehensive loss. In 2007, Nashua's additional minimum pension liability increased due to changes in its funded status and changes in actuarial assumptions. Accordingly, Nashua increased both the deferred tax asset and related valuation allowance in 2007 by \$4.1 million through accumulated other comprehensive loss.

Taxes charged to other comprehensive loss, net of the deferred tax asset valuation allowance, related to certain other pension and postretirement benefits amounts to \$0 million in 2008 and 2007.

Effective January 1, 2007, Nashua adopted the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109 (FIN 48). FIN 48 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-than-likely-not to be sustained upon examination by taxing authorities. There was not a material impact on Nashua's consolidated financial position and results of operations as a result of the adoption of the provisions of FIN 48. At December 31, 2008 and 2007, Nashua had no unrecognized tax benefits. Nashua does not believe there will be any material changes in Nashua's unrecognized tax positions over the next twelve months.

Nashua's policy for recording interest and penalties associated with tax audits is to record such items as a component of income or loss before income taxes. When applicable, interest is recorded as interest expense, net and penalties are recorded in other income (loss). For the year ended 2008, Nashua had no interest or penalties accrued related to unrecognized tax benefits.

#### Note 7: Shareholders' Equity

Nashua's ability to pay dividends is restricted to the provisions of Nashua's debt agreement which allows Nashua to use cash for dividends to the extent that the availability under the line of credit exceeds \$3.0 million. Nashua did not declare or pay a cash dividend on Nashua's common stock in 2008 or 2007.

Nashua accounts for repurchased common stock under the cost method and upon purchase, Nashua retires treasury stock as a reduction of common stock, additional paid-in capital and retained earnings.

During the fourth quarter of 2008, Nashua's board of directors authorized the repurchase of up to 1,000,000 shares of Nashua's common stock from time to time on the open market or in privately negotiated transactions. During 2008, Nashua repurchased and retired 135,544 shares totaling \$.7 million.

During the fourth quarter of 2006, Nashua's board of directors authorized the repurchase of up to 500,000 shares of Nashua's common stock from time to time on the open market or in privately negotiated transactions. In 2006, Nashua repurchased and retired 15,429 shares totaling \$.1 million. During 2007, Nashua repurchased and retired 100,300 shares totaling \$.8 million. The share repurchase program expired on December 31, 2007.

On May 29, 2007, Nashua commenced a tender offer in which Nashua sought to acquire up to 1,900,000 shares of Nashua's common stock at a price of \$10.50 per share. The tender offer expired on June 28, 2007 at which time 751,150 shares were tendered at a price of \$10.50 per share. During the third quarter of 2007, Nashua settled the obligation of the tender offer and paid \$7.9 million for the tendered shares. Transaction fees of \$.3 million were paid during 2007 and recorded as a reduction to retained earnings. The transaction fees included the dealer manager, information agent, depositary, legal and other fees.

#### Note 8: Stock Option and Stock Award Plans

Nashua has five stock compensation plans at December 31, 2008: the 2008 Value Creation Incentive Plan (2008 Plan), the 2007 Value Creation Incentive Plan (2007 Plan), the 2004 Value Creation Incentive Plan (2004 Plan), the 1999 Shareholder Value Plan (1999 Plan) and the 1996 Stock Incentive Plan (1996 Plan).

On April 28, 2008, Nashua's shareholders approved the 2008 Value Creation Incentive Plan pursuant to which restricted stock awards may be granted to certain key executives. The restricted stock will vest only upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant, such that 33 percent of such shares shall vest if the 40-day average closing price of at least \$13.00 but less than \$14.00 is achieved, 66 percent of such shares shall vest if the 40-day



average closing price of at least \$14.00 but less than \$15.00 is achieved, and 100 percent of such shares shall vest if the 40-day average closing price of \$15.00 or greater is achieved. The restricted shares vest upon a change of control if the share price at the date of the change of control is equal to or greater than \$13.00. Shares of the restricted stock are forfeited if the specified closing prices of Nashua's common stock are not met or if certain

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individual stock ownership criteria are not met. There are 100,000 shares authorized for issuance under the 2008 Plan. As of December 31, 2008, there are no shares available to be awarded under the 2008 Plan.

On May 4, 2007, Nashua's shareholders adopted the 2007 Plan pursuant to which restricted stock awards may be granted to certain key executives. The restricted stock will vest only upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant, such that 33 percent of such shares shall vest if the 40-day average closing price of at least \$11.00 but less than \$12.00 is achieved, 66 percent of such shares shall vest if the 40-day average closing price of at least \$12.00 but less than \$13.00 is achieved, and 100 percent of such shares shall vest if the 40-day average closing price of \$13.00 or greater is achieved. The restricted shares vest upon a change of control if the share price at the date of the change of control is equal to or greater than \$11.00. Shares of the restricted stock are forfeited if the specified closing prices of Nashua's common stock are not met or if certain individual stock ownership criteria are not met. Of the 160,000 shares authorized for issuance under the 2007 Plan, 17,000 shares are available to be awarded as of December 31, 2008.

On May 4, 2004, Nashua's shareholders adopted the 2004 Plan in which restricted stock awards have been granted to certain key executives that will vest upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant, or the 40-day average closing price, such that 33 percent of such shares shall vest if the 40-day average closing price of at least \$13.00 but less than \$14.00 is achieved, 66 percent of such shares shall vest if the 40-day average closing price of at least \$14.00 but less than \$15.00 is achieved, and 100 percent of such shares shall vest if the 40-day average closing price of \$15.00 or greater is achieved. The restricted shares vest upon a change in control if the share price at the date of the change of control is equal to or greater than \$13.00. Shares of the restricted stock are forfeited if the specified closing prices of Nashua's common stock are not met. As of December 31, 2008, 146,000 shares have been forfeited. Of the 150,000 shares authorized for issuance under the 2004 Plan, 49,000 shares are outstanding as of December 31, 2008. The 2004 Plan has expired and no further awards can be granted.

Under the 1999 Plan, nonstatutory stock options have been awarded. Of the 600,000 shares authorized for the 1999 Plan, 9,719 shares are available to be awarded as of December 31, 2008. There were 226,550 stock options outstanding at December 31, 2008, all of which are currently exercisable. Stock options under the 1999 Plan generally become exercisable either (a) 50 percent on the first anniversary of grant and the remainder on the second anniversary of grant, (b) 100 percent at one year from the date of grant, or (c) otherwise as determined by the Leadership and Compensation Committee of Nashua's board of directors. Certain options may become exercisable immediately under certain circumstances and events as defined under the plan and option agreements. Nonstatutory and incentive stock options granted under the 1999 Plan expire on April 30, 2009. Currently, there are no incentive stock options granted under the 1999 Plan.

Under the 1999 Plan, performance based restricted stock awards have also been granted. There were 22,288 restricted stock awards outstanding at December 31, 2008 under this plan. The shares of restricted stock granted will vest either (i) upon achievement of certain target average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant or upon a change in control if the share price at the date of the change in control is equal to or greater than \$13.00, or (ii) annually in three equal installments on the first, second and third anniversary of the date of grant. Shares of the restricted stock are forfeited if the specified closing prices of Nashua's common stock are not met.

Under the 1996 Plan, both nonstatutory stock options and restricted stock have been awarded. There were 49,200 shares outstanding at December 31, 2008, all of which are currently exercisable. Nonstatutory stock options granted under the 1996 Plan expire 10 years and one day from the date of grant. Under this plan, there were 26,000 restricted stock awards outstanding at December 31, 2008. These restricted stock awards vest upon achievement of certain target

average closing prices of Nashua's common stock over the 40-consecutive trading day period which ends on the third anniversary of the date of grant, such that 33 percent of such shares shall vest if the 40-day average closing price of at least \$13.00 but less than \$14.00 is achieved, 66 percent of such shares shall vest if the 40-day average closing price of at least \$14.00 but less than \$15.00 is achieved, and 100 percent of such shares shall vest if the 40-day average closing price of \$15.00 or greater is achieved. The 1996 Plan has expired and no further awards can be granted.

Compensation expense for the year ended December 31, 2008 for restricted stock awards and restricted stock units was \$.9 million compared to \$.2 million in 2007 and is included in selling, general and administrative expenses. Total compensation related to non-vested awards not yet recognized at December 31, 2008 is \$.9 million, which Nashua expects to recognize as compensation expense over the next three years.

A summary of the status of Nashua's fixed stock option plans as of December 31, 2008 and 2007 and changes during the years ended on those dates is presented below:

|  | 2008    |                                 | 2007          |                                 |
|--|---------|---------------------------------|---------------|---------------------------------|
|  | Shares  | Weighted Average Exercise Price | Shares        | Weighted Average Exercise Price |
| Outstanding beginning of year              | 291,800 | \$ 6.18                         | 400,950       | \$ 6.65                         |
| Exercised                                  | (7,550) | 6.36                            | (85,150)      | 6.52                            |
| Forfeited — exercisable                    | (7,000) | 15.93                           | (24,000)      | 12.78                           |
| Expired                                    | (1,500) | 12.75                           | $\frac{3}{4}$ | $\frac{3}{4}$                   |
| Outstanding and exercisable at end of year | 275,750 | \$ 5.90                         | 291,800       | \$ 6.18                         |

A summary of the status of Nashua's restricted stock plans as of December 31, 2008 and 2007 and changes during the years ended on those dates is presented below:

|  | 2008     | 2007          |
|--|----------|---------------|
| Restricted stock outstanding at beginning of year              | 246,431  | 183,673       |
| Granted  | 166,570  | 151,431       |
| Forfeited  | (23,000) | (88,673)      |
| Vested   | (1,143)  | $\frac{3}{4}$ |
| Restricted stock outstanding at end of year                    | 388,858  | 246,431       |
| Weighted average fair value per restricted share at grant date | \$ 5.95  | \$ 5.12       |
| Weighted average share price at grant date                     | \$ 10.50 | \$ 10.54      |

While Nashua did not grant stock options for the years ended December 31, 2008 and 2007, Nashua did grant shares of restricted stock. Key assumptions and methods used in estimating the fair value at the grant date of restricted shares granted are listed below:

|                           | Grant Year             |                        |
|---------------------------|------------------------|------------------------|
|                           | 2008                   | 2007                   |
| Volatility of Share Price | 48.9%                  | 44.0%                  |
| Dividend yield            | $\frac{3}{4}$          | $\frac{3}{4}$          |
| Interest rate             | 2.6%                   | 4.6%                   |
| Expected forfeiture       | 9.9%                   | 9.9%                   |
| Valuation methodology     | Monte Carlo Simulation | Monte Carlo Simulation |



## Note 9: Earnings Per Share

Reconciliations of the denominators used in Nashua's 2008 and 2007 earnings per share calculations are presented below.

|  | Year ended                         |          |
|--|------------------------------------|----------|
|  | 12/31/08                           | 12/31/07 |
|  | In thousands except per share data |          |
| <b>Numerator</b>                                     |                                    |          |
| Income from continuing operations                    | \$ (19,764)                        | \$ 3,851 |
| Income from discontinued operations                  | <sup>3</sup> / <sub>4</sub>        | 289      |
| Net income   | \$ (19,764)                        | \$ 4,140 |
| <b>Denominator</b>                                   |                                    |          |
| <b>Basic</b>   |                                    |          |
| Weighted-average number of common shares outstanding | 5,397                              | 5,740    |
| Other  | 17                                 | 3        |
| Denominator for basic earnings per share             | 5,414                              | 5,743    |
| <b>Diluted</b>                                       |                                    |          |
| Basic weighted-average shares outstanding            | 5,397                              | 5,743    |
| Common stock equivalents                             | 17                                 | 74       |
| Denominator for dilutive earnings per share          | 5,414                              | 5,817    |
| <b>Per share amounts</b>                             |                                    |          |
| <b>Basic</b>   |                                    |          |
| Income from continuing operations                    | \$ (3.65)                          | \$ 0.67  |
| Income from discontinued operations                  | <sup>3</sup> / <sub>4</sub>        | 0.05     |
| Net income   | \$ (3.65)                          | \$ 0.72  |
| <b>Diluted</b>                                       |                                    |          |
| Income from continuing operations                    | \$ (3.65)                          | \$ 0.66  |
| Income from discontinued operations                  | <sup>3</sup> / <sub>4</sub>        | .05      |
| Net income   | \$ (3.65)                          | \$ 0.71  |

Market-based restricted stock of 340,288 shares for the year ended December 31, 2008 and 246,431 shares for the year ended December 31, 2007 were not included in the above computations. For the year ended December 31, 2008, 75,001 stock options were not included in the above computation because to do so would have been anti-dilutive. Such shares could be issued in the future subject to the occurrence of certain events as described in Note 8.

## Note 10: Commitments and Contingencies

## Lease Agreements

Nashua's rent expense for office equipment, facilities and vehicles was \$4.1 million for 2008 and \$2.9 million for 2007. Rent expense for 2008 includes \$1.0 million of lease liability related to the closure of Nashua's Jacksonville, Florida plant. At December 31, 2008, Nashua is committed, under non-cancelable operating leases, as follows:

| 2009 | 2010 | 2011 | 2012 | 2013 | Beyond | Total |
|------|------|------|------|------|--------|-------|
|------|------|------|------|------|--------|-------|

2013

(In thousands)

|                                 |          |          |          |        |       |       |          |
|---------------------------------|----------|----------|----------|--------|-------|-------|----------|
| Non-cancelable operating leases | \$ 1,821 | \$ 1,531 | \$ 1,288 | \$ 224 | \$ 95 | \$ 26 | \$ 4,985 |
|---------------------------------|----------|----------|----------|--------|-------|-------|----------|

In November 2006, Nashua sold its property in Merrimack, New Hampshire to a third party for net proceeds of \$17.1 million and leased back approximately 156,000 square feet under a five-year lease arrangement with the right to extend the term for two additional five-year terms. In connection with the sale of the building, Nashua recognized approximately \$9.0 million of gain in Nashua's accompanying 2006 Consolidated Statement of Operations. In accordance with SFAS No. 28, Accounting for Sales with Leasebacks (an Amendment of FASB No. 13), Nashua has deferred a portion of the gain related to the transaction. As of December 31, 2008, Nashua has accrued expenses (\$.7 million) and other long-term liabilities (\$1.3 million) in Nashua's Consolidated Balance Sheets related to the deferred gain.

The aggregate rental payment is approximately \$3.7 million over the five-year lease term. Rental payments escalate approximately 3 percent per year over the term of the lease.

#### Contingencies

At December 31, 2008, Nashua had a \$3.2 million obligation under standby letters of credit under the credit facility with Bank of America.

## Environmental

Nashua is involved in certain environmental matters and has been designated by the Environmental Protection Agency, referred to as the EPA, as a potentially responsible party for certain hazardous waste sites. In addition, Nashua has been notified by certain state environmental agencies that some of Nashua's sites not addressed by the EPA require remedial action. These sites are in various stages of investigation and remediation. Due to the unique physical characteristics of each site, the technology employed, the extended timeframes of each remediation, the interpretation of applicable laws and regulations and the financial viability of other potential participants, Nashua's ultimate cost of remediation is difficult to estimate. Accordingly, estimates could either increase or decrease in the future due to changes in such factors. At December 31, 2008, based on the facts currently known and Nashua's prior experience with these matters, Nashua has concluded that it is probable that site assessment, remediation and monitoring costs will be incurred. Nashua has estimated a range for these costs of \$.6 million to \$.9 million for continuing operations. These estimates could increase if other potentially responsible parties or Nashua's insurance carriers are unable or unwilling to bear their allocated share and cannot be compelled to do so. At December 31, 2008, Nashua's accrual balance relating to environmental matters was \$.7 million for continuing operations. Based on information currently available, Nashua believes that it is probable that the major potentially responsible parties will fully pay the costs apportioned to them. Nashua believes that its remediation expense is not likely to have a material adverse effect on Nashua's consolidated financial position or results of operations.

## State Street Bank and Trust

On October 24, 2007, the Nashua Pension Plan Committee filed a Class Action Complaint with the United States District Court for the District of Massachusetts against State Street Bank and Trust, State Street Global Advisors, Inc. and John Does 1-20. On January 14, 2008, the Nashua Pension Plan Committee filed a revised Complaint with the United States District Court for the District of New York against the same defendants. The Complaint alleges that the defendants violated their obligations as fiduciaries under the Employment Retirement Income Securities Act of 1974, (ERISA).

On February 7, 2008, the Court consolidated Nashua's action with other pending ERISA actions and appointed the Nashua Pension Plan Committee as one of the lead plaintiffs in the consolidated action. On August 22, 2008, the lead plaintiffs filed a consolidated amended complaint. On October 17, 2008, the defendants filed their answer and included a counterclaim against trustees of the named plaintiff plans, including the trustees of Nashua's Pension Plan Committee, asserting that to the extent State Street is liable to the plans, the trustees are liable to State Street for contribution and/or indemnification in the amount of any payment by State Street in excess of State Street's share of liability. On December 22, 2008, State Street filed an amended counterclaim against the trustees maintaining their allegations concerning contribution/indemnification and adding a claim for breach of fiduciary duty. On March 3, 2009, the trustees filed a motion to dismiss the counterclaim. Nashua believes the counterclaim is without merit and the trustees intend to vigorously defend against the counterclaim. Discovery commenced in March 2008 and is ongoing.

## Other

Nashua is involved in various other lawsuits, claims and inquiries, most of which are routine to the nature of Nashua's business. In the opinion of Nashua's management, the resolution of these matters will not materially affect Nashua.

## Note 11: Postretirement Benefits

### Defined Contribution Plan



Eligible employees may participate in the Nashua Corporation Employees' Savings Plan, a defined contribution 401(k) plan. Nashua matches participating employee contributions at 50 percent for the first 7 percent of base compensation that a participant contributes to the Plan. Matching contributions can be increased or decreased at the option of Nashua's board of directors. For 2008 and 2007, Nashua's contributions to this Plan were \$.8 million and \$.8 million, respectively. Participants are immediately vested in all contributions, plus actual earnings thereon.

Effective January 1, 2009, Nashua eliminated the company match related to Nashua's defined contribution 401(k) plan for all non-union employees.

The Plan also provides that eligible employees not covered under Nashua's defined benefit pension plans may receive a profit sharing contribution. This contribution, which is normally based on Nashua's profitability, is discretionary and not defined. There were no contributions to the profit sharing plan in 2008 and 2007.

#### Pension Plans

Nashua has three pension plans, which cover portions of Nashua's regular full-time employees. Benefits under these plans are generally based on years of service and the levels of compensation during those years. Nashua's policy is to fund the minimum amounts specified by regulatory statutes. Assets of the plans are invested in common stocks, fixed-income securities, hedge funds and interest-bearing cash equivalent instruments. As of December 31, 2008, all three of Nashua's plans are frozen. The plans are: The Nashua Corporation Retirement Plan for Salaried Employees, the Nashua Corporation Hourly Employees' Retirement Plan, and the Supplemental Executive Retirement Plan.

#### Retiree Health Care and Other Benefits

Nashua also provides certain postretirement health care and death benefits to eligible retired employees and their spouses. Salaried participants generally became eligible for retiree health care benefits after reaching age 60 with ten years of service and retired prior to January 1, 2003. Benefits, eligibility and cost-sharing provisions for hourly employees vary by location or bargaining unit. Generally, the medical plans are fully insured managed care plans.

The following table represents the funded status and amounts recognized in Nashua's Consolidated Balance Sheets for Nashua's defined benefit and other postretirement plans at December 31, 2008:

|   | Pension Benefits |             | Postretirement Benefits |          |
|---|------------------|-------------|-------------------------|----------|
|   | 2008             | 2007        | 2008                    | 2007     |
|   | (In thousands)   |             |                         |          |
| Change in benefit obligation                      |                  |             |                         |          |
| Projected benefit obligation at beginning of year | \$ 96,977        | \$ 97,905   | \$ 498                  | \$ 814   |
| Service cost                                      | 500              | 509         | ¾                       | 1        |
| Interest cost                                     | 5,949            | 5,773       | 27                      | 42       |
| Actuarial gain                                    | 3,145            | (2,590)     | (96)                    | (209)    |
| Expenses paid from assets                         | (500)            | (500)       | ¾                       | ¾        |
| Benefits paid                                     | (4,446)          | (4,120)     | (68)                    | (150)    |
| Projected benefit obligation at end of year       | \$ 101,625       | \$ 96,977   | \$ 361                  | \$ 498   |
| Change in plan assets                             |                  |             |                         |          |
| Fair value of plan assets at beginning of year    | \$ 72,237        | \$ 75,284   | \$ ¾                    | \$ ¾     |
| Actual return on plan assets                      | (12,765)         | (4,576)     | ¾                       | ¾        |
| Employer contribution                             | 5,198            | 5,649       | 68                      | 150      |
| Benefits paid                                     | (4,446)          | (4,120)     | (68)                    | (150)    |
| Fair value of plan assets at end of year          | \$ 60,224        | \$ 72,237   | \$ ¾                    | \$ ¾     |
| Reconciliation of funded status                   |                  |             |                         |          |
| Funded status                                     | \$ (41,401)      | \$ (24,740) | \$ (361)                | \$ (498) |

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|  |                             |                             |            |            |
|--|-----------------------------|-----------------------------|------------|------------|
| Unrecognized net actuarial (gain)/loss   | 50,902                      | 30,427                      | (1,155)    | (1,143)    |
| Unrecognized prior service cost  | <sup>3</sup> / <sub>4</sub> | <sup>3</sup> / <sub>4</sub> | (679)      | (749)      |
| Net amount recognized  | \$ 9,501                    | \$ 5,687                    | \$ (2,195) | \$ (2,390) |
| The amount recognized in Nashua's consolidated balance sheets consists of the following: |                             |                             |            |            |
| Pension/postretirement liability   | \$ (41,401)                 | \$ (24,740)                 | \$ (361)   | \$ (498)   |
| Accumulated other comprehensive loss (income)  | 50,902                      | 30,427                      | (1,834)    | (1,892)    |
| Net amount recognized  | \$ 9,501                    | \$ 5,687                    | \$ (2,195) | \$ (2,390) |

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Assumptions:

Pension Benefits

Postretirement  
Benefits