

SILGAN HOLDINGS INC
Form DEF 14A
April 21, 2009
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Silgan Holdings Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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4 Landmark Square

Stamford, Connecticut 06901

(203) 975-7110

Notice of Annual Meeting of Stockholders

To be Held on May 26, 2009

YOU ARE HEREBY NOTIFIED that the annual meeting of stockholders of Silgan Holdings Inc., or the Company, a Delaware corporation, will be held at the Courtyard by Marriott Stamford Downtown, 275 Summer Street, Stamford, Connecticut 06901 at 9:00 a.m. on Tuesday, May 26, 2009, for the following purposes:

1. To elect three directors of the Company to serve until the Company's annual meeting of stockholders in 2012 and until their successors are duly elected and qualified;
2. To approve an amendment to the Silgan Holdings Inc. 2004 Stock Incentive Plan and to approve the material terms of the performance goals under the Silgan Holdings Inc. 2004 Stock Incentive Plan;
3. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009; and
4. To transact such other business as may properly come before the annual meeting or any adjournment or postponement of the annual meeting.

The close of business on April 9, 2009 has been fixed as the record date for determining the stockholders of the Company entitled to notice of and to vote at the annual meeting. All holders of record of Common Stock of the Company at that date are entitled to vote at the annual meeting or any adjournment or postponement of the annual meeting.

By Order of the Board of Directors,

Frank W. Hogan, III

Secretary

Stamford, Connecticut

April 21, 2009

Please complete, sign and mail the enclosed Proxy in the accompanying envelope even if you intend to be present at the annual meeting. Please sign the enclosed Proxy exactly as your name appears on it. Returning the Proxy will not limit your right to vote in person or to attend the annual meeting. If you hold shares of Common Stock of the Company in more than one name, or if your shares of Common Stock of the Company are registered in more than one way, you may receive more than one copy of the proxy material. If so, please sign and return each of the Proxies that you receive so that all of your shares of Common Stock of the Company may be voted.

The annual meeting will be held to vote on the first three items listed above, tabulate the votes cast in respect of those items and report the results of the vote. No presentations or other business matters are planned for the annual meeting.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING
TO BE HELD ON MAY 26, 2009**

This Proxy Statement and the Company's Annual Report for 2008 are available at www.silganholdings.com/proxyandannualreport

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4 Landmark Square

Stamford, Connecticut 06901

(203) 975-7110

PROXY STATEMENT

Annual Meeting of Stockholders

to be held on May 26, 2009

To Stockholders of Silgan Holdings Inc.:

This Proxy Statement and the accompanying proxy card are furnished in connection with the solicitation of proxies by the Board of Directors of Silgan Holdings Inc., or Silgan Holdings or the Company, for use at our annual meeting of stockholders, or the Meeting, to be held at the Courtyard by Marriott Stamford Downtown, 275 Summer Street, Stamford, Connecticut 06901, on Tuesday, May 26, 2009, at 9:00 a.m., and at any postponements or adjournments of the Meeting. If you need directions to attend the Meeting and vote in person, you should contact the Company by telephone at (203) 975-7110. This Proxy Statement and the accompanying proxy card will first be mailed to stockholders on or about April 21, 2009.

Only holders of record of our Common Stock as of the close of business on April 9, 2009, the Record Date, will be entitled to notice of and to vote at the Meeting. As of the Record Date, we had 38,131,697 shares of our Common Stock outstanding. Each share of our Common Stock is entitled to one vote. We have no other class of voting securities issued and outstanding. The presence in person or by proxy of the holders of a majority of the outstanding shares of our Common Stock will be necessary to constitute a quorum for the transaction of business at the Meeting.

All shares of our Common Stock represented by properly executed proxies will be voted in accordance with the instructions indicated on such proxies unless such proxies previously have been revoked. If any proxies do not contain voting instructions, the shares of our Common Stock represented by such proxies will be voted **FOR** the election of the nominees for director listed below to serve until our annual meeting of stockholders in 2012 and until their successors are duly elected and qualified, **FOR** the approval of the amendment to the Silgan Holdings Inc. 2004 Stock Incentive Plan and of the material terms of the performance goals under the Silgan Holdings Inc. 2004 Stock Incentive Plan and **FOR** the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009. We do not anticipate that any other matters will be brought before the Meeting. If any other matters properly come before the Meeting, the shares of our Common Stock represented by all properly executed proxies will be voted in accordance with the judgment of the persons named on such proxies. Shares of our Common Stock abstaining, and shares of our Common Stock held in street name as to which a broker has not voted on some matters but has voted on other matters, or Broker Shares, will be included in determining whether a quorum exists at the Meeting. Approval of each matter specified in the Notice of Meeting requires the affirmative vote of a majority of shares of our Common Stock, assuming that a quorum exists at the Meeting. Stockholders may not cumulate their votes. Abstentions and Broker Shares that have not been voted with respect to a particular proposal will not be counted in determining the total number of votes cast or in determining whether such proposal has received the requisite number of affirmative votes.

You may revoke your proxy at any time before it is exercised at the Meeting by: (1) delivering to the Secretary of the Company a duly executed proxy bearing a later date; (2) filing a written notice of revocation with the Secretary of the Company; or (3) appearing at the Meeting and voting in person.

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In addition to solicitations by mail, some of our directors, officers and employees may solicit proxies for the Meeting personally or by telephone without extra remuneration. We will also provide persons, banks, brokerage

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firms, custodians, nominees, fiduciaries and corporations holding shares in their names or in the names of nominees, which in either case are beneficially owned by others, with proxy materials for transmittal to such beneficial owners and will reimburse such record owners for their expenses in doing so. The Company will bear the costs of soliciting proxies.

THE COMPANY HEREBY UNDERTAKES TO PROVIDE WITHOUT CHARGE TO EACH PERSON TO WHOM A COPY OF THIS PROXY STATEMENT HAS BEEN DELIVERED, UPON THE WRITTEN REQUEST OF ANY SUCH PERSON, A COPY OF OUR ANNUAL REPORT ON FORM 10-K, INCLUDING THE FINANCIAL STATEMENTS AND THE FINANCIAL STATEMENT SCHEDULES THERETO, THAT HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 13a-1 UNDER THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008. REQUESTS FOR SUCH COPIES SHOULD BE DIRECTED TO SILGAN HOLDINGS INC., 4 LANDMARK SQUARE, STAMFORD, CONNECTICUT 06901 (TELEPHONE NUMBER: (203) 975-7110), ATTENTION: GENERAL COUNSEL.

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ELECTION OF DIRECTORS

Nominees

Our Board of Directors is currently composed of seven members, divided into three classes designated as Class I, Class II and Class III. We have two Class I Directors, two Class II Directors and three Class III Directors, with each class of directors serving staggered three-year terms. At each annual meeting of stockholders of the Company, the term of office of one class of directors of the Company expires, and directors nominated to the class of directors whose term is expiring at such annual meeting will be elected for a term of three years. Our remaining directors continue in office until their respective terms expire and until their successors are duly elected and qualified. Accordingly, at each annual meeting of stockholders of the Company one class of our directors will be elected, and each of our directors will be required to stand for election once every three years. At the Meeting, the term of office for our Class III Directors expires.

Our Class III Directors currently are Messrs. Anthony J. Allott, Jeffrey C. Crowe and Edward A. Lapekas. Pursuant to the Amended and Restated Stockholders Agreement dated as of November 6, 2001, or the Stockholders Agreement, among R. Philip Silver, D. Greg Horigan and the Company, each of Messrs. Allott, Crowe and Lapekas was nominated for re-election at the Meeting as Class III Directors of the Company, to serve until our annual meeting of stockholders in 2012 and until his successor has been duly elected and qualified. You should read the section in this Proxy Statement titled "Certain Relationships and Related Transactions" Stockholders Agreement for a description of the material provisions of the Stockholders Agreement.

Each nominee for Class III Director of the Company has consented to be named in this Proxy Statement and to serve on our Board of Directors if elected. If, prior to the Meeting, any nominee should become unavailable to serve on our Board of Directors for any reason, the shares of our Common Stock represented by all properly executed proxies will be voted for such alternate individual as shall be nominated pursuant to the Stockholders Agreement.

We provide below certain information regarding each nominee for Class III Director of the Company and each Director of the Company whose term of office continues after the Meeting, including the individual's age (as of December 31, 2008), principal occupation and business experience during at least the last five years, other directorships currently held and the year in which such individual was first elected a director of the Company.

Nominees for election as Directors (Class III) term expiring 2012

Anthony J. Allott, age 44, has been one of our Directors since June 2006 and has been our Chief Executive Officer since March 2006 and our President since August 2004. Mr. Allott was also our Chief Operating Officer from May 2005 until March 2006. From May 2002 until August 2004, Mr. Allott was our Executive Vice President and Chief Financial Officer. Prior to joining us, Mr. Allott was Senior Vice President and Chief Financial Officer of Applied Extrusion Technologies, Inc., or AET, since July 1996. From July 1994 until July 1996, Mr. Allott was Vice President and Treasurer of AET. From 1992 until July 1994, Mr. Allott was Corporate Controller and Director of Financial Reporting of Ground Round Restaurants. Prior to that, Mr. Allott was a certified public accountant with Deloitte & Touche LLP.

Jeffrey C. Crowe, age 62, has been one of our Directors since May 1997. Mr. Crowe has been Chairman of the Board of Landstar System, Inc., or Landstar, since April 1991. Mr. Crowe was Chief Executive Officer of Landstar from April 1991 through June 2004 and President of Landstar from April 1991 through December 2001. Mr. Crowe was also Chairman of the Board of Landstar System Holdings, Inc., or LSHI, from March 1991 through June 2004 and Chief Executive Officer of LSHI from June 1989 through June 2004. Mr. Crowe has been a Director of the U.S. Chamber of Commerce since February 1998, serving as Vice Chairman from June 2002 until June 2003 and as Chairman from June 2003 to June 2004. Mr. Crowe also served as Chairman of the National Defense Transportation Association from October 1993 to July 2003. Mr. Crowe has been a Director of PSS World Medical, Inc. since March 2007, a Director of SunTrust Banks, Inc. since April 2004 and a Director of the National Chamber Foundation since November 1997.

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Edward A. Lapekas, age 65, has been one of our Directors since October 2001. Mr. Lapekas has been Non-Executive Chairman of the Board of Tegrant Corporation since March 2007. Mr. Lapekas has also been a Director of Pliant Corporation since June 2006. Mr. Lapekas was Non-Executive Chairman of the Board of Pliant Corporation from October 2003 until June 2006 and interim Chief Executive Officer of Pliant Corporation from August 2003 until October 2003. Mr. Lapekas was Chairman of the Board and Chief Executive Officer of Nexpak Corporation from November 2002 until March 2003. From October 2000 until June 2001, Mr. Lapekas was Executive Chairman of Packtion Corporation, an e-commerce packaging venture. From May 1996 until July 2000, Mr. Lapekas was employed by American National Can Group, Inc., last serving as Chairman and Chief Executive Officer. Prior to that, Mr. Lapekas served as Deputy Chairman and Chief Operating Officer of Schmalbach-Lubeca AG. From 1971 until 1991, Mr. Lapekas was employed by Continental Can Company where he served in various strategy, planning, operating and marketing capacities.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR ALL NOMINEES FOR DIRECTOR (CLASS III) OF THE COMPANY.

Incumbent Directors (Class I) term expiring 2010

R. Philip Silver, age 66, has been our Co-Chairman of the Board in a non-executive capacity since March 2006. Prior to that, Mr. Silver was our Co-Chief Executive Officer from March 1994 until March 2006. Mr. Silver was also our Co-Chairman of the Board in an executive capacity from August 2004 until March 2006 and, prior to that, our Chairman of the Board in an executive capacity. Mr. Silver is one of our co-founders and has been a Director since our inception in 1987. Prior to founding the Company in 1987, Mr. Silver was a consultant to the packaging industry. Mr. Silver was President of Continental Can Company from June 1983 to August 1986.

William C. Jennings, age 69, has been one of our Directors since July 2003. Mr. Jennings is a retired partner of PricewaterhouseCoopers LLP, where he led its risk management and internal control consulting practice from 1991 until his retirement in 1999. Prior to that, Mr. Jennings served as a senior audit partner at Coopers & Lybrand, as a Senior Executive Vice President at Shearson Lehman Brothers responsible for quality assurance, internal audit and compliance and as Executive Vice President and Chief Financial Officer of Bankers Trust Company. Since retiring from PricewaterhouseCoopers LLP, Mr. Jennings has provided independent consulting services to a number of companies, and he currently serves as a director of Axcelis Technologies, Inc. and The Spectranetics Corporation.

Incumbent Directors (Class II) term expiring 2011

D. Greg Horrigan, age 65, has been our Co-Chairman of the Board in a non-executive capacity since March 2006. Prior to that, Mr. Horrigan was our Co-Chief Executive Officer from March 1994 until March 2006. Mr. Horrigan was also our Co-Chairman of the Board in an executive capacity from August 2004 until March 2006 and, prior to that, our President. Mr. Horrigan is one of our co-founders and has been a Director since our inception in 1987. Prior to founding the Company in 1987, Mr. Horrigan was Executive Vice President and Operating Officer of Continental Can Company from 1984 to 1987.

John W. Alden, age 67, has been one of our Directors since November 2001. From 1965 until 2000, Mr. Alden was employed by United Parcel Service of America, Inc., or UPS, serving in various management positions. Until his retirement in 2000, Mr. Alden was Vice Chairman of UPS since 1996 and a director of UPS since 1988. Mr. Alden is also a director of Barnes Group Inc., The D & B Corporation and Arkansas Best Corporation.

Messrs. Crowe and Lapekas were elected as Directors of the Company at our annual meeting of stockholders in 2006. Following the approval by the stockholders of the Company at our annual meeting of stockholders in 2006 of the Amended and Restated Certificate of Incorporation of the Company, which, among

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other things, increased the size of the Company's Board of Directors from six directors to seven directors, Mr. Allott was elected as a Director of the Company in June 2006 by the unanimous vote of the other Directors pursuant to the Company's Amended and Restated Certificate of Incorporation to fill the Class III Director vacancy created by such increase. Messrs. Silver and Jennings were elected as Directors of the Company at our annual meeting of stockholders in 2007. Messrs. Horrigan and Alden were elected as Directors of the Company at our annual meeting of stockholders in 2008.

Each of John W. Alden, Jeffrey C. Crowe, William C. Jennings and Edward A. Lapekas is an independent director, as defined in Rule 4200(a)(15) of the listing standards of the Nasdaq Stock Market. The independent directors held four meetings during 2008 following regularly scheduled quarterly meetings of the Board of Directors, without the presence of management or any inside directors.

Our Board of Directors met four times and acted by written consent three times during 2008. Each of our Directors attended more than 75 percent of the aggregate of: (1) the total number of meetings of the Board of Directors held in 2008 during which he was a Director and (2) the total number of meetings held in 2008 by all committees of the Board of Directors on which he served during which he was a Director.

The Company does not have a policy with regard to director attendance at annual meetings of stockholders. One of our directors attended last year's annual meeting of stockholders.

Committees of the Board of Directors

Our Board of Directors has two standing committees. The principal responsibilities of each of the standing committees and the members of such committees are set forth below.

1. *Audit Committee.* The Audit Committee has the responsibility of overseeing the Company's financial reporting process on behalf of our Board of Directors. The functions performed by the Audit Committee are described in the section of this Proxy Statement titled "Report of the Audit Committee." During 2008, the Audit Committee held nine meetings and acted by written consent two times. The Audit Committee consists of Messrs. Jennings, Alden, Crowe and Lapekas, each of whom our Board of Directors has determined is independent as required by the written charter of the Audit Committee, the applicable listing standards of the Nasdaq Stock Market and the applicable rules of the Securities and Exchange Commission, or the SEC. All of our independent directors are members of the Audit Committee. Mr. Jennings is the Chairperson of the Audit Committee. The Board of Directors has determined that Mr. Jennings meets the criteria of an audit committee financial expert under applicable rules of the SEC. Mr. Jennings' extensive background and experience includes leading the risk management and internal control consulting practice of PricewaterhouseCoopers LLP, serving as senior audit partner at Coopers & Lybrand and serving as Chief Financial Officer of Bankers Trust Company.

2. *Compensation Committee.* The Board of Directors of the Company established the Compensation Committee and conferred upon it through resolutions the responsibility of reviewing and approving matters relating to the compensation of all executive officers of the Company. The Compensation Committee does not have a charter. Pursuant to the terms of the Silgan Holdings Inc. 2004 Stock Incentive Plan, as amended, or the 2004 Stock Incentive Plan, the Compensation Committee also is responsible for administering the 2004 Stock Incentive Plan, making awards and grants under the 2004 Stock Incentive Plan to officers and other key employees of the Company and its subsidiaries and setting performance goals and confirming performance levels in respect of performance awards made under the 2004 Stock Incentive Plan. Historically, the Compensation Committee in its discretion has periodically consulted with outside consultants (such as Frederic W. Cook & Co., Inc.) for certain matters regarding director and executive officer compensation, including in setting up the 2004 Stock Incentive Plan. The Compensation Committee held four meetings and acted by written consent twice during 2008. The Compensation Committee consists of Messrs. Crowe, Alden, Jennings and Lapekas, each of whom is an independent director under the applicable listing standards of the Nasdaq Stock Market. All of our independent directors are members of the Compensation Committee. Mr. Crowe is the Chairperson of the Compensation Committee.

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In November 2001, the Company and Messrs. Silver and Horrigan, our Co-Chairmen of the Board, entered into the Stockholders Agreement. You should read the section in this Proxy Statement titled "Certain Relationships and Related Transactions - Stockholders Agreement" for a description of the material terms of the Stockholders Agreement. Under the Stockholders Agreement, the Group (as defined in the Stockholders Agreement and generally including Messrs. Silver and Horrigan and their affiliates, family members, trusts and estates) has the contractual right to nominate for election all directors of the Company so long as the Group holds an aggregate of at least 7,153,090 shares of our Common Stock (as adjusted for the stock split effected on September 15, 2005). As of the date of this Proxy Statement, the Group held more than 7,153,090 shares of our Common Stock. In the very unlikely event that either of Messrs. Silver or Horrigan notifies our Board of Directors that the Group cannot agree on an individual for any nominee for director or if at least 45 days prior to our annual meeting of stockholders the Group fails to nominate for election at such annual meeting the requisite number of individuals to stand for election, then our Board of Directors has the right to nominate for director the number of individuals that the Group could not agree on as nominees or failed to nominate timely.

Accordingly, our Board of Directors does not have a nominating committee because the right to nominate all directors has been contractually granted to the Group, and our Board of Directors deems it very unlikely at this time that they would have to nominate for election any director. As a result, the Company does not have a nominating committee charter, does not have a policy to consider director candidates recommended by stockholders and does not have a process for identifying or evaluating nominees for director. All nominees for Class III Director of the Company to be elected at the Meeting were nominated by the Group pursuant to the Stockholders Agreement.

Stockholder Communications with the Board of Directors

The Company's Board of Directors has a formal process for security holders to send communications to it. Security holders may send written communications addressed to the Board of Directors or to any specified Director of the Company by mail to the Company's office in Stamford, Connecticut. If the Company receives at its office in Stamford, Connecticut any such written communications, the Company will forward such written communications directly to all members of the Board of Directors or to such specified Director of the Company, as the case may be.

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Each of Messrs. Silver and Horrigan, our non-executive Co-Chairmen of the Board, are paid an annual retainer fee of \$100,000 for their service on our Board of Directors, plus reimbursement for business related travel and other reasonable out-of-pocket expenses. Additionally, the Company maintains an office for each of Messrs. Silver and Horrigan at its offices in Stamford, Connecticut and provides them with access to a shared assistant. Each of Messrs. Alden, Crowe, Jennings and Lapekas, none of whom are officers or employees of the Company or any of its affiliates, are paid an annual retainer fee of \$36,000 for their service on our Board of Directors and a fee of \$2,000 for each meeting of our Board of Directors or committee thereof that they attend, plus reimbursement for business related travel and other reasonable out-of-pocket expenses. Additionally, all Directors (including our Co-Chairmen of the Board) who do not receive compensation as officers or employees of the Company or any of our affiliates receive annual director awards, on the first business day after our annual meeting of stockholders, having an aggregate fair market value of \$50,000 as of the date of grant. These awards are made in the form of restricted shares of our Common Stock or restricted stock units related to shares of our Common Stock, in the discretion of the Board of Directors, under the 2004 Stock Incentive Plan. Members of the Audit Committee of our Board of Directors are also paid an annual retainer fee of \$12,000 for their service on the Audit Committee, and the chairpersons of each of the Audit and Compensation Committees of our Board of Directors are also paid an annual retainer fee of \$10,000 for their service as chairperson of such committee.

Mr. Allott, who is an officer and an employee of the Company, does not receive any annual retainer or meeting fees or any director awards under the 2004 Stock Incentive Plan.

The following table provides information concerning the compensation of Directors of the Company for the fiscal year ended December 31, 2008.

Director Compensation

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name	Fees Earned or Paid in Cash\$(1)	Stock Awards\$(2)	Option Awards(\$)	Non-Equity Incentive Plan Compensation(\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(\$)	All Other Compensation\$(3)	Total(\$)
R. Philip Silver(4)	\$ 100,000	\$ 49,508	\$0	\$0	\$0	\$ 857	\$150,365
D. Greg Horrigan(4)	\$ 100,000	\$ 49,508	\$0	\$0	\$0	\$ 857	\$150,365
Anthony J. Allott	\$ 0	\$ 0	\$0	\$0	\$0	\$ 0	\$ 0
John W. Alden(4)	\$ 80,000	\$ 49,508	\$0	\$0	\$0	\$ 857	\$130,365
Jeffrey C. Crowe(4)	\$ 90,000	\$ 49,508	\$0	\$0	\$0	\$ 566	\$140,074
William C. Jennings(4)	\$ 88,000	\$ 49,508	\$0	\$0	\$0	\$2,770	\$140,278
Edward A. Lapekas(4)	\$ 80,000	\$ 49,508	\$0	\$0	\$0	\$1,750	\$131,258

- (1) For each of Messrs. Silver and Horrigan, the amount in column (b) represents the amount paid to him in 2008 for his services as non-executive Co-Chairman of the Board. For each of Messrs. Alden, Crowe, Jennings and Lapekas, the amount in column (b) represents the amount paid to him in 2008 for his services as a Director and on committees of the Board of Directors as described above.
- (2) For each of Messrs. Silver, Horrigan, Alden, Crowe, Jennings and Lapekas, the amount in column (c) reflects the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 31, 2008 in accordance with Statement of Financial Accounting Standards, or SFAS, No. 123(R)

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for (i) 877 restricted stock units (representing the right to receive 877 shares of Common Stock upon vesting) granted on June 5, 2008 pursuant to and under the 2004 Stock Incentive Plan, which restricted stock units become fully vested on June 5, 2009, and (ii) 857 restricted stock units (representing the right to receive 857 shares of Common Stock upon vesting) granted on June 1, 2007 pursuant to and under the 2004 Stock Incentive Plan, which restricted stock units became fully vested on June 1, 2008. Assumptions used in the calculation of the amounts in column (c) are included in note 13 to the Company's audited consolidated financial statements for the fiscal year ended December 31, 2008 included in the Company's Annual Report on Form 10-K filed with the SEC on March 2, 2009. Each year on the first business day following our annual meeting of stockholders our non-employee Directors are granted restricted stock or restricted stock units having a grant date fair value, calculated using the average of the high and low sales prices of a share of Common Stock on that day as quoted by the Nasdaq Global Select Market System, of \$50,000 in accordance with the 2004 Stock Incentive Plan.

(3) For each of Messrs. Silver, Horrigan and Alden, the amount in column (g) consists of dividend equivalents of \$566 paid on unvested restricted stock units upon their vesting and dividend equivalents of \$291 paid on restricted stock units that had vested but for which receipt of the underlying shares of Common had been deferred. For Mr. Crowe, the amount in column (g) consists of dividend equivalents of \$566 paid on unvested restricted stock units upon their vesting. For Mr. Jennings, the amount in column (g) consists of dividend equivalents of \$566 paid on unvested restricted stock units upon their vesting and dividend equivalents of \$2,204 paid on restricted stock units that had vested but for which receipt of the underlying shares of Common Stock had been deferred. For Mr. Lapekas, the amount in column (g) consists of dividend equivalents of \$566 paid on unvested restricted stock units upon their vesting and dividend equivalents of \$1,184 paid on restricted stock units that had vested but for which receipt of the underlying shares of Common Stock had been deferred.

(4) The aggregate number of outstanding restricted stock units and stock options for each non-employee Director as of December 31, 2008 is as follows:

Mr. Silver 877 unvested restricted stock units and 857 vested but deferred restricted stock units

Mr. Horrigan 877 unvested restricted stock units and 857 vested but deferred restricted stock units

Mr. Alden 877 unvested restricted stock units, 857 vested but deferred restricted stock units and 6,000
vested stock options

Mr. Crowe 877 unvested restricted stock units and 6,000 vested stock options

Mr. Jennings 877 unvested restricted stock units and 3,670 vested but deferred restricted stock units

Mr. Lapekas 877 unvested restricted stock units, 2,170 vested but deferred restricted stock units and
6,000 vested stock options

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EXECUTIVE OFFICERS

Our Board of Directors appoints the officers of the Company. The officers of our subsidiaries are appointed by the respective boards of directors of our subsidiaries. We provide below certain information concerning the current executive officers of the Company, including each individual's age (as of December 31, 2008). Information concerning Mr. Allott, our President and Chief Executive Officer, is set forth in the section of this Proxy Statement titled Election of Directors. There are no family relationships among any of the directors or executive officers of the Company.

Company Officers

Adam J. Greenlee, age 35, has been our Executive Vice President, Operations since October 2007. From January 2006 until October 2007, Mr. Greenlee was President of Silgan White Cap Americas LLC, our operating subsidiary through which we conduct our vacuum closures operations in North and South America, and he was Executive Vice President of Silgan White Cap Americas LLC from March 2005 until January 2006. Prior to that, Mr. Greenlee was Vice President & General Manager of ATI Allegheny Rodney from January 2003 through February 2005 and its Director of Marketing from February 2001 until January 2003.

Robert B. Lewis, age 44, has been our Executive Vice President and Chief Financial Officer since August 2004. Previously, Mr. Lewis was Senior Vice President and Chief Financial Officer of Velocity Express Inc. from January 2004 until August 2004. From December 2000 until December 2003, Mr. Lewis held a series of senior executive positions at Moore Corporation Limited, initially as Executive Vice President and Chief Financial Officer and later as President of Business Communication Services, an operating division of Moore Corporation Limited. Prior to joining Moore Corporation Limited, Mr. Lewis served as Executive Vice President and Chief Financial Officer of Walter Industries, Inc. and World Color Press, Inc. and in various senior financial management roles at L.P. Thebault, a U.S. based commercial printer.

Frank W. Hogan, III, age 48, has been our Senior Vice President, General Counsel and Secretary since June 2002. From June 1997 until June 2002, Mr. Hogan was our Vice President, General Counsel and Secretary. From September 1995 until June 1997, Mr. Hogan was a partner at the law firm of Winthrop, Stimson, Putnam & Roberts (now Pillsbury Winthrop Shaw Pittman LLP). From April 1988 to September 1995, Mr. Hogan was an associate at that firm.

Anthony P. Andreacchi, age 45, has been our Vice President, Tax since July 2006. Prior to that, Mr. Andreacchi served as Director of Taxes U.S. for Ingersoll-Rand Company since February 2003. Previously, Mr. Andreacchi held various positions in the tax department of Ingersoll-Rand Company since 1991, and served as International Tax Counsel of Xerox Corporation in 2002. He began his career as an associate at the law firm of LeBoeuf, Lamb, Leiby & MacRae (now Dewey & LeBoeuf, LLP) in 1987.

Malcolm E. Miller, age 41, has been our Vice President and Treasurer since October 2001. Previously, Mr. Miller was Assistant Vice President and Assistant Treasurer of Primedia Inc. from April 2000 until October 2001. Prior to that, Mr. Miller was employed by us from June 1997 until April 2000, last serving as Assistant Treasurer. From June 1995 until June 1997, Mr. Miller was employed by International Paper Company, last serving as a Senior Financial Analyst.

B. Frederik Prinzen, age 50, has been our Vice President, Corporate Development since July 2008. Previously, Mr. Prinzen was Chief Operating Officer of Alcan Pharmaceutical Packaging Americas, a division of Alcan, Inc. Prior to that, Mr. Prinzen held various management positions with Shorewood Packaging Corporation, a subsidiary of International Paper Company, since 1993, last serving as Senior Vice President, Consumer Products Business and Senior Vice President, Manufacturing. Mr. Prinzen began his career in the consumer goods packaging industry with Paperboard Industries Corporation in 1987.

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Kimberly I. Ulmer, age 41, has been our Vice President and Controller since March 2006. Previously, Ms. Ulmer was our Controller since September 2004. From May 2003 until September 2004, Ms. Ulmer was Controller, Accounting Policies and Compliance for General Electric Vendor Financial Services, a unit of General Electric Capital Corporation. Prior to that, Ms. Ulmer was employed by Quebecor World Inc. (formerly World Color Press, Inc.) from August 1997 until April 2003, last serving as Vice President, Assistant Controller.

Operating Company Officers

Alan H. Koblin, age 56, has been President of Silgan Plastics, our plastic container business, since October 2007. Mr. Koblin was Executive Vice President of Silgan Plastics from November 2003 until October 2007 and President of the consumer products business of Silgan Plastics from June 2005 until October 2007. Prior to that, Mr. Koblin served as Senior Vice President of Silgan Plastics from January 2000 until November 2003, Vice President, Sales & Marketing of Silgan Plastics from December 1994 until January 2000, and Director of Sales & Marketing of Silgan Plastics from 1992 through 1994. From 1990 to 1992, Mr. Koblin was Vice President of Churchill Industries.

Peter Konieczny, age 43, has been President of Silgan White Cap, our global vacuum closures business, since October 2007. Previously, Mr. Konieczny was President of Silgan White Cap Europe/Asia from June 2006 until October 2007. Prior to that, Mr. Konieczny was President of Amcor White Cap from September 2004 until June 2006. From April 2000 through August 2004, Mr. Konieczny was Chief Executive Officer of Noell Crane Systems GmbH, and he was Chief Financial Officer of Noell Stahl und Maschinenbau GmbH from July 1996 through March 2000.

Thomas J. Snyder, age 42, has been President of Silgan Containers, our metal food container business, since October 2007. Prior to that, Mr. Snyder was Executive Vice President of Silgan Containers from July 2006 until October 2007 and Vice President Sales & Marketing of Silgan Containers from July 2002 until July 2006. Mr. Snyder was Director of Sales of Silgan Containers from May 2000 until July 2002 and a National Account Manager for Silgan Containers from May 1993 until May 2000.

Code of Ethics

Our Board of Directors has adopted a Code of Ethics applicable to our principal executive officer, principal financial officer and principal accounting officer or controller in order to deter wrongdoing and to promote the conduct of the Company's business in an honest, lawful and ethical manner. A copy of this Code of Ethics was filed as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2003.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Stockholders Agreement

In November 2001, Messrs. Silver and Horrigan and the Company entered into the Stockholders Agreement. The Stockholders Agreement replaced in its entirety a previous stockholders agreement entered into among Messrs. Silver and Horrigan, the Company and the other parties thereto at the time of the initial public offering of shares of Common Stock of the Company on February 14, 1997.

Under the Stockholders Agreement, the Group (as defined in the Stockholders Agreement) has the right to nominate for election all directors of the Company until the Group holds less than one-half of the number of shares of our Common Stock held by it in the aggregate on February 14, 1997. The Group generally includes Messrs. Silver and Horrigan and their affiliates and related family transferees and estates. At least one of the Group's nominees must be either Mr. Silver or Mr. Horrigan during the three year period covering the staggered terms of our three classes of directors. On February 14, 1997, the Group held 14,306,180 shares of our Common

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Stock in the aggregate (as adjusted for the stock split effected on September 15, 2005). Additionally, the Group has the right to nominate for election either Mr. Silver or Mr. Horrigan as a member of our Board of Directors when the Group no longer holds at least one-half of the number of shares of our Common Stock held by it in the aggregate on February 14, 1997 but beneficially owns at least 5% of our Common Stock. The Stockholders Agreement continues until the death or disability of both of Messrs. Silver and Horrigan.

If either Mr. Silver or Mr. Horrigan notifies our Board of Directors that the Group cannot agree on an individual for any of its nominees under the Stockholders Agreement or if at least 45 days prior to our annual meeting of stockholders the Group fails to nominate for election at such annual meeting the requisite number of individuals to stand for election to our Board of Directors at such annual meeting, then our Board of Directors has the right to nominate for election to our Board of Directors the number of individuals that the Group could not agree on as nominees or that the Group failed to nominate timely.

The provisions of the Stockholders Agreement could have the effect of delaying, deferring or preventing a change of control of the Company and preventing our stockholders from receiving a premium for their shares of our Common Stock in any proposed acquisition of the Company.

Other

In 2008, Landstar provided transportation services to our subsidiaries. We expect that Landstar will continue to provide transportation services to our subsidiaries in 2009. We believe that these transportation services were provided on terms no less favorable to us than provided generally to Landstar's other customers. We paid Landstar approximately \$0.6 million in 2008 for such transportation services, which amount represented approximately 0.02% of Landstar's revenues in 2008. Mr. Jeffrey C. Crowe, a Director of the Company, is the Chairman of the Board of Landstar.

Review, Approval or Ratification of Transactions with Related Persons

Pursuant to its written charter, the Audit Committee of the Board of Directors of the Company must approve all transactions with related parties that are required to be disclosed under applicable securities rules.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

In 2008, the Compensation Committee of our Board of Directors consisted of Messrs. Crowe, Alden, Jennings and Lapekas. During 2008, none of our executive officers served as: (i) a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity, one of whose executive officers served on the Compensation Committee of our Board of Directors, (ii) a director of another entity, one of whose executive officers served on our Board of Directors, or (iii) a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity, one of whose executive officers served on our Board of Directors. As described in the section of this Proxy Statement titled "Certain Relationships and Related Transactions - Other," Landstar, a company of which Mr. Crowe is Chairman of the Board, provided transportation services to our subsidiaries in 2008 and is expected to continue to provide transportation services to our subsidiaries in 2009, all on terms, we believe, no less favorable to us than provided generally to Landstar's other customers.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

In the table below, we provide information, as of the Record Date, with respect to the beneficial ownership of our Common Stock by (i) each current director and each Named Executive Officer of the Company, (ii) each person or entity who is known by the Company to own beneficially more than 5% of our Common Stock and (iii) by all current executive officers and directors of the Company as a group. Except as otherwise described below, each of the persons named in the table below has sole voting and investment power with respect to the securities beneficially owned.

	Number of Shares of Common Stock Owned	Percentage Ownership of Common Stock(1)
R. Philip Silver(2)	6,434,139	16.87%
D. Greg Horrigan(3)	4,852,004	12.72%
John W. Alden(4)	18,329	*
Jeffrey C. Crowe(5)	16,329	*
William C. Jennings(6)	10,329	*
Edward A. Lapekas(7)	14,989	*
Anthony J. Allott(8)	273,512	*
Robert B. Lewis(9)	41,165	*
Adam J. Greenlee(10)	3,344	*
James D. Beam(11)	221,546	*
Peter Konieczny(12)	3,755	*
All current executive officers and directors as a group (17 persons)(13)	11,739,182	29.64%

- (1) An asterisk denotes beneficial ownership of 1% or less of our Common Stock.
- (2) Mr. Silver is a Director of the Company. The amount beneficially owned by Mr. Silver consists of 1,572,280 shares of our Common Stock owned directly by him over which he has sole voting and dispositive power, 3,500,000 shares of our Common Stock owned by three grantor retained annuity trusts of which he is the sole trustee with sole voting and dispositive power, 1,123,539 shares of our Common Stock owned by the Robert Philip Silver 2002 GRAT Article III Trust for Benefit of Spouse and Descendants (of which Mr. Silver's spouse is a co-trustee) over which Mr. Silver may be deemed to have shared voting and dispositive power, 53,586 shares of our Common Stock owned by the Silver Family Limited Partnership of which he is the sole general partner with sole voting and dispositive power, 183,000 shares of our Common Stock owned by Silver Family Foundation of which he, his spouse and his sons are the trustees with shared voting and dispositive power, 857 shares of our Common Stock that are issuable to him for vested restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan for which he has deferred receipt and 877 shares of our Common Stock that will be issuable to him for restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan that will vest within 60 days after the Record Date for which he has deferred receipt. The address for Mr. Silver is 4 Landmark Square, Stamford, Connecticut 06901.
- (3) Mr. Horrigan is a Director of the Company. The amount beneficially owned by Mr. Horrigan consists of 4,493,374 shares of our Common Stock owned directly by him and over which he has sole voting and dispositive power, 308,396 shares of our Common Stock owned by the Horrigan Family Limited Partnership of which he is the sole general partner with sole voting and dispositive power, 48,500 shares of our Common Stock owned by The Pay It Forward Foundation of which he and his spouse are the trustees with shared voting and dispositive power, 857 shares of our Common Stock that are issuable to him for vested restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan for which he has deferred receipt and 877 shares of our Common Stock that will be issuable to him for restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan that will vest within 60 days after the Record Date for which he has deferred receipt. The address for Mr. Horrigan is 4 Landmark Square, Stamford, Connecticut 06901.

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- (4) Mr. Alden is a Director of the Company. The number of shares of our Common Stock owned by Mr. Alden consists of 10,595 shares of our Common Stock owned by him, 6,000 shares of our Common Stock that may be acquired by him through the exercise of vested stock options granted pursuant to the Silgan Holdings Inc. 2002 Non-Employee Directors Stock Option Plan, or the Directors Plan, 857 shares of our Common Stock that are issuable to him for vested restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan for which he has deferred receipt and 877 shares of our Common Stock that will be issuable to him for restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan that will vest within 60 days after the Record Date for which he has deferred receipt.
- (5) Mr. Crowe is a Director of the Company. The number of shares of our Common Stock owned by Mr. Crowe consists of 9,452 shares of our Common Stock owned by him, 6,000 shares of our Common Stock that may be acquired by him through the exercise of vested stock options granted pursuant to the Directors Plan and 877 shares of our Common Stock that will be issuable to him for restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan that will vest within 60 days after the Record Date for which he has deferred receipt.
- (6) Mr. Jennings is a Director of the Company. The number of shares of our Common Stock owned by Mr. Jennings consists of 5,782 shares of our Common Stock owned by him, 3,670 shares of our Common Stock that are issuable to him for vested restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan for which he has deferred receipt and 877 shares of our Common Stock that will be issuable to him for restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan that will vest within 60 days after the Record Date for which he has deferred receipt.
- (7) Mr. Lapekas is a Director of the Company. The number of shares of our Common Stock owned by Mr. Lapekas consists of 5,942 shares of our Common Stock owned by him, 6,000 shares of our Common Stock that may be acquired by him through the exercise of vested stock options granted pursuant to the Directors Plan, 2,170 shares of our Common Stock that are issuable to him for vested restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan for which he has deferred receipt and 877 shares of our Common Stock that will be issuable to him for restricted stock units granted to him pursuant to the 2004 Stock Incentive Plan that will vest within 60 days after the Record Date for which he has deferred receipt.
- (8) Mr. Allott is a Director of the Company. The number of shares of our Common Stock owned by Mr. Allott consists of 18,512 shares of our Common Stock owned by him and 255,000 shares of our Common Stock that may be acquired by him through the exercise of vested stock options granted pursuant to the Silgan Holdings Inc. 1989 Amended and Restated Stock Option Plan, or the 1989 Plan.
- (9) The number of shares of our Common Stock owned by Mr. Lewis consists of 41,165 shares of our Common Stock owned by him.
- (10) The number of shares of our Common Stock owned by Mr. Greenlee consists of 3,344 shares of our Common Stock owned by him.
- (11) The number of shares of our Common Stock owned by Mr. Beam consists of 221,546 shares of our Common Stock owned by him.
- (12) The number of shares of our Common Stock owned by Mr. Konieczny consists of 3,755 shares of our Common Stock owned by him.
- (13) The number of shares of our Common Stock owned by all current executive officers and directors of the Company as a group includes (i) 323,296 shares of our Common Stock that may be acquired through the exercise of vested stock options granted pursuant to the 1989 Plan, the Directors Plan and the 2004 Stock Incentive Plan and (ii) 13,673 shares of our Common Stock that are issuable related to (a) vested restricted stock units granted pursuant to the 2004 Stock Incentive Plan for which receipt has been deferred and (b) restricted stock units granted pursuant to the 2004 Stock Incentive Plan that will vest within 60 days after the Record Date. Since Mr. Beam retired from the Company prior to the Record Date, the number of shares of our Common Stock owned by all current executive officers and directors of the Company as a group does not include shares of our Common Stock owned by Mr. Beam.

Table of Contents**EQUITY COMPENSATION PLAN INFORMATION**

In the table below, we provide information about equity securities of the Company authorized for issuance under all of the Company's equity compensation plans. The information is as of December 31, 2008.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights(1)	(b) Weighted average exercise price of outstanding options, warrants and rights(2)	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	840,229(3)	\$15.69	760,820(4)
Equity compensation plans not approved by security holders			
Total	840,229	\$15.69	760,820

- (1) This column contains information regarding options to purchase our Common Stock and restricted stock units that represent the right to receive our Common Stock only. We do not have any warrants or other rights outstanding.
- (2) This column contains the weighted average exercise price for all options outstanding under the 1989 Plan, the Directors Plan and the 2004 Stock Incentive Plan. Our outstanding restricted stock units do not have any exercise price.
- (3) This amount includes options to purchase 463,056 shares of our Common Stock granted under the 1989 Plan, options to purchase 18,000 shares of our Common Stock granted under the Directors Plan, options to purchase 8,000 shares of our Common Stock granted under the 2004 Stock Incentive Plan and restricted stock units that represent the right to receive 351,173 shares of our Common Stock granted under the 2004 Stock Incentive Plan.
- (4) This amount consists of awards related to shares of our Common Stock available for future issuance under the 2004 Stock Incentive Plan. In accordance with the 2004 Stock Incentive Plan, each award of stock options reduces the number of shares of our Common Stock available for future issuance under the 2004 Stock Incentive Plan by the same number of shares of our Common Stock subject to the award, while each award of restricted stock or restricted stock units reduces the number of shares of our Common Stock available for future issuances under the 2004 Stock Incentive Plan by two shares for every one restricted stock or restricted stock unit awarded.

Table of Contents**TOTAL STOCKHOLDERS RETURN PERFORMANCE**

The line graph below compares the performance of our Common Stock for the five year period ended December 31, 2008 with the performance of the Dow Jones US Containers & Packaging Index and the Standard and Poor's 500 Composite Stock Price Index, or the S&P 500 Index, for the same period. The line graph assumes in each case an initial investment of \$100.00 on December 31, 2003 and that all dividends were reinvested. The Dow Jones US Containers & Packaging Index has been weighted on the basis of market capitalization and is currently comprised of the following companies: Silgan Holdings Inc.; AptarGroup Inc.; Ball Corporation; Bemis Company, Inc.; Crown Holdings, Inc.; Greif, Inc.; MeadWestvaco Corporation; Owens-Illinois, Inc.; Packaging Corporation of America; Pactiv Corporation; Rock-Tenn Company; Sealed Air Corporation; Smurfit-Stone Container Corporation; Sonoco Products Company; and Temple-Inland, Inc.

Comparison Of Cumulative Total Return Among Silgan Holdings Inc.,**Dow Jones US Containers & Packaging Index and S&P 500 Index**

	12/31/03	12/31/04	12/31/05	12/31/06	12/31/07	12/31/08
Silgan Holdings Inc.	\$ 100.00	\$ 144.83	\$ 173.82	\$ 214.02	\$ 256.23	\$ 239.09
Dow Jones US Containers & Packaging Index	100.00	119.64	118.89	133.26	142.22	89.17
S&P 500 Index	100.00	110.88	116.33	134.70	142.10	89.53

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Committee

The Board of Directors of the Company has established a Compensation Committee and has empowered the Compensation Committee to review and approve matters relating to the compensation of all executive officers of the Company. The Board of Directors of the Company has also given the Compensation Committee responsibility for administering the 2004 Stock Incentive Plan (as well as the prior equity compensation plans of the Company under which stock options previously granted are still outstanding), making awards and grants under the 2004 Stock Incentive Plan to all officers and other key employees of the Company and its subsidiaries and setting performance goals and confirming performance levels in respect of performance awards made under the 2004 Stock Incentive Plan. The Compensation Committee may not delegate any responsibility or authority conferred upon it by the Board of Directors of the Company.

The Compensation Committee is comprised of four members, Messrs. Jeffrey C. Crowe, John W. Alden, William C. Jennings and Edward A. Lapekas. Mr. Crowe serves as the Chairperson of the Compensation Committee. All members of the Compensation Committee are independent directors as required under the applicable rules of the Nasdaq Stock Market.

Compensation Philosophy

The Compensation Committee strives to establish a compensation program for the executive officers of the Company that meets the following objectives:

1. attracts and retains executive officers and provides fair compensation, taking into account responsibilities and the employment markets in which the Company and its subsidiaries compete;
2. rewards executive officers for achieving the Company's short-term business goals and long-term creation of shareholder value; and
3. aligns the interests of the Company's executive officers and stockholders.

The components of the compensation program for all executive officers of the Company are base salary, annual cash incentive bonus and equity-based compensation. In addition, all executive officers of the Company other than the Chief Executive Officer, or CEO, Chief Financial Officer, or CFO, and Executive Vice President, Operations, or EVP Operations, receive other benefits typically provided to officers (such as pension, 401(k) and other retirement benefits, medical benefits and life insurance benefits), and certain of these executive officers also receive limited perquisites and other personal benefits.

Base Salary

The Compensation Committee endeavors to set base salaries for executive officers that enable the Company to attract and retain such officers and provide fair compensation taking into account relevant employment markets. The base salary for an individual executive officer is targeted at a competitive salary level for individuals with similar responsibilities at manufacturing companies of a similar size, including packaging related companies, and, as relevant, in the applicable geographic area.

Generally, each executive officer's salary is reviewed on an annual basis by the Compensation Committee, and executive officer salaries may be adjusted based on: (i) a general increase in the cost of living; (ii) a change in the individual's responsibilities over the preceding years; and (iii) changes in competitive pay levels. In making such determinations, for the CEO and the CFO, in addition to other information available, the Compensation Committee has generally reviewed publicly available salary and other compensation information

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from the following packaging related companies: AEP Industries Inc.; AptarGroup, Inc.; Avery Dennison Corporation; Ball Corporation; Bemis Company Inc.; Carastar Industries, Inc.; Chesapeake Corporation; Crown Holdings, Inc.; Owens-Illinois, Inc.; Pactiv Corporation; PolyOne Corporation; Rock-Tenn Company; Sealed Air Corporation; and Sonoco Products Company. Additionally, for the CEO and the CFO the Compensation Committee has generally considered publicly available salary and other compensation information from the following other manufacturing companies: Cytec Industries Inc.; Graphic Packaging Corporation; Greif, Inc.; Olin Corporation; Packaging Corporation of America; and The Valspar Corporation. Although the Compensation Committee does not use benchmarking to determine any element of compensation, the Compensation Committee believes that it is important from time to time to review compensation information from other appropriate companies in order to gain a general understanding of the competitiveness of the Company's compensation program. For all other executive officers of the Company, the Compensation Committee reviews recommendations of the CEO of the Company and other information available to the Compensation Committee.

Annual Cash Bonuses under Incentive Programs

All executive officers of the Company are eligible to receive annual cash bonuses, which are provided to enable the Company to attract and retain such officers and provide fair compensation taking into account responsibilities and relevant employment markets. Additionally, the Compensation Committee uses annual cash bonuses for executive officers to reward them for achieving the Company's financial and non-financial goals. Executive officers of the Company are eligible for an annual cash bonus based on a percentage of their annual base salary, and that percentage is determined generally based on the person's responsibilities.

Annual cash bonuses are paid to Mr. Allott under the Company's Senior Executive Performance Plan. Currently, Mr. Allott is the only person that is a participant in the Senior Executive Performance Plan. Pursuant to the Senior Executive Performance Plan, Mr. Allott could be eligible for an annual cash bonus of up to 200% of his annual base salary, with such maximum amount of Mr. Allott's annual cash bonus being set annually by the Compensation Committee. For 2008 and 2009, the Compensation Committee evaluated competitive data and approved a maximum annual cash bonus for Mr. Allott of up to 100% of his annual base salary. In setting the maximum amount of the annual cash bonus for Mr. Allott, the Compensation Committee bases its determination on its objective of retaining Mr. Allott and providing him with fair overall annual cash compensation taking into account his responsibilities and relevant employment markets.

At the beginning of each year, the Compensation Committee establishes a performance goal and a performance goal target for the Company for that year pursuant to the Senior Executive Performance Plan. Following such year, the Compensation Committee confirms the extent to which the performance goal target for such year was met. If the performance goal target was met, then the participant under the Senior Executive Performance Plan would receive the maximum amount of his annual bonus for which he was eligible for that year. If the performance goal target was not met, then the participant would receive a pro rata amount of the maximum amount of his annual bonus for which he was eligible for that year. For 2008, the performance goal established by the Compensation Committee under the Senior Executive Performance Plan was the earnings before interest, taxes, depreciation and amortization and rationalization charges (Adjusted EBITDA) of the Company and the performance goal target for the maximum amount of the annual bonus was the achievement of the Adjusted EBITDA level of the Company for 2007, with the manner for calculating the amount of Mr. Allott's annual bonus based on the following formula:

X multiplied by the Company's Adjusted EBITDA for 2008; with X being equal to a percentage,

the numerator of which is the maximum amount of Mr. Allott's annual bonus and the

denominator of which is the Company's Adjusted EBITDA for 2007.

The Company's Adjusted EBITDA for 2008 was \$420.9 million, and for 2007 the Company's Adjusted EBITDA was \$402.9 million.

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For 2009, the Compensation Committee set the performance goal for Mr. Allott under the Senior Executive Performance Plan as the Adjusted EBITDA of the Company and the performance goal target for the maximum amount of his annual bonus as the achievement of the Adjusted EBITDA level of the Company for 2008, with the manner for calculating the amount of his annual bonus being the same as in 2008. In setting the performance goal under the Senior Executive Performance Plan, the Compensation Committee chose the Adjusted EBITDA of the Company because it believes that it is an important and accepted measure of performance of the Company.

For 2008, each of Messrs. Lewis and Greenlee was eligible to be paid annual cash bonuses, in an amount up to a maximum of 30% of his annual base salary, under a program, or the Holdings Executive Officer Program, approved by the Compensation Committee pursuant to which their annual cash bonuses were calculated on the same basis that an annual cash bonus was calculated for Mr. Allott under the Senior Executive Performance Plan. For 2009, the Compensation Committee approved an annual cash bonus program for each of Messrs. Lewis, Greenlee and Hogan pursuant to which each of them is eligible to receive an annual cash bonus in an amount up to a maximum of 40% of his annual base salary received in 2009, with the amount of such annual cash bonus being calculated on the same basis that an annual cash bonus is calculated for Mr. Allott for 2009 under the Senior Executive Performance Plan.

The Compensation Committee has established annual bonus programs applicable to Messrs. Allott, Lewis and Greenlee that are different from the annual cash bonus programs applicable to the other executive officers of the Company because Messrs. Allott, Lewis and Greenlee assist the Compensation Committee in establishing the annual cash bonus programs for the other executive officers of the Company, including setting financial and non-financial goals under such programs and determining whether goals were met under such programs. The Compensation Committee believes it is important that it receive an unbiased view from members of top management in establishing such programs, and believes that the best way to accomplish this objective is to not have those assessing such programs participate in them so that these individuals have no conflict of interest. Additionally, the objectives of the annual cash bonus programs for Messrs. Allott, Lewis, Greenlee and Hogan are to retain such individuals and provide them with fair overall annual cash compensation taking into account relevant employment markets, and such programs are not meant primarily as an award for short-term financial performance. The Compensation Committee believes that it is best for the Company that Messrs. Allott, Lewis, Greenlee and Hogan focus more on long-term creation of shareholder value rather than short-term goals. Accordingly, the Compensation Committee establishes a performance goal target with respect to annual bonuses payable to Messrs. Allott, Lewis, Greenlee and Hogan that, although not certain, should be attainable.

Annual cash bonuses are paid to participants in the incentive programs of the Company's business segments based upon the achievement of certain financial goals and, in most years, certain non-financial goals. Participants in those programs, including those deemed to be executive officers of the Company, are viewed on a team basis for purposes of annual cash bonuses and establishing financial and non-financial goals for each business segment.

The financial goals for each business segment for a given year are established at the beginning of such year by the CEO, CFO and EVP Operations, or the Holdings Executives, subject to approval of the Compensation Committee. Budgeted earnings before interest and taxes (EBIT) of each business segment are used as the financial goal for such business segment. Based on the recommendations of the Holdings Executives, the Compensation Committee determines the portion of annual cash bonuses that would be payable to managers of the business segments of the Company based on the financial goal. The Compensation Committee generally believes that at least a majority of the annual cash bonuses payable to managers of the Company's business segments should be based on a financial goal. The table below sets forth the percentages for 2008 and 2009 of the annual cash bonuses for managers of the Company's business segments payable based on such business segments' achievement of their financial goal under their incentive programs:

Business Segment	2008	2009
Metal food container	70%	70%
Closures	80%	80%
Plastic container	100%	75%

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Non-financial goals for each business segment for a given year are established at the beginning of the year by the Holdings Executives in conjunction with the managers of such business segment, subject to approval of the Compensation Committee. Such non-financial goals are generally items that both the Holdings Executives and the managers of the particular business segment desire additional attention during the year. Set forth below are the non-financial goals for our metal food container business for both 2008 and 2009:

management development;

market leadership;

operational leadership;

working capital management;

selling, general and administrative cost management; and

financial reporting and controls.

Set forth below are the non-financial goals for our closures business for both 2008 and 2009:

market leadership;

operational leadership;

working capital management;

selling, general and administrative cost management; and

financial reporting and controls.

For 2008, the incentive program for our plastic container business was based entirely on its financial goal. For 2009, the non-financial goals for our plastic container business are:

management development;

safety;

working capital management;

market leadership;

operational leadership; and

financial reporting and controls.

In determining levels of achievement by each business segment of its non-financial goals, the Compensation Committee relies upon the subjective evaluations of Messrs. Allott, Lewis and Greenlee, as well as their own observations of each business segment obtained from the reports given by the presidents of such business segments at the regular quarterly meetings of the Board of Directors of the Company.

For 2008, managers of the Company's business segments were eligible for an annual target bonus ranging from 20% to 35% of their annual salary if applicable goals were met, with such percentage for any particular person being largely based on such person's responsibilities. The amount of the bonus of each such manager is determined by a formula which calculates such bonus based on the percentage that the actual applicable financial level achieved represents of the applicable financial goal and, when applicable, based on whether non-financial goals were met, and such managers can receive up to two times their target bonus amount if financial and non-financial goals of the applicable business segment are far exceeded. Generally, however, the Compensation Committee is of the view that non-financial goals, by their nature, are extremely hard to attain at a level warranting two times payment of the amount of the target bonus applicable to such non-financial goals, and therefore realistically managers can expect to receive between 50 percent and 150 percent of the amount of their

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target bonus applicable to such non-financial goals. For 2008, the percentages of the financial goals for our business segments that would have needed to have been achieved for a payment of two times the amount of the target bonus applicable to such financial goals ranged from 106% to 132.8% of such financial goals.

The officers of Silgan Holdings, all of whom are executive officers of the Company, are also eligible to receive annual cash bonuses pursuant to an incentive program, or the Holdings Bonus Program, in which they participate (other than Messrs. Allott, Lewis and Greenlee and, for 2009, Mr. Hogan). Bonuses under such program are calculated on the basis of a weighted average of the levels of bonuses paid under the incentive programs of the Company's business segments, using each business segment's percentage of the overall EBIT of the Company's business segments as the basis for weighting. Bonuses for such officers are thus determined by means of a pure mathematical calculation based on the weighted average of the levels of bonuses paid under the incentive programs of the Company's business segments once the bonus amounts under such incentive programs are determined. The officers participating in the Holdings Bonus Program are eligible for an annual target bonus ranging from 30% to 40% of their annual salary, and they can receive up to two times their target bonus amount if the Company's business segments far exceed their applicable financial and non-financial goals. Generally, however, the Compensation Committee is of the view that non-financial goals, by their nature, are extremely hard to attain at a level warranting two times payment of the amount of the target bonus applicable to such non-financial goals, and therefore realistically such officers can expect to receive between 50 percent and 150 percent of the amount of their target bonus applicable to such non-financial goals.

The table below sets forth summary information for 2008 for those individuals who served as Chief Executive Officer or Chief Financial Officer of the Company during 2008 and who were the three most highly compensated executive officers of the Company for 2008 (other than those who served as CEO or CFO during 2008) with regard to the incentive plan or program in which such individual participated, the bonus range, target bonus award and maximum bonus award as a percentage of salary for each such individual, the actual bonus award for each such individual and the actual bonus award as a percentage of salary for each such individual.

2008 Annual Cash Bonuses under Incentive Programs

Name	Name of Plan or Program	Bonus Range as a % of Salary	Target Bonus Award as a % of Salary	Maximum Bonus Award as a % of Salary	Actual Bonus Award (\$)	Actual Bonus Award as a % of Salary
Anthony J. Allott (President and Chief Executive Officer)	Senior Executive Performance Plan	0% - 100%	100%	100%	\$ 818,454	100%
Robert B. Lewis (Executive Vice President and Chief Financial Officer)	Holdings Executive Officer Program	0% - 30%	30%	30%	\$ 146,875	30%
Adam J. Greenlee (Executive Vice President, Operations)	Holdings Executive Officer Program	0% - 30%	30%	30%	\$ 120,000	30%
James D. Beam (Former Executive Vice President)	Holdings Bonus Program	0% - 60%	30%	60%	\$ 176,181	30.26%
Peter Konieczny (President, Silgan White Cap)	Incentive program for our closures business	0% - 70%	35%	70%	\$ 86,283	23.08%

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Equity Based Compensation

The Compensation Committee provides equity-based compensation to executive officers of the Company and its subsidiaries through awards under the 2004 Stock Incentive Plan that meet the Compensation Committee's objectives of attracting and retaining officers and aligning the interests of officers with those of the stockholders of the Company. The purpose of the 2004 Stock Incentive Plan is to promote the long-term success of the Company and the creation of stockholder value by (i) encouraging the attraction and retention of directors and officers and other key employees and (ii) linking directors and officers and other key employees of the Company directly to stockholder interests through stock ownership and appreciation. Although the Company encourages stock ownership by its officers and directors, the Company does not have any requirements or guidelines for stock ownership by its officers and directors.

The Compensation Committee is responsible for administering the 2004 Stock Incentive Plan. The Compensation Committee determines recipients of awards under the 2004 Stock Incentive Plan, approves awards, sets the terms and conditions of awards and interprets and prescribes rules for administering the 2004 Stock Incentive Plan. The 2004 Stock Incentive Plan provides for awards of stock options, stock appreciation rights, restricted stock, restricted stock units and performance awards.

Since the adoption of the 2004 Stock Incentive Plan, the Compensation Committee has granted mostly restricted stock units and performance awards for restricted stock units. The Compensation Committee has determined to grant primarily restricted stock units and performance awards for restricted stock units under the 2004 Stock Incentive Plan because it believes that restricted stock units are more closely linked to ownership of stock as compared to stock options and stock appreciation rights, thereby aligning the interests of award recipients more closely with stockholders.

The Compensation Committee's practice of granting restricted stock units and stock options under the 2004 Stock Incentive Plan is generally to make grants to newly hired individuals and to individuals who are promoted and to grant performance awards annually to current officers and other key employees, all as described below. In addition, the Compensation Committee may make awards under the 2004 Stock Incentive Plan to officers and other key employees of the Company and its subsidiaries at other times and for other purposes, consistent with the terms of the 2004 Stock Incentive Plan.

In order to attract new officers and other key employees, the Compensation Committee will make grants during the course of the year of restricted stock units to such new individuals, which generally will vest ratably over a five year period. In limited cases, the Compensation Committee may grant stock options to such new individuals, which generally will vest ratably over a four year period and have a term of seven years. The number of restricted stock units and stock options that are granted to an individual will be determined by the Compensation Committee generally on the basis of what it believes is necessary to hire such individual, taking into account the salary and bonus offered to such individual and the total nominal value of such restricted stock units and stock options. Additionally, the Compensation Committee may make grants of restricted stock units during the course of the year to officers who are promoted, largely on the basis of the nominal value of unvested restricted stock units and stock options of such individuals as compared to a targeted multiple of such individual's new annual base salary. The primary purpose of all equity awards is retention of the individual, and, for the most part, these restricted stock units will vest ratably over a five year period. However, in 2006 the Compensation Committee granted a performance award for 100,000 restricted stock units to Mr. Allott upon his promotion to CEO which vest all at once five years from the date of grant. Typically, the Compensation Committee makes grants to newly hired individuals and persons who are promoted on only one business day during each fiscal quarter following the issuance by the Company of its quarterly earnings release. As a result, the practice of the Compensation Committee generally is to make grants on up to four dates during each year.

Additionally, in order to retain current officers and other key employees, the Compensation Committee annually reviews the nominal value of unvested restricted stock units and stock options of such persons. For each

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officer and other key employee of the Company, the Compensation Committee targets a multiple of such person's annual base salary as the level of the nominal value of unvested restricted stock units and stock options for each such person. The multiple for each individual is determined on the basis of the individual's anticipated long-term contribution to the Company. Within the first ninety days of each year, the Compensation Committee will fix and establish performance criteria for that year for potential grants of performance awards of restricted stock units in the following year. The minimum level of performance required to be attained for grants to be made in the following year is set by the Compensation Committee at a level that, although not certain, should be attainable because the primary purpose of these grants is retention. For the performance period that was the Company's 2008 fiscal year, the Compensation Committee established the Company's Adjusted EBITDA as the performance criteria and the minimum level of performance by the Company for 2008 for grants to be made in 2009 as 75% of the Company's Adjusted EBITDA level in 2007. At the time the performance criteria is set for a particular year, the Compensation Committee approves a maximum number of restricted stock units that may be granted to each individual in the following year if the minimum level of performance is attained. Then, following the end of a particular year if the minimum level of performance for that year is attained, the Compensation Committee will review the nominal value of the unvested restricted stock units and stock options previously granted to an individual and compare this to the individual's target multiple of salary. Generally, the Compensation Committee will then consider performance awards of restricted stock units to individuals whose aggregate unvested restricted stock units and stock options nominal value is less than their target multiple of salary so that the total nominal value of unvested restricted stock units and stock options approximates their target multiple of salary.

Beginning with grants made on March 1, 2006, restricted stock units granted under the 2004 Stock Incentive Plan carry with them the right to receive dividend equivalents in an amount equal to all cash dividends paid on one share of Common Stock of the Company for each restricted stock unit while such restricted stock unit is outstanding and until such restricted stock unit vests. Such dividend equivalents for a restricted stock unit are accrued as dividends, are paid on the Common Stock of the Company, and are paid to the individual upon the vesting of such restricted stock unit. The Compensation Committee added dividend equivalent rights to restricted stock units to further align the interests of officers and other key employees of the Company and its subsidiaries with those of the stockholders of the Company.

Retirement and Other Benefits

The Company also provides retirement and other benefits to most of its executive officers for purposes of retention. Such benefits include pension, 401(k), supplemental retirement, medical, disability and group life insurance benefits.

The Company does not provide retirement and other benefits to Messrs. Allott, Lewis and Greenlee, although they can make contributions to the 401(k) plan without any matching contributions by the Company and they can participate in the medical benefits provided they pay 100% of their premiums. This approach allows Messrs. Allott, Lewis and Greenlee to assist the Compensation Committee in an unbiased manner in its oversight and review of these benefits.

The other officers of the Company and the officers of Silgan Containers participate in (i) the Silgan Containers Corporation Pension Plan for Salaried Employees, or the Silgan Containers Pension Plan (a defined benefit plan intended to be qualified as a pension plan under Section 401(a) of the Internal Revenue Code of 1986, or the Code), (ii) the Silgan Containers Corporation Retirement Savings Plan, or the Containers Savings Plan (a 401(k) plan which is intended to be qualified under Section 401(a) of the Code, which individuals can elect to participate in and which provides for matching contributions and in the case of certain individuals includes a potential profit sharing contribution), (iii) the Silgan Containers Corporation Supplemental Executive Retirement Plan, as amended, or the Containers Supplemental Plan (a non-qualified defined contribution plan that provides for contributions on behalf of participating individuals that are intended to make up for benefits not payable under the pension and 401(k) plans because of limits imposed by the Code), and (iv) medical benefits

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and group life insurance benefits generally available to all salaried employees on the same basis as they are available to all other salaried employees. Benefits under the Silgan Containers Pension Plan are based on the participant's average rate of base pay (or salary) over the final three years of employment, with increases to a participant's rate of base pay following January 1, 2007 (or the first January 1 the participant earned base pay, if later) capped at 3% per year for purposes of the Silgan Containers Pension Plan. The amount of average base pay taken into account for any year is limited by Section 401(a)(17) of the Code, which imposes a cap of \$230,000 (to be indexed for inflation) on compensation taken into account for 2008. Benefits under the Silgan Containers Pension Plan are not subject to any deduction for social security or other offset amounts. The Silgan Containers Pension Plan was amended in 2006 to provide that salaried employees hired after 2006 are no longer eligible to participate in the Silgan Containers Pension Plan.

Officers of Silgan Plastics participate in (i) the Silgan Plastics Corporation Pension Plan for Salaried Employees, or the Silgan Plastics Pension Plan (a defined benefit plan intended to be qualified as a pension plan under Section 401(a) of the Code), (ii) the Silgan Plastics Corporation Compensation Investment Plan (a 401(k) plan which is intended to be qualified under Section 401(a) of the Code, which individuals can elect to participate in and which provides for matching contributions), (iii) the Silgan Plastics Corporation Supplemental Savings and Pension Plan, or the Plastics Supplemental Plan (a non-qualified defined contribution plan that provides for contributions on behalf of such individuals that are intended to make up for benefits not payable under the pension and 401(k) plans because of limits imposed by the Code), and (iv) medical benefits and group life insurance benefits generally available to all salaried employees on the same basis as they are available to all other salaried employees. Benefits under the Silgan Plastics Pension Plan are based on the participant's average total cash compensation (salary and bonus) over the final 36 months of employment or over the highest three of the final five calendar years of employment, whichever produces the greater average compensation. In computing this average, compensation for any year cannot exceed 125% of base pay. Compensation used in determining benefits is also limited by Section 401(a)(17) of the Code, which imposes the cap indicated above. Benefits under the Silgan Plastics Pension Plan are determined based on two methods. Under the first method, the Silgan Plastics Pension Plan provides for benefits based on a formula without any offset for social security. Most of Silgan Plastics' officers are eligible participants under the Silgan Plastics Pension Plan based on this first method. Under the second method, benefits under the Silgan Plastics Pension Plan are based on one of three formulas, one of which provides for an offset for social security. The Silgan Plastics Pension Plan was amended in 2006 to provide that salaried employees hired after 2006 are no longer eligible to participate in the Silgan Plastics Pension Plan.

Mr. Konieczny does not participate in any pension, 401(k), supplemental retirement or other similar retirement plan of the Company or any of its subsidiaries. In place of any such retirement plan, in accordance with his employment agreement, Mr. Konieczny is provided with \$12,000 each year during his employment, which amount is then grossed up to cover applicable taxes thereon and is meant for his retirement.

Perquisites and Other Personal Benefits

Generally, the Company does not provide its executive officers with any perquisites or other personal benefits. For 2008, Messrs. Beam, Koblin and Russell F. Gervais (our former Executive Vice President) were reimbursed for country club dues at one country club so that they had an appropriate entertainment forum for customers. Each of them were also reimbursed country club fees to the extent incurred in connection with business related matters. For 2009, Mr. Koblin will continue to be provided such benefits. As is more common for European companies, Mr. Konieczny was provided with use of a company car in accordance with the policies of the international closures operations for management level employees while he was located in Germany until his relocation to the United States. The amount of compensation attributed to Mr. Konieczny for this perquisite for 2008 was \$15,578. We typically provide relocation benefits to certain newly hired employees and employees whom we relocate, including officers of the Company and its subsidiaries. The relocation benefits that we provide to officers of the Company and its subsidiaries include costs associated with the purchase and sale of a house, temporary living expenses, moving and travel expenses, certain carrying costs, relocation incentive

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payments and allowances and tax gross-ups on such amounts. The Summary Compensation Table below includes in column (i) All Other Compensation for Mr. Greenlee relocation benefits provided to him in 2008 and 2007 of \$431,437 and \$12,024, respectively, in connection with his relocation to the Company's headquarters in Stamford, Connecticut and for Mr. Konieczny relocation benefits provided to him in 2008 of \$130,989 in connection with his relocation to the United States.

Employment Agreements

Mr. Allott, President and Chief Executive Officer of the Company, entered into an employment agreement with the Company in April 2004. Mr. Allott's employment agreement provides for, among other things, a severance benefit if Mr. Allott is terminated by the Company without cause in an amount equal to the sum of (i) his then current annual salary plus (ii) his annual bonus, calculated at the then current maximum amount payable pursuant to the Senior Executive Performance Plan as previously approved by the Compensation Committee (for 2009, 100% of his then current annual salary).

Mr. Lewis, Executive Vice President and Chief Financial Officer of the Company, is entitled to a severance benefit, as provided in an employment letter from the Company dated June 30, 2004, if Mr. Lewis is terminated by the Company without cause in an amount equal to the sum of (i) his then current annual salary plus (ii) his annual bonus, calculated at the then current maximum bonus amount payable to him as previously approved by the Compensation Committee (for 2009, 40% of his then current annual salary).

Mr. Greenlee, Executive Vice President, Operations of the Company, is entitled to a severance benefit, as provided in an employment letter from the Company dated October 1, 2007, if he is terminated without cause in an amount equal to the sum of (i) his then current annual salary plus (ii) his annual bonus, calculated at the then current maximum bonus amount payable to him as previously approved by the Compensation Committee (for 2009, 40% of his then current annual salary).

Mr. Beam, former Executive Vice President of the Company, was a party to an employment agreement with Silgan Containers. The initial term of his employment agreement was three years from its effective date, and the term had been extended until his recent retirement from the Company.

Mr. Konieczny, President of Silgan White Cap, is a party to an employment agreement with Silgan White Cap Deutschland GmbH. Pursuant to such employment agreement, Mr. Konieczny's employment may be terminated without cause only upon 12 months written notice at the end of each quarter, during which time Mr. Konieczny continues to receive his salary and bonus (pro rata for any applicable period).

Tax Deductibility

Section 162(m) of the Code disallows a federal income tax deduction to any publicly held corporation for compensation paid in excess of \$1 million in any taxable year to an individual who, on the last day of the taxable year, was (i) the chief executive officer or (ii) among the three other most highly compensated executive officers (other than the chief executive officer or chief financial officer) employed by such corporation (or a member of its affiliated group), but does allow a deduction for performance-based compensation in excess of \$1 million the material terms of which are disclosed to and approved by stockholders. The Company's intention is to maximize the tax deductibility of its compensation programs. However, because the Company believes that the use of prudent judgment in determining compensation levels is in the best interests of the Company and its stockholders, under some circumstances it may determine to pay amounts of compensation that may not be fully deductible. The Company reserves the right to use prudent judgment in establishing compensation policies to attract and retain qualified executives to manage the Company and to reward such executives for outstanding performance, while taking into consideration the financial impact of such actions on the Company.

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Report of the Compensation Committee

The Compensation Committee has reviewed and discussed the section of this Proxy Statement titled "Compensation Discussion and Analysis" with management of the Company. Based on such review and discussion, the Compensation Committee recommended to the Board of Directors of the Company that the "Compensation Discussion and Analysis" be included in the Proxy Statement of the Company for its 2009 annual meeting of stockholders.

By the Compensation Committee of the Board of Directors:

Jeffrey C. Crowe

John W. Alden

William C. Jennings

Edward A. Lapekas

Table of Contents**Summary Compensation Table**

The table below summarizes the total compensation for the fiscal year ended December 31, 2008 paid to or earned by those individuals who served as Chief Executive Officer or Chief Financial Officer of the Company during 2008 and by the three most highly compensated executive officers of the Company for 2008 (other than those who served as CEO or CFO during 2008), collectively the Named Executive Officers.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name and Principal Position	Year	Salary (\$)	Bonus \$(1)	Stock Awards \$(2)	Option Awards \$(2)	Non-Equity Incentive Plan Compensation \$(3)	Change in Pension Value and Non- qualified Deferred Compensation	All Other Compensation \$(5)	Total (\$)
							Earnings \$(4)		
Anthony J. Allott	2008	\$ 818,454	\$0	\$ 1,270,773	\$ 4,651	\$818,454	\$ 0	\$ 2,560	\$ 2,914,892
(President and Chief Executive Officer)	2007	\$ 790,777	\$0	\$ 1,176,329	\$ 77,332	\$790,777	\$ 0	\$ 0	\$ 2,835,215
	2006	\$ 763,127	\$0	\$ 733,604	\$ 234,222	\$763,127	\$ 0	\$ 0	\$ 2,494,080
Robert B. Lewis	2008	\$ 489,583	\$0	\$ 235,264	\$ 30,523	\$146,875	\$ 0	\$ 0	\$ 902,245
(Executive Vice President and Chief Financial Officer)	2007	\$ 441,881	\$0	\$ 234,621	\$ 54,493	\$132,564	\$ 0	\$ 0	\$ 863,559
	2006	\$ 417,887	\$0	\$ 234,621	\$ 86,419	\$125,366	\$ 0	\$ 0	\$ 864,293
Adam J. Greenlee	2008	\$ 400,000	\$0	\$ 184,055	\$ 0	\$120,000	\$ 0	\$432,211	\$ 1,136,266
(Executive Vice President, Operations)	2007	\$ 283,000	\$0	\$ 101,454	\$ 0	\$ 86,218	\$ 0	\$ 17,586	\$ 488,258
	2006	\$ 212,000	\$0	\$ 80,690	\$ 0	\$111,554	\$ 0	\$ 8,800	\$ 413,044
James D. Beam(6)	2008	\$ 582,148	\$0	\$ 0	\$ 0	\$176,181	\$48,426	\$ 72,510	\$ 879,265
(Former Executive Vice President)	2007	\$ 565,192	\$0	\$ 0	\$ 17,550	\$158,875	\$53,692	\$ 73,091	\$ 868,400
	2006	\$ 548,730	\$0	\$ 0	\$ 42,363	\$157,458	\$48,393	\$201,020	\$ 997,964
Peter Konieczny(7)	2008	\$ 373,797	\$0	\$ 147,774	\$ 0	\$ 86,283	\$ 0	\$177,334	\$ 785,188
(President of Silgan White Cap)	2007	\$ 317,411	\$0	\$ 113,584	\$ 0	\$ 36,937	\$ 0	\$102,583	\$ 570,515
	2006	\$ 166,067	\$0	\$ 4,979	\$ 0	\$ 60,026	\$ 0	\$ 56,235	\$ 287,307

(1) Bonuses for such years were paid under applicable incentive programs of the Company and its subsidiaries and are included in column (g).

(2) The amounts in columns (e) and (f) reflect the dollar amount recognized for financial statement reporting purposes for the fiscal years ended December 31, 2008, 2007 and 2006, as applicable, in accordance with SFAS No. 123(R) of stock options and restricted stock units granted under the 1989 Plan and the 2004 Stock Incentive Plan, and thus may include amounts from awards granted in and prior to such years. Assumptions used in the calculation of these amounts are included in note 13 to the Company's audited consolidated financial

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statements for the fiscal year ended December 31, 2008 included in the Company's Annual Report on Form 10-K filed with the SEC on March 2, 2009.

- (3) The amounts in column (g) consist of annual cash bonuses earned in such year and paid in the following year under applicable incentive programs of the Company and its subsidiaries. For 2008, the annual cash bonus for Mr. Allott was earned pursuant to the Senior Executive Performance Plan, the annual cash bonuses for Messrs. Lewis and Greenlee were earned pursuant to the Holdings Executive Officer Program, the annual cash bonus for Mr. Beam was earned pursuant to the Holdings Bonus Program and the annual cash bonus for Mr. Konieczny was earned pursuant to the incentive program for our closures business. An explanation as to how annual cash bonuses were calculated under such plan and programs is set forth in the section of this Proxy Statement titled "Compensation Discussion and Analysis - Annual Cash Bonuses under Incentive Programs."
- (4) The amounts in column (h) represent the actuarial increase in the present value of the Named Executive Officer's benefits under the applicable pension plan. The Company does not provide above-market or preferential earnings on amounts of any Named Executive Officer under any non-qualified plan.
- (5) In the case of Mr. Allott, the amount in column (i) consists of payments to him of \$2,560 in 2008 for dividend equivalents in respect of restricted stock units that vested in 2008. In the case of Mr. Greenlee, the amounts in

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column (i) consist of payments to him in the aggregate amount of \$431,437 for 2008 and \$12,024 for 2007 for relocation benefits and reimbursement of relocation expenses, payments to him of \$774 in 2008 and \$211 in 2007 for dividend equivalents in respect of restricted stock units that vested in such years and contributions by Silgan White Cap for him in the amount of \$5,351 for 2007 and \$8,800 for 2006 to the grantor trust for the Silgan White Cap Americas LLC Retirement Plan. In the case of Mr. Beam, the amounts in column (i) include contributions by Silgan Containers for him in the amount of \$31,107 for 2008, \$37,369 for 2007 and \$176,824 for 2006 to the grantor trust for the Containers Supplemental Plan and in the amount of \$16,100 for 2008, \$16,830 for 2007 and \$18,040 for 2006 to the grantor trust for the Containers Savings Plan. In addition, the amounts in column (i) for Mr. Beam also include the dollar value of group term life insurance premiums paid on his behalf in the amount of \$13,663 for 2008, \$6,419 for 2007 and \$6,156 for 2006 and country club dues and fees reimbursed to him in the amount of \$11,640 for 2008 and \$12,473 for 2007. In the case of Mr. Konieczny, the amounts in column (i) include payments to him in the aggregate amount of \$130,989 for 2008 for reimbursement of relocation expenses, payments to him in the aggregate amount of \$27,335 for 2008, \$31,680 for 2007 and \$17,249 for 2006 in lieu of his participation in any retirement plan (grossed up for applicable taxes), payments made for him in the aggregate amount of \$49,003 for 2007 and \$28,066 for 2006 for school allowance for his children (grossed up for applicable taxes), amounts attributed to him of \$15,578 for 2008, \$20,236 for 2007 and \$10,920 for 2006 for use of a company car and the payment to him of \$3,432 in 2008 and \$1,664 in 2007 for dividend equivalents in respect of restricted stock units that vested in such years.

- (6) Mr. Beam has retired from the Company.
- (7) For 2008, Mr. Konieczny was employed for part of the year in the United States and for part of the year in Germany, and part of his salary and certain of his all other compensation was paid in euros. For 2007 and 2006, Mr. Konieczny was employed in Germany and his salary, non-equity incentive payment and most of his all other compensation was paid in euros. In calculating the U.S. dollar equivalent of amounts paid to him in euros, for his salary and all other compensation amounts (other than dividend equivalents) which were paid over the course of the applicable period we used our average monthly exchange rate for such period, and for his non-equity incentive payment we used the exchange rate at the end of the month that such amount was paid. Stock awards and dividend equivalents were originally calculated in U.S. dollars. All amounts for 2006 begin with June 1, 2006, the date the Company acquired the European operations of the White Cap closures business with whom Mr. Konieczny was employed.

Table of Contents**Grants of Plan Based Awards**

The following table provides information concerning each grant of an award made to a Named Executive Officer in the fiscal year ended December 31, 2008 under any plan. All such grants were made under the 2004 Stock Incentive Plan.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Name	Grant Date	Date of Action of Compensation Committee, if Different from Grant Date(1)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards	Estimated Future Payouts Under Non-Equity Incentive Plan Awards	Estimated Future Payouts Under Non-Equity Incentive Plan Awards	Estimated Future Payouts Under Equity Incentive Plan Awards	Estimated Future Payouts Under Equity Incentive Plan Awards	Estimated Future Payouts Under Equity Incentive Plan Awards	All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option
			(\$)	(\$)	(\$)	(#)	(#)	(#)	(#)	(#)	(\$/sh)	(\$)(2)
Anthony J. Allott	03/01/2008	02/27/2008	\$0	\$0	\$0	0	0	0	7,500	0	\$0	\$ 353,775
Robert B. Lewis			\$0	\$0	\$0	0	0	0	0	0	\$0	\$ 0
Adam J. Greenlee	03/01/2008	02/27/2008	\$0	\$0	\$0	0	0	0	10,000	0	\$0	\$ 471,700
James D. Beam			\$0	\$0	\$0	0	0	0	0	0	\$0	\$ 0
Peter Konieczny	03/01/2008	02/27/2008	\$0	\$0	\$0	0	0	0	4,300	0	\$0	\$ 202,831

- (1) The Compensation Committee approved the awards listed in the above table on February 27, 2008 which was prior to the grant date.
- (2) The grant date fair value in column (m) is based on the average high and low sales prices for a share of our Common Stock on February 29, 2008 (since the applicable grant date as listed in column (b) was a Saturday) as quoted by the Nasdaq Global Select Market System.

Table of Contents**Outstanding Equity Awards at Fiscal Year-End**

The following table provides information concerning unexercised options, stock that has not yet vested and equity incentive plan awards for each Named Executive Officer outstanding as of December 31, 2008.

(a)	(b)	Option Awards			(e)	(f)	(g)	Stock Awards		(j)
		(c)	(d)	(i)				(h)	(j)	
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$/sh)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)	
Anthony J. Allott	200,000			\$ 19.00	05/19/2012					
	100,000			\$ 10.13	02/27/2013					
						100,000(2)	\$ 4,781,000			
						16,000(3)	\$ 764,960			
						7,500(4)	\$ 358,575			
Robert B. Lewis		8,000(5)		\$ 23.475	08/16/2011					
						10,000(6)	\$ 478,100			
Adam J. Greenlee						4,000(7)	\$ 191,240			
						1,320(8)	\$ 63,109			
						1,760(9)	\$ 84,146			
						10,000(10)	\$ 478,100			
James D. Beam										
Peter Konieczny						7,800(11)	\$ 372,918			
						4,300(12)	\$ 205,583			

(1) The amount in column (h) is determined based on a price per share of \$47.81, the closing sales price for a share of our Common Stock on the last business day of 2008 (December 31, 2008) as quoted by the Nasdaq Global Select Market System.

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- (2) These restricted stock units vest in full on March 1, 2011.
- (3) These restricted stock units vest as follows: 4,000 on March 1, 2009; 4,000 on March 1, 2010; 4,000 on March 1, 2011; and 4,000 on March 1, 2012.
- (4) These restricted stock units vest as follows: 1,500 on March 1, 2009; 1,500 on March 1, 2010; 1,500 on March 1, 2011; 1,500 on March 1, 2012; and 1,500 on March 1, 2013.
- (5) These options vest on August 16, 2009.
- (6) These restricted stock units vest on August 16, 2009.
- (7) These restricted stock units vest as follows: 2,000 on March 1, 2009; and 2,000 on March 1, 2010.
- (8) These restricted stock units vest as follows: 440 on March 1, 2009; 440 on March 1, 2010; and 440 on March 1, 2011.
- (9) These restricted stock units vest as follows: 440 on March 1, 2009; 440 on March 1, 2010; 440 on March 1, 2011; and 440 on March 1, 2012.

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- (10) These restricted stock units vest as follows: 2,000 on March 1, 2009; 2,000 on March 1, 2010; 2,000 on March 1, 2011; 2,000 on March 1, 2012; and 2,000 on March 1, 2013.
- (11) These restricted stock units vest as follows: 2,600 on December 15, 2009; 2,600 on December 15, 2010; and 2,600 on December 15, 2011.
- (12) These restricted stock units vest as follows: 860 on March 1, 2009; 860 on March 1, 2010; 860 on March 1, 2011; 860 on March 1, 2012; and 860 on March 1, 2013.

Option Exercises and Stock Vested

The following table provides information concerning each exercise of stock options and each vesting of restricted stock units during the fiscal year ended December 31, 2008 for each of the Named Executive Officers on an aggregated basis.

(a) Name	Option Awards		Stock Awards	
	(b) Number of Shares Acquired on Exercise(#)	(c) Value Realized on Exercise(\$)	(d) Number of Shares Acquired on Vesting(#)	(e) Value Realized on Vesting\$(1)
Anthony J. Allott	0	\$ 0	4,000	\$188,680
Robert B. Lewis	32,000	\$1,678,400	10,000	\$535,350
Adam J. Greenlee	0	\$ 0	2,880	\$135,850
James D. Beam	114,000	\$5,488,946	0	\$ 0
Peter Konieczny	0	\$ 0	2,600	\$122,304

- (1) The value realized represents the fair market value of the shares of our Common Stock issuable on the date of vesting. The fair market value was calculated based upon the average of the high and low sales prices for a share of our Common Stock as quoted by the Nasdaq Global Select Market System on the applicable vesting date.

Pension Benefits

The following table shows the present value of accumulated benefits payable to each of the Named Executive Officers, including the number of years of service credited to each such Named Executive Officer, under the applicable pension plan, the basic terms of which are generally described in the section of this Proxy Statement titled Executive Compensation Compensation Discussion and Analysis Retirement and Other Benefits above. Each of Messrs. Anthony J. Allott, Robert B. Lewis and Adam J. Greenlee does not participate in and is not eligible to participate in any pension plan of the Company or any of its subsidiaries.

(a) Name	(b) Plan Name	(c) Number of Years Credited Service(#)	(d) Present Value of Accumulated Benefit\$(1)	(e) Payments During Last Fiscal Year(\$)
Anthony J. Allott				
Robert B. Lewis				
Adam J. Greenlee				
James D. Beam	Silgan Containers Corporation Pension Plan for Salaried Employees	21	\$637,785	\$0
Peter Konieczny				

- (1)

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The present value of accumulated benefits under the pension plan listed above was calculated as of December 31, 2008 using the following assumptions:

- (i) immediate benefit commencement at December 31, 2008 since Mr. Beam surpassed age 65 during 2008;

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- (ii) form of payment as a single life annuity;
- (iii) a discount rate of 6.25% at December 31, 2008 and 6.50% at December 31, 2007;
- (iv) post-retirement mortality determined using RP-2000 Male Annuitant Mortality projected to 2014 at December 31, 2008 and PPA 2008 Male Annuitant Mortality at December 31, 2007; and
- (v) benefit values calculated without pre-retirement death, termination or disability decrements.

Non-Qualified Deferred Compensation

The following table provides information with respect to each defined contribution or other plan that provides for the deferral of compensation on a basis that is not tax qualified for each of the Named Executive Officers. Mr. Beam participates in the Containers Supplemental Plan. You should read the section of this Proxy Statement titled Executive Compensation Compensation Discussion and Analysis Retirement and Other Benefits above for further information regarding these plans.

(a) Name	(b) Executive Contributions in Last Fiscal Year\$(1)	(c) Registrant Contributions in Last Fiscal Year\$(2)	(d) Aggregate Earnings in Last Fiscal Year\$(3)	(e) Aggregate Withdrawals/ Distributions(\$)	(f) Aggregate Balance at Last Fiscal Year End(\$)
Anthony J. Allott	\$ 0	\$ 0	\$ 0	\$0	\$ 0
Robert B. Lewis	\$ 0	\$ 0	\$ 0	\$0	\$ 0
Adam J. Greenlee	\$ 0	\$ 0	\$ 0	\$0	\$ 0
James D. Beam	\$30,661	\$31,107	\$ (689,476)	\$0	\$1,208,254
Peter Konieczny	\$ 0	\$ 0	\$ 0	\$0	\$ 0

- (1) The amount in column (b) for Mr. Beam represents contributions by him in 2008 to the Containers Supplemental Plan. These amounts are included in column (c) Salary for Mr. Beam in the Summary Compensation Table.
- (2) The amount in column (c) for Mr. Beam represents contributions for 2008 by Silgan Containers for him to the Containers Supplemental Plan. This amount is included in column (i) All Other Compensation for Mr. Beam in the Summary Compensation Table.
- (3) The amount in column (d) for Mr. Beam consists of the appreciation and earnings on his account under the Containers Supplemental Plan. Since this amount does not constitute above-market earnings, none of these amounts are included in the Summary Compensation Table.

Potential Payments Upon Termination or Change of Control**Potential Payments Upon Termination**

In the event that a Named Executive Officer's employment is terminated for any reason, such person is entitled to receive amounts earned through the date of termination, including salary, amounts contributed under the applicable 401(k) plan (including, to the extent applicable, contributions made by the Company or a subsidiary of the Company that are vested), unused vacation pay, and, in the case of Mr. Beam, accrued and vested benefits under and pursuant to the applicable pension plan and supplemental executive retirement plan. With his recent retirement from the Company, Mr. Beam became entitled to receive such amounts and, pursuant to the terms of the applicable plans, such benefits.

If termination of a Named Executive Officer's employment is not voluntary, such person may exercise any stock options granted to him under the 1989 Stock Option Plan or the 2004 Stock Incentive Plan (but only if such involuntary termination was without cause) that had become exercisable as of the date of termination for a period

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up to 90 days after the date of termination, or in the event of death or disability, for a period of up to one year after the date of termination. Upon termination of employment for any reason, all stock options and restricted stock units of a Named Executive Officer that are unvested are forfeited except as described in the section below titled "Potential Payments Upon Change of Control". In addition, if such termination is not voluntary, such person is entitled to receive a pro rata amount of his bonus for the year in which such person is terminated.

In addition to the foregoing, each of the Named Executive Officers is, or in the case of Mr. Beam had been, entitled to the following:

In the event that his employment is terminated without cause, Mr. Allott is entitled to a lump sum severance benefit equal to his then current annual salary plus his annual bonus (calculated at then current maximum amount payable as previously approved by the Compensation Committee).

In the event that his employment is terminated without cause, Mr. Lewis is entitled to a lump sum severance benefit equal to his then current annual salary plus his annual bonus (calculated at then current maximum amount payable as previously approved by the Compensation Committee).

In the event that his employment is terminated without cause, Mr. Greenlee is entitled to a lump sum severance benefit equal to his then current annual salary plus his annual bonus (calculated at then current maximum amount payable as previously approved by the Compensation Committee).

In the event that, prior to his retirement, his employment had been terminated without cause, Mr. Beam would have been entitled to a severance benefit equal to his then current annual salary, payable over one year, and to receive medical benefits for a period of one year as provided to other employees of Silgan Containers.

In the event that his employment is terminated without cause, Mr. Konieczny is entitled to a severance benefit equal to his then current annual salary plus his annual target bonus, payable over 12 months.

The following table sets forth the potential payments to each Named Executive Officer if such officer had been terminated without cause on December 31, 2008.

(a) Name	(b) Severance Payment\$(1)	(c) Other Benefits\$(2)
Anthony J. Allott	\$ 1,636,908	\$ 0
Robert B. Lewis	\$ 650,000	\$ 0
Adam J. Greenlee	\$ 520,000	\$ 0
James D. Beam	\$ 582,148	\$11,531
Peter Konieczny	\$ 467,301	\$ 0

(1) The amounts in column (b) consist of salary at each person's annual salary rate at the end of 2008 plus in the case of each of Messrs. Allott, Lewis and Greenlee a bonus for 2008 at the maximum amount payable to him and in the case of Mr. Konieczny a bonus at his target bonus amount. For Mr. Konieczny, such amount in column (b) includes the U.S. dollar equivalent of any amount payable to him in euros, calculated using the exchange rate in effect at our balance sheet date for 2008.

(2) The amount in column (c) for Mr. Beam consists of the estimated cost of continued medical benefits for a period of 12 months.

Potential Payments Upon Change of Control

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The Company does not have any agreement or other arrangement with any of the Named Executive Officers in the event of a change of control involving the Company, other than in respect of outstanding stock options and restricted stock units granted under the 1989 Stock Option and the 2004 Stock Incentive Plan. For stock options granted under the 1989 Stock Option Plan, upon a change of control involving the Company, the Compensation

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Committee, at its discretion, may declare all outstanding stock options vested on or prior to the date of such change of control, in which case all holders thereof would be entitled to exercise such stock options prior to or at the time of such change of control. For stock options and restricted stock units granted under the 2004 Stock Incentive Plan, upon a change of control all such stock options shall become exercisable and all such restricted stock units shall become vested unless the acquiring or surviving corporation assumes such stock options and/or restricted stock units. In such case, if the employment of a holder of any such assumed stock option or restricted stock unit, including a named executive officer, is terminated without cause within 24 months of such change of control, then all such assumed stock options of such holder shall become immediately exercisable and all such assumed restricted stock units of such holders shall become immediately vested. Notwithstanding the foregoing, the Second Amendment to the 2004 Stock Incentive Plan provides that the applicable award agreement shall govern the treatment of an award upon a change in control, which may differ from the foregoing, and any such provision for a change in control shall be in a manner consistent with the provisions of Section 409A of the Code.

Based upon a price per share of \$47.81 (the closing sales price of a share of our Common Stock on December 31, 2008, the last business day of 2008 as quoted by the Nasdaq Global Select Market System) and the number of stock options and restricted stock units held by the Named Executive Officers that were unvested as of December 31, 2008 (information concerning such unvested stock options and restricted stock units is provided in the Outstanding Equity Awards at Fiscal Year-End Table), we estimate the value related to the immediate vesting of these unvested stock options and restricted stock units held by each of the Named Executive Officers upon a change of control involving the Company (assuming the Compensation Committee declared all outstanding stock options under the 1989 Plan vested and the acquiring or surviving corporation did not assume the outstanding stock options and restricted stock units under the 2004 Stock Incentive Plan) to be as follows:

(a)	(b)
Name	Value Related to Immediate Vesting of Unvested Stock Options and Restricted Stock Units (\$)
Anthony J. Allott	\$5,904,535
Robert B. Lewis	\$ 672,780
Adam J. Greenlee	\$ 816,595
James D. Beam	\$ 0
Peter Konieczny	\$ 578,501

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APPROVAL OF SECOND AMENDMENT TO THE SILGAN HOLDINGS INC.

2004 STOCK INCENTIVE PLAN

You are being asked to approve the Second Amendment, or the Second Amendment, to the Silgan Holdings Inc. 2004 Stock Incentive Plan, as amended, and the material terms of the performance goals under the 2004 Stock Incentive Plan, as amended by the Second Amendment. The 2004 Stock Incentive Plan was initially approved and adopted by our Board of Directors and Compensation Committee effective as of April 12, 2004, and approved by our stockholders at our annual meeting of stockholders on May 27, 2004. Our Board of Directors subsequently approved and adopted the Amendment to the 2004 Stock Incentive Plan effective as of March 15, 2005, and our stockholders approved the Amendment to the 2004 Stock Incentive Plan at our annual meeting of stockholders on May 23, 2005. The purpose of the 2004 Stock Incentive Plan is to promote the long-term success of the Company and the creation of stockholder value by (i) encouraging officers and other key employees and outside directors of the Company to focus on critical long-range objectives, (ii) encouraging the attraction and retention of officers and other key employees and outside directors with exceptional qualifications, and (iii) linking officers and other key employees and outside directors of the Company directly to stockholder interests through increased stock ownership. The 2004 Stock Incentive Plan provides for awards of stock options, stock appreciation rights, restricted stock, restricted stock units and performance awards.

The Second Amendment was approved and adopted by our Board of Directors, effective as of April 9, 2009, subject to approval by our stockholders at the Meeting. The Second Amendment will (i) increase the number of shares of our Common Stock available for awards under the 2004 Stock Incentive Plan by an additional 1,500,000 shares, for a total number of shares available for issuance under the 2004 Stock Incentive Plan as of such date of 2,025,420, (ii) extend the termination date under the 2004 Stock Incentive Plan from May 27, 2011 to May 27, 2016, and (iii) make certain other technical changes to the 2004 Stock Incentive Plan to reflect compliance with Sections 162(m) and 409A of the Code.

In addition, Section 162(m) of the Code, or Section 162(m), imposes limitations on the amount of compensation expense that a publicly held corporation may deduct for income tax purposes. In general, the Company may not deduct compensation in excess of \$1 million paid in a taxable year to an individual who, on the last day of the taxable year, was (i) the Chief Executive Officer of the Company or (ii) among the three other most highly compensated executive officers of the Company (other than the Chief Executive Officer or Chief Financial Officer of the Company). However, compensation that qualifies as performance-based is not subject to this deduction limitation. Awards made pursuant to the 2004 Stock Incentive Plan may constitute performance-based compensation that is not subject to the deductibility limitation of Section 162(m). Since the Compensation Committee, which administers the 2004 Stock Incentive Plan, has the authority to change the targets under the performance goals set forth in the 2004 Stock Incentive Plan, our stockholders must approve the material terms of the performance goals under the 2004 Stock Incentive Plan every five years. The material terms of the performance goals under the 2004 Stock Incentive Plan were last approved by our stockholders in 2004. Therefore, at the Meeting, the Company is seeking approval by our stockholders of the Second Amendment and the material terms of the performance goals under the 2004 Stock Incentive Plan, as amended by the Second Amendment.

A copy of the 2004 Stock Incentive Plan is set forth in Appendix A to this Proxy Statement. The proposed Second Amendment to the 2004 Stock Incentive Plan is set forth in Appendix B to this Proxy Statement.

Voting Required

Stockholder approval of the Second Amendment and the material terms of the performance goals under the 2004 Stock Incentive Plan, as amended by the Second Amendment, requires the favorable vote of a majority of the shares of our Common Stock.

If stockholders do not approve the Second Amendment and the material terms of the performance goals under the 2004 Stock Incentive Plan, as amended by the Second Amendment, the Second Amendment will have no effect. In such case, the maximum number of shares of our Common Stock available for issuance under the

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2004 Stock Incentive Plan will remain unchanged and the termination date under the 2004 Stock Incentive Plan will not be extended and will remain unchanged at May 27, 2011. In addition, if stockholders do not approve the Second Amendment and the material terms of the performance goals under the 2004 Stock Incentive Plan, as amended by the Second Amendment, we may continue to grant awards under the 2004 Stock Incentive Plan to the extent there are shares of our Common Stock available for issuance thereunder, however no performance based compensation will be paid under the 2004 Stock Incentive Plan pursuant to the provisions of Section 162(m).

The material terms of the performance goals used to determine compensation payable under the 2004 Stock Incentive Plan include (i) the class of employees eligible to receive awards thereunder; (ii) the types of business criteria on which the payments of such awards are based; and (iii) the maximum amount of awards that can be paid during a specified period to any senior executive under the 2004 Stock Incentive Plan. A description of the 2004 Stock Incentive Plan, including such material terms, and a description of changes proposed in the Second Amendment, is provided below. Such descriptions are qualified in their entirety by the actual provisions of the 2004 Stock Incentive Plan and the Second Amendment, as attached to this Proxy Statement.

Description of the 2004 Stock Incentive Plan

Shares Available Under the Plan

No more than 1,800,000 shares of our Common Stock were authorized and available initially for issuance under the 2004 Stock Incentive Plan (as adjusted to give effect to the two-for-one stock split of our Common Stock effected on September 15, 2005). As of the Record Date, the maximum aggregate number of shares of our Common Stock authorized and remaining available for issuance under the 2004 Stock Incentive Plan is 525,420. If stockholders approve the proposed Second Amendment, the total number of shares of our Common Stock remaining available for issuance under the 2004 Stock Incentive Plan will increase by 1,500,000 to 2,025,420. The closing sales price of our Common Stock was \$50.77 per share on April 9, 2009.

As of the Record Date, the Company's equity overhang, or the percentage of outstanding shares of our Common Stock (plus shares that could be issued pursuant to plans) represented by all equity awards granted and available for future grant under all plans, was 2.8 percent. Equity overhang is calculated as all shares issuable upon exercise of outstanding stock options and vesting of outstanding restricted stock units plus all shares available for future grant under all plans, divided by (a) the number of shares of our Common Stock outstanding plus (b) the number of shares in the numerator. Our equity overhang has been calculated on the basis that all shares available for future grant are in the form of restricted stock units, as the Compensation Committee has issued only restricted stock units under the 2004 Stock Incentive Plan since 2005, although the Compensation Committee may issue other types of awards under the 2004 Stock Incentive Plan as described below. If the Second Amendment is approved by our stockholders at the Meeting, the equity overhang represented by all equity awards granted and available for future grant under all plans would be approximately 4.6 percent as of the Record Date. The Company's equity overhang has ranged between 2.8 percent and 6.3 percent since 2004 and has averaged approximately 4.3 percent over such period.

Another measurement that may be considered meaningful by some stockholders in connection with a proposal to increase the number of shares available for issuance under an equity plan is the burn rate. The burn rate is calculated as all stock options and restricted stock units granted in a fiscal year, divided by the number of shares of our Common Stock outstanding at the end of that fiscal year. Our burn rate for 2008 was 0.26 percent, for 2007 was 0.19 percent and for 2006 was 0.63 percent and for the last five years has averaged 0.31 percent. The proposed increase in the number of shares of our Common Stock available for issuance under the 2004 Stock Incentive Plan by an additional 1,500,000 shares of our Common Stock is consistent with our anticipated average burn rate of approximately 0.35 percent over the next seven years. Our anticipated average burn rate over the next seven years was calculated assuming that the Compensation Committee continues to issue only restricted stock units under the 2004 Stock Incentive Plan as it has since 2005, although the Compensation Committee may issue other types of awards under the 2004 Stock Incentive Plan as described below.

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Each award of stock options or stock appreciation rights under the 2004 Stock Incentive Plan reduces the number of shares of our Common Stock available for future issuance under the 2004 Stock Incentive Plan by the number of shares of our Common Stock subject to the award. For this purpose, if a stock option and stock appreciation right are awarded in tandem so that the exercise of one results in the cancellation of the other, then the stock option and stock appreciation right are deemed to relate to the same share. Each award of restricted shares or restricted stock units under the 2004 Stock Incentive Plan, in contrast, reduces the number of shares of our Common Stock available for future issuance under the 2004 Stock Incentive Plan by two shares for every one restricted share or restricted stock unit awarded.

Shares of our Common Stock subject to awards that are forfeited are added back to the share reserve under the 2004 Stock Incentive Plan. If the Company assumes or converts awards made under a plan of another entity that the Company acquires or merges with, those assumed or converted awards do not reduce the number of shares of our Common Stock available for future issuance under the 2004 Stock Incentive Plan.

Appropriate adjustments may be made to the maximum number of shares of our Common Stock available for issuance under the 2004 Stock Incentive Plan in the event of a stock split, stock dividend, reclassification or similar event. Such events may also result in adjustments to the number of shares of our Common Stock subject to awards previously granted under the 2004 Stock Incentive Plan.

Administration

The Compensation Committee is responsible for administering the 2004 Stock Incentive Plan. The Compensation Committee selects or approves award recipients, sets the terms and conditions of awards, makes adjustments to outstanding awards and to the share reserve as permitted by the 2004 Stock Incentive Plan, interprets the 2004 Stock Incentive Plan and prescribes rules for administering the 2004 Stock Incentive Plan. While the Compensation Committee is permitted to amend outstanding awards, it is not permitted to reduce the exercise price of any outstanding stock option or stock appreciation right without obtaining approval of our stockholders.

Eligibility and Limits on Awards

The Compensation Committee retains the sole discretion to select or approve the selection of employees to receive awards under the 2004 Stock Incentive Plan. Each of the approximately 40 officers and other key employees of the Company and its consolidated subsidiaries is potentially eligible to receive awards under the 2004 Stock Incentive Plan. Currently, each of the non-employee directors of the Company receives restricted shares or restricted stock units under and in accordance with the 2004 Stock Incentive Plan. We currently have six non-employee directors.

No more than 450,000 shares of our Common Stock in the aggregate may be granted to any employee in any period of 36 consecutive months pursuant to stock options and stock appreciation rights. In addition, no more than 225,000 shares of our Common Stock in the aggregate may be awarded to any one employee during any period of 36 consecutive months pursuant to awards of restricted shares or restricted stock units or otherwise pursuant to performance awards. Each of the foregoing maximum aggregate number of shares of our Common Stock set forth in this paragraph is subject to adjustment in the event of a stock split, stock dividend, reclassification or similar event.

The limits described above are not intended to indicate that all of these awards are or will be made, or that awards are or will be made up to these limits.

Types of Awards

Stock Options and Stock Appreciation Rights. Stock options give the holder the right to purchase shares of our Common Stock at a specified exercise price. Stock appreciation rights give the holder the right to receive,

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without any payment on the holder's part, the excess of the fair market value of the shares of our Common Stock subject to the right at the time of exercise over a specified exercise price. All stock options granted under the 2004 Stock Incentive Plan are and will be nonqualified stock options for federal income tax purposes.

The exercise price of a stock option or stock appreciation right may not be less than the fair market value of the shares of our Common Stock subject to the award on the date of grant. Awards to employees become fully vested over a period no shorter than twelve months, and have a term no longer than seven years. The ability to exercise vested stock options and stock appreciation rights after termination of employment is limited.

Stock appreciation rights may be granted alone or in tandem with a grant of stock options. When granted in tandem, the exercise of a stock option for a specified number of shares cancels the stock appreciation right for the same number of shares, and exercise of the stock appreciation right has a similar impact on the shares available under the stock option. Stock appreciation rights may be payable in cash or in shares of our Common Stock, or a combination, in each case having a value equal to the excess of the fair market value of the shares of our Common Stock subject to the stock appreciation right at the time of exercise over the exercise price. The Compensation Committee may permit or require such payments to be made in a lump sum or in installments.

Restricted Shares and Restricted Stock Units. Restricted shares are actual shares of our Common Stock that are subject to vesting requirements and transfer restrictions. A restricted stock unit represents the right to receive one share of our Common Stock at a future date. Restricted stock units are subject to vesting requirements and may permit the holder to defer receipt of actual shares of our Common Stock to a date subsequent to the date the restricted stock units vest. Awards of restricted shares and restricted stock units generally do not require the recipient to pay for the shares of our Common Stock, but the Compensation Committee has the right to require payment for restricted shares.

Restricted shares and restricted stock units awarded to employees may become vested over a period no shorter than three years from the date of grant, except that awards to new employees may vest more quickly. Awards of restricted shares to non-employee directors may become vested over a period no shorter than twelve months. Holders of restricted shares have the same voting and dividend rights as other holders of shares of our Common Stock. While holders of restricted stock units have no voting and dividend rights, as they do not hold actual shares of our Common Stock, awards of restricted stock units may provide for dividend equivalents.

Performance Awards. A performance award under the 2004 Stock Incentive Plan is an award of restricted shares or restricted stock units where the grant of the award, or the vesting of the award, is subject to the attainment of specified performance goals. The Compensation Committee sets performance goals over periods that it selects in advance, which cannot be shorter than twelve months, and after the end of each period the Compensation Committee confirms the extent to which those goals are attained. The performance goals are based on the attainment by the Company, or by one or more business units or subsidiaries of the Company, of specified levels of performance criteria, which may include one or more of the following:

Pre-tax or after-tax income;

Earnings per share;

Income from operations;

Earnings before interest expense and provision for income taxes (EBIT);

Earnings before interest expense, provision for income taxes, depreciation and amortization expenses (EBITDA);

Net income;

Revenue growth;

Economic value added (EVA);

Return on net or total assets;

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Free cash flow from operations;

Free cash flow per share;

Return on invested capital;

Return on stockholders' equity;

Expense reduction;

Working capital;

Total stockholder return; and

Performance of the Company's stock price.

The Compensation Committee determines whether to measure performance under these criteria in absolute terms or in comparison to the performance of other corporations. In applying these criteria to a particular period, the Compensation Committee may, in its discretion, exclude the impact of the following: unusual or infrequently occurring charges; the amount of all charges and expenses incurred or income earned in connection with any refinancing, restructuring, rationalization, recapitalization or reorganization; the cumulative effect of accounting changes; discontinued operations; and any business units, divisions, subsidiaries or other entities sold or acquired. Notwithstanding the attainment of the performance goals for a particular period, the Compensation Committee may decrease the amount payable under any individual's performance award, as long as that action does not increase the payment to any other holder of a performance award.

Director Awards. As of the first business day following the day of each annual meeting of our stockholders (including the Meeting), each non-employee director is awarded either restricted shares of our Common Stock or restricted stock units related to shares of our Common Stock, with an aggregate fair market value of \$50,000 as of the date of grant, rounded down to the nearest number of whole shares or whole stock units. Awards to non-employee directors will vest over a period no shorter than twelve months.

Deferral

The Compensation Committee may permit a plan participant to defer receipt of any cash that otherwise would be paid as a result of the exercise of a stock appreciation right, or of any Common Stock that otherwise would be delivered as restricted shares or as a result of the exercise of a stock option or stock appreciation right or the settlement of restricted stock units. The Compensation Committee may also prescribe rules for the treatment of deferred amounts in the event of a participant's termination of service. A deferral may be credited with dividend equivalents, interest or other forms of investment return, as determined by the Compensation Committee. Any dividend equivalents provided on the deferral amounts are paid immediately to the participant. A participant does not have voting rights with respect to deferred shares of Common Stock until the shares are distributed to the participant.

Change in Control

In the event of a change in control of the Company, as defined in the 2004 Stock Incentive Plan, all outstanding stock options and stock appreciation rights will become vested and exercisable, unless the acquiring or surviving corporation assumes those awards or substitutes its own stock for the shares underlying the awards. A change in control will also result in the waiver of all restrictions with respect to outstanding restricted shares and restricted stock units. Any performance awards that have been earned but remain unvested will immediately become vested unless the acquiring or surviving corporation assumes the performance awards or substitutes its own stock for the shares underlying the awards.

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A participant's assumed or substituted stock options, stock appreciation rights, restricted shares, restricted stock units and performance awards will immediately vest if the participant's service with the Company or the acquiring or surviving corporation is terminated involuntarily without cause within 24 months after the change in control.

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Unless an award provides otherwise, any amounts credited to a deferred compensation account will continue to be deferred following a change in control if our Common Stock continues to be publicly traded. If our Common Stock is not publicly traded following the change in control, the full value of the deferred amounts will be settled in cash and immediately distributed to the participant.

Transfer

Awards may not be transferred by a participant other than by will or the laws of descent and distribution, except that restricted shares may be freely transferred after the restrictions lapse or are satisfied and shares of Common Stock are delivered.

Amendment and Termination

The 2004 Stock Incentive Plan may be amended or terminated by the Board of Directors at any time without stockholder approval, except that any material revision to the terms of the plan requires stockholder approval before it can be effective. A revision is material for this purpose if, among other changes, it materially increases the number of shares of our Common Stock that may be issued under the plan (other than an increase pursuant to an adjustment for stock splits, stock dividends or other events permitting adjustments under the plan), changes the types of awards under the plan, materially expands the class of persons eligible to receive awards under the plan, materially extends the term of the plan, materially decreases the exercise price at which stock options or stock appreciation rights may be granted in the future, reduces the exercise price of outstanding stock options or stock appreciation rights, or results in the replacement of outstanding stock options or stock appreciation rights with awards that have a lower exercise price. No amendment of the 2004 Stock Incentive Plan can adversely affect the rights of any holder of an outstanding award without the holder's written consent.

If not terminated earlier by the Board of Directors, the 2004 Stock Incentive Plan will automatically terminate on May 27, 2011. If stockholders of the Company approve the proposed Second Amendment, the 2004 Stock Incentive Plan will automatically terminate on May 27, 2016 if not terminated earlier by the Board of Directors. No awards may be granted under the 2004 Stock Incentive Plan after it is terminated, but any previously granted awards will remain in effect until they expire in accordance with the terms of the plan and the applicable award agreements.

Changes Effectuated by the Second Amendment to the 2004 Stock Incentive Plan

As discussed above, the proposed Second Amendment will effect the following changes to the 2004 Stock Incentive Plan:

Increase the number of shares of our Common Stock available for issuance under the 2004 Stock Incentive Plan by an additional 1,500,000 shares, for a total number of shares remaining available for issuance under the 2004 Stock Incentive Plan as of the Record Date of 2,025,420.

Extend the termination date under the 2004 Stock Incentive Plan from May 27, 2011 to May 27, 2016.

In addition to these changes, the Board of Directors has approved certain technical amendments to the 2004 Stock Incentive Plan to ensure compliance with federal income tax legislation governing deferred compensation and the deductibility of certain awards granted under the 2004 Stock Incentive Plan. As these technical amendments would not ordinarily be subject to stockholder approval, the Board of Directors will implement these changes even if our stockholders do not approve the Second Amendment at the Meeting.

New Benefits

The awards that will be granted in the future under the 2004 Stock Incentive Plan are not currently determinable, other than awards to non-employee directors. The following table sets forth information with

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respect to awards to be granted to non-employee directors under the 2004 Stock Incentive Plan for the remaining duration of the 2004 Stock Incentive Plan, if the Second Amendment is approved by our stockholders at the Meeting (assuming (i) the 2004 Stock Incentive Plan continues in effect until May 27, 2016, (ii) the Company has six non-employee directors through such date and (iii) the Company's annual meeting of stockholders in 2016 is held before such date).

Name and Position	Dollar Value (\$)	Types of Awards and Number of Units
All current directors who are not employees, as a group	\$ 2,400,000	Restricted shares and/or restricted stock units

The options that will be granted in the future under the 2004 Stock Incentive Plan are not currently determinable. No options have been granted under the 2004 Stock Incentive Plan since 2004.

Federal Income Tax Consequences

The following is a brief summary of the current principal United States federal income tax consequences of the grant, exercise and disposition of awards under the 2004 Stock Incentive Plan. This summary is not intended to be exhaustive and, among other things, does not describe state, local or foreign tax consequences.

Stock Options and Stock Appreciation Rights

A participant does not recognize any income at the time a stock option or stock appreciation right is granted, nor is the Company entitled to a deduction at that time. When a stock option is exercised, the holder recognizes ordinary income in an amount equal to the excess of the fair market value of shares of Common Stock received as of the date of exercise over the exercise price. When a stock appreciation right is exercised, the holder recognizes ordinary income in an amount equal to the cash received or, if the right is paid in shares of Common Stock, the fair market value of our Common Stock received as of the date of exercise. Payroll taxes are required to be withheld from the holder on the amount of ordinary income recognized by the holder. The Company is entitled to a tax deduction with respect to a stock option or stock appreciation right at the same time and in the same amount as the holder recognizes income.

Restricted Shares

A participant does not recognize any income at the time restricted shares of our Common Stock are granted, nor is the Company entitled to a deduction at that time. In the year in which restrictions on restricted shares lapse, the participant recognizes ordinary income in an amount equal to the excess of the fair market value of the shares on the date of vesting over the amount, if any, that the participant paid for the shares. A participant may, however, elect within 30 days after receiving restricted shares to recognize ordinary income in the year of receipt instead of the year of vesting. If an election is made, the amount of income recognized by the participant is equal to the excess of the fair market value of the shares on the date of receipt over the amount, if any, the participant paid for the shares. Payroll taxes are required to be withheld on the income recognized by the participant. The Company will be entitled to a tax deduction at the same time and in the same amount as the participant recognizes income.

Restricted Stock Units

A participant does not recognize any income at the time a restricted stock unit is granted, nor is the Company entitled to a deduction at that time. When payment on a restricted stock unit is made, the participant recognizes ordinary income in an amount equal to the fair market value of the shares of Common Stock received. Payroll taxes are required to be withheld on the income recognized by the participant (or, if the award is subject to a vesting schedule, on the vesting date). The Company is entitled to a tax deduction at the same time and in the same amount as the participant recognizes income.

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Performance Awards

A participant does not recognize any income at the time a performance award is granted, nor is the Company entitled to a deduction at that time. To the extent a performance award is paid in restricted shares, a participant recognizes compensation income in the year in which the award vests and in the amount of the fair market value of the shares of Common Stock as of the vesting date. To the extent a performance award is paid in restricted stock units, a participant recognizes compensation in the year of payment in the amount of the fair market value of the shares of Common Stock as of the payment date. Payroll taxes are required to be withheld on performance awards on the vesting date (or, if the award is not subject to a vesting schedule, on the payment date). The Company is entitled to a deduction at the same time and in the same amount as the participant recognizes income.

Code Section 162(m)

With certain exceptions, Section 162(m) limits the Company's deduction for compensation in excess of \$1 million paid to covered employees. Compensation paid to covered employees is not subject to the deduction limitation, however, if it is considered qualified performance-based compensation within the meaning of Section 162(m), as described in the introductory paragraphs to this proposal. The Company believes that all stock options, stock appreciation rights and awards of restricted shares and restricted stock units that are performance awards granted to covered employees under the 2004 Stock Incentive Plan will be qualified performance-based compensation, and therefore may be deducted for federal income tax purposes by the Company.

Code Section 409A

Awards that result in the deferral of compensation are subject to ordinary income tax and penalties in the year of vesting unless they satisfy the requirements of Section 409A of the Code. It is the intent of the Company to structure awards and administer the 2004 Stock Incentive Plan in a manner that complies with the requirements of Section 409A.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE APPROVAL OF THE SECOND AMENDMENT TO THE SILGAN HOLDINGS INC. 2004 STOCK INCENTIVE PLAN AND THE MATERIAL TERMS OF THE PERFORMANCE GOALS UNDER THE SILGAN HOLDINGS INC. 2004 STOCK INCENTIVE PLAN, AS AMENDED BY THE SECOND AMENDMENT.

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REPORT OF THE AUDIT COMMITTEE

The Audit Committee is governed by a written charter approved by the Company's Board of Directors. In accordance with the written charter of the Audit Committee, the applicable listing standards of the Nasdaq Stock Market and the applicable rules of the SEC, all members of the Audit Committee are independent. The Audit Committee held nine meetings during 2008. A copy of the written charter of the Audit Committee is available as Appendix A to the Company's Proxy Statement on Schedule 14A filed with the SEC on April 26, 2007.

The Audit Committee provides assistance to the Board of Directors of the Company in fulfilling its oversight responsibility relating to the Company's consolidated financial statements and financial reporting process, systems of internal accounting and financial controls, internal audit activities and compliance with legal and regulatory requirements relating to accounting and financial reporting matters and the annual independent audits of the Company's consolidated financial statements and the effectiveness of the Company's internal control over financial reporting. Management of the Company is responsible for the consolidated financial statements and reporting process of the Company, including maintaining effective internal control over financial reporting and assessing the effectiveness of the Company's internal control over financial reporting. Ernst & Young LLP, the independent registered public accounting firm of the Company, is responsible for performing an independent audit of the Company's consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and for issuing a report thereon. The independent registered public accounting firm is also responsible for auditing the effectiveness of the Company's internal control over financial reporting. The Audit Committee's responsibility is to oversee these audits and the financial reporting process of the Company.

In fulfilling its oversight responsibilities, the Audit Committee discussed with management, the Company's internal auditors and the Company's independent registered public accounting firm the overall scope and plans for the Company's audits. The Audit Committee met with the Company's internal auditors and independent registered public accounting firm, with and without management present, to discuss the Company's audits, the Company's consolidated financial statements and the effectiveness of the Company's internal control over financial reporting. The Audit Committee also reviewed and discussed with management and the Company's independent registered public accounting firm the audited consolidated financial statements of the Company included in the Company's Annual Report on Form 10-K for the year ended December 31, 2008. Additionally, the Audit Committee reviewed with management its report on its assessment of the effectiveness of the Company's internal control over financial reporting and the independent registered public accounting firm's report on the effectiveness of the Company's internal control over financial reporting.

The Audit Committee has received the written disclosures and the letter from the Company's independent registered public accounting firm required by the applicable requirements of the Public Company Accounting Oversight Board regarding such firm's communications with the Audit Committee concerning independence, and has discussed with the Company's independent registered public accounting firm such firm's independence. The Audit Committee has also considered the compatibility of nonaudit services with such firm's independence. Additionally, in assessing such firm's independence, the Audit Committee reviewed the amount of fees paid to the Company's independent registered public accounting firm for audit and nonaudit services.

The Audit Committee has also discussed with the Company's independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors of the Company that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2008 for filing with the SEC.

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The Audit Committee is also directly responsible for the appointment, compensation, retention and oversight of the work of the independent registered public accounting firm of the Company. Accordingly, the Audit Committee has approved, subject to stockholder ratification, the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009.

The Audit Committee has adopted a formal policy, consistent with its written charter, that requires its approval in advance for any audit, audit-related, tax and other services to be performed by the Company's independent registered public accounting firm. Pursuant to its formal policy, the Audit Committee approved in advance all audit, audit-related, tax and other services performed by the Company's independent registered public accounting firm in 2008. This policy provides that the Audit Committee may delegate to any of its members the authority to approve in advance any audit and nonaudit services to be performed by the Company's independent registered public accounting firm, and, in such case, requires such member to report any decisions to the Audit Committee at its next scheduled meeting.

By the Audit Committee of the Board of Directors:

William C. Jennings

John W. Alden

Jeffrey C. Crowe

Edward A. Lapekas

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**RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Appointment of Independent Registered Public Accounting Firm

The Audit Committee of the Board of Directors of the Company has appointed Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009. The Board of Directors of the Company is requesting ratification of this appointment by the stockholders of the Company. It should be noted however that, even if this appointment is ratified by the stockholders of the Company, the Audit Committee in its discretion may replace the Company's independent registered public accounting firm and appoint a new independent registered public accounting firm for the Company at any time during the year if they determine that such a change would be in the best interests of the Company.

A representative of Ernst & Young LLP is expected to be present at the Meeting and to be available to respond to appropriate questions from those attending the Meeting, but is not otherwise expected to make a statement.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2009.

Independent Registered Public Accounting Firm Fee Information

Audit Fees

Fees for audit services rendered by Ernst & Young LLP in 2008 and 2007 totaled \$3.0 million and \$3.1 million, respectively, in connection with the audit of the Company's consolidated financial statements for such years, reviews of the Company's unaudited financial statements included in its Quarterly Reports on Form 10-Q for such years and the audit of the effectiveness of the Company's internal control over financial reporting for such years.

Audit-Related Fees

Fees for audit-related services rendered by Ernst & Young LLP in 2008 and 2007 totaled \$0.1 million and \$0.2 million, respectively. Services provided in 2008 and 2007 were in respect of employee benefit plan audits, agreed upon procedures for certain contracts and due diligence related to our acquisition of Amcor Limited's White Cap closures business.

Tax Fees

Fees for tax services rendered by Ernst & Young LLP in each of 2008 and 2007 totaled \$0.1 million. Such services consisted of tax compliance services and tax assistance and advice.

All Other Fees

In 2008 and 2007, Ernst & Young LLP did not render any other services to the Company.

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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors and officers and persons holding more than ten percent of a registered class of our equity securities to file with the SEC initial reports of ownership, reports of changes in ownership and annual reports of ownership of Common Stock and other equity securities of the Company. These directors, officers and ten percent stockholders are also required to furnish us with copies of all such filed reports.

Based solely upon a review of the copies of reports furnished to us and/or representations that no reports were required, we believe that all of our directors, officers and ten percent stockholders complied with all filing requirements under Section 16(a) of the Exchange Act in 2008.

STOCKHOLDER PROPOSALS FOR 2010 ANNUAL MEETING

Stockholders may submit proposals on matters appropriate for stockholder action at our annual meetings consistent with the rules and regulations adopted by the SEC. Proposals to be considered for inclusion in the Proxy Statement and the form of proxy for our annual meeting of stockholders in 2010 must be received by us at our principal executive offices not later than December 22, 2009. In accordance with the Exchange Act and the rules and regulations promulgated under the Exchange Act, proxies solicited by our Board of Directors will confer discretionary voting authority with respect to any proposal raised at our annual meeting of stockholders in 2010 as to which the proponent has not notified us by March 5, 2010. Proposals should be directed to the attention of the General Counsel, Silgan Holdings Inc., 4 Landmark Square, Stamford, Connecticut 06901.

OTHER MATTERS

As of the date of this Proxy Statement, our Board of Directors and management have no knowledge of any other business matters that will be presented for consideration at the Meeting other than those referred to in this Proxy Statement. However, persons named in the accompanying proxy card shall have authority to vote such proxy as to any other matters that properly come before the Meeting and as to matters incidental to the conduct of the Meeting in accordance with their discretion.

By Order of the Board of Directors,

Frank W. Hogan, III

Secretary

Stamford, Connecticut

April 21, 2009

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Appendix A

**SILGAN HOLDINGS INC.
2004 STOCK INCENTIVE PLAN**

(Adopted by the Board of Directors effective as of April 12, 2004)

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SILGAN HOLDINGS INC.

2004 STOCK INCENTIVE PLAN

SECTION 1. ESTABLISHMENT AND PURPOSE.

The Plan was adopted by the Board of Directors effective as of April 12, 2004. The purpose of the Plan is to promote the long-term success of the Company and the creation of stockholder value by (a) encouraging officers, other Key Employees and Outside Directors to focus on critical long-range objectives, (b) encouraging the attraction and retention of officers, other Key Employees and Outside Directors with exceptional qualifications and (c) linking officers, other Key Employees and Outside Directors directly to stockholder interests through increased stock ownership. The Plan seeks to achieve this purpose by providing for Awards in the form of Restricted Shares, Options, SARs, Stock Units and/or Performance Awards. Any Awards granted under the Plan shall be contingent on the approval of the Plan by the Company's stockholders. If their approval is not obtained, the Plan will have no effect, and any Awards granted under the Plan shall be rescinded.

SECTION 2. DEFINITIONS.

162(m) Employee shall mean an Employee who is a covered employee within the meaning of Section 162(m)(3) of the Code.

Affiliate shall mean any entity other than a Subsidiary, if the Company and/or one of more Subsidiaries own less than 50% of such entity.

Award shall mean any award of a Restricted Share, an Option, a SAR or a Stock Unit or a Performance Award under the Plan.

Award Agreement shall mean the agreement between the Company and the recipient of an Award, which contains the terms, conditions and restrictions pertaining to such Award.

Board of Directors shall mean the Board of Directors of the Company, as constituted from time to time.

Cause shall have the definition given to such term in the Employee's employment agreement if the Employee has such an agreement containing a definition of Cause. If the Employee does not have such an agreement, Cause shall mean gross misconduct or willful and material breach of the individual's duties as an Employee, as determined by the Committee in its sole discretion.

Change in Control shall mean the occurrence of any of the following events:

- (i) an acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a Person) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either (A) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the Outstanding Company Voting Securities) or (B) the then outstanding shares of common stock of the Company (the Outstanding Company Common Stock); excluding, however, the following: (i) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege, unless the security being so converted was itself directly acquired from the Company, (ii) any acquisition by the Company, (iii) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (iv) any acquisition pursuant to a transaction that complies with clauses (A) and (B) of paragraph (iii) of this definition; or
- (ii) a change in the composition of the Board of Directors such that the individuals who, as of the effective date of the Plan, constitute the Board of Directors (such Board of Directors shall be hereinafter

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referred to as the Incumbent Board) cease for any reason to constitute two thirds of the Board of Directors; provided, however, for purposes of this paragraph, that any individual (i) who was nominated to the Board of Directors in accordance with the procedures described in the Stockholders Agreement between R. Philip Silver and D. Greg Horrigan and the Board of Directors, dated as of February 14, 1997, as that agreement may be amended from time to time, or (ii) whose election or nomination for election by the Company's stockholders was approved by a vote of a majority of those individuals who are members of the Board of Directors and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual was a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of any actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors shall not be so considered as a member of the Incumbent Board; or

(iii) consummation of a reorganization, merger, consolidation or sale or other disposition of all or substantially all of the assets of the Company (Corporate Transaction); excluding, however, such a Corporate Transaction pursuant to which (A) all or substantially all of the individuals and entities who are beneficial owners of the Outstanding Company Voting Securities and Outstanding Company Common Stock, respectively, immediately prior to such Corporate Transaction shall beneficially own, directly or indirectly, more than 50% of, respectively, the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors or the outstanding shares of common stock, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation that as the result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Corporate Transaction of the Outstanding Company Voting Securities or Outstanding Company Common Stock, as the case may be, and (B) individuals who were members of the Incumbent Board shall constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction.

Code shall mean the Internal Revenue Code of 1986, as amended.

Committee shall mean the committee designated by the Board of Directors, which is authorized to administer the Plan, as described in Section 3 hereof.

Company shall mean Silgan Holdings Inc., a Delaware corporation.

Disability shall mean a condition entitling an Employee to long-term disability benefits under a long-term disability plan sponsored by the Company or a Parent or Subsidiary of the Company, or under the U.S. Social Security Act. For Outside Directors, *Disability* shall mean the inability by reason of illness or injury to perform substantially all duties as an Outside Director during any continuous period of 180 days.

Employee shall mean any individual who is classified as an employee on the payroll records of the Company, a Parent or a Subsidiary.

Exchange Act shall mean the Securities Exchange Act of 1934, as amended.

Exercise Price shall mean, in the case of an Option, the amount for which one Common Share may be purchased upon exercise of such Option, as specified in the applicable Award Agreement. *Exercise Price*, in the case of a SAR, shall mean an amount, as specified in the applicable Award Agreement, which is subtracted from the Fair Market Value of one Common Share in determining the amount payable upon exercise of such SAR.

Fair Market Value with respect to a Share, shall mean, for any particular determination date, (i) if the Stock is listed or admitted to trade on a national securities exchange, the average of the high and low sales prices for the Stock on such date on the composite tape of the principal national securities exchange on which the Stock

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is so listed or admitted to trade, (ii) if the Stock is not listed or admitted to trade on a national securities exchange, the average of the high and low sales prices for the Stock on such date as furnished by the National Association of Securities Dealers, Inc. through NASDAQ (or a similar organization if NASDAQ is no longer reporting such information), or (iii) if the Stock is not listed or admitted to trade on a national securities exchange and if sales prices for the Stock are not so furnished through NASDAQ or a similar organization, the fair market value of the Stock on such date as determined in good faith by the Committee, taking into consideration, among other things, recent sales of the Stock.

Key Employee means any Employee (including any officer) who is designated by the Committee as eligible to receive Awards under the Plan.

Maximum Amount shall mean the maximum amount of Performance Awards that can be earned if the Performance Criteria are satisfied, as determined by the Committee.

Option shall mean a nonstatutory stock option granted under Section 8 of the Plan and entitling the holder to purchase Shares.

Outside Director shall mean a member of the Board of Directors who is not an Employee of the Company, a Parent or a Subsidiary. Service as an Outside Director shall be considered Service for all purposes of the Plan.

Parent shall mean any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be a Parent commencing as of such date.

Participant shall mean an individual or estate who holds an Award.

Performance Award shall mean an Award granted under Section 12 of the Plan.

Performance Criteria shall mean, with respect to any Performance Award, the business criteria selected by the Committee to measure the level of performance of the Company during the Performance Cycle. The Committee may select as the Performance Criteria for a Performance Cycle any one or combination of the measures set forth on Exhibit A. Any such amendment of the Performance Criteria shall have no effect on Awards granted before the date of such amendment.

Performance Cycle shall mean, with respect to any Award that vests based on Performance Measures, the period of 12 months or longer over which the level of performance will be assessed. The first Performance Cycle under the Plan shall begin on such date as is set by the Committee, in its discretion, but in no event earlier than January 1, 2004, provided that 162(m) Employees may not receive Performance Awards under this Plan for any Performance Cycle beginning prior to January 1, 2005.

Plan shall mean this 2004 Stock Incentive Plan of Silgan Holdings Inc., as amended from time to time.

Prior Plans shall mean the Silgan Holdings Inc. Fourth Amended and Restated 1989 Stock Option Plan and the Silgan Holdings, Inc. 2002 Non-Employee Directors Stock Option Plan.

Purchase Price shall mean the consideration for which one Share may be acquired under the Plan (other than upon exercise of an Option), as specified by the Committee.

Restricted Share shall mean a Share awarded under Section 6 of the Plan.

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Restricted Stock Unit shall mean a Stock Unit awarded under Section 11 of the Plan.

Retirement shall mean voluntary termination of Service on or after age 60 with 10 years of Service.

SAR shall mean a stock appreciation right granted under Section 10 of the Plan.

Service shall mean service as an Employee or Outside Director.

Share shall mean one share of Stock, as adjusted in accordance with Section 17 (if applicable).

Stock shall mean the authorized and issuable common stock of the Company (\$.01 par value).

Stock Unit shall mean a bookkeeping entry representing the equivalent of one Share, as awarded under Section 11 of the Plan.

Subsidiary shall mean any corporation, if the Company and the other subsidiaries of the Company own, in the aggregate, not less than 50% of the total combined voting power of all classes of outstanding stock of such corporation. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

SECTION 3. ADMINISTRATION.

(a) *Committee Composition.* The Plan shall be administered by the Committee. The Committee shall consist of two or more directors of the Company, who shall be appointed by the Board of Directors. In addition, the composition of the Committee shall satisfy

(i) such requirements as the Securities and Exchange Commission may establish for administrators acting under plans intended to qualify for exemption under Rule 16b-3 (or its successor) under the Exchange Act;

(ii) such requirements as the Internal Revenue Service may establish for outside directors acting under plans intended to qualify for exemption under Section 162(m)(4)(C) of the Code; and

(iii) such rules as the applicable national securities exchange may establish for directors serving on the compensation committee of a company listed on such exchange or, if the Stock is not listed on any national securities exchange, such rules as the National Association of Securities Dealers may establish for directors serving on the compensation committee of a company listed on NASDAQ.

(b) *Committee Procedures.* The Board of Directors shall designate one of the members of the Committee as chairman. The Committee may hold meetings at such times and places as it shall determine. The acts of a majority of the Committee members present at meetings at which a quorum exists, or acts reduced to or approved in writing by all Committee members, shall be valid acts of the Committee.

(c) *Committee Responsibilities.* Subject to the provisions of the Plan, the Committee shall have full authority and discretion to take the following actions:

(i) To interpret the Plan and to apply its provisions;

(ii) To adopt, amend or rescind rules, procedures and forms relating to the Plan;

(iii) To authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;

(iv) To determine when Shares are to be awarded or offered for sale and when Options are to be granted under the Plan;

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- (v) To select the Award recipients;
 - (vi) To determine the number of Shares to be offered to each Participant or to be made subject to each Option;
 - (vii) To prescribe the terms and conditions of each award or sale of Shares, including (without limitation) the Purchase Price and the vesting of the Award, and to specify the provisions of the Award Agreement relating to such award or sale;
 - (viii) To prescribe the terms and conditions of each Option, including (without limitation) the Exercise Price and the vesting or duration of the Option, and to specify the provisions of the Award Agreement relating to such Option;
 - (ix) To prescribe the terms and conditions of each Performance Award, including (without limitation) the applicable Performance Criteria, the vesting of the Award and the timing of distributions, to specify the provisions of the Award Agreement relating to such Performance Award, to evaluate the applicable level of performance over a Performance Cycle, and to certify the level of performance attained with respect to the Performance Criteria;
 - (x) To amend any outstanding Award Agreement, subject to applicable legal restrictions, to applicable stock exchange or stock market rules, and to the consent of the Participant who entered into such agreement, provided that the prohibitions on the repricing of Stock Options and Stock Appreciation Rights, as described in Sections 8(h) and 10(f), respectively, may not be waived, and the terms and conditions of Awards to officers and directors subject to Section 16 of the Exchange Act cannot be modified, amended or waived other than on account of death, disability, retirement, a change in control, or a termination of employment in connection with a business transfer;
 - (xi) To prescribe the consideration for the grant of each Award under the Plan and to determine the sufficiency of such consideration;
 - (xii) To make any adjustments to the Plan (including, but not limited to, adjustment of the number of Shares available under the Plan or any Award) and any Award granted under the Plan as may be appropriate pursuant to Section 17;
 - (xiii) To make any modifications to the Plan that the Committee may determine to be necessary to implement and administer the Plan in countries outside the United States;
 - (xiv) To determine under which circumstances Awards may be deferred by a Participant and the extent to which a deferral shall be credited with dividend equivalents, interest or any other form of investment return;
 - (xv) To determine the disposition of each Award under the Plan in the event of a Participant's divorce or dissolution of marriage;
 - (xvi) To determine whether Awards under the Plan shall be granted in replacement of other grants under an incentive or other compensation plan of an acquired business;
 - (xvii) To correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any Award Agreement; and
 - (xviii) To take any other actions deemed necessary or advisable for the administration of the Plan.
- (d) *Delegation.* The Committee may not delegate any authority or responsibility granted to the Committee in subsection (c) of this Section 3.

SECTION 4. ELIGIBILITY.

Only officers and other Key Employees shall be eligible for the grant of SARs and Performance Awards. Officers, other Key Employees and Outside Directors shall be eligible for the grant of Restricted Shares, Stock Units and Options.

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SECTION 5. STOCK SUBJECT TO PLAN.

(a) *Basic Limitation.* Shares offered under the Plan shall be authorized but unissued Shares or treasury Shares. The maximum aggregate number of Shares that may be issued in connection with Options, SARs, Stock Units, Restricted Shares and Performance Awards awarded under the Plan shall not exceed 900,000 Shares, which includes the number of Shares remaining available for future grants under the Prior Plans as of the date this Plan is approved by stockholders. The limitation of this Section 5(a) shall be subject to adjustment pursuant to Section 17.

(b) *Application of Limitation.* The number of Shares available for future Awards under the Plan shall be reduced (i) in the case of Awards of Options and SARs, by the number of Shares issuable upon exercise of such Options, and (ii) in the case of Awards of Restricted Shares or Stock Units by two Shares for every one Restricted Share or Stock Unit awarded. For this purpose, when an Option and SAR are awarded in tandem, so that exercise of one results in cancellation of the other, the Option and SAR shall be deemed to relate to the same Share. If Awards are forfeited or cancelled or expire or terminate for any other reason before being exercised, then the corresponding Shares shall again become available for Awards under the Plan. Shares granted under this Plan in connection with Awards that are assumed, converted or substituted as a result of the acquisition of another business, corporation or other entity by the Company or a combination of the Company with another business, corporation or entity shall not reduce the number of Shares available for Awards under the Plan. Shares granted under the Prior Plans shall not again become available for Awards under the Plan, even if the Shares expire or terminate or are forfeited, cancelled, or settled in cash.

(c) *Dividends and Dividend Equivalents.* The Committee in its discretion may provide in any Award Agreement that dividends and dividend equivalents shall be paid or credited on vested Awards or on all Awards granted under the Award Agreement. Any dividend equivalents paid or credited under the Plan shall not be applied against the number of Awards available under the Plan. Dividends and dividend equivalents may be distributed immediately or credited to a deferred compensation account established for the Participant by the Committee as an entry on the Company's books, as elected by the Participant. The Committee shall determine any terms and conditions on deferral of a dividend or dividend equivalent, including any interest or other form of investment return.

(d) *Limits on Individual Grants.* Subject to Section 17, no Participant may be granted Awards of more than 112,500 Restricted Shares or Stock Units (or any combination thereof) during any period of 36 consecutive months. Performance Awards shall be paid in Restricted Shares or Stock Units, and shall be subject to the limit set forth in the preceding sentence. Subject to Section 17, no Participant may be granted Awards of Options or SARs (or any combination thereof) with respect to more than 225,000 Shares during any period of 36 consecutive months (for this purpose, when an Option and SAR are awarded in tandem, so that exercise of one results in cancellation of the other, the Option and SAR shall be deemed to relate to the same Shares).

SECTION 6. RESTRICTED SHARES.

(a) *Award Agreement.* Each grant of Restricted Shares under the Plan shall be evidenced by an Award Agreement between the recipient and the Company. Such Restricted Shares shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan. The Committee may condition a Participant's eligibility for a grant of Restricted Shares on the achievement by the Company or a Subsidiary or business unit of the Company of a target level of performance for a specified Performance Cycle, in which case the Award shall be a Performance Award subject to Section 12. The provisions of the various Award Agreements granting Restricted Shares under the Plan need not be identical.

(b) *Payment for Awards.* Subject to the following sentence, Restricted Shares may be sold or awarded under the Plan for such consideration as the Committee may determine, including (without limitation) cash, cash equivalents, past service and future service. To the extent that an Award consists of newly issued Restricted

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Shares, the Award recipient shall furnish consideration with a value not less than the par value of such Restricted Shares in the form of cash, cash equivalents, or past services rendered to the Company (or a Parent or Subsidiary), as the Committee may determine.

(c) *Vesting*. Each Award of Restricted Shares to an Employee shall become fully vested, in the discretion of the Committee, over a period no shorter than three years from the date of grant, as specified in the Award Agreement, except that Restricted Shares granted to a new Employee in the fiscal year of the Company in which his or her Service first commences may become vested more quickly, but over a period no shorter than one year from the date of grant. Vesting shall occur, at once or in installments, upon satisfaction of the conditions specified in the Award Agreement. If the conditions on vesting have not been satisfied as of the Employee's termination of employment, the unvested Shares shall be forfeited, provided that an Award Agreement may provide for accelerated vesting in the event of the Employee's death, Disability or Retirement or other events. Restricted Shares shall immediately become vested in the event of a Change in Control unless the Shares vest on the basis of the performance of the Company, a Subsidiary or a business unit, in which case the provisions of Section 12 shall control, or the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding Restricted Shares or substitutes its own stock for the outstanding Restricted Shares or the outstanding Restricted Shares are converted into stock of the surviving corporation or its parent or subsidiary. If the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding Restricted Shares or substitutes its own stock for the Restricted Stock, a Participant's assumed or substituted Shares shall become fully vested in the event the Participant's service with the Company or the acquiring or surviving corporation (or with any of their respective parent or subsidiary corporations) is terminated involuntarily without Cause within 24 months after the Change in Control. The vesting requirements of Restricted Shares granted to Outside Directors shall be subject to Section 15(b).

(d) *Voting and Dividend Rights*. Participants holding Restricted Shares awarded under the Plan shall have the same voting, dividend and other rights as the Company's other stockholders, except that Restricted Shares shall be forfeited if the Participant attempts to sell, transfer, assign, pledge or otherwise encumber or dispose of the Shares before the Award vests.

SECTION 7. OTHER TERMS AND CONDITIONS OF AWARDS OR SALES.

(a) *Duration of Offers and Nontransferability of Rights*. Any right to acquire Shares under the Plan (other than pursuant to an Option) shall automatically expire if not exercised by the Participant 30 days after the grant of such right was communicated to him or her by the Committee. Such right shall not be transferable and shall be exercisable only by the Participant to whom such right was granted.

(b) *Withholding Taxes*. As a condition to the purchase of Shares, the Participant shall make such arrangements as the Committee may require for the satisfaction of any federal, state or local withholding tax obligations that may arise in connection with such purchase.

SECTION 8. TERMS AND CONDITIONS OF OPTIONS.

(a) *Award Agreement*. Each grant of an Option under the Plan shall be evidenced by an Award Agreement between the recipient and the Company. All Options granted under the Plan shall be nonstatutory stock options. Such Option shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Committee deems appropriate for inclusion in an Award Agreement. The provisions of the various Award Agreements granting Options under the Plan need not be identical.

(b) *Exercise Price*. Each Award Agreement granting Options shall specify the Exercise Price. The Exercise Price of an Option shall not be less than 100% of the Fair Market Value of a Share on the date of grant, except for Options granted in connection with Awards that are assumed, converted or substituted as a result of the

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acquisition of another business, corporation or other entity by the Company or a combination of the Company with another business, corporation or entity. Subject to the foregoing in this Section 8(b), the Exercise Price under any Option shall be determined by the Committee at its sole discretion. The Exercise Price shall be payable in one of the forms described in Section 9.

(c) *Withholding Taxes.* As a condition to the exercise of an Option, the Participant shall make such arrangements as the Committee may require for the satisfaction of any federal, state or local withholding tax obligations that may arise in connection with such exercise.

(d) *Exercisability.* Each Award Agreement granting Options shall specify the date when all or any installment of the Option is to become exercisable. Each Option granted to an Employee shall become fully vested, in the discretion of the Committee, over a period no shorter than 12 months. Vesting shall occur, at once or in installments, upon satisfaction of the conditions specified in the Award Agreement. If the conditions on vesting have not been satisfied as of the Employee's termination of employment, the unvested Options shall be forfeited. Subject to the foregoing in this subsection (d), the Committee at its sole discretion shall determine when all or any installment of an Option is to become exercisable. Such provisions need not be uniform among all Options issued pursuant to the Plan. The vesting requirements of Options granted to Outside Directors shall be subject to Section 15(b).

(e) *Term of the Option.* The Award Agreement granting Options to an Employee shall also specify the term of the Option, which term shall not be longer than seven years, and shall provide for extension of the Option term or expiration of the Option prior to the end of the term in the event of the termination of the Employee's Service, as described below:

(i) In the event of the Employee's termination of Service due to death or Disability, the term of the Option shall expire as of the earlier of the first anniversary of such termination of Service or the original expiration date specified in the Award Agreement; provided, however, that there shall be a minimum period of six months following such death to exercise any vested Options, regardless of the original expiration date specified in the Award Agreement.

(ii) In the event of the Employee's Retirement, the term of the Option shall expire as of the earlier of the first anniversary of the Employee's Retirement or the original expiration date specified in the Award Agreement; provided, however, that if the Employee dies during such post-Retirement period, there shall be a minimum period of six months following such death to exercise any vested Options, regardless of the original expiration date specified in the Award Agreement.

(iii) In the event of the involuntary termination of the Employee's Service without Cause, the term of the Option shall expire as of the earlier of 90 days following the date of the Employee's termination or the original expiration date specified in the Award Agreement; provided, however, that if the Employee dies during such 90-day period there shall be a minimum period of six months following such death to exercise any vested Options, regardless of the original expiration date specified in the Award Agreement.

(iv) In the event of the Employee's voluntary resignation (other than Retirement) or the Employee's involuntary termination of Service for Cause, all outstanding Options shall immediately be cancelled.

Options granted to an Employee may be awarded in combination with SARs, and such an Award shall provide that the Options shall not be exercisable unless the related SARs are forfeited. Subject to the foregoing in this subsection (e), the Committee at its sole discretion shall determine when an Option is to expire. Such provisions need not be uniform among all Options issued pursuant to the Plan.

The term of any Option granted to Outside Directors shall conform to the requirements of Section 15(c).

(f) *Effect of Change in Control.* An Option shall become exercisable as to all of the Shares subject to such Option in the event of a Change in Control, unless the acquiring or surviving corporation or its parent or

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subsidiary assumes the outstanding Options or substitutes its own stock for the Shares underlying the outstanding Options. If the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding Options or substitutes its own stock for the Shares underlying the outstanding Options, a Participant's assumed Options or substituted options shall become exercisable as to all of the shares subject to such options in the event the Participant's service with the Company or the acquiring or surviving corporation (or with any of their respective parent or subsidiary corporations) is terminated involuntarily without Cause within 24 months after the Change in Control.

(g) *No Rights as a Stockholder.* A Participant or a transferee of a Participant shall have no rights as a stockholder with respect to any Shares covered by his Option until the date of the issuance of a stock certificate for such Shares. No adjustments shall be made to the Award, except as provided in Section 17.

(h) *Prohibition on Repricing.* The Committee shall not reduce the Exercise Price of an Option (except for adjustments permitted by Section 17), or cancel and replace an existing Option with an Option having a lower Exercise Price, without first obtaining approval for such actions from the Company's stockholders.

SECTION 9. PAYMENT FOR SHARES.

(a) *General Rule.* The entire Exercise Price of Shares issued under the Plan shall be payable in lawful money of the United States of America or an approved cash equivalent at the time when such Shares are purchased, either alone or in combination with one or both of the payment methods permitted under Section 9(b) and 9(c) below.

(b) *Surrender of Stock.* To the extent that an Award Agreement so provides, payment may be made all or in part by surrendering, or attesting to the ownership of, Shares that have already been owned by the Participant or his representative for more than six months. Such Shares shall be valued at their Fair Market Value on the date when the new Shares are purchased under the Plan. Notwithstanding the foregoing, the Participant shall not surrender, or attest to the ownership of, Shares in payment of the Exercise Price if such action would cause the Company to recognize compensation expense (or additional compensation expense) with respect to the Option for financial reporting purposes.

(c) *Cashless Exercise.* To the extent that an Award Agreement so provides, payment may be made all or in part by delivery (on a form prescribed by the Committee) of an irrevocable direction to a securities broker to sell Shares and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price.

SECTION 10. STOCK APPRECIATION RIGHTS.

(a) *Award Agreement.* Each grant of a SAR under the Plan shall be evidenced by an Award Agreement between the recipient and the Company. Such SAR shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan. The provisions of the various Award Agreements granting SARs under the Plan need not be identical.

(b) *Exercise Price.* Each Award Agreement granting SARs shall specify the Exercise Price. The Exercise Price of a SAR shall not be less than 100% of the Fair Market Value of a Share on the date of grant, except for SARs granted in combination with Options or in connection with Awards that are assumed, converted or substituted as a result of the acquisition of another business, corporation or other entity by the Company or a combination of the Company with another business, corporation or entity. Subject to the foregoing in this Section 10(b), the Exercise Price under any SAR shall be determined by the Committee at its sole discretion.

(c) *Exercisability.* Each Award Agreement granting SARs shall specify the date when all or any installment of the SAR is to become exercisable. Each SAR shall become fully vested, in the discretion of the Committee, over a period no shorter than 12 months. Vesting shall occur, at once or in installments, upon satisfaction of the

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conditions specified in the Award Agreement. If the conditions on vesting have not been satisfied as of the Participant's termination of employment, the unvested SAR shall be forfeited. Subject to the foregoing in this Section 10(c), the Committee at its sole discretion shall determine when all or any installment of a SAR is to become exercisable. Such provisions need not be uniform among all SARs issued pursuant to the Plan.

(d) *Term of SAR.* The Award Agreement granting the SAR shall also specify the term of the SAR, which term shall not be longer than seven years, and may provide for extension of the SAR term or expiration prior to the end of the SAR term in the event of the termination of the Participant's employment.

(i) In the event of the Participant's termination of Service due to death or Disability, the term of the SAR shall expire as of the earlier of the first anniversary of such termination of Service or the original expiration date specified in the Award Agreement; provided, however, that there shall be a minimum period of six months to exercise any vested SARs following such termination of Service, regardless of the original expiration date specified in the Award Agreement.

(ii) In the event of the Participant's Retirement, the term of the SAR shall expire as of the earlier of the first anniversary of the Participant's Retirement or the original expiration date specified in the Award Agreement; provided, however, that if the Participant dies during such post-Retirement period, there shall be a minimum period of six months following such death to exercise any vested SARs, regardless of the original expiration date specified in the Award Agreement.

(iii) In the event of the involuntary termination of the Participant's Service without Cause, the term of the SAR shall expire as of the earlier of 90 days following the date of the Participant's termination or the original expiration date specified in the Award Agreement; provided, however, that if the Participant dies during such 90-day period there shall be a minimum period of six months following such death to exercise any vested SARs, regardless of the original expiration date specified in the Award Agreement.

(iv) In the event of the Participant's voluntary resignation (other than Retirement) or the Participant's involuntary termination of Service for Cause, all outstanding SARs shall immediately be cancelled.

A SAR may be awarded in combination with an Option either at the time of the Option grant or any time thereafter. Such an Award shall provide that the SAR shall not be exercisable unless the related Option is forfeited. A SAR granted under the Plan may provide that it shall be exercisable only in the event of a Change in Control. Subject to the foregoing in this Section 10(c), the Committee at its sole discretion shall determine when a SAR is to expire. Such provisions need not be uniform among all SARs issued pursuant to the Plan.

(e) *Effect of Change in Control.* A SAR shall become fully exercisable in the event of a Change in Control, unless the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding SAR or substitutes its own stock for the Shares underlying the outstanding SARs. If the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding SARs or substitutes its own stock for the Shares underlying the outstanding SARs, a Participant's assumed SARs or substituted SARs shall become exercisable as to all of the shares subject to such SARs in the event the Participant's service with the Company or the acquiring or surviving corporation (or with any of their respective parent or subsidiary corporations) is terminated involuntarily without Cause within 24 months after the Change in Control.

(f) *Exercise of SARs.* If, on the date when a SAR expires, the Exercise Price under such SAR is less than the Fair Market Value on such date but any portion of such SAR has not been exercised or surrendered, then such SAR shall automatically be deemed to be exercised as of such date with respect to such portion. Upon exercise of a SAR, the Participant holding the SAR (or any person having the right to exercise the SAR after his or her death) shall receive from the Company (a) Shares, (b) cash or (c) a combination of Shares and cash, as the Committee shall determine. The amount of any cash or the Fair Market Value of any Shares received upon exercise of a SAR shall, in the aggregate, be equal to the amount by which the Fair Market Value (on the date of surrender) of the Shares subject to the SAR exceeds the Exercise Price.

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(g) *Prohibition on Repricing.* The Committee shall not reduce the Exercise Price of a SAR (except for adjustments permitted by Section 17), or cancel and replace an existing SAR with a SAR having a lower Exercise Price, without first obtaining approval for such actions from the Company's stockholders.

SECTION 11. RESTRICTED STOCK UNITS.

(a) *Award Agreement.* Each grant of Restricted Stock Units under the Plan shall be evidenced by an Award Agreement between the recipient and the Company. Such Stock Units shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan. The Award Agreement shall specify the number of Restricted Stock Units and the circumstances (if any) under which the Stock Units can be deferred. The Committee may condition a Participant's eligibility for a grant of Restricted Stock Units on the achievement by the Company or a Subsidiary or business unit of the Company of a target level of performance for a specified Performance Cycle, in which case the Award shall be a Performance Award subject to Section 12. The provisions of the various Award Agreements granting Stock Units under the Plan need not be identical.

(b) *Payment for Awards.* To the extent that an Award is granted in the form of Stock Units, no cash consideration shall be required of the Award recipients.

(c) *Vesting Conditions.* Each Award of Restricted Stock Units to an Employee shall become fully vested, in the discretion of the Committee, over a period no shorter than three years, as specified in the Award Agreement, except that Restricted Stock Units granted to a new Employee in the fiscal year of the Company in which his Service commences may vest more quickly. Vesting shall occur, at once or in installments, upon satisfaction of the conditions specified in the Award Agreement. If the conditions on vesting have not been satisfied as of the Employee's termination of employment or directorship, the unvested Stock Units shall be forfeited. Restricted Stock Units shall immediately become vested in the event of a Change in Control unless the Stock Units vest on the basis of the performance of the Company, a Subsidiary or a business unit, in which case the provisions of Section 12 shall control, or unless the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding Stock Units or substitutes its own stock for the outstanding Stock Units. If the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding Stock Units or substitutes its own stock for the Shares underlying the outstanding Stock Units, a Participant's assumed or substituted Restricted Stock Units shall become immediately vested in the event the Participant's service with the Company or the acquiring or surviving corporation (or with any of their respective parent or subsidiary corporations) is terminated involuntarily without Cause within 24 months after the Change in Control. The vesting requirements of Restricted Stock Units granted to Outside Directors shall be subject to Section 15(b).

(d) *Voting and Dividend Rights.* Participants holding Stock Units shall have no voting rights. Prior to settlement or forfeiture, any Stock Unit awarded under the Plan may, at the Committee's discretion, carry with it a right to dividend equivalents. Such right entitles the holder to be credited with an amount equal to all cash dividends paid on one Share while the Stock Unit is outstanding. The Committee, in its discretion, may grant dividend equivalents from the date of grant or only after a Stock Unit is vested.

(e) *Settlement of Stock Units.* Settlement of vested Stock Units shall be made in the form of Shares, except that dividend equivalents credited on Stock Units shall be paid in cash. Distribution of Shares attributable to Stock Units may occur or commence when all vesting and settlement conditions applicable to the Stock Units have been satisfied or have lapsed, or it may be deferred to any later date in accordance with Section 18. Until an Award of Stock Units is settled, the number of such Stock Units shall be subject to adjustment pursuant to Section 17.

(f) *Creditors' Rights.* A Participant holding Stock Units shall have no rights thereby other than those of a general creditor of the Company. Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Award Agreement.

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SECTION 12. PERFORMANCE AWARDS.

(a) *Award Agreement.* Each grant of Performance Awards under this Plan shall be evidenced by an Award Agreement between the recipient and the Company. Such Performance Awards shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan. The provisions of the various Award Agreements granting Performance Awards under the Plan need not be identical.

(b) *Eligibility.* Within 90 days after the commencement of a Performance Cycle, the Committee shall determine the Employees who are eligible to receive a Performance Award for the Performance Cycle, provided that the Committee may determine the eligibility of any Employee other than a 162(m) Employee after the expiration of this 90-day period.

(c) *Performance Cycle.* Performance Awards shall be granted in connection with a Performance Cycle, as determined by the Committee in its discretion, provided that a Performance Cycle may be no shorter than

12 months and no longer than 5 years.

(d) *Earn-Out.*

(i) Within 90 days after the commencement of a Performance Cycle, the Committee shall fix and establish in writing the Performance Criteria that shall apply to that Performance Cycle and the Maximum Amount that may be paid to each recipient of a Performance Award. The Committee shall also set forth the minimum level of performance, based on objective factors, that must be attained during the Performance Cycle before any Performance Award shall be paid, and, if applicable, the maximum amount that may be earned upon attainment of various levels of performance that equal or exceed the minimum required level, and any vesting schedule that shall apply after the Performance Award is earned.

(ii) The Committee may, in its discretion, select Performance Criteria that measure the performance of the Company or one or more business units or Subsidiaries of the Company. The Committee may select Performance Criteria that are absolute or relative to the performance of one or more comparable companies or an index of comparable companies.

(iii) The Committee, in its discretion, may, on a case-by-case basis, reduce, but not increase, the Performance Awards payable to any Employee with respect to any given Performance Cycle, provided that no reduction shall result in an increase in the dollar amount or number of Shares payable under any Performance Award of another Employee.

(iv) No 162(m) Employee shall be paid any Performance Award until the Committee certifies in writing the level of performance attained for the Performance Cycle in relation to the applicable Performance Criteria. Performance Awards awarded to Participants who are not 162(m) Employees shall be based on the Performance Criteria and payment formulas that the Committee, in its discretion, may establish for these purposes. These Performance Criteria and formulas may be the same as or different than the Performance Criteria and formulas that apply to 162(m) Employees.

(e) *Vesting.*

(i) Each Performance Award shall vest, in the discretion of the Committee, over such period as is specified in the Award Agreement. If the conditions on vesting have not been satisfied as of the Participant's termination of employment with respect to any earned Performance Awards, the unvested Performance Awards shall be forfeited.

(ii) In the event of a Change in Control, any Performance Award (including any dividend equivalents, interest or other forms of return credited on the Performance Award) that has been earned but remains unvested shall immediately become fully vested, unless the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding Performance Award, converts the Performance Award to its own stock, or substitutes its own stock for any Shares underlying the Performance Award. If the acquiring or surviving corporation or its parent or subsidiary assumes the outstanding Performance Awards, converts the

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Performance Award to its own stock, or substitutes its own stock for any Shares underlying the Performance Award, a Participant's assumed or substituted Performance Awards shall become immediately vested in the event the Participant's service with the Company or the acquiring or surviving corporation (or with any of their respective parent or subsidiary corporations) is terminated involuntarily without Cause within 24 months after the Change in Control.

(f) *Settlement of Performance Awards.* Performance Awards shall be settled solely in the form of Restricted Shares or Stock Units or any combination of the foregoing.

(g) *Dividend Equivalents.* A Performance Award may be credited with dividend equivalents, interest or any other form of investment return, as determined by the Committee. These credits shall be distributed to the Participant immediately.

(h) *Section 162(m) of the Code.* It is the intent of the Company that Performance Awards be performance-based compensation for purposes of Section 162(m) of the Code, that this Section 12 be interpreted in a manner that satisfies the applicable requirements of Section 162(m)(C) of the Code and related regulations, and that the Plan be operated so that the Company may take a full tax deduction for Performance Awards. If any provision of this Plan or any Performance Award would otherwise frustrate or conflict with this intent, the provision shall be interpreted and deemed amended so as to avoid this conflict.

SECTION 13. LEAVES OF ABSENCE.

An Employee's Service shall cease when such Employee ceases to be actively employed by, or a consultant or adviser to, the Company (or any Subsidiary), as determined in the sole discretion of the Committee. Service does not terminate when an Employee goes on a bona fide leave of absence that was approved by the Company in writing, if the terms of the leave provide for continued service crediting or if continued service crediting is required by applicable law. Service terminates in any event when the approved leave ends, unless such Employee immediately returns to active work. The Committee shall determine which leaves count toward Service and when Service terminates for all purposes under the Plan.

SECTION 14. TERMINATION FOR CAUSE.

Notwithstanding anything to the contrary herein, if an Employee incurs a termination of Service for Cause, then all of the Employee's outstanding Options and SARs, whether vested or unvested, and all of the Employee's unvested Restricted Shares and Restricted Stock Units shall immediately be cancelled.

SECTION 15. DIRECTOR AWARDS.

(a) *Annual Grant.* On the first business day following the day of each annual meeting of the stockholders of the Company, each Outside Director shall be granted, in the discretion of the Board of Directors, 750 Restricted Shares, 750 Restricted Stock Units or an Option to purchase 1,500 Shares, in each case subject to adjustment as provided in Section 17. Notwithstanding anything to the contrary herein, the Board of Directors shall determine the terms of any Award to an Outside Director, which terms shall be set forth in an Award Agreement between the recipient and the Company. The terms of any Award of Restricted Shares shall conform to the provisions of Section 6, the terms of any Award of Restricted Stock Units shall conform to the provisions of Section 11, and the terms of any Award of Options shall conform to the provisions of Section 8, in each case except to the extent specifically modified by this Section 15.

(b) *Vesting.* Each Award of Restricted Shares, Restricted Stock Units or Options to an Outside Director shall become fully vested, in the sole discretion of the Board of Directors, over a period no shorter than six months, as specified in the Award Agreement. Vesting shall occur, at once or in installments, upon satisfaction of the conditions set forth in the Award Agreement. If the conditions on vesting have not been satisfied as of the termination of the Outside Director's Service, the unvested Awards shall be forfeited.

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(c) *Option Term.* The Award Agreement granting an Option shall specify the term of the Award, which term shall not be longer than 10 years, and shall provide for expiration of the Option prior to the end of the term in the event of termination of the Outside Director's Service, as described below:

(i) In the event of termination of the Outside Director's Service due to death or Disability, the term of the Option shall expire as of the earlier of the first anniversary of such termination of Service or the original expiration date specified in the Award Agreement.

(ii) In the event of the Outside Director's involuntary termination of Service or termination of Service due to the expiration of the Outside Director's term on the Board of Directors, the term of the Option shall expire as of the earlier of 90 days following the date of the Outside Director's termination or the original expiration date specified in the Award Agreement.

(iii) In the event of the Outside Director's voluntary resignation prior to the expiration of the Outside Director's term on the Board of Directors, all outstanding Options shall immediately be cancelled and all unvested Restricted Shares shall immediately be forfeited.

SECTION 16. DEATH OF RECIPIENT.

Any Award that becomes payable after the recipient's death shall be distributed to the recipient's beneficiary or beneficiaries. Each recipient of an Award under the Plan shall designate one or more beneficiaries for this purpose by filing the prescribed form with the Company. A beneficiary designation may be changed by filing the prescribed form with the Company at any time before the Award recipient's death. If no beneficiary was designated or if no designated beneficiary survives the Award recipient, then any Award that becomes payable after the recipient's death shall be distributed to the recipient's estate.

SECTION 17. ADJUSTMENT OF SHARES.

(a) *Adjustments.* In the event of a subdivision of the outstanding Stock, a declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the price of Shares, a combination or consolidation of the outstanding Stock (by reclassification or otherwise) into a lesser number of Shares, a recapitalization, spin-off or a similar occurrence, the Committee shall make such adjustments as it, in its sole discretion, deems appropriate in one or more of:

(i) The number of Shares available for future Awards under Section 5(a);

(ii) The limitation on Shares available for grant to any individual under Section 5(d);

(iii) The number of Shares covered by each outstanding Option and SAR;

(iv) The Exercise Price under each outstanding Option and SAR; or

(v) The number of Stock Units included in any Award that has not yet been settled.

Except as provided in this Section 17, a Participant shall have no rights by reason of any issue by the Company of stock of any class or securities convertible into stock of any class, any subdivision or consolidation of shares of stock of any class, the payment of any stock dividend or any other increase or decrease in the number of shares of stock of any class. No adjustment shall be made with respect to Awards granted to a 162(m) Employee to the extent the adjustment would cause the Award to fail to qualify as performance-based compensation under Section 162(m) of the Code.

(b) *Dissolution or Liquidation.* To the extent not previously exercised or settled, all Awards shall terminate immediately prior to the dissolution or liquidation of the Company.

(c) *Reorganizations.* In the event that the Company is a party to a merger or other reorganization, outstanding Awards shall be subject to the agreement of merger or reorganization. Such agreement shall provide for the following:

(i) The continuation of the outstanding Awards by the Company, if the Company is a surviving corporation;

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(ii) The assumption of the outstanding Awards by the surviving corporation or its parent or subsidiary, provided that any such Award shall become immediately and fully vested if the employment of the Participant holding the Award is involuntarily terminated without Cause within 24 months of the effective date of the reorganization;

(iii) The substitution by the surviving corporation or its parent or subsidiary of its own awards for the outstanding Awards, provided that any such Award shall become immediately and fully vested if the employment of the Participant holding the Award is involuntarily terminated without Cause within

24 months of the effective date of the reorganization;

(iv) Full exercisability or vesting and accelerated expiration of the outstanding Awards; or

(v) Settlement of the outstanding Awards (including any dividend equivalents, interest or other return credited to the Participant's deferred compensation account) in cash or cash equivalents followed by cancellation of such Awards.

When an Award is granted or at any time thereafter, the Committee, in its discretion, may specify how the Award shall be treated in the event of a merger or other reorganization if the agreement of merger or reorganization does not make provision for outstanding Awards.

(d) *Reservation of Rights.* Except as provided in this Section 17, a Participant shall have no rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend or any other increase or decrease in the number of shares of stock of any class. Any issue by the Company of shares of stock of any class or securities convertible into shares of stock of any class shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to an Award or the Exercise Price of Shares subject to an Option or SAR. The grant of an Award pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes to its capital or business structure, to merge or consolidate, or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

SECTION 18. DEFERRAL OF AWARDS.

(a) *Deferral Forms.* The Committee (in its sole discretion) may permit an Employee or Outside Director to:

(i) have Shares that otherwise would be delivered to such Participant as a result of the exercise of an Option or SAR converted into an equal number of Stock Units;

(ii) have cash that otherwise would be paid to such Employee as a result of the exercise of a SAR credited to a deferred compensation account established for such Employee by the Committee as an entry on the Company's books; or

(iii) have Shares that otherwise would be delivered to such Participant as Restricted Shares or as a result of the exercise of an Option or SAR or the settlement of Stock Units converted into amounts credited to a deferred compensation account established for such Participant by the Committee as an entry on the Company's books. Such amounts shall be determined by reference to the Fair Market Value of such Shares as of the date when they otherwise would have been delivered to such Participant.

(b) *Deferral Conditions.* If the deferral or conversion of Awards is permitted, the Committee (in its sole discretion) may establish rules, procedures and forms pertaining to such Awards, including (without limitation) with respect to the settlement of deferred compensation accounts established under this Section 18. The Award Agreement may provide that, in the event of the Participant's death, disability, involuntary termination of Service or attainment of a particular age, a deferred Award shall be paid to the Participant, to the extent vested, unless the Participant affirmatively elects to continue to defer distribution.

(c) *Effect of a Change in Control.* In the event of a Change in Control, any amounts credited to a deferred compensation account shall continue to be deferred if the Stock of the Company continues to be publicly traded

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following the Change in Control, except to the extent that the Award Agreement provides otherwise. If the Stock of the Company is not publicly traded following the Change in Control, the full value of the deferred amounts shall be settled in cash or cash equivalents and immediately distributed to the Participant.

(d) *Voting and Dividend Rights.* A deferred compensation account established under this Section 18 may be credited with dividend equivalents, interest or other forms of investment return, as determined by the Committee in its discretion. Any dividend equivalents issued on the deferred amounts shall be paid to the Participant immediately. A Participant shall not have voting rights with respect to deferred Shares until the Shares are distributed to the Participant. A Participant for whom a deferred compensation account is established shall have no rights with respect to the deferred amounts other than the rights of a general creditor of the Company. Such an account shall represent an unfunded and unsecured obligation of the Company and shall be subject to the terms and conditions of the applicable agreement between the Participant and the Company.

SECTION 19. FRACTIONAL SHARES.

No fractional Shares shall be issued under the Plan. If a Participant acquires the right to receive a fractional Share under the Plan, the Participant shall receive, in lieu of the fractional Share, an amount in cash equal to the Fair Market Value of the fractional Share as of the date of settlement of the Award.

SECTION 20. AWARDS UNDER OTHER PLANS.

The Company may grant awards under other agreements, plans or programs. Such awards may be settled in the form of Shares issued under this Plan. Such Shares shall be treated for all purposes under the Plan as Shares issued in settlement of Stock Units and shall, when issued, reduce the number of Shares available under Section 5(a).

The Company may also grant Shares under this Plan in connection with Awards that are assumed, converted or substituted as a result of the acquisition of another business, corporation or other entity by the Company or a combination of the Company with another business, corporation or entity. Such Shares shall not reduce the number of Shares available under Section 5(a).

SECTION 21. NONTRANSFERABILITY OF AWARD.

No Award under the Plan shall be subject in any manner to alienation, anticipation, sale, assignment, pledge, encumbrance or transfer, and no other persons shall otherwise acquire any rights therein, except as provided below:

(a) An Award may be transferred by will or by the laws of descent or distribution.

(b) Restricted Shares may be freely transferred after the Shares vest and are delivered to the Participant, provided that Restricted Shares awarded to an affiliate of the Company may be transferred only pursuant to Rule 144 under the Securities Act of 1933, as amended (the Securities Act), or pursuant to an effective registration for resale under the Securities Act. For purposes of this subsection (b), affiliate shall have the meaning assigned to that term under Rule 144.

SECTION 22. LEGAL AND REGULATORY REQUIREMENTS.

Shares shall not be issued under the Plan unless the issuance and delivery of such Shares complies with (or is exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, applicable state securities laws and regulations and the regulations of the National Association of Securities Dealers or any stock exchange on which the Company's securities may then be listed, and the Company has obtained the approval or favorable ruling from any governmental agency that the Company determines is necessary or advisable. Awards under the Plan are also

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intended to satisfy the requirements of Rule 16b-3 under the Exchange Act. If any provision of the Plan or any grant of an Award would otherwise frustrate or conflict with this intent, that provision shall be interpreted and deemed amended so as to avoid conflict. No Participant shall be entitled to receive, exercise, transfer or settle any Award if the grant, exercise, transfer or settlement would violate the provisions of the Sarbanes-Oxley Act of 2002 or any other applicable law.

SECTION 23. WITHHOLDING TAXES.

(a) *General.* To the extent required by applicable federal, state, local or foreign law, a Participant shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise in connection with the Plan. The Company shall not be required to issue any Shares or make any cash payment under the Plan until such obligations are satisfied.

(b) *Method of Satisfying Withholding Obligations.* The Committee, in its sole discretion, may permit a Participant to satisfy all or part of his or her withholding or income tax obligations by having the Company withhold all or a portion of any Shares or cash that otherwise would be issued to him or her, or by surrendering all or a portion of any Shares that he or she previously acquired and has held for at least six months. Such Shares shall be valued at their Fair Market Value as of the date when taxes otherwise would be withheld in cash. In no event may a Participant have Shares withheld that would otherwise be issued to him or her in excess of the number necessary to satisfy the legally required minimum tax withholding.

SECTION 24. NO EMPLOYMENT RIGHTS.

No provision of the Plan nor any right or Option granted under the Plan shall be construed to give any person the right to become, to be treated as, or to remain an Employee or director of the Company. The Company and its Subsidiaries reserve the right to terminate any person's employment at any time and for any reason, with or without notice.

SECTION 25. NO SEGREGATION OF ASSETS.

Neither the Company nor any Subsidiary shall be required to segregate any assets that may at any time be represented by Awards granted pursuant to the Plan.

SECTION 26. EFFECT ON OTHER PLANS.

Any gain realized pursuant to Awards under the Plan constitutes a special incentive payment to the Participant and shall not be taken into account as compensation for purposes of any other employee benefit plan of the Company or a Subsidiary, except as the Committee otherwise provides. The adoption of the Plan shall have no impact on Awards made or to be made under any other benefit plan covering an employee of the Company or a Subsidiary or any predecessor or successor of the Company or a Subsidiary.

SECTION 27. DURATION AND AMENDMENTS.

(a) *Term of the Plan.* The Plan, as set forth herein, shall terminate automatically on May 27, 2011, and may be terminated on any earlier date pursuant to subsection (b) below.

(b) *Right to Amend or Terminate the Plan.* The Board of Directors may amend the Plan at any time and from time to time. Rights and obligations under any Award granted before amendment of the Plan shall not be materially impaired by such amendment, except with the consent of the person to whom the Award was granted. An amendment of the Plan shall be subject to the approval of the Company's stockholders only to the extent required by applicable laws, regulations or rules. Notwithstanding the foregoing, no material revision to the terms of the Plan shall be effective until the amendment is approved by the stockholders of the Company. A revision is

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material for this purpose if, among other changes, it materially increases the number of Shares that may be issued under the Plan (other than an increase described in Section 5(b) or Section 17 of the Plan), changes the types of Awards available under the Plan, materially expands the class of persons eligible to receive Awards under the Plan, materially extends the term of the Plan or decreases the Exercise Price at which Options or SARs may be granted (other than an adjustment in Exercise Price permitted by Section 17).

(c) *Effect of Amendment or Termination.* The termination of the Plan or any amendment thereof shall not affect any Share previously issued or any Award previously granted under the Plan. No Shares shall be issued or sold under the Plan after the termination thereof, except upon exercise of an Option or SAR or settlement of a Stock Unit granted prior to such termination.

SECTION 28. CHOICE OF LAW.

The Plan and all determinations made and actions taken under the Plan shall be governed by the internal substantive laws, and not the choice of law rules, of the State of Delaware and construed accordingly, to the extent not superseded by federal law.

SECTION 29. SEVERABILITY.

If any provision of the Plan is held unlawful or otherwise invalid or unenforceable in whole or in part, the unlawfulness, invalidity or unenforceability shall not affect any other parts of the Plan, which shall remain in full force and effect.

SECTION 30. EXECUTION.

To record the adoption of the Plan by the Board of Directors effective as of April 12, 2004, the Company has caused its authorized officer to execute the same.

SILGAN HOLDINGS INC.

By /s/ R. PHILIP SILVER
R. Philip Silver
Chairman of the Board and
Co-Chief Executive Officer

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EXHIBIT A

PERFORMANCE CRITERIA

In establishing performance targets to measure the performance of the Company, a Subsidiary or a business unit during a specified period pursuant to Section 12 of the Plan, the Committee shall select one or more of the following business criteria:

- (i) pre-tax or after-tax income;
- (ii) earnings per Share;
- (iii) income from operations;
- (iv) earnings before interest expense and provision for income taxes (EBIT);
- (v) earnings before interest expense, provision for income taxes, depreciation and amortization expenses (EBITDA);
- (vi) net income;
- (vii) revenue growth;
- (viii) economic value added (EVA);
- (ix) return on net or total assets;
- (x) free cash flow from operations;
- (xi) free cash flow per Share;
- (xii) return on invested capital;
- (xiii) return on stockholders' equity;
- (xiv) expense reduction;
- (xv) working capital;
- (xvi) total stockholder return; and
- (xvii) performance of the Company's stock price.

The Committee, in its discretion, may elect to exclude, in calculating performance under any of the above criteria, (i) unusual gains, unusual losses and other nonrecurring items, (ii) the amount of all charges and expenses incurred or income earned in connection with any refinancing, restructuring, rationalization, recapitalization or reorganization involving the Company and its Subsidiaries, (iii) the cumulative effects of accounting changes, (iv) discontinued operations, and (v) any business units, divisions, Subsidiaries or other entities sold or acquired. The Committee may determine no later than 90 days after the commencement of the applicable Performance Cycle also to exclude other items, each determined in accordance with generally accepted accounting principles in the United States (to the extent applicable).

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AMENDMENT

TO THE

SILGAN HOLDINGS INC.

2004 STOCK INCENTIVE PLAN

The Silgan Holdings Inc. 2004 Stock Incentive Plan (the "Plan") is hereby amended, effective as of March 15, 2005, to change the measurement and vesting schedule of director awards:

1. Section 4 of the Plan is hereby amended to read as follows:
Officers, other Key Employees and Outside Directors shall be eligible for the grant of Restricted Shares and Stock Units. Only officers and other Key Employees shall be eligible for the grant of Options, SARs and Performance Awards.

2. The final sentence of subsection (d) of Section 8 of the Plan is hereby deleted in its entirety.

3. The final sentence of subsection (e) of Section 8 of the Plan is hereby deleted in its entirety.

4. Subsection (a) of Section 15 of the Plan is hereby amended to read as follows:
 - (a) *Annual Grant.* On the first business day following the day of each annual meeting of the stockholders of the Company, each Outside Director shall be granted an Award of Restricted Shares or Restricted Stock Units, in the discretion of the Board of Directors, which Award shall have an aggregate Fair Market Value of \$50,000 as of the date of grant, provided that no fractional Share or fractional Stock Unit shall be issued. If an Outside Director would otherwise acquire the right to receive fractional Shares or fractional Stock Units pursuant to the preceding sentence, such right shall be disregarded and the Award shall be rounded down to the nearest number of whole Shares or whole Stock Units, as applicable. Notwithstanding anything to the contrary herein, the Board of Directors shall determine the terms of any Award to an Outside Director, which terms shall be set forth in an Award Agreement between the recipient and the Company. The terms of any Award of Restricted Shares shall conform to the provisions of Section 6, and the terms of any Award of Restricted Stock Units shall conform to the provisions of Section 11, in each case except to the extent specifically modified by this Section 15.

5. The first sentence of subsection (b) of Section 15 of the Plan is hereby amended to read as follows:
Each Award of Restricted Shares or Restricted Stock Units to an Outside Director shall become fully vested, in the sole discretion of the Board of Directors, over a period no shorter than twelve (12) months, as specified in the Award Agreement.

6. Subsection (c) of Section 15 of the Plan is hereby deleted in its entirety.

7. Subsection (a) of Section 18 of the Plan is hereby amended to delete the phrase "an Employee or Outside Director" in the prefatory language of such subsection and to substitute the phrase "a Participant" in place thereof.

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8. Section 18 of the Plan is hereby further amended to add the following new subsection (e):

- (e) *Compliance with Code Section 409A.* Notwithstanding anything to the contrary herein, this Plan incorporates all applicable restrictions of Section 409A of the Code and guidance issued thereunder, and the Plan shall be deemed amended as necessary to conform to the requirements of Section 409A any Awards that are deferred pursuant to this Section 18 and any other Awards that are considered to be deferred compensation for purposes of Section 409A.

9. Section 19 of the Plan is hereby amended to read as follows:

No fractional Shares shall be issued under the Plan. If a Participant acquires the right to receive a fractional Share under the Plan, the Participant shall receive, in lieu of the fractional Share, an amount in cash equal to the Fair Market Value of the fractional Share as of the date of the settlement of the Award, except as provided in Section 15(a).

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Appendix B

SECOND AMENDMENT TO THE SILGAN HOLDINGS INC.

2004 STOCK INCENTIVE PLAN

The Silgan Holdings Inc. 2004 Stock Incentive Plan, as amended by the Amendment to the 2004 Stock Incentive Plan effective as of March 15, 2005, (the Plan) is hereby amended, effective as of April 9, 2009, to increase the number of shares that may be issued under the Plan, to extend the duration of the Plan and to make certain technical changes to the Plan to reflect compliance with Sections 409A and 162(m) of the Internal Revenue Code of 1986, as amended (the Code).

1. The definition of Change in Control in Section 2 of the Plan is amended to add the following new paragraph to the end thereof:

Notwithstanding the foregoing, to the extent necessary to avoid the adverse tax consequences under Code Section 409A, a Change in Control shall mean any of the foregoing events but only to the extent it also meets the requirements of an event qualifying as a change in control event for purposes of Section 409A of the Code.

2. The definition of Disability in Section 2 of the Plan is amended to add the following language to the end thereof:

Notwithstanding the foregoing, to the extent necessary to avoid the adverse tax consequences under Code Section 409A, a Disability shall mean any of the foregoing events, as applicable, for an Employee or an Outside Director, but only to the extent it also meets the requirements of a disability for purposes of Section 409A of the Code.

3. Section 5(a) of the Plan is amended to read in its entirety as follows:

(a) *Basic Limitation.* Shares offered under the Plan shall be authorized but unissued Shares or treasury Shares. The maximum aggregate number of Shares that may be issued in connection with Options, SARs, Stock Units, Restricted Shares and Performance Awards under the Plan after April 9, 2009 (Effective Date) shall be 517,420, which is the number of Shares authorized and available for issuance or grant as Awards immediately prior to the Effective Date, plus an additional 1,500,000 Shares, so that a total of 2,017,420 Shares are authorized under the Plan as of the Effective Date. The limitation of this Section 5(a) shall be subject to adjustment pursuant to Section 17.

4. Section 8(e) of the Plan is amended to add the following new paragraph to the end thereof:

Notwithstanding anything herein to the contrary, in no event shall an extension of an Option term occur to the extent that such extension would result in the adverse tax consequences under Code Section 409A.

5. Section 8(h) of the Plan is amended to read in its entirety as follows:

(h) *Prohibition on Repricing.* The Committee shall not reduce the Exercise Price of an Option (except for adjustments permitted by Section 17), or cancel and replace an existing Option with an Option having a lower Exercise Price, without first obtaining approval for such actions from the Company's stockholders or to the extent such repricing or cancellation and replacement would result in the adverse tax consequences under Code Section 409A.

6. Section 10(d) of the Plan is amended to add the following language to the end thereof:

Notwithstanding anything herein to the contrary, in no event shall an extension of a SAR term occur to the extent that such extension would result in the adverse tax consequences under Code Section 409A.

7. Section 10(g) of the Plan is amended in its entirety to read as follows:

(g) *Prohibition on Repricing.* The Committee shall not reduce the Exercise Price of a SAR (except for adjustments permitted by Section 17), or cancel and replace an existing SAR with a SAR having a lower

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Exercise Price, without first obtaining approval for such actions from the Company's stockholders or to the extent such repricing or cancellation and replacement would result in the adverse tax consequences under Code Section 409A.

8. Section 11(c) of the Plan is amended to add the following language to the end thereof:

Notwithstanding anything herein to the contrary, the Award Agreement shall govern the treatment of an Award upon a Change in Control, which may differ from the provisions herein, and any such provision for Change in Control shall be in a manner consistent with the provisions of Section 409A of the Code.

9. Section 12(e) of the Plan is amended to add the following language to the end thereof:

Notwithstanding anything herein to the contrary, the Award Agreement shall govern the treatment of an Award upon a Change in Control, which may differ from the provisions herein, and any such provision for Change in Control shall be in a manner consistent with the provisions of Section 409A of the Code.

10. Section 12(h) of the Plan is amended to add the following language to the end thereof:

Notwithstanding anything in the Plan to the contrary, including, without limitation, anything contained in Sections 6, 11, 12 or 17, in no event shall a 162(m) Employee receive a payment under an Award intended to meet the requirements of performance-based compensation for purposes of Section 162(m) of the Code unless the applicable Performance Criteria have been met (except as may be permitted under the Plan and an Award upon death, disability or change of ownership or control in a manner consistent with the regulations under Section 162(m) of the Code), to the extent required to meet the requirements of Section 162(m) of the Code.

11. Section 17(a) of the Plan is amended to add the following language to the end thereof:

No adjustment shall be made with respect to Awards to the extent the adjustment would result in adverse tax consequences under Code Section 409A.

12. Section 18(c) of the Plan is amended to add the following language to the end thereof:

Notwithstanding anything herein to the contrary, the Award Agreement shall govern the treatment of an Award upon a Change in Control, which may differ from the provisions herein, and any such provision for Change in Control shall be in a manner consistent with the provisions of Section 409A of the Code.

13. Section 18(e) of the Plan is amended to add the following language to the end thereof:

Notwithstanding anything in the Plan or any Award to the contrary, to the extent necessary to avoid the adverse tax consequences under Code Section 409A, in the event that a Participant is determined to be a specified employee in accordance with Code Section 409A, and the regulations and other guidance issued thereunder for purposes of any payment upon separation from service, such payments shall be made or begin, as applicable, on the first day of the first month which is more than six months following the date of separation from service.

14. Section 27(a) of the Plan is amended to read as follows:

(a) *Term of the Plan.* The Plan, as set forth herein, shall terminate automatically on May 27, 2016, and may be terminated on any earlier date pursuant to subsection (b) below.

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Please mark, sign, date and return this proxy to the Company.

Please mark your votes as indicated in this example **X**

1. ELECTION OF DIRECTORS (CLASS III)

	FOR all nominees listed below	WITHHOLD AUTHORITY to vote for all nominees listed below	*EXCEPTIONS*		FOR	AGAINST	ABSTAIN
Nominees (each to serve until the Company's Annual Meeting of Stockholders in 2012 and until their successors are duly elected and qualified):	2. To approve an amendment to the Silgan Holdings Inc. 2004 Stock Incentive Plan and to approve the material terms of the performance goals under the Silgan Holdings Inc. 2004 Stock Incentive Plan.
01 Anthony J. Allott				3. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009.
02 Jeffrey C. Crowe					FOR	AGAINST	ABSTAIN
03 Edward A. Lapekas							

(INSTRUCTION: To withhold authority to vote for any individual nominee, mark the Exceptions box and write that nominee's name in the space provided below.)

4. To consider and act upon any other business as may properly come before the meeting or any adjournment or postponement thereof.

*Exceptions

Mark Here for
Address Change

SEE REVERSE ..

Signature

Signature

Date

When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please provide the full name of the corporation and the signature of the authorized officer signing on its behalf.

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SILGAN HOLDINGS INC.

4 LANDMARK SQUARE

STAMFORD, CT 06901

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints R. Philip Silver and D. Greg Horrigan as Proxies, each with the power of substitution, and hereby authorizes each of them to represent and to vote, as designated below, all the shares of common stock, par value \$.01 per share, of Silgan Holdings Inc., or the Company, held of record by the undersigned on April 9, 2009 at an Annual Meeting of Stockholders of the Company to be held on May 26, 2009 or any adjournment or postponement thereof.

When properly executed, this proxy will be voted in the manner directed herein by the undersigned stockholder. **If no direction is made, this proxy will be voted FOR Proposals 1, 2 and 3.**

(Continued and to be dated and signed on the reverse side.)

Address Change

(Mark the corresponding box on the reverse side)

BNY MELLON SHAREOWNER SERVICES
P.O. BOX 3550
SOUTH HACKENSACK, NJ 07606-9250