

Selected Financial Data
December 31, 2016
(Dollars in thousands, except per share data)

INCOME STATEMENT INFORMATION

Statements of Income

	Quarter-to-Date	
	2016	2015
Sales	\$ 348,998	\$ 354,232
Cost of sales	(221,731)	(227,665)
Gross profit	127,267	126,567
Selling and administrative expenses	(108,204)	(114,529)
Operating profit	19,063	12,038
Investment income	337	701
Interest expense	(6,148)	(5,840)
Other income (deductions) , net	(555)	(874)
Income before income taxes	12,697	6,025
Income taxes	(3,723)	(1,522)
Net income	8,974	4,503
Net loss attributable to noncontrolling interests	114	111
Net income attributable to Matthews shareholders	<u>\$ 9,088</u>	<u>\$ 4,614</u>
Diluted earnings per share attributable to Matthews shareholders	<u>\$ 0.28</u>	<u>\$ 0.14</u>

Segment Results

	Quarter-to-Date		
	2016	2015	% Change
Sales:			
SGK Brand Solutions	\$ 175,801	\$ 178,291	(1.4)%
Memorialization	145,622	147,611	(1.3)%
Industrial Technologies	27,575	28,330	(2.7)%
	<u>\$ 348,998</u>	<u>\$ 354,232</u>	<u>(1.5)%</u>
Operating Profit:			
SGK Brand Solutions	\$ 4,190	\$ 2,755	52.1 %
Memorialization	14,367	7,689	86.9 %
Industrial Technologies	506	1,594	(68.3)%
	<u>\$ 19,063</u>	<u>\$ 12,038</u>	<u>58.4 %</u>

Unusual items, by segment, were as follows:

	Quarter-to-Date	
	2016	2015
SGK Brand Solutions	\$ (6,202)	\$ (7,330)
Memorialization	(2,147)	(7,245)
Industrial Technologies	(301)	—
Operating Profit impact	<u>\$ (8,650)</u>	<u>\$ (14,575)</u>

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INCOME STATEMENT INFORMATION (continued)

Reconciliation of Adjusted EBITDA:

	Quarter-to-Date	
	2016	2015
Net income attributable to Mathews shareholders	\$ 9,088	\$ 4,614
Interest expense	6,148	5,840
Income taxes	3,723	1,522
Depreciation and amortization	15,159	15,748
EBITDA	34,118	27,724
Acquisition-related costs	8,226	14,510
Strategic initiatives and other charges	—	143
Stock-based compensation expense	6,097	2,526
Pension and postretirement expense	2,194	2,076
Adjusted EBITDA	<u>\$ 50,635</u>	<u>\$ 46,979</u>

BALANCE SHEET INFORMATION

Cash and cash equivalents	12/31/2016	9/30/2016
	106,407	55,711
Accounts receivable, net	12/31/2016	9/30/2016
	286,269	294,915
DSO	73.8	70.4
Inventories	12/31/2016	9/30/2016
	165,569	162,472
Current Ratio	12/31/2016	9/30/2016
	2.6	2.2
Goodwill and other intangibles assets	12/31/2016	9/30/2016
Goodwill	841,163	851,489
Other intangible assets, net	386,277	393,841
	<u>1,227,440</u>	<u>1,245,330</u>
Total assets	12/31/2016	9/30/2016
	2,107,344	2,091,041
Debt	12/31/2016	9/30/2016
Long-term debt, current maturities	24,250	27,747
Long-term debt	913,571	844,807
	<u>937,821</u>	<u>872,554</u>
Total shareholders' equity	12/31/2016	9/30/2016
	688,377	709,334

CASH FLOW INFORMATION

Depreciation and amortization

Quarter-to-Date	
2016	2015
15,159	15,748

Capital expenditures

Quarter-to-Date	
2016	2015
5,069	14,158

Net cash provided by operating activities

Quarter-to-Date	
2016	2015
16,046	10,019