

Selected Financial Data
December 31, 2017
(Dollars in thousands, except per share data)

INCOME STATEMENT INFORMATION

Statements of Income

	Quarter-to-Date	
	2017	2016
Sales	\$ 369,454	\$ 348,998
Cost of sales	(238,755)	(221,731)
Gross profit	130,699	127,267
Selling and administrative expenses	(112,775)	(108,204)
Operating profit	17,924	19,063
Investment income	467	337
Interest expense	(7,801)	(6,148)
Other income (deductions) , net	(659)	(555)
Income before income taxes	9,931	12,697
Income tax benefit (provision)	25,227	(2,489)
Net income	35,158	10,208
Net loss attributable to noncontrolling interests	22	114
Net income attributable to Matthews shareholders	<u>\$ 35,180</u>	<u>\$ 10,322</u>
Diluted earnings per share attributable to Matthews shareholders	<u>\$ 1.10</u>	<u>\$ 0.32</u>

Segment Results

	Quarter-to-Date	
	2017	2016
Sales:		
SGK Brand Solutions	\$ 191,766	\$ 175,801
Memorialization	144,889	145,622
Industrial Technologies	32,799	27,575
	<u>\$ 369,454</u>	<u>\$ 348,998</u>
Operating Profit:		
SGK Brand Solutions	\$ 3,152	\$ 4,190
Memorialization	14,454	14,367
Industrial Technologies	318	506
	<u>\$ 17,924</u>	<u>\$ 19,063</u>

Unusual items, by segment, were as follows:

	Quarter-to-Date	
	2017	2016
SGK Brand Solutions	\$ (3,776)	\$ (6,202)
Memorialization	(807)	(2,147)
Industrial Technologies	(90)	(301)
Operating Profit impact	<u>\$ (4,673)</u>	<u>\$ (8,650)</u>

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INCOME STATEMENT INFORMATION (continued)

Reconciliation of Adjusted EBITDA:

	Quarter-to-Date	
	2017	2016
Net income attributable to Mathews shareholders	\$ 35,180	\$ 10,322
Interest expense	7,801	6,148
Income tax (benefit) provision	(25,227)	2,489
Depreciation and amortization	17,238	15,159
EBITDA	34,992	34,118
Acquisition-related items	3,958	8,226
Strategic initiatives and other charges	647	—
Stock-based compensation expense	5,474	6,097
Pension and postretirement expense	1,425	2,194
Adjusted EBITDA	\$ 46,496	\$ 50,635

BALANCE SHEET INFORMATION

Cash and cash equivalents	12/31/2017	9/30/2017
	60,142	57,515
Accounts receivable, net	12/31/2017	9/30/2017
	320,115	319,566
DSO	78.0	72.6
Inventories	12/31/2017	9/30/2017
	179,336	171,445
Current Ratio	12/31/2017	9/30/2017
	2.1	2.1
Goodwill and other intangibles assets	12/31/2017	9/30/2017
Goodwill	948,687	897,794
Other intangible assets, net	455,744	424,382
	<u>1,404,431</u>	<u>1,322,176</u>
Total assets	12/31/2017	9/30/2017
	2,382,375	2,244,649
Debt	12/31/2017	9/30/2017
Long-term debt, current maturities	31,390	29,528
Long-term debt	994,255	881,602
	<u>1,025,645</u>	<u>911,130</u>
Total shareholders' equity	12/31/2017	9/30/2017
	830,629	790,259

CASH FLOW INFORMATION

Depreciation and amortization

Quarter-to-Date	
2017	2016
17,238	15,159

Capital expenditures

Quarter-to-Date	
2017	2016
11,647	5,069

Net cash provided by operating activities

Quarter-to-Date	
2017	2016
7,637	16,046