

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement  Confidential, for use of the

Definitive Proxy Statement Commission only

Definitive Additional Materials

Soliciting Material pursuant to Rule 14a-11c or Rule 14a-12

MATTHEWS INTERNATIONAL CORPORATION

-----  
(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)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

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2) Aggregate number of securities to which transaction applies:

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3) Per unit price or other underlying value of transaction computed  
pursuant to Exchange Act Rule 0-11:

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4) Proposed maximum aggregate value of transaction:

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5) Total fee paid:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act  
Rule 0-11(a)(2) and identify the filing for which the offsetting fee  
was paid previously. Identify the previous filing by registration  
statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

-----

3) Filing Party:

-----

4) Date Filed:

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MATTHEWS INTERNATIONAL CORPORATION

2000

NOTICE

OF

ANNUAL

MEETING

AND

PROXY

STATEMENT

Matthews International Corporation  
Corporate Office  
Two NorthShore Center  
Pittsburgh, Pennsylvania 15212-5851  
412.442.8200 Fax 412.442.8290

Notice of  
ANNUAL MEETING OF SHAREHOLDERS  
To be held February 19, 2000

To Our Shareholders:

The Annual Meeting of the Shareholders of Matthews International Corporation will be held at 10:30 AM on Saturday, February 19, 2000 at the Health and Science Theater, Carnegie Science Center, Pittsburgh, Pennsylvania, for the purpose of considering and acting upon the following:

1. To elect two Directors of the Company for a term of three years.
2. To ratify the appointment of PricewaterhouseCoopers LLP as independent certified public accountants to audit the records of the Company for the fiscal year ending September 30, 2000.
3. To transact such other business as may properly come before the meeting.

Shareholders of record at the close of business on December 31, 1999 will be entitled to vote at the Annual Meeting or any adjournments thereof.

Please indicate on the enclosed proxy card whether you will or will not be able to attend this meeting. Return the card in the enclosed envelope as soon as possible. If you receive more than one proxy (for example, because you own Class A and Class B Common Stock, or you own common stock in more than one account), please be sure to complete and return all of them.

We hope you can be with us for this important occasion.

Sincerely,

Edward J. Boyle

Edward J. Boyle  
Corporate Secretary

January 19, 2000

Matthews International Corporation  
Two NorthShore Center  
Pittsburgh, PA 15212 - 5851  
412 / 442-8200

PROXY STATEMENT

The accompanying proxy is solicited by the Board of Directors of the Company whose principal executive offices are located at Two NorthShore Center, Pittsburgh, Pennsylvania 15212. This Proxy Statement and the accompanying proxy

were first released to shareholders on January 19, 2000.

Execution of the proxy will not affect a shareholder's right to attend the meeting and vote in person. Any shareholder giving a proxy has the right to revoke it at any time before it is voted by giving notice to the Corporate Secretary or by attending the meeting and voting in person.

Matters to be considered at the Annual Meeting are those set forth in the accompanying notice. Shares represented by proxy will be voted in accordance with instructions. In the absence of instructions to the contrary, the proxy solicited will be voted for the proposals set forth.

Management does not intend to bring before the meeting any business other than that set forth in the Notice of Annual Meeting of Shareholders. If any other business should properly come before the meeting, it is the intention of Management that the persons named in the proxy will vote in accordance with their best judgment.

## OUTSTANDING STOCK AND VOTING RIGHTS

The Company has two classes of stock outstanding: Class A Common Stock, par value \$1.00 per share, and Class B Common Stock, par value \$1.00 per share. Together, these two classes are referred to as the "Common Stock."

Each outstanding share of Class A Common Stock of the Company entitles the holder to one vote, and each outstanding share of Class B Common Stock entitles the holder to ten votes, upon any business properly presented at the shareholders' meeting. Cumulative voting is not applicable to the election of directors.

The Board of Directors of the Company has established December 31, 1999 as the record date for shareholders entitled to vote at the Annual Meeting. The transfer books of the Company will not be closed. A total of 13,237,688 shares of Class A Common Stock, and 2,351,722 shares of Class B Common Stock are outstanding and entitled to vote at the meeting.

Abstentions and broker non-votes have no effect on any proposal to be voted upon. Broker non-votes as to any matter are shares held by brokers and other nominees which are voted at the meeting on matters as to which the nominee has discretionary authority, but which are not voted on the matter in question because the nominee does not have discretionary voting authority as to such matter.

## GENERAL INFORMATION REGARDING CORPORATE GOVERNANCE

### Board of Directors

The Board of Directors is the ultimate governing body of the Company. As such, it functions within a framework of duties and requirements established by statute, government regulations and court decisions. In carrying out their responsibilities, directors are expected to perform their duties in good faith and with the diligence, care and skill which ordinarily prudent people would exercise under similar circumstances.

Generally, the Board of Directors reviews and confirms the basic objectives and broad policies of the Company, approves various important transactions, appoints the officers of the Company and monitors Company performance in key results areas. Management is accountable to the Board of Directors for the satisfactory conduct of the day-to-day business of the Company.

Management is responsible for providing the Board of Directors with adequate support, services and resources, together with thorough information, reports and analyses concerning the Company's principal activities and plans. In addition, the Board of Directors has the power, in its discretion, to employ the services of outside consultants and is free to have discussions and interviews with personnel of the Company and others as it deems appropriate and helpful to its work.

## Board Composition

The Restated Articles of Incorporation of the Company provide that the Board of Directors has the power to set the number of Directors constituting the full Board, provided that such number shall not be less than five nor more than 15. Until further action, the Board of Directors has fixed the number of directors constituting the full Board at seven, divided into three classes. The terms of office of the three classes of Directors end in successive years.

During fiscal year 1999, there were four regularly scheduled and three additional meetings of the Board of Directors.

## Board Committees

There are three standing committees appointed by the Board of Directors -- the Executive, Audit and Compensation Committees.

Management has the same responsibility to each committee as it does to the Board of Directors with respect to providing adequate staff services and information. Furthermore, each committee has the same power as the Board of Directors to employ the services of outside consultants and to have discussions and interviews with personnel of the Company and others.

The principal functions of the three standing committees are summarized as follows:

### Executive Committee

The Executive Committee is appointed by the Board of Directors to have and exercise during periods between Board meetings all of the powers of the Board of Directors, except that the Executive Committee may not elect directors, change the membership of or fill vacancies in the Executive Committee, change the By-laws of the Company or exercise any authority specifically reserved by the Board of Directors. Among the functions customarily performed by the Executive Committee during periods between Board meetings are the approval, within limitations previously established by the Board of Directors, of the principal terms involved in sales of securities of the Company, and such reviews as may be necessary of significant developments in major events and litigation involving the Company. In addition, the Executive Committee is called upon periodically to provide advice and counsel in the formulation of corporate policy changes and, where it deems advisable, make recommendations to the Board of Directors.

The Executive Committee holds meetings at such times as are required. During fiscal year 1999, the Executive Committee met a total of four times. The Chairman of the Executive Committee is David M. Kelly. The membership of the Executive Committee from October 1, 1998 until June 4, 1999 consisted of Messrs. Kelly, David J. DeCarlo and Geoffrey D. Barefoot. The membership of the Committee since June 4, 1999 consisted of Messrs. Kelly and DeCarlo.

### Audit Committee

The principal function of the Audit Committee is to endeavor to assure the integrity and adequacy of financial statements issued by the Company. It is intended that the Audit Committee will review internal auditing systems and procedures as well as the activities of the public accounting firm performing the external audit. During fiscal year 1999, the Audit Committee adopted a formal charter governing its responsibilities and activities.

The Committee members are John P. O'Leary, Jr. (Chairman), William J. Stallkamp and Robert J. Kavanaugh. During fiscal year 1999, the Audit Committee met twice.

### Compensation Committee

The principal function of the Compensation Committee, the members of which are Messrs. Stallkamp (Chairman), Kavanaugh and Thomas N. Kennedy, is to review periodically the suitability of the remuneration arrangements (including

benefits), other than stock remuneration, for the principal officers of the Company. A subcommittee of the Compensation Committee, the Stock Compensation Committee, the members of which are Messrs. Stallkamp (Chairman) and Kavanaugh, consider and grant stock remuneration and administer the Company's 1992 Stock Incentive Plan. The Compensation Committee met three times during fiscal year 1999.

#### Meeting Attendance

Under the applicable rules of the Securities and Exchange Commission, the Company's Proxy Statement is required to name those directors who during the preceding year attended fewer than 75% of the total number of meetings held by the Board and by the Committees of which they are members. During fiscal year 1999, all directors attended more than 75% of such meetings for which they were eligible.

#### Compensation of Directors

Pursuant to the Director Fee Plan, directors who are not also officers of the Company each receive as an annual retainer fee shares of the Company's Class A Common Stock equivalent to approximately \$16,000. In addition, each such director is paid \$1,000 for every meeting of the Board of Directors attended and (other than a Chairman) \$500 for every committee meeting attended. The Chairman of a committee of the Board of Directors is paid \$700 for every committee meeting attended. Directors may also elect to receive the common stock equivalent of meeting fees. Each director may elect to be paid these shares on a current basis or have such shares credited to a deferred stock account as phantom stock, with such shares to be paid to the director subsequent to leaving the Board. No other remuneration is otherwise paid by the Company to any director for services as a director.

### PROPOSAL 1

#### ELECTION OF DIRECTORS

Nominations for election to the Board of Directors may be made by the Board of Directors or by the shareholders. Messrs. Thomas N. Kennedy and William J. Stallkamp, whose terms of office are expiring, have been nominated by the Board to serve for three-year terms that will end in 2003. Nominations made by the shareholders shall be made in writing in accordance with Section 6.1 of the Restated Articles of Incorporation. No such nominations have been received.

The Board of Directors has no reason to believe that any of the nominees will become unavailable for election. If a nominee should become unavailable prior to the meeting, the accompanying proxy will be voted for the election in his place of such other person as the Board of Directors may recommend.

The Board of Directors recommends that you vote FOR the election of Directors.

The following information is furnished with respect to the two persons nominated by the Board of Directors for election as a director and with respect to the continuing directors.

#### The Nominees

Thomas N. Kennedy, age 64, has been a Director of the Company since 1987. He was Senior Vice President, Chief Financial Officer and Treasurer of the Company until his retirement from Matthews effective December 1, 1995. Mr. Kennedy had been employed by the Company since 1972. He was elected Treasurer in 1974 and Vice President - Treasurer in 1986. Mr. Kennedy received a Bachelor of Business Administration from the University of Pittsburgh in 1958.

William J. Stallkamp, age 60, has been a Director of the Company since 1981. Mr. Stallkamp was a Vice Chairman of Mellon Bank Corporation in Pittsburgh, PA and Chairman of Mellon PSFS in Philadelphia, PA until his retirement on January 1, 2000. He received a Bachelor of Science Degree in Business

Administration from Miami University of Oxford, Ohio. He serves as a Director of Yoder Brothers, Inc., Highmark Blue Cross/Blue Shield, Greater Philadelphia Chamber of Commerce and Greater Philadelphia First. He also serves on the Board of Directors for YMCA of Philadelphia and Vicinity, the Southeastern Pennsylvania Chapter of the American Red Cross, the Pennsylvania Academy of Fine Arts and the Franklin Institute.

#### Continuing Directors

David M. Kelly, age 57, was elected Chairman of the Board on March 15, 1996. He joined Matthews on April 3, 1995 as President and Chief Operating Officer and was appointed Chief Executive Officer on October 1, 1995. Prior to his employment with Matthews, Mr. Kelly was employed by Carrier Corporation for 22 years. During that time, his positions included Marketing Vice President for Asia Pacific; President of Japanese Operations; Vice President, Manufacturing; President of North American Operations; and Senior Vice President for Carrier's residential and light commercial businesses. Mr. Kelly received a Bachelor of Science in Physics from Boston College in 1964, a Master of Science degree in Molecular Biophysics from Yale University in 1966, and a Master of Business Administration from Harvard Business School in 1968. He is Chairman of the Executive Committee and the Jas. H. Matthews & Co. Educational and Charitable Trust, a member of the Pension Board, and serves on the boards of various subsidiaries of Matthews International Corporation. Mr. Kelly is a member of the Board of Directors of Mestek, Inc., Elliott Company, the United Way of Allegheny County, and the Pittsburgh Symphony Orchestra.

David J. DeCarlo, age 54, is President, Bronze Division and has been a Director of the Company since 1987. He was elected President, Bronze Division in November 1993. Mr. DeCarlo received a Bachelor of Science Degree in Industrial Management from West Virginia University in 1967, a Master of Arts Degree in Economics and Statistics from the University of Pennsylvania in 1970, and an M.B.A. in Finance from the University of Pennsylvania Wharton School of Finance in 1971 where he also completed all the required courses for a Ph.D. in Applied Economics and Finance. Prior to joining Matthews, Mr. DeCarlo held various management positions with Reynolds Aluminum Company, Westinghouse Electric Corporation, and Joy Manufacturing Company where his last position was Vice President of Field Operations.

Robert J. Kavanaugh, age 62, has been a Director of the Company since 1998. Mr. Kavanaugh is a retired partner of the Pittsburgh office of Arthur Andersen LLP, an accounting firm. Mr. Kavanaugh has more than 38 years of experience assisting clients in numerous industries and has extensive experience in public reporting, SEC related matters, and mergers and acquisitions. Mr. Kavanaugh served as the advisory partner to a number of major clients, both public and private. Mr. Kavanaugh is on the Board of Directors of the Pittsburgh Symphony Society. He is on the Board of Trustees of Carlow College and is Chairman of the Finance Committee. He is also on the Board of Directors of the Pittsburgh Regional Alliance and the Board of Trustees of Shady Side Academy. Mr. Kavanaugh retired from Arthur Andersen LLP in August 1996.

John P. O'Leary, Jr., age 53, has been a Director of the Company since 1992. Mr. O'Leary is President and Chief Executive Officer of Tuscarora Incorporated, the nation's largest producer of custom-molded foam plastic products. He also serves as a member of Tuscarora's Board of Directors. Immediately prior to taking over as President and Chief Executive Officer, Mr. O'Leary served as President of Western Division operations and was responsible for overseeing the operation of 12 profit centers located throughout the Midwest and South. Mr. O'Leary holds a Masters in Business Administration from the University of Pennsylvania Wharton School of Business and received a Bachelor's Degree in Economics from Gettysburg College. He currently serves on the Board of Directors of the Beaver County Corporation of Economic Development, Beaver County Educational Trust, and Gateway Rehabilitation Center. Mr. O'Leary is a Trustee of Gettysburg College.

John D. Turner, age 53, was elected to the Board of Directors of the Company in April 1999 to replace retiring Director, James L. Parker. In accordance with the By-laws of the Company, Mr. Turner will fill the remaining term of Mr. Parker. Mr. Turner has been Executive Vice President of The LTV Corporation and President of LTV Copperweld, a manufacturer of tubular and bimetallic wire products, since November 1999. Mr. Turner was formerly

President and Chief Executive Officer of Copperweld Corporation. He joined Copperweld in 1984 as Group Vice President - Marketing & Sales and later held the positions of Group Vice President - Specialty Bar & Tubing and Executive Vice President. Mr. Turner received a Bachelor's Degree in Biology from Colgate University. He currently serves on the Board of Directors of Shenango, Inc., The Joseph M. Katz School of Business, Coalition of Christian Outreach, and Greater Pittsburgh Council, Boy Scouts of America. Mr. Turner is also a member of the Carnegie Mellon Board of Trustees and the Advisory Board of the Fellowship of Christian Athletes.

The term for each nominee and each Director is listed below:

Nominees	Term to expire at Annual Meeting of Shareholders in:
Thomas N. Kennedy	2003
William J. Stallkamp	2003

#### Continuing Directors

David J. DeCarlo	2001
Robert J. Kavanaugh	2001
John P. O'Leary, Jr.	2001
David M. Kelly	2002
John D. Turner	2002

### PROPOSAL 2

#### SELECTION OF AUDITORS

The Board of Directors of the Company, upon recommendation of the Audit Committee, has appointed PricewaterhouseCoopers LLP as independent certified public accountants to audit the records of the Company for the year ending September 30, 2000.

The Board of Directors has determined that it would be desirable to request an expression of opinion from the shareholders on the appointment. Ratification of the appointment of PricewaterhouseCoopers LLP requires the affirmative vote of a majority of all the votes cast by shareholders of Common Stock entitled to vote at the meeting. If the shareholders do not ratify the selection of PricewaterhouseCoopers LLP, the selection of alternative independent certified public accountants will be considered by the Board of Directors.

It is not expected that any representative of PricewaterhouseCoopers LLP will be present at the Annual Meeting of Shareholders.

The Board of Directors recommends that you vote FOR Proposal 2.

### OTHER INFORMATION

#### Certain Reportable Transactions

The Securities and Exchange Commission requires disclosure of certain business transactions or relationships between the Company, or its subsidiaries, and other organizations with which any of the Company's directors are affiliated as an owner, partner, director, officer or employee. Briefly, disclosure is required where such a business transaction or relationship meets the standards of significance established by the Securities and Exchange Commission with respect to the types and amounts of business transacted. The Company is aware of no transaction requiring disclosure pursuant to this item during the past fiscal year.

#### Stock Ownership

The Company's Articles of Incorporation divide its voting stock into three classes: Preferred Stock and Class A and Class B Common Stock. At the present time, none of the Preferred Stock is issued or outstanding. The following information is furnished with respect to persons who the Company believes,

based on its records, beneficially own more than five percent of the outstanding shares of Class A and Class B Common Stock of the Company, and with respect to the Company's officers and nominees for election to and current members of the Board of Directors. Those individuals with more than five percent of such shares could be deemed to be "control persons" of the Company.

This information is as of November 30, 1999.

Name of Beneficial Owner (1)	Number of Class A Shares Beneficially Owned (2)	Percent of Class	Number of Class B Shares Beneficially Owned (2)	Percent of Class
Directors and Officers:				
D.M. Kelly	302,333 (3)	2.2%	56,000	2.3%
E.J. Boyle	31,417 (3)	0.2	18,750	0.8
D.J. DeCarlo	209,333 (3)	1.6	289,990	12.2
R.J. Kavanaugh	1,000	*	None	-
T.N. Kennedy	55,000	0.4	None	-
J.P. O'Leary, Jr.	13,450	0.1	None	-
R.J. Schwartz	21,352 (3)	0.2	None	-
W.J. Stallkamp	6,200	*	None	-
J.D. Turner	None	-	None	-
All directors and executive officers as a group (10 persons)	671,528 (3)	4.9	381,940	16.0

Others:

D. Majestic	None	-	302,000	12.7
T. Rowe Price Associates, Inc. 100 East Pratt Street Baltimore, MD 21202				
Lord, Abbett & Co. 767 Fifth Avenue New York, NY 10153	1,321,400	10.0	None	-
Neuberger Berman, LLC 605 Third Avenue New York, NY 10158				
	712,165	5.4	None	-

\* Less than 0.1%

(1) Unless otherwise noted, the mailing address of each beneficial owner is the same as that of the Registrant.

(2) The nature of the beneficial ownership for all shares is sole voting and investment power, except as follows:

Mr. Stallkamp has sole voting power except for 200 Class A shares held by Mr. Stallkamp as custodian under UTMA for son.

Shares held by T. Rowe Price Associates, Inc. ("Price Associates") are owned by various individual and institutional investors, including T. Rowe Price Small-Cap Stock Fund, Inc. which owns 803,000 shares, which Price Associates serves as investment advisor with power to direct investments and/or sole power to vote the shares. For purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such shares; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such shares. Price Associates has sole dispositive power for 1,321,400 shares and sole voting power for 404,200 shares.

Lord, Abbett & Co. is an investment advisor for various accounts and, as such, disclaims beneficial ownership of shares.

Neuberger Berman, LLC ("Neuberger"), as a registered investment advisor, may have discretionary authority to dispose of or vote shares that are under its management. As a result, Neuberger may be deemed to have beneficial ownership of such shares. Neuberger does not, however, have any economic interest in the shares. Its clients are the actual owners of the shares and have the sole right to receive and the power to direct the receipt of dividends from or proceeds from the sale of such shares. Of the shares set forth in the table, Neuberger had shared dispositive power with respect to



712,165 shares, sole voting power with respect to 362,365 shares and shared voting power on 349,800 shares. With regard to the shared voting power, Neuberger Berman Management, Inc. and Neuberger Berman Funds are deemed to be beneficial owners for purpose of Rule 13(d) since they have shared power to make decisions whether to retain or dispose of the shares. Neuberger is the sub-advisor to the above referenced Funds.

- (3) Includes options exercisable within 60 days of November 30, 1999 as follows: Mr. Kelly, 268,333 shares; Mr. Boyle, 13,667 shares; Mr. DeCarlo, 209,333 shares; Mr. Schwartz, 10,000 shares; and all directors and officers as a group, 524,333 shares.

#### Changes in Control

The Company knows of no arrangement which may, at a subsequent date, result in a change in control of the Company.

#### Executive Officers

The Executive Officers of the Company as of December 31, 1999 are the following:

Name	Age	Year First Elected as an Officer	Positions with Registrant
David M. Kelly	57	1995	President and Chief Executive Officer
Edward J. Boyle	53	1991	Vice President, Accounting & Finance, Treasurer and Secretary
David J. DeCarlo	54	1986	President, Bronze Division
Steven F. Nicola	39	1995	Controller
Robert J. Schwartz	52	1998	President, Marking Products Division

During the past five years, the business experience of each executive officer named has been as reflected above or in a management capacity with the Company, except for the following: Mr. Kelly was a Senior Vice President for Carrier Corporation prior to April 1995. Mr. Schwartz joined the Company in January 1997 as Director of Sales and Marketing for the Marking Products Division. Prior thereto, he was Vice President - Sales for Northeast Distributors, Inc., a distributor of air conditioning products.

#### Compensation of Executive Officers and Retirement Benefits

The following table sets forth the individual compensation information for the fiscal years ended September 30, 1999, 1998 and 1997 for the Company's Chief Executive Officer and the four most highly compensated executive officers.

#### SUMMARY COMPENSATION TABLE

<TABLE>  
<CAPTION>

Name of Individual and Principal Position	Year	Annual Compensation		Long-Term Compensation			Compensation
		Salary	Awards	Payouts	Underlying Securities	LTIP Options	
		(1)	(Shares)	(2)	(3)		
		<C>	<C>	<C>	<C>	<C>	<C>
David M. Kelly Chairman of the Board and Chief Executive Officer	1999	\$329,618	\$339,298	275,000	\$734,737	None	None
	1998	312,409	324,082	40,000	239,850	None	None
	1997	290,174	290,687	190,000	None	None	None
David J. DeCarlo Director and President,	1999	217,411	171,334	149,000	711,607	\$ 1,419	
	1998	207,921	169,552	None	269,660	2,520	

Bronze Division	1997	199,473	174,477	250,000	None	3,046
Edward J. Boyle	1999	143,041	89,962	78,000	187,183	3,294
Vice President,	1998	129,689	87,394	36,000	60,211	4,250
Accounting & Finance	1997	113,379	75,043	41,000	None	3,804
Robert J. Schwartz	1999	126,577	80,952	10,000	55,464	747
President, Marking	1998	118,323	75,177	32,000	None	1,038
Products Division						
Robert B. Heffernan	1999	183,626	None	20,000	None	85,069
President, Graphics	1998	64,308	18,653	20,000	None	120
Imaging Group						

<FN>

(1) Includes the current portion of management incentive plan and supplemental management incentive payments and for Mr. Kelly, an amount equal to his life insurance premium cost. At his request, the Company did not provide life insurance for Mr. Kelly, but in lieu thereof paid to him annually the amount which the Company would have paid in premiums to provide coverage, considering his position and age. Such amounts are not included in calculating other Company benefits for Mr. Kelly. The amount paid to Mr. Kelly in lieu of life insurance for 1999, 1998 and 1997 was \$4,100 each year. The Company has adopted a management incentive plan for officers and key management personnel. Participants in such plan are not eligible for the Company's profit distribution plan. The incentive plan is based on improvement in divisional and Company economic value added and the attainment of established personal goals. A portion of amounts earned are deferred by the Company and are payable with interest at a market rate over a two-year period contingent upon economic value added performance and continued employment during such period. See Long-Term Incentive Plans - Awards in Last Fiscal Year table. In addition, payments include a supplement in amounts which are sufficient to pay annual interest expense on the outstanding notes of management under the Company's Designated Employee Stock Purchase Plan and to pay medical costs which are not otherwise covered by a Company plan.

(2) Represents payments of deferred amounts under the management incentive plan.

(3) Includes premiums for term life insurance and educational assistance for dependent children. Each officer of the Company is provided term life insurance coverage in an amount approximately equivalent to three times his respective salary. Educational assistance for dependent children is provided to any officer or employee of the Company whose child meets the scholastic eligibility criteria and is attending an eligible college or university. Amounts reported in this column include life insurance benefit costs except for Mr. Boyle and Mr. Heffernan. Educational assistance amounts for Mr. Boyle in fiscal 1999, 1998 and 1997, respectively, were \$2,400, \$2,200 and \$2,000. The amount reported in this column in 1999 for Mr. Heffernan represents severance benefits only. See also note (1).

</TABLE>

The Summary Compensation Table does not include expenses to the Company of incidental benefits of a limited nature to executive officers including use of Company vehicles, club memberships, dues, or tax planning services. The Company believes such incidental benefits are in the conduct of the Company's business, but, to the extent such benefits and use would be considered personal benefits, the value thereof is not reasonably ascertainable and does not exceed, with respect to any individual named in the compensation table, the lesser of \$50,000 or 10% of the annual compensation reported in such table.

#### Long-Term Incentive Plans - Awards in Last Fiscal Year

<TABLE>

<CAPTION>

Name	Number of Shares or Other Rights	Performance or Other	Estimated Future Payouts Under
		Period Until Maturation or Payout	Non-Stock Price-Based Plans
			Target
<S>	<C>	<C>	<C>
D.M. Kelly	-	2 Years	\$ 429,438
D.J. DeCarlo	-	2 Years	585,654
E.J. Boyle	-	2 Years	112,322
R.J. Schwartz	-	2 Years	125,718

R.B. Heffernan - 2 Years None

<FN>

The Company has a management incentive plan based on improvement in divisional and Company economic value added and the attainment of established personal goals. A portion of amounts earned are deferred by the Company and are payable with interest at a market rate over a two-year period contingent upon economic value added performance and continued employment during such period.

</TABLE>

Option/SAR Grants in Last Fiscal Year

<TABLE>

<CAPTION>

Name	Individual Grants (1)		Potential Realized Value at Assumed Annual Rates of Stock Price Appreciation for Option Term			
	Number of Securities Underlying Options Granted	Percent of Total Options Granted to Employees or Base	Exercise Price per Share	Expiration Date	5%	10%
D.M. Kelly	250,000	35.7%	\$27.969	03/16/09	\$4,397,349	\$11,143,746
	25,000	3.6	27.688	11/16/08	435,313	1,103,169
D.J. DeCarlo	126,000	18.0	27.969	03/16/09	2,216,264	5,616,448
	23,000	3.3	27.688	11/16/08	400,488	1,014,915
E.J. Boyle	63,000	9.0	27.969	03/16/09	1,108,132	2,808,224
	15,000	2.1	27.688	11/16/08	261,188	661,901
R.J. Schwartz	10,000	1.4	27.688	11/16/08	174,125	441,267
R.B. Heffernan	20,000	2.9	27.688	11/16/08	348,250	882,535

<FN>

(1) All options were granted at market value as of the date of grant. Options are exercisable in various share amounts based on the attainment of certain market value levels of Class A Common Stock, but, in the absence of such events, are exercisable in full for a one-week period beginning five years from the date of grant. In addition, options vest in one-third increments after three, four and five years, respectively, from the grant date (but, in any event, not until the attainment of the certain market value levels described above). The options are not exercisable within six months from the date of grant and expire on the earlier of ten years from the date of grant, upon employment termination, or within specified time limits following voluntary employment termination (with consent of the Company), retirement or death.

</TABLE>

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year End Option Values

<TABLE>

<CAPTION>

Name	Shares Acquired On Exercise	Value Realized	Number of Securities Underlying Unexercised Options		Value of Unexercised In-the-Money Options at Fiscal Year End	
			Exercisable	Unexercisable	Exercisable	Unexercisable
D.M. Kelly	50,000	\$1,115,625	205,000	505,000	\$3,891,353	\$3,338,063
D.J. DeCarlo	None	None	126,000	399,000	2,497,688	3,819,887
E.J. Boyle	63,000	1,279,250	None	155,000	None	941,482
R.J. Schwartz	None	None	None	80,000	None	620,373
R.B. Heffernan	None	None	None	None	None	None

</TABLE>

Report of the Compensation Committee

The Company's officer compensation policies are administered by the Compensation Committee of the Board of Directors. The Committee consists of three independent, non-employee directors: Messrs. Stallkamp (Chairman), Kavanaugh and Kennedy (a former officer of the Company). Executive compensation for the Company's chief executive officer and the four other most

highly compensated executive officers is presented in the Summary Compensation Table.

## Objectives and Policies

The Compensation Committee seeks to:

- . Ensure that there is a strong linkage between officer compensation and the creation of shareowner value;
- . Align the interests of the Company's officers with those of its stockholders through potential stock ownership;
- . Ensure that compensation and incentives are at levels which enable the Company to attract and retain high-quality officers.

## Components of Compensation

The Company's officer compensation program presently is comprised of three elements: base salary, annual incentives (bonuses) and stock options. An executive compensation consulting firm is periodically engaged to provide comparative market compensation data. The Company endeavors to determine that officers' base salary levels and opportunities for incentive compensation are competitive in the marketplace.

## Base Salary

The objective of the base salary policy is to provide income at a median level in comparison to a peer group and to reflect individual performance. An outside consulting firm specializing in such services is retained periodically to compare officers' responsibilities with a peer group of other corporations whose annual revenues range between \$100 million and \$250 million. Accordingly, base salaries of executive officers for calendar 1999 were increased over calendar 1998 to reflect competitive market pay practices.

## Annual Incentive Compensation (Bonuses)

Annual incentive payments paid to officers in 1999 were based upon the improvement in economic value added over the prior two years' base. Economic value added is defined for this purpose as operating profit less associated capital costs of operating assets. The incentive pools are determined based upon a percentage of absolute economic value added plus a percentage of the incremental economic value added over a two-year base. The incentive pools are distributed to individuals based upon each participant's target incentive and performance relative to achievement of personal goals. Earned incentive awards that exceed target levels are deferred and paid in the subsequent two fiscal years. In 1999, certain executive officers received a payout of fifty percent of incentive award amounts earned and deferred from fiscal years 1998 and 1997. The remaining fifty percent earned in fiscal 1998 is payable in 2000 contingent upon economic value added performance and continued employment during fiscal 2000.

In fiscal 1999, certain executive officers earned incentive awards in excess of target levels. Amounts in excess of target have been deferred and are payable contingent upon economic value added performance and continued employment during fiscal years 2000 and 2001.

## Stock Options

Stock options, which are an integral part of incentive compensation for the officers of the Company, serve to encourage share ownership by Company executives and thus align the interests of officers and shareholders. The Stock Compensation Committee (Messrs. Stallkamp and Kavanaugh) makes periodic grants of stock options to executive officers and other key employees of the Company to foster a commitment to increasing long-term shareholder value. During fiscal 1999, certain officers and other management personnel were granted nonstatutory stock options to purchase a combined total of 699,800 shares of the Company's stock at fair market value at the time of the grants.

The chief executive officer's compensation is established based on the philosophy and policies enunciated above for all executive officers. This includes cash compensation (base salary and annual cash incentive payouts) and long-term incentives (stock option awards). In calendar 1999, Mr. Kelly's base salary was increased 6.3 percent. Mr. Kelly's annual incentive paid in 1999 was based upon the annual incentive plan described above. In fiscal 1999, Mr. Kelly was granted 275,000 non-statutory stock options under the 1992 Stock Incentive Plan to further align his long-term interests with those of the Company's shareowners.

#### Tax Policy

Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") disallows federal income tax deductions for compensation paid to the Chief Executive Officer and any of the other four highest compensated executive officers in excess of \$1 million in any taxable year, subject to certain exceptions. One exception involves compensation paid pursuant to shareholder-approved compensation plans that are performance-based. Certain of the provisions in the Company's 1992 Stock Incentive Plan, as amended, are intended to cause grants of stock options under such plan to be eligible for this performance-based exception (so that compensation upon exercise of such options should be deductible under the Code). Payments of cash compensation to executives (and certain other benefits which could be awarded under the plan, such as restricted stock) are not at present eligible for this performance-based exception. The Committee has taken and intends to continue to take whatever actions are necessary to minimize, if not eliminate, the Company's non-deductible compensation expense, while maintaining, to the extent possible, the flexibility which the Committee believes to be an important element of the Company's executive compensation program.

#### Compensation Committee:

W.J. Stallkamp, Chairman  
R.J. Kavanaugh  
T.N. Kennedy

December 17, 1999

#### COMPARISON OF FIVE-YEAR CUMULATIVE RETURN \* AMONG MATTHEWS INTERNATIONAL CORPORATION, S&P 500 INDEX AND S&P MANUFACTURING INDEX \*\*

Year	Matthews	S&P 500 Index	S&P Manufacturing Index
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1994	\$100	\$100	\$100
1995	135	129	134
1996	191	155	174
1997	271	217	241
1998	343	237	218
1999	416	303	341

\* Total return assumes dividend reinvestment

\*\* Fiscal year ended September 30

#### Note:

Performance graph assumes \$100 invested on October 1, 1994 in Matthews International Corporation common stock, Standard & Poor's (S&P) 500 Index and S&P Manufacturing (Diversified) Index. The results are not necessarily indicative of future performance.

#### Compensation Committee Interlocks and Insider Participation

Thomas N. Kennedy, a former officer of the Company, is a member of the Company's Compensation Committee.

#### Retirement Plans

The Company's domestic retirement plan is noncontributory and provides benefits

based upon length of service and final average earnings. Generally, employees age 21 with one year of continuous service are eligible to participate in the retirement plan. The benefit formula is 3/4 of 1% of the first \$550 of final average monthly earnings plus 1-1/4% of the excess times years of credited service (maximum 35). The plan is an insured, defined benefit plan and covered compensation is limited generally to base salary or wages. Benefits are not subject to any deduction or offset for Social Security.

In addition to benefits provided by the Company's retirement plan, the Company has a Supplemental Retirement Plan, which provides for supplemental pension benefits to executive officers of the Company designated by the Board of Directors, including those named in the Summary Compensation Table. Upon normal retirement under this plan, such individuals who meet stipulated age and service requirements are entitled to receive monthly supplemental retirement payments which, when added to their pension under the Company's retirement plan and their maximum anticipated Social Security primary insurance amount, equal, in total, 1.85% of final average monthly earnings (including incentive compensation) times the individual's years of continuous service (subject to a maximum of 35 years). Upon early retirement under this plan, reduced benefits will be provided, depending upon age and years of service. Benefits under this plan do not vest until age 55 and the attainment of 15 years of continuous service. However, in order to recruit Mr. Kelly, the Company waived such minimum service requirement with respect to Mr. Kelly. No benefits will be payable under such supplemental plan following the voluntary employment termination or death of any such individual. The Supplemental Retirement Plan is unfunded; however, a provision has been made on the Company's books for the actuarially computed obligation.

The following table shows the total estimated annual retirement benefits payable at normal retirement under the above plans for the individuals named in the Summary Compensation Table at the specified executive remuneration and years of continuous service:

Covered Remuneration	Years of Continuous Service				
	15	20	25	30	35
\$125,000	\$ 34,688	\$ 46,250	\$ 57,813	\$ 69,375	\$ 80,938
150,000	41,625	55,500	69,375	83,250	97,125
175,000	48,563	64,750	80,938	97,125	113,313
200,000	55,500	74,000	92,500	111,000	129,500
250,000	69,375	92,500	115,625	138,750	161,875
300,000	83,250	111,000	138,750	166,500	194,250
400,000	111,000	148,000	185,000	222,000	259,000
500,000	138,750	185,000	231,250	277,500	323,750
600,000	166,500	222,000	277,500	333,000	388,500
700,000	194,250	259,000	323,750	388,500	453,250
800,000	222,000	296,000	370,000	444,000	518,000

The table shows benefits at the normal retirement age of 65, before applicable reductions for social security benefits. The Employee Retirement Income Security Act of 1974 places limitations, which may vary from time to time, on pensions which may be paid under federal income tax qualified plans, and some of the amounts shown on the foregoing table may exceed the applicable limitation. Such limitations are not currently applicable to the Company's Supplemental Retirement Plan.

Estimated years of continuous service for each of the individuals named in the Summary Compensation Table, as of October 1, 1999 and rounded to the next higher year, are: Mr. Kelly, 5 years; Mr. DeCarlo, 15 years; Mr. Boyle, 13 years; and Mr. Schwartz, 3 years.

#### SHAREHOLDER PROPOSALS FOR 2001 ANNUAL MEETING

Shareholders may make proposals for inclusion in the proxy statement and proxy form for the 2001 Annual Meeting of Shareholders. To be considered for inclusion, any such proposal should be written and mailed to the Secretary of the Company at the corporate office for receipt by September 21, 2000.

Section 2.09 of the By-laws of the Company requires that any shareholder intending to present a proposal for action at an Annual Meeting must give written notice of the proposal, containing the information specified in such

Section 2.09, so that it is received by the Company not later than the notice deadline determined under such Section 2.09. This notice deadline will generally be 75 days prior to the anniversary of the Company's Annual Meeting for the previous year, or December 6, 2000 for the Company's Annual Meeting in 2001. Any shareholder proposal received by the Secretary of the Company after December 6, 2000 will be considered untimely under Rule 14a-4(c)(1) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

#### OTHER MATTERS

The cost of soliciting proxies in the accompanying form will be paid by the Company. Shareholder votes at the Annual Meeting will be tabulated by the Company's transfer agent, First Chicago Trust Company, a Division of EquiServe LLP.

A copy of the Company's Annual Report for 1999 has previously been mailed to each shareholder of record, or will be mailed with this Proxy Statement.

By Order of The Board of Directors

Edward J. Boyle

Edward J. Boyle  
Corporate Secretary

#### APPENDIX

##### PROXY

##### MATTHEWS INTERNATIONAL CORPORATION

I hereby appoint David M. Kelly and Edward J. Boyle and each of them, with full power of substitution and revocation, proxies to vote all shares of Common Stock of Matthews International Corporation which I am entitled to vote at the Annual Meeting of Shareholders or any adjournment thereof, with the authority to vote as designated on the reverse side.

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY  
USING THE ENCLOSED PREPAID ENVELOPE

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#### NOTICE

Please note the location and time of the Shareholders' Meeting.

Date: Saturday, February 19, 2000  
Time: 10:30 AM  
Location: Carnegie Science Center, Pittsburgh, PA  
(near Three Rivers Stadium)

#### PARKING ARRANGEMENTS

There is a parking lot directly in front of the Carnegie Science Center. Please advise the parking lot attendant upon entry that you are attending the Matthews Shareholders' Meeting and there will be no charge for parking.

[ X ] Please mark your votes as in this example.

-----  
IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE LISTED PROPOSALS.  
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FOR      WITHHELD      NOMINEES:  
1. Election of                      Thomas N. Kennedy  
Directors                  William J. Stallkamp

For, except vote withheld from the following nominee:

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FOR      AGAINST      ABSTAIN  
2. To ratify the appointment of  
PricewaterhouseCoopers LLP as independent  
certified public accountants to audit  
the records of the Company for the fiscal  
year ending September 30, 2000.                 

3. To transact such other business as may  
properly come before the meeting.

I plan to attend  
the meeting.     

Please sign exactly as name appears hereon. When shares are held by joint tenants, both should sign. When signing as an attorney, executor, administrator, trustee, or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by authorized person.

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SIGNATURE(S)

DATE

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MATTHEWS INTERNATIONAL CORPORATION

Notice of  
ANNUAL MEETING OF SHAREHOLDERS  
To be held February 19, 2000

To Our Shareholders:

The Annual Meeting of the Shareholders of Matthews International Corporation will be held at 10:30 AM, Saturday, February 19, 2000 at Carnegie Science Center, Pittsburgh, Pennsylvania, for the purpose of considering and acting upon the proposals set forth above.

Shareholders of record at the close of business on December 31, 1999 will be entitled to vote at the Annual Meeting or any adjournments thereof.