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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of report (Date of earliest event reported) July 30, 2018**

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**MYERS INDUSTRIES, INC.**

(Exact name of registrant as specified in its charter)

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**Ohio**  
(State or other jurisdiction  
of incorporation)

**1-8524**  
(Commission  
File Number)

**34-0778636**  
(IRS Employer  
Identification Number)

**1293 South Main Street, Akron, OH**  
(Address of Principal Executive Offices)

**44301**  
(Zip Code)

**Registrant's Telephone Number, including area code (330) 253-5592**

(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02 Results of Operations and Financial Condition.**

On July 30, 2018, Myers Industries, Inc. (the “Company”) issued a press release announcing earnings results for the quarter ended June 30, 2018. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K. In addition, a copy of the slide materials, which will be discussed during the Company’s earnings conference call at 10:00 a.m. Eastern Time on July 30, 2018, is attached as Exhibit 99.2 to this Current Report on Form 8-K. Information about the call can be found in the press release attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this report (including the exhibits) shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 7.01 Regulation FD Disclosure**

See “Item 2.02 Results of Operations and Financial Condition” above.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press Release by the Company regarding earnings results dated July 30, 2018</a>
99.2	<a href="#">Earnings Presentation Second Quarter 2018 by the Company dated July 30, 2018</a>

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 30, 2018

**MYERS INDUSTRIES, INC.**

By: /s/ R. David Banyard

R. David Banyard, President and Chief Executive Officer



## Myers Industries Reports 2018 Second Quarter Results

*Operational improvements drive significant gross margin expansion and cash flow generation*

July 30, 2018, Akron, Ohio - Myers Industries, Inc. (NYSE: MYE) today announced results for the second quarter ended June 30, 2018.

### Second Quarter 2018 Business Highlights

- GAAP net income per diluted share from continuing operations of \$0.26, compared to \$0.08 in the second quarter of 2017
- Adjusted net income per diluted share from continuing operations of \$0.27, compared to \$0.18 in the second quarter of 2017
- Net sales increased 3.9% (or 3.6% excluding currency fluctuation) compared to the second quarter of 2017
- Gross profit margin of 34.1% compared to 28.3% in the second quarter of 2017
- Generated cash from continuing operations of \$14.4 million and free cash flow of \$13.3 million
- Raised net proceeds of \$79.5M through sale of common stock, improving financial flexibility to make strategic investments
- Company re-affirms its 2018 outlook

The Company reported net sales of \$140.6 million, compared to \$135.3 million in the second quarter of 2017, with the increase primarily driven by increased sales in the Company's consumer, vehicle, and food and beverage end markets. Gross profit margin increased 580 basis points to 34.1% as compared to the prior year, primarily due to pricing actions and savings from last year's manufacturing footprint realignment and restructuring initiatives. Selling, general and administrative expenses increased \$2.4 million year-over-year to \$34.5 million, with the increase in expenses primarily attributable to higher incentive compensation costs.

President and Chief Executive Officer Dave Banyard commented, "We are pleased with the continued improvement in our business during the second quarter, which demonstrated another consecutive quarter of year-over-year growth in both sales and earnings. Our focus on niche market strategies drove double-digit sales growth across three of our key end markets, including consumer, vehicle, and food and beverage. Continued strength of demand, combined with the impacts of recent pricing and operational improvement initiatives, resulted in strong gross margin expansion, operating income growth, and free cash flow generation during the quarter."

Banyard continued, "As we look to the second half of 2018, we expect year-over-year sales growth to temper somewhat as a result of the non-recurrence of certain prior-year order activity. However, continued strong operating and cash flow performance should enable us to capitalize on both organic and acquisitive growth opportunities, especially considering our improved leverage profile following the secondary equity offering and reduction of debt during the second quarter."

	Quarter Ended June 30,			Six Months Ended June 30,		
	2018	2017	% Inc (Dec)	2018	2017	% Inc (Dec)
(Dollars in thousands, except per share data)						
Net sales	\$ 140,560	\$ 135,252	3.9%	\$ 293,128	\$ 271,824	7.8%
Gross profit	\$ 47,991	\$ 38,292	25.3%	\$ 95,106	\$ 80,053	18.8%
Gross profit margin	34.1%	28.3%		32.4%	29.5%	
Operating income	\$ 13,111	\$ 5,968	119.7%	\$ 25,133	\$ 14,084	78.5%
Income from continuing operations:						
Income	\$ 8,608	\$ 2,482	246.8%	\$ 16,363	\$ 5,940	175.5%
Income per diluted share	\$ 0.26	\$ 0.08	225.0%	\$ 0.51	\$ 0.20	155.0%
Operating income as adjusted (1)	\$ 13,381	\$ 10,278	30.2%	\$ 24,880	\$ 19,140	30.0%
Income from continuing operations as adjusted (1):						
Income	\$ 9,051	\$ 5,388	68.0%	\$ 16,446	\$ 9,696	69.6%
Income per diluted share	\$ 0.27	\$ 0.18	50.0%	\$ 0.51	\$ 0.32	59.4%
EBITDA as adjusted	\$ 19,931	\$ 17,576	13.4%	\$ 37,978	\$ 34,392	10.4%

(1) Details regarding the adjusted charges are provided on the *Reconciliations of Non-GAAP Financial Measures* included in this release.

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## **Segment Results**

Net sales in the **Material Handling Segment** increased 7.4% (or 6.9% excluding currency fluctuation) compared to the second quarter of 2017. The increase in net sales was primarily due to increased volume in the Company's consumer, vehicle, and food and beverage end markets. The segment's adjusted EBITDA margin was 22.7% compared to 19.7% in the second quarter of 2017. The increase in adjusted EBITDA margin was primarily the result of pricing actions and the benefit of restructuring actions taken in 2017.

Net sales in the **Distribution Segment** declined 4.5% compared to the second quarter of 2017. The segment's adjusted EBITDA margin was 8.2% compared to 8.3% in the second quarter of 2017. The impact of the lower sales volume year-over-year was mostly offset by operational efficiencies and the benefit of the change in pricing structure completed last year.

## **2018 Outlook**

For fiscal year 2018, the Company continues to anticipate that total revenue will be up low-to-mid-single digits on a constant currency basis compared to the prior year based on strong backlog, tempered by the non-recurrence of some large, one-time orders delivered in the second half of 2017. The Company expects capital expenditures to be in the range of \$10 to \$12 million. Net interest expense is now forecasted to be between \$4 and \$6 million (vs. between \$7 and \$8 million previously) as a result of the reduction in debt due to the secondary equity offering completed during the second quarter of 2018. Depreciation and amortization are forecasted to be between \$26 and \$28 million. The Tax Cuts and Jobs Act will benefit the Company through a decrease in its effective tax rate, which is expected to be approximately 25%, compared to approximately 36% previously.

## **Conference Call Details**

The Company will host an earnings conference call and webcast for investors and analysts on Monday, July 30, at 10:00 a.m. EDT. The call is anticipated to last approximately one hour and may be accessed by dialing: (US) 866-393-4306 or (Int'l) 734-385-2616. The Conference ID # is 3058689. Callers are asked to sign on at least five minutes in advance. The live webcast of the conference call can be accessed from the Investor Relations section of the Company's website at [www.myersindustries.com](http://www.myersindustries.com). Click on the Investor Relations tab to access the webcast. Webcast attendees will be in a listen-only mode. An archived replay of the call will also be available on the site shortly after the event. To listen to the telephone replay, callers should dial: (US) 855-859-2056 or (Int'l) 404-537-3406. The Conference ID # is 3058689.

## **Use of Non-GAAP Financial Measures**

The Company uses certain non-GAAP measures in this release. Adjusted net income per diluted share from continuing operations, income from continuing operations as adjusted, adjusted income per diluted share from continuing operations, operating income as adjusted, adjusted operating income, adjusted EPS, adjusted EBITDA and free cash flow are non-GAAP financial measures and are intended to serve as a supplement to results provided in accordance with accounting principles generally accepted in the United States. Myers Industries believes that such information provides an additional measurement and consistent historical comparison of the Company's performance. A reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures is available in this news release.

## **About Myers Industries**

Myers Industries, Inc. is an international manufacturer of polymer products for industrial, agricultural, automotive, commercial and consumer markets. The Company is also the largest distributor of tools, equipment and supplies for the tire, wheel and under-vehicle service industry in the United States. Visit [www.myersindustries.com](http://www.myersindustries.com) to learn more.

## **Caution on Forward-Looking Statements**

Statements in this release may include "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statement that is not of historical fact may be deemed "forward-looking". Words such as "expect", "believe", "project", "plan", "anticipate", "intend", "objective", "goal", "view" and similar expressions identify forward-looking statements. These statements are based on management's current views and assumptions of future events and financial performance and involve a number of risks and uncertainties, many outside of the Company's control that could cause actual results to materially differ from those expressed or implied. Risks and uncertainties include: raw material availability, increases in raw material costs, or other production costs; risks associated with our strategic growth initiatives or the failure to achieve the anticipated benefits of such initiatives; unanticipated downturn in business relationships with customers or their purchases; competitive pressures on sales and pricing; changes in the markets for the Company's business segments; changes in trends and demands in the markets in which the Company competes; unexpected failures at our manufacturing facilities; future economic and financial conditions in the United States and around the world; inability of the Company to meet future capital requirements; claims, litigation and regulatory actions against the Company; changes in laws and regulations affecting the Company; and other risks as detailed in the Company's 10-K and

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other reports filed with the Securities and Exchange Commission. Such reports are available on the Securities and Exchange Commission's public reference facilities and its website at [www.sec.gov](http://www.sec.gov) and on the Company's Investor Relations section of its website at [www.myersindustries.com](http://www.myersindustries.com). Myers Industries undertakes no obligation to publicly update or revise any forward-looking statements contained herein. These statements speak only as of the date made.

**Contact:**

Monica Vinay, Vice President, Investor Relations & Treasurer  
(330) 761-6212

**MYERS INDUSTRIES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
(Dollars in thousands, except share and per share data)

	Quarter Ended		Six Months Ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
<b>Net sales</b>	\$ 140,560	\$ 135,252	\$ 293,128	\$ 271,824
Cost of sales	92,569	96,960	198,022	191,771
<b>Gross profit</b>	47,991	38,292	95,106	80,053
Selling, general and administrative expenses	34,506	32,133	69,979	66,672
(Gain) loss on disposal of fixed assets	66	(353)	(314)	(1,247)
Impairment charges	308	544	308	544
<b>Operating income</b>	13,111	5,968	25,133	14,084
Interest expense, net	1,313	1,860	2,952	3,990
<b>Income (loss) from continuing operations before income taxes</b>	11,798	4,108	22,181	10,094
Income tax expense (benefit)	3,190	1,626	5,818	4,154
<b>Income (loss) from continuing operations</b>	8,608	2,482	16,363	5,940
Income (loss) from discontinued operations, net of income taxes	—	(489)	(911)	(833)
<b>Net income (loss)</b>	<u>\$ 8,608</u>	<u>\$ 1,993</u>	<u>\$ 15,452</u>	<u>\$ 5,107</u>
<b>Income (loss) per common share from continuing operations:</b>				
Basic	\$ 0.26	\$ 0.08	\$ 0.52	\$ 0.20
Diluted	\$ 0.26	\$ 0.08	\$ 0.51	\$ 0.20
<b>Income (loss) per common share from discontinued operations:</b>				
Basic	\$ —	\$ (0.01)	\$ (0.03)	\$ (0.03)
Diluted	\$ —	\$ (0.01)	\$ (0.03)	\$ (0.03)
<b>Net income (loss) per common share:</b>				
Basic	\$ 0.26	\$ 0.07	\$ 0.49	\$ 0.17
Diluted	\$ 0.26	\$ 0.07	\$ 0.48	\$ 0.17
<b>Weighted average common shares outstanding:</b>				
Basic	32,606,838	30,154,965	31,561,194	30,097,638
Diluted	33,084,540	30,472,636	32,081,350	30,395,417

**MYERS INDUSTRIES, INC.**  
**SALES AND EARNINGS BY SEGMENT (UNAUDITED)**  
(Dollars in thousands)

	Quarter Ended June 30,			Six Months Ended June 30,		
	2018	2017	% Change	2018	2017	% Change
<b>Net sales</b>						
Material Handling	\$ 103,130	\$ 96,026	7.4%	\$ 219,939	\$ 194,508	13.1%
Distribution	37,477	39,258	(4.5)%	73,258	77,832	(5.9)%
Inter-company Sales	(47)	(32)	—	(69)	(516)	—
<b>Total</b>	<b><u>\$ 140,560</u></b>	<b><u>\$ 135,252</u></b>	<b><u>3.9%</u></b>	<b><u>\$ 293,128</u></b>	<b><u>\$ 271,824</u></b>	<b><u>7.8%</u></b>
<b>Operating income</b>						
Material Handling	\$ 17,323	\$ 7,814	121.7%	\$ 34,053	\$ 20,660	64.8%
Distribution	2,786	3,025	(7.9)%	4,524	4,563	(0.9)%
Corporate	(6,998)	(4,871)	—	(13,444)	(11,139)	—
<b>Total</b>	<b><u>\$ 13,111</u></b>	<b><u>\$ 5,968</u></b>	<b><u>119.7%</u></b>	<b><u>\$ 25,133</u></b>	<b><u>\$ 14,084</u></b>	<b><u>78.5%</u></b>
<b>Operating income as adjusted</b>						
Material Handling	\$ 17,285	\$ 12,124	42.6%	\$ 34,157	\$ 25,716	32.8%
Distribution	2,786	3,025	(7.9)%	3,859	4,563	(15.4)%
Corporate	(6,690)	(4,871)	—	(13,136)	(11,139)	—
<b>Total</b>	<b><u>\$ 13,381</u></b>	<b><u>\$ 10,278</u></b>	<b><u>30.2%</u></b>	<b><u>\$ 24,880</u></b>	<b><u>\$ 19,140</u></b>	<b><u>30.0%</u></b>
<b>EBITDA as adjusted</b>						
Material Handling	\$ 23,407	\$ 18,872	24.0%	\$ 46,391	\$ 39,716	16.8%
Distribution	3,087	\$ 3,278	(5.8)%	4,469	5,118	(12.7)%
Corporate	(6,563)	\$ (4,574)	—	(12,882)	(10,442)	—
<b>Total</b>	<b><u>\$ 19,931</u></b>	<b><u>\$ 17,576</u></b>	<b><u>13.4%</u></b>	<b><u>\$ 37,978</u></b>	<b><u>\$ 34,392</u></b>	<b><u>10.4%</u></b>



**MYERS INDUSTRIES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)**  
(Dollars in thousands)

	<u>June 30, 2018</u>	<u>December 31, 2017</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 38,940	\$ 2,520
Restricted cash	—	8,659
Accounts receivable, net	67,911	76,509
Income tax receivable	7,832	12,954
Inventories	49,362	47,166
Other	3,988	2,204
<b>Total Current Assets</b>	<u>168,033</u>	<u>150,012</u>
Other assets	118,866	122,026
Property, plant, & equipment, net	73,790	83,904
<b>Total Assets</b>	<u>\$ 360,689</u>	<u>\$ 355,942</u>
<b>Liabilities &amp; Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 56,141	\$ 63,581
Accrued expenses	32,171	35,072
<b>Total Current Liabilities</b>	<u>88,312</u>	<u>98,653</u>
Long-term debt, net	78,654	151,036
Other liabilities	8,970	8,236
Deferred income taxes	3,492	4,265
<b>Total Shareholders' Equity</b>	<u>181,261</u>	<u>93,752</u>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<u>\$ 360,689</u>	<u>\$ 355,942</u>

**MYERS INDUSTRIES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
(Dollars in thousands)

	<b>Six Months Ended June 30,</b>	
	<b>2018</b>	<b>2017</b>
<b>Cash Flows From Operating Activities</b>		
Net income	\$ 15,452	\$ 5,107
Income (loss) from discontinued operations, net of income taxes	(911)	(833)
Income from continuing operations	16,363	5,940
Adjustments to reconcile income from continuing operations to net cash provided by (used for) operating activities		
Depreciation	9,042	10,708
Amortization	4,315	4,544
Accelerated depreciation associated with restructuring activities	16	1,929
Non-cash stock-based compensation expense	2,305	1,817
(Gain) loss on disposal of fixed assets	(314)	(1,247)
Impairment charges	308	544
Deferred taxes	—	217
Interest income received (accrued) on note receivable	(14)	(662)
Other	(201)	188
Payments on performance based compensation	(1,249)	(992)
Other long-term liabilities	(63)	(264)
Cash flows provided by (used for) working capital		
Accounts receivable	9,106	(979)
Inventories	(2,454)	(1,236)
Prepaid expenses and other current assets	(1,807)	797
Accounts payable and accrued expenses	(8,130)	5,039
Net cash provided by (used for) operating activities - continuing operations	27,223	26,343
Net cash provided by (used for) operating activities - discontinued operations	981	(2,702)
Net cash provided by (used for) operating activities	28,204	23,641
<b>Cash Flows From Investing Activities</b>		
Capital expenditures	(2,318)	(2,326)
Proceeds from sale of property, plant and equipment	2,633	1,822
Net cash provided by (used for) investing activities - continuing operations	315	(504)
Net cash provided by (used for) investing activities - discontinued operations	—	79
Net cash provided by (used for) investing activities	315	(425)
<b>Cash Flows From Financing Activities</b>		
Net borrowing (repayments) on credit facility	(72,491)	(18,942)
Cash dividends paid	(8,287)	(8,147)
Proceeds from issuance of common stock	875	2,001
Proceeds from public offering of common stock, net of equity issuance costs	79,522	—
Shares withheld for employee taxes on equity awards	(371)	(273)
Deferred financing costs	—	(1,030)
Net cash provided by (used for) financing activities - continuing operations	(752)	(26,391)
Net cash provided by (used for) financing activities - discontinued operations	—	—
Net cash provided by (used for) financing activities	(752)	(26,391)
Foreign exchange rate effect on cash	(6)	(33)
Less: Net increase (decrease) in cash classified within discontinued operations	—	(2,590)
Net increase (decrease) in cash, cash equivalents, and restricted cash	27,761	(618)
Cash, cash equivalents, and restricted cash at January 1	11,179	11,039
Cash, cash equivalents, and restricted cash at June 30	<u>\$ 38,940</u>	<u>\$ 10,421</u>

**MYERS INDUSTRIES, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**GROSS PROFIT, OPERATING INCOME AND EBITDA (UNAUDITED)**  
(Dollars in thousands)

	Quarter Ended June 30, 2018				
	Material Handling	Distribution	Segment Total	Corporate & Other	Total
GAAP Net sales	\$ 103,130	\$ 37,477	\$ 140,607	\$ (47)	\$ 140,560
GAAP Gross profit			47,991	—	47,991
Add: Restructuring expenses and other adjustments			170	—	170
Gross profit as adjusted			48,161	—	48,161
Gross profit margin as adjusted			34.3%	n/a	34.3%
GAAP Operating income	17,323	2,786	20,109	(6,998)	13,111
Add: Restructuring expenses and other adjustments (1)	170	—	170	—	170
Add: Asset impairments	—	—	—	308	308
Less: Gain on sale of assets	(208)	—	(208)	—	(208)
Operating income as adjusted	17,285	2,786	20,071	(6,690)	13,381
Operating income margin as adjusted	16.8%	7.4%	14.3%	n/a	9.5%
Add: Depreciation and amortization	6,188	301	6,489	127	6,616
Less: Depreciation adjustments	(66)	—	(66)	—	(66)
EBITDA as adjusted	\$ 23,407	\$ 3,087	\$ 26,494	\$ (6,563)	\$ 19,931
EBITDA margin	22.7%	8.2%	18.8%	n/a	14.2%

(1) Includes gross profit adjustments of \$170

	Quarter Ended June 30, 2017				
	Material Handling	Distribution	Segment Total	Corporate & Other	Total
GAAP Net sales	\$ 96,026	\$ 39,258	\$ 135,284	\$ (32)	\$ 135,252
GAAP Gross profit			38,292	—	38,292
Add: Restructuring expenses and other adjustments			4,093	—	4,093
Gross profit as adjusted			42,385	—	42,385
Gross profit margin as adjusted			31.3%	n/a	31.3%
GAAP Operating income	7,814	3,025	10,839	(4,871)	5,968
Add: Restructuring expenses and other adjustments (1)	4,344	—	4,344	—	4,344
Add: Asset impairments	544	—	544	—	544
Less: Gain on sale of assets	(578)	—	(578)	—	(578)
Operating income as adjusted	12,124	3,025	15,149	(4,871)	10,278
Operating income margin as adjusted	12.6%	7.7%	11.2%	n/a	7.6%
Add: Depreciation and amortization	8,060	253	8,313	297	8,610
Less: Depreciation adjustments	(1,312)	—	(1,312)	—	(1,312)
EBITDA as adjusted	\$ 18,872	\$ 3,278	\$ 22,150	\$ (4,574)	\$ 17,576
EBITDA margin	19.7%	8.3%	16.4%	n/a	13.0%

(1) Includes gross profit adjustments of \$4,093 and SG&A adjustments of \$251

**MYERS INDUSTRIES, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**GROSS PROFIT, OPERATING INCOME AND EBITDA (UNAUDITED)**  
(Dollars in thousands)

	Six Months Ended June 30, 2018				
	Material Handling	Distribution	Segment Total	Corporate & Other	Total
GAAP Net sales	\$219,939	\$ 73,258	\$293,197	\$ (69)	\$293,128
GAAP Gross profit			95,106	—	95,106
Add: Restructuring expenses and other adjustments			289	—	289
Gross profit as adjusted			95,395	—	95,395
Gross profit margin as adjusted			32.5%	n/a	32.5%
GAAP Operating income	34,053	4,524	38,577	(13,444)	25,133
Add: Restructuring expenses and other adjustments (1)	312	—	312	—	312
Add: Asset impairment	—	—	—	308	308
Less: Gain on sale of assets	(208)	(665)	(873)	—	(873)
Operating income as adjusted	34,157	3,859	38,016	(13,136)	24,880
Operating income margin as adjusted	15.5%	5.3%	13.0%	n/a	8.5%
Add: Depreciation and amortization	12,316	610	12,926	254	13,180
Less: Depreciation adjustments	(82)	—	(82)	—	(82)
EBITDA as adjusted	\$ 46,391	\$ 4,469	\$ 50,860	\$ (12,882)	\$ 37,978
EBITDA margin	21.1%	6.1%	17.3%	n/a	13.0%

(1) Includes gross profit adjustments of \$289 and SG&A adjustments of \$23

	Six Months Ended June 30, 2017				
	Material Handling	Distribution	Segment Total	Corporate & Other	Total
GAAP Net sales	\$194,508	\$ 77,832	\$272,340	\$ (516)	\$271,824
GAAP Gross profit			80,053	—	80,053
Add: Restructuring expenses and other adjustments			5,114	—	5,114
Gross profit as adjusted			85,167	—	85,167
Gross profit margin as adjusted			31.3%	n/a	31.3%
GAAP Operating income	20,660	4,563	25,223	(11,139)	14,084
Add: Restructuring expenses and other adjustments (1)	5,754	—	5,754	—	5,754
Add: Asset impairment	544	—	544	—	544
Less: Gain on sale of assets	(1,242)	—	(1,242)	—	(1,242)
Operating income as adjusted	25,716	4,563	30,279	(11,139)	19,140
Operating income margin as adjusted	13.2%	5.9%	11.1%	n/a	7.0%
Add: Depreciation and amortization	15,929	555	16,484	697	17,181
Less: Depreciation adjustments	(1,929)	—	(1,929)	—	(1,929)
EBITDA as adjusted	\$ 39,716	\$ 5,118	\$ 44,834	\$ (10,442)	\$ 34,392
EBITDA margin	20.4%	6.6%	16.5%	n/a	12.7%

(1) Includes gross profit adjustments of \$5,114 and SG&A adjustments of \$640

**MYERS INDUSTRIES, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**INCOME AND EARNINGS PER DILUTED SHARE (UNAUDITED)**  
(Dollars in thousands, except per share data)

	<u>Quarter Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	2018	2017	2018	2017
GAAP Operating income	\$ 13,111	\$ 5,968	\$ 25,133	\$ 14,084
Add: Restructuring expenses and other adjustments	170	4,344	312	5,754
Add: Asset impairments	308	544	308	544
Less: Gain on sale of assets	(208)	(578)	(873)	(1,242)
Operating income as adjusted	13,381	10,278	24,880	19,140
Less: Interest expense, net	(1,313)	(1,860)	(2,952)	(3,990)
Income (loss) before taxes as adjusted	12,068	8,418	21,928	15,150
Less: Income tax expense <sup>(1)</sup>	(3,017)	(3,030)	(5,482)	(5,454)
Income (loss) from continuing operations as adjusted	\$ 9,051	\$ 5,388	\$ 16,446	\$ 9,696
Adjusted earnings (loss) per diluted share from continuing operations	\$ 0.27	\$ 0.18	\$ 0.51	\$ 0.32

(1) Income taxes are calculated using the normalized effective tax rate for each year.

The rate used in 2018 was 25% and in 2017 was 36%.

**MYERS INDUSTRIES, INC.**  
**RECONCILIATION OF FREE CASH FLOW TO GAAP NET CASH PROVIDED BY**  
**(USED FOR) OPERATING ACTIVITIES – CONTINUING OPERATIONS**  
**(UNAUDITED)**  
**(Dollars in thousands)**

	<u>YTD</u> <u>June 30, 2018</u>	-	<u>YTD</u> <u>March 31, 2018</u>	=	<u>QTD</u> <u>June 30, 2018</u>
Net cash provided by (used for) operating activities - continuing operations	\$ 27,223		\$ 12,838		\$ 14,385
Capital expenditures	(2,318)		(1,206)		(1,112)
Free cash flow	<u>\$ 24,905</u>		<u>\$ 11,632</u>		<u>\$ 13,273</u>



**MYERS INDUSTRIES, INC.**  
Second Quarter 2018 Earnings Presentation

# SAFEHARBORS STATEMENT & NON-GAAP MEASURES

Statements in this presentation concerning the Company's goals, strategies and expectations for business and financial results may be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based on current indicators and expectations. Any statement that is not of historical fact may be deemed "forward-looking". Words such as "expect", "believe", "project", "plan", "anticipate", "intend", "objective", "goal", "view" and similar expressions identify forward-looking statements. These statements are based on management's current views and assumptions of future events and financial performance and involve a number of risks and uncertainties, many outside the Company's control that could cause actual results to materially differ from those expressed or implied. You are cautioned not to put undue reliance on any forward-looking statement. We do not intend, and undertake no obligation, to update these forward-looking statements. Such risks include:

- (1) Raw material availability, increases in raw material costs, or other production costs
- (2) Risks associated with our strategic growth initiatives or the failure to achieve the anticipated benefits of such initiatives
- (3) Unanticipated downturn in business relationships with customers or their purchases
- (4) Competitive pressures on sales and pricing
- (5) Changes in the markets for the Company's business segments
- (6) Changes in trends and demands in the markets in which the Company competes
- (7) Unexpected failures at our manufacturing facilities
- (8) Future economic and financial conditions in the United States and around the world
- (9) Inability of the Company to meet future capital requirements
- (10) Claims, litigation and regulatory actions against the Company
- (11) Changes in laws and regulations affecting the Company
- (12) Other risks as detailed in the Company's 10-K and other reports filed with the Securities Exchange Commission

Myers Industries, Inc. encourages investors to learn more about these risk factors. A detailed explanation of these factors is available in the Company's publicly filed quarterly and annual reports, which can be found online at [www.myersindustries.com](http://www.myersindustries.com) and at the SEC.gov web site.

The Company refers to certain non-GAAP financial measures throughout this presentation. Adjusted EPS, adjusted income per diluted share from continuing operations, adjusted operating income, adjusted gross profit, adjusted EBITDA and free cash flow are non-GAAP financial measures and are intended to serve as a supplement to results provided in accordance with accounting principles generally accepted in the United States. The Company believes that such information provides an additional measurement and consistent historical comparison of the Company's performance. A reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures is available in the appendix of this presentation.

Statements in this presentation speak only as of the date made.



# 2018 Q2 OVERVIEW

## Achievements

- ✓ Generated free cash flow of \$13.3M or 9.4% of sales
- ✓ Strong commercial execution in Material Handling niche markets
  - » New Consumer customer wins and share gains at Scepter
  - » Market share gains and new customer win in Food & Beverage at Buckhorn
  - » New Industrial customer win at Ameri-Kart
- ✓ Gross profit margin expanded to 34% due to pricing actions and benefits from manufacturing footprint realignment
- ✓ Reduced net debt by \$102M through sale of common stock and strong free cash flow generation
  - » Enables greater financial flexibility to make strategic investments

## Challenges

- Distribution Segment continues to make progress, but at a slow rate
  - » Year-over-year sales decline continued in Q2
    - » Equipment sales and MTS International made up ~50% of the decline
    - » Daily sales run rate of domestic consumables increased in Q2
    - » Gross profit margin expanded year-over-year in Q2 as a result of the new pricing structure and a favorable product mix
  - » MTS implementing sales force incentive programs
    - » Focus on sales of high margin products and target market segments
  - » MTS continues to fill open sales territories and onboard new sales reps

# Q2 FINANCIALS SUMMARY

## Operating Highlights

- » Net sales up 3.9%
  - » Material Handling up \$7.1M (+7.4%)
  - » Distribution down \$1.8M (-4.5%)
- » Gross profit increased \$9.7M (Adj. \$5.8M)
  - » Increased volume and price, partially offset by unfavorable mix and higher raw material costs
    - » Price increases more than offsetting material cost increases
  - » Savings from 2017 footprint realignment/restructuring initiatives and operating efficiencies in Material Handling
- » Adj. EBITDA up \$2.4M to \$19.9M, compared to \$17.5M in Q2 2017
- » GAAP EPS \$0.26 compared to \$0.08 in Q2 2017; adjusted EPS \$0.27 compared to \$0.18 in Q2 2017

## GAAP Financial Highlights

(In \$ millions except EPS)	Q2 '18	V to PY
Net Sales	\$ 140.6	3.9%
Gross Profit	48.0	25.3%
Gross Profit Margin	34.1%	+580 bps
Op Income	13.1	119.7%
Op Income Margin	9.3%	+490 bps
Diluted EPS	\$ 0.26	225.0%

## Non-GAAP Financial Highlights

(In \$ millions except EPS)	Q2 '18	V to PY
Net Sales	\$ 140.6	3.9%
Adj Gross Profit	48.2	13.6%
Gross Profit Margin	34.3%	+290 bps
Adj Op Income	13.4	30.2%
Op Income Margin	9.5%	+190 bps
Adj EBITDA	19.9	13.4%
EBITDA Margin	14.2%	+120 bps
Diluted Adjusted EPS	\$ 0.27	50.0%



Results reflect continuing operations. See appendix for non-GAAP reconciliations.

# Q2 SEGMENT RESULTS

## Material Handling Segment Highlights

- » Consumer up double-digits due to timing of orders, new customer wins and market share gains
- » Double-digit sales growth in Food & Beverage due to higher agriculture and food processing sales
- » Sales to the Vehicle end market grew double-digits driven by increased sales to the automotive OEM market
- » Higher volume offset by unfavorable mix; pricing actions more than offsetting raw material cost inflation
- » Adjusted EBITDA margin expanded 300 bps to 22.7% as a result of pricing initiatives, restructuring actions and operating efficiencies

## Material Handling Financial Highlights

(In \$ millions)	Q2 '18	V to PY
Net Sales	\$ 103.1	7.4%
Op Income	17.3	121.7%
Op Income Margin	16.8%	+870 bps
Adj Op Income	17.3	42.6%
Adj Op Income Margin	16.8%	+410 bps
Adj EBITDA	23.4	24.0%
Adj EBITDA Margin	22.7%	+300 bps

## Distribution Segment Highlights

- » MTS net sales decreased year-over-year
  - » Team continues to work to improve sales force effectiveness
  - » Implementing sales rep incentives to drive increased sales of higher margin products and target market segments
- » New pricing structure and focus on selling higher margin products driving gross margin expansion
- » Adjusted EBITDA margin flat year-over-year
  - » Impact of lower sales volume mostly offset by favorable price/mix and operational efficiencies

## Distribution Financial Highlights

(In \$ millions)	Q2 '18	V to PY
Net Sales	\$ 37.5	-4.5%
Op Income	2.8	-7.9%
Op Income Margin	7.4%	-30 bps
Adj Op Income	2.8	-7.9%
Adj Op Income Margin	7.4%	-30 bps
Adj EBITDA	3.1	-5.8%
Adj EBITDA Margin	8.2%	-10 bps



Results reflect continuing operations. See appendix for non-GAAP reconciliations.

# BALANCES HEETAND CASHFLOW

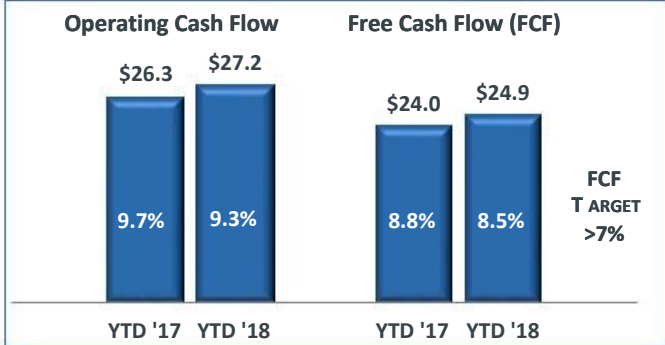
## Q2 Highlights

- » Strong free cash flow generation of \$13.3M; YTD free cash flow of \$24.9M
- » Reduced net debt by \$101.6M
  - » Raised net proceeds of \$79.5M through sale of common stock
  - » Net debt-to-adjusted EBITDA declined to 0.6x
- » Working capital as a percentage of TTM sales at 5.8%, consistent with prior quarters and consistently below target of 9%

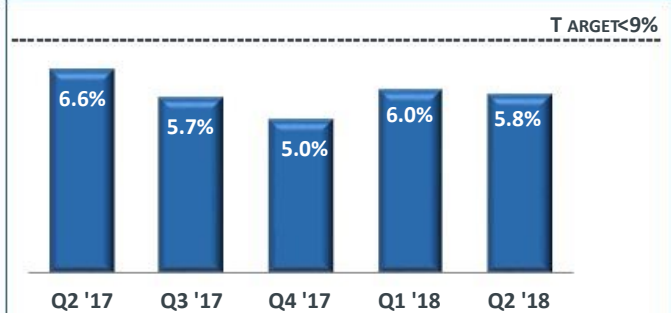
## Net Debt (\$M) and Net Debt to Adj. EBITDA



## Cash Flow (\$M) and Cash Flow as % of Sales

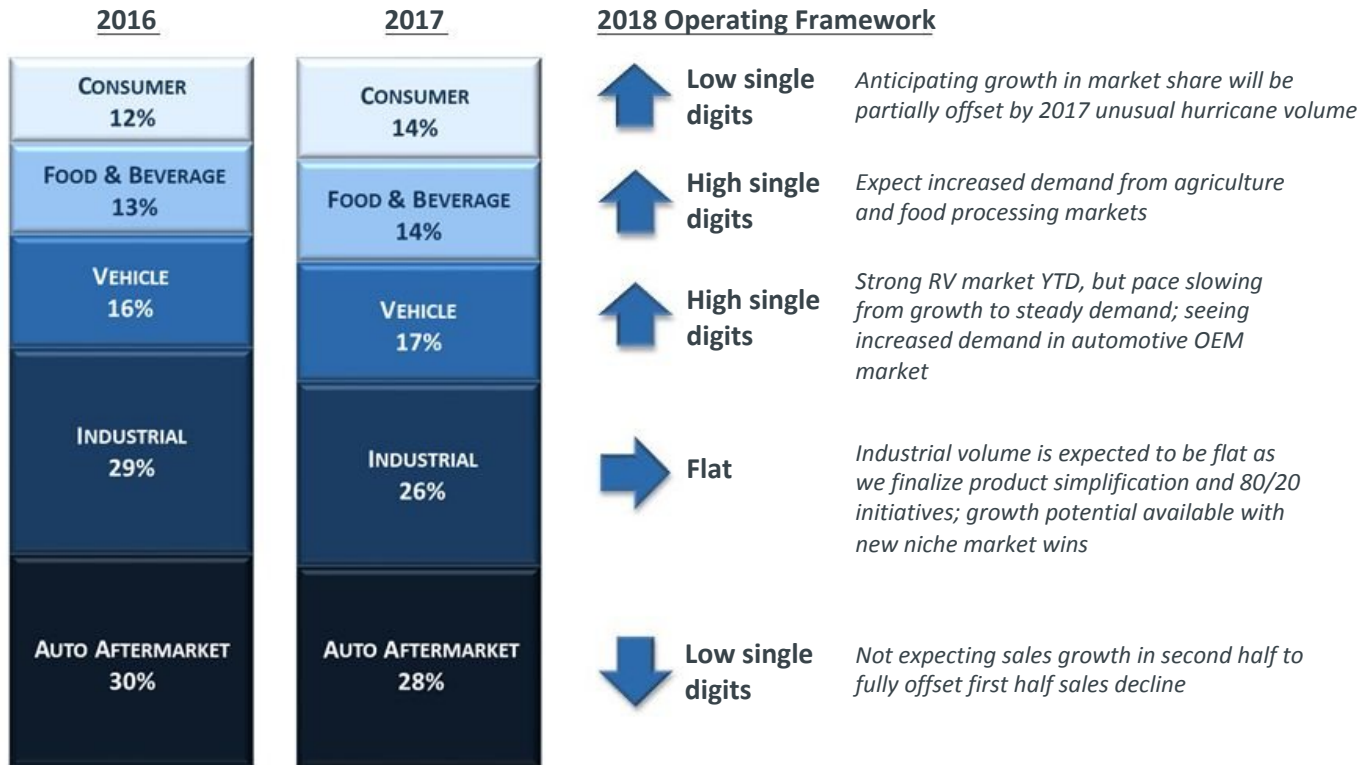


## Working Capital as a % of TTM Sales



Results reflect continuing operations. See appendix for non-GAAP reconciliations.

# 2018 OUTLOOK



# A P P E N D I X



## 2018 KEY ASSUMPTIONS

- » Net sales: Up low-to-mid-single digits
- » Capital expenditures: \$10 - \$12 million
- » Net interest expense: \$4 - \$6 million
- » D&A: \$26 - \$28 million
- » Effective tax rate (normalized): ~25%

# RECONCILIATION OF NON-GAAP MEASURES

MYERS INDUSTRIES, INC.  
 RECONCILIATION OF NON-GAAP FINANCIAL MEASURES  
 GROSS PROFIT, OPERATING INCOME AND EBITDA (UNAUDITED)  
 (Dollars in thousands)

	Quarter Ended June 30, 2018				
	Material Handling	Distribution	Segment Total	Corporate & Other	Total
GAAP Net sales	\$ 103,130	\$ 37,477	\$ 140,607	\$ (47)	\$ 140,560
GAAP Gross profit			47,991	—	47,991
Add: Restructuring expenses and other adjustments			170	—	170
Gross profit as adjusted			48,161	—	48,161
Gross profit margin as adjusted			34.3%	n/a	34.3%
GAAP Operating income	17,323	2,786	20,109	(6,998)	13,111
Add: Restructuring expenses and other adjustments <sup>(1)</sup>	170	—	170	—	170
Add: Asset impairments	—	—	—	308	308
Less: Gain on sale of assets	(208)	—	(208)	—	(208)
Operating income as adjusted	17,285	2,786	20,071	(6,690)	13,381
Operating income margin as adjusted	16.8%	7.4%	14.3%	n/a	9.5%
Add: Depreciation and amortization	6,188	301	6,489	127	6,616
Less: Depreciation adjustments	(66)	—	(66)	—	(66)
EBITDA as adjusted	\$ 23,407	\$ 3,087	\$ 26,494	\$ (6,563)	\$ 19,931
EBITDA margin	22.7%	8.2%	18.8%	n/a	14.2%

(1) Includes gross profit adjustments of \$170





# RECONCILIATION OF NON-GAAP MEASURES

MYERS INDUSTRIES, INC.  
 RECONCILIATION OF NON-GAAP FINANCIAL MEASURES  
 GROSS PROFIT, OPERATING INCOME AND EBITDA (UNAUDITED)  
 (Dollars in thousands)

	Quarter Ended June 30, 2017				
	Material Handling	Distribution	Segment Total	Corporate & Other	Total
GAAP Net sales	\$ 96,026	\$ 39,258	\$ 135,284	\$ (32)	\$ 135,252
GAAP Gross profit			38,292	—	38,292
Add: Restructuring expenses and other adjustments			4,093	—	4,093
Gross profit as adjusted			42,385	—	42,385
Gross profit margin as adjusted			31.3%	n/a	31.3%
GAAP Operating income	7,814	3,025	10,839	(4,871)	5,968
Add: Restructuring expenses and other adjustments <sup>(1)</sup>	4,344	—	4,344	—	4,344
Add: Asset impairments	544	—	544	—	544
Less: Gain on sale of assets	(578)	—	(578)	—	(578)
Operating income as adjusted	12,124	3,025	15,149	(4,871)	10,278
Operating income margin as adjusted	12.6%	7.7%	11.2%	n/a	7.6%
Add: Depreciation and amortization	8,060	253	8,313	297	8,610
Less: Depreciation adjustments	(1,312)	—	(1,312)	—	(1,312)
EBITDA as adjusted	\$ 18,872	\$ 3,278	\$ 22,150	\$ (4,574)	\$ 17,576
EBITDA margin	19.7%	8.3%	16.4%	n/a	13.0%



# RECONCILIATION OF NON-GAAP MEASURES

**MYERS INDUSTRIES, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**INCOME AND EARNINGS PER DILUTED SHARE (UNAUDITED)**  
(Dollars in thousands, except per share data)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
GAAP Operating income	\$ 13,111	\$ 5,968	\$ 25,133	\$ 14,084
Add: Restructuring expenses and other adjustments	170	4,344	312	5,754
Add: Asset impairments	308	544	308	544
Less: Gain on sale of assets	(208)	(578)	(873)	(1,242)
Operating income as adjusted	13,381	10,278	24,880	19,140
Less: Interest expense, net	(1,313)	(1,860)	(2,952)	(3,990)
Income (loss) before taxes as adjusted	12,068	8,418	21,928	15,150
Less: Income tax expense <sup>(1)</sup>	(3,017)	(3,030)	(5,482)	(5,454)
Income (loss) from continuing operations as adjusted	\$ 9,051	\$ 5,388	\$ 16,446	\$ 9,696
Adjusted earnings (loss) per diluted share from continuing operations	\$ 0.27	\$ 0.18	\$ 0.51	\$ 0.32

(1) Income taxes are calculated using the normalized effective tax rate for each year.  
The rate used in 2018 was 25% and in 2017 was 36%.



# RECONCILIATION OF NON-GAAP MEASURES

MYERS INDUSTRIES, INC.  
 RECONCILIATION OF FREE CASH FLOW TO GAAP NET CASH PROVIDED BY  
 (USED FOR) OPERATING ACTIVITIES – CONTINUING OPERATIONS  
 (UNAUDITED)  
 (Dollars in thousands)

	YTD		YTD		QTD	
	June 30, 2018		March 31, 2018		June 30, 2018	
Net cash provided by (used for) operating activities - continuing operations	\$ 27,223	-	\$ 12,838	=	\$ 14,385	
Capital expenditures	(2,318)	-	(1,206)	=	(1,112)	
Free cash flow	\$ 24,905	-	\$ 11,632	=	\$ 13,273	



# RECONCILIATION OF NON-GAAP MEASURES

**MYERS INDUSTRIES, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**ADJUSTED EBITDA (UNAUDITED)**  
**(Dollars in thousands)**

	<u>Q3 2016</u>	<u>Q4 2016</u>	<u>Q1 2017</u>	<u>Q2 2017</u>	<u>Q3 2017</u>	<u>Q4 2017</u>	<u>Q1 2018</u>	<u>Q2 2018</u>
Income from continuing operations	\$ 580	\$ (899)	\$ 3,458	\$ 2,482	\$ 3,083	\$ 1,821	\$ 7,755	\$ 8,608
Add: income tax expense	549	195	2,528	1,626	1,880	(1,170)	2,628	3,190
Add: interest expense, net	2,194	2,122	2,130	1,860	1,838	1,464	1,639	1,313
Add: extinguishment of debt	—	—	—	—	—	1,888	—	—
Add: depreciation	5,549	5,582	6,150	6,487	4,606	4,702	4,495	4,466
Add: amortization	2,433	2,417	2,422	2,122	2,178	2,164	2,070	2,149
EBITDA	11,305	9,417	16,688	14,577	13,585	10,869	18,587	19,726
Add: one-time adjustments (excludes depreciation adjustments)	897	996	128	2,999	(202)	1,663	(539)	205
EBITDA as adjusted	<u>\$ 12,202</u>	<u>\$ 10,413</u>	<u>\$ 16,816</u>	<u>\$ 17,576</u>	<u>\$ 13,383</u>	<u>\$ 12,532</u>	<u>\$ 18,048</u>	<u>\$ 19,931</u>
TTM EBITDA as adjusted				\$ 57,007	\$ 58,188	\$ 60,307	\$ 61,539	\$ 63,894
Debt				\$ 170,114	\$ 158,010	\$ 151,036	\$ 144,363	\$ 78,654
Less: cash				1,778	2,917	2,520	3,015	38,940
Net debt				<u>\$ 168,336</u>	<u>\$ 155,093</u>	<u>\$ 148,516</u>	<u>\$ 141,348</u>	<u>\$ 39,714</u>
Net Debt to Adjusted EBITDA				3.0x	2.7x	2.5x	2.3x	0.6x



