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

FORM 8-K

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

Date of report (Date of earliest event reported) March 6, 2018

MYERS INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

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)

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. ☐

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

On March 6, 2018, Myers Industries, Inc. (the “Company”) issued a press release announcing earnings results for the fiscal year and the quarter ended December 31, 2017. 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 March 6, 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) is furnished pursuant to “Item 2.02. Results of Operations and Financial Condition” and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 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, unless incorporated by specific reference in such 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

99.1 [Press Release by the Company regarding earnings results dated March 6, 2018](#)

99.2 [Earnings Presentation Fourth Quarter and Full Year 2017 by the Company dated March 6, 2018](#)

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.

Myers Industries, Inc.

(Registrant)

DATE March 6, 2018

By: /s/ R. David Banyard

R. David Banyard
President and Chief Executive Officer



Myers Industries Reports 2017 Fourth-Quarter and Full-Year Results

2017 free cash flow of \$43 million, a 102% year-over-year improvement; Company expects growth in 2018

March 6, 2018, Akron, Ohio - Myers Industries, Inc. (NYSE: MYE) today announced results for the fourth quarter and year ended December 31, 2017.

Business Highlights

- Fourth-quarter and full-year 2017 net sales increased 13.6% and 2.4%, respectively; primarily the result of increased demand and market share gains in key niche markets in Material Handling, partially offset by declines in Distribution
- GAAP income per diluted share from continuing operations was \$0.06 for the fourth quarter and \$0.35 for the full year, compared to a loss of \$0.03 and income of \$0.38, respectively for the fourth quarter and full year 2016; adjusted income per diluted share from continuing operations was \$0.09 for the fourth quarter and \$0.51 for the full year, compared to \$0.01 and \$0.48, respectively for the fourth quarter and full year 2016
- Reduced debt by \$38.5 million compared to prior year; decreased net-debt-to-adjusted EBITDA ratio to 2.5x
- Working capital reduction of \$10 million and disciplined capital spending resulted in \$43 million in free cash flow for 2017, an increase of 102%
- Divested our Brazil operations which were non-strategic and generated negative cash flow

President and Chief Executive Officer Dave Banyard commented, “We are excited about the pace of our strategic execution and the growth we achieved in the fourth quarter. This past year was transformational for Myers Industries. We focused the enterprise on the key niche markets where we deliver the strongest value. That focus resulted in double-digit revenue growth in our food and beverage and consumer end market products, and high single-digit growth in our vehicle end market. Additionally, we focused our efforts on flexible operations, closing and moving three facilities on time and under budget with no adverse impact on our customers. We accomplished these moves in the face of increased demand, both from external market forces and major weather events as well as from our commercial efforts to gain share. Finally, we delivered on our commitment to generate strong free cash flow throughout the year, demonstrating the power of our strategy and our ability to execute.”

	Quarter Ended December 31,			Year Ended December 31,		
	2017	2016	% Increase (Decrease)	2017	2016	% Increase (Decrease)
(Dollars in thousands, except per share data)						
Net sales	\$ 140,106	\$ 123,289	13.6%	\$ 547,043	\$ 534,379	2.4%
Gross profit	\$ 38,257	\$ 35,300	8.4%	\$ 157,453	\$ 161,898	(2.7)%
Gross profit margin	27.3%	28.6%		28.8%	30.3%	
Operating income	\$ 4,003	\$ 1,418	182.3%	\$ 24,888	\$ 27,362	(9.0)%
Income from continuing operations:						
Income (loss)	\$ 1,821	\$ (899)	—	\$ 10,844	\$ 11,324	(4.2)%
Income (loss) per diluted share	\$ 0.06	\$ (0.03)	300.0%	\$ 0.35	\$ 0.38	(7.9)%
Operating income as adjusted ⁽¹⁾	\$ 5,642	\$ 2,414	133.7%	\$ 31,468	\$ 31,810	(1.1)%
Income from continuing operations as adjusted ⁽¹⁾ :						
Income (loss)	\$ 2,674	\$ 182	—	\$ 15,473	\$ 14,479	6.9%
Income (loss) per diluted share	\$ 0.09	\$ 0.01	—	\$ 0.51	\$ 0.48	6.3%

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

Fourth-Quarter 2017 Financial Summary

Fourth-quarter net sales increased \$16.8 million or 13.6% (13.0% excluding currency fluctuation) to \$140.1 million, compared to the fourth quarter of 2016. The increase in sales was the result of sales growth in the Material Handling Segment, partially offset by sales declines in the Distribution Segment. Gross profit increased \$3.0 million to \$38.3 million due to increased volume and favorable pricing, partially offset by an unfavorable sales mix, raw material inflation, and operating inefficiencies. Selling, general and administrative expenses of \$33.7 million were roughly flat year-over-year. Fourth-quarter GAAP income per diluted share from continuing operations was \$0.06, compared to a loss of \$0.03 for the fourth quarter of 2016. Adjusted income per diluted share from continuing operations was \$0.09, compared to \$0.01 for the fourth quarter of 2016.

Net sales in the **Material Handling Segment** for the fourth quarter of 2017 increased \$20.7 million or 25.6% (24.7% excluding currency fluctuation) vs. the fourth quarter of 2016. The increase in net sales was due to increased demand and market share gains in the Company's food and beverage, consumer and vehicle end markets, partially offset by a decline in net sales in the industrial end market. Segment GAAP operating income was \$8.2 million for the fourth quarter of 2017, compared to \$4.0 million for the fourth quarter of 2016. Segment adjusted operating income was \$8.8 million for the fourth quarter of 2017, compared to \$4.8 million for the fourth quarter of 2016. Increased operating income was due to higher sales volume and favorable pricing, partially offset by an unfavorable sales mix, raw material inflation, and operating inefficiencies.

Net sales in the **Distribution Segment** for the fourth quarter of 2017 decreased \$3.8 million or 9.0% vs. the fourth quarter of 2016. The decrease in net sales was due mostly to the planned exit of a low margin product line within the Company's Patch Rubber business, which contributed \$2.7 million of the \$3.8 million decline. The Myers Tire Supply business was down 3.1% for the quarter, showing improvement compared to the year-over-year sales performance during the first half of 2017. The segment's operating income was \$1.3 million for the fourth quarter of 2017, compared to \$3.0 million for the fourth quarter of 2016. The decrease in operating income was the result of lower sales and higher selling, general and administrative expenses, partially offset by a favorable mix and higher pricing.

Full-Year 2017 Financial Summary

Full-year net sales increased 2.4% (or 2.2% excluding currency fluctuation) to \$547.0 million, compared to full-year 2016. The increase in sales was the result of sales growth in the Material Handling Segment, partially offset by a sales decline in the Distribution Segment. Gross profit margin decreased 150 basis points to 28.8%, due mostly to restructuring expenses of \$7.4 million. Selling, general and administrative expenses increased 2.2% to \$135.5 million primarily as a result of higher compensation costs and professional fees, partially offset by lower depreciation and amortization expenses. GAAP income per diluted share from continuing operations was \$0.35, compared to \$0.38 for the full year of 2016. Adjusted income per diluted share from continuing operations was \$0.51, compared to \$0.48 for the full year of 2016.

The **Material Handling Segment's** net sales for the full year of 2017 increased 7.5% (or 7.2% excluding currency fluctuation) vs. the full year of 2016. The increase in net sales was due primarily to increased demand and market share gains in the Company's food and beverage, consumer and vehicle end markets, partially offset by a sales decline in the industrial end market. Segment GAAP operating income was \$38.9 million for the full year of 2017, compared to \$40.8 million for the full year of 2016. Segment adjusted operating income was \$44.1 million for the full year of 2017, compared to \$40.9 million for the full year of 2016.

The **Distribution Segment's** net sales for the full year of 2017 declined 8.3% compared to the full year of 2016. The decrease in net sales was primarily due to the planned exit of a low margin product line within the Company's Patch Rubber business and sales declines in the Myers Tire Supply business, primarily during the first half of the year, partially offset by improved pricing. The segment's operating income was \$9.1 million for the full year of 2017, compared to \$12.8 million for the full year of 2016.

2018 Outlook

For the fiscal year 2018, the Company anticipates 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 one-time large orders delivered in the second half of 2017, particularly in its consumer end market related to hurricane activity. It also expects capital expenditures to be in the range of \$10 to \$12 million, net interest expense to be between \$7 and \$8 million, and depreciation and amortization 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%.

Mr. Banyard concluded, "We enter 2018 with excellent momentum. We have a strong order book coming into Q1 and expect to see the benefits of our operational efforts as we move throughout the year. Additionally, we expect to continue to improve our balance sheet and cash flow, both of which will allow us to invest in organic initiatives and acquisitive growth. We have a pipeline of potential acquisition candidates that we are evaluating and expect to be disciplined concerning price and valuation as we deploy cash toward these higher future growth opportunities. We will also continue to evaluate opportunities to reduce our manufacturing footprint and improve the operational flexibility of our business. These efforts, combined with our commitment to disciplined cash return metrics, should enable us to deliver compelling long-term value to our shareholders."

Conference Call Details

The Company will host an earnings conference call and webcast for investors and analysts on Tuesday, March 6, 2018 at 10:00 a.m. ET. The call is anticipated to last approximately one hour and may be accessed at: (US) 833-233-3452 or (Int'l) 647-689-4129. The passcode is Conference ID: 2699806. Callers are asked to sign on at least five minutes in advance. A live webcast of the conference call can be accessed from the Investor Relations section of the Company's website at 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) 800-585-8367 or (Int'l) 416-621-4642. The replay passcode is Conference ID: 2699806.

Use of Non-GAAP Financial Measures

The Company uses certain non-GAAP measures in this release. Adjusted EPS, adjusted income per diluted share from continuing operations, adjusted operating income, 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 U.S. Visit 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 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 and on the Company's Investor Relations section of its website at 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:

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

	For the Quarter Ended		For the Year Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Net sales	\$ 140,106	\$ 123,289	\$ 547,043	\$ 534,379
Cost of sales	101,849	87,989	389,590	372,481
Gross profit	38,257	35,300	157,453	161,898
Selling, general and administrative expenses	33,724	33,639	135,503	132,579
(Gain) loss on disposal of fixed assets	530	243	(3,482)	628
Impairment charges	—	—	544	1,329
Operating income	4,003	1,418	24,888	27,362
Interest expense, net	1,464	2,122	7,292	8,643
Loss on extinguishment of debt	1,888	—	1,888	—
Income (loss) from continuing operations before income taxes	651	(704)	15,708	18,719
Income tax expense (benefit)	(1,170)	195	4,864	7,395
Income (loss) from continuing operations	1,821	(899)	10,844	11,324
Income (loss) from discontinued operations, net of income taxes	(20,074)	(559)	(20,733)	(10,267)
Net income (loss)	\$ (18,253)	\$ (1,458)	\$ (9,889)	\$ 1,057
Income (loss) per common share from continuing operations:				
Basic	\$ 0.06	\$ (0.03)	\$ 0.36	\$ 0.38
Diluted	\$ 0.06	\$ (0.03)	\$ 0.35	\$ 0.38
Income (loss) per common share from discontinued operations:				
Basic	\$ (0.66)	\$ (0.02)	\$ (0.69)	\$ (0.35)
Diluted	\$ (0.65)	\$ (0.02)	\$ (0.68)	\$ (0.35)
Net income (loss) per common share:				
Basic	\$ (0.60)	\$ (0.05)	\$ (0.33)	\$ 0.03
Diluted	\$ (0.59)	\$ (0.05)	\$ (0.33)	\$ 0.03
Weighted average common shares outstanding:				
Basic	30,423,324	29,961,579	30,222,289	29,750,378
Diluted	30,851,536	29,961,579	30,562,646	29,967,912

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

	Quarter Ended December 31,			Year Ended December 31,		
	2017	2016	% Change	2017	2016	% Change
Net Sales						
Material Handling	\$ 101,613	\$ 80,924	25.6%	\$ 391,313	\$ 363,956	7.5%
Distribution	38,592	42,413	(9.0)%	156,428	170,660	(8.3)%
Inter-company Sales	(99)	(48)	—	(698)	(237)	—
Total	\$140,106	\$123,289	13.6%	\$547,043	\$534,379	2.4%
Operating Income						
Material Handling	\$ 8,199	\$ 3,962	106.9%	\$ 38,874	\$ 40,776	(4.7)%
Distribution	1,331	3,031	(56.1)%	9,073	12,834	(29.3)%
Corporate	(5,527)	(5,575)	—	(23,059)	(26,248)	—
Total	\$ 4,003	\$ 1,418	182.3%	\$ 24,888	\$ 27,362	(9.0)%

MYERS INDUSTRIES, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
OPERATING INCOME BY SEGMENT (UNAUDITED)
(Dollars in thousands, except per share data)

	<u>Quarter Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Material Handling</u>				
Operating income as reported	\$ 8,199	\$ 3,962	\$ 38,874	\$ 40,776
Asset impairments	—	—	544	1,329
Reduction to contingent liability	—	—	—	(2,335)
(Gain) loss on sale of assets	141	59	(3,946)	577
Restructuring expenses and other adjustments	498	751	8,656	525
Operating income as adjusted	8,838	4,772	44,128	40,872
<u>Distribution</u>				
Operating income as reported	1,331	3,031	9,073	12,834
<u>Corporate Expense</u>				
Corporate expense as reported	(5,527)	(5,575)	(23,059)	(26,248)
Environmental reserve	1,000	—	1,326	2,155
CFO severance related costs	—	186	—	2,197
Corporate expense as adjusted	(4,527)	(5,389)	(21,733)	(21,896)
<u>Continuing Operations</u>				
Operating income as reported	4,003	1,418	24,888	27,362
Total of all adjustments above	1,639	996	6,580	4,448
Operating income as adjusted	5,642	2,414	31,468	31,810
Interest expense, net	(1,464)	(2,122)	(7,292)	(8,643)
Income (loss) before taxes as adjusted	4,178	292	24,176	23,167
Income tax expense*	(1,504)	(110)	(8,703)	(8,688)
Income (loss) from continuing operations as adjusted	\$ 2,674	\$ 182	\$ 15,473	\$ 14,479
Adjusted earnings (loss) per diluted share from continuing operations	\$ 0.09	\$ 0.01	\$ 0.51	\$ 0.48

* Income taxes are calculated using the normalized effective tax rate for each year. The normalized rate used in 2017 was 36% and in 2016 was 37.5%.

Note on Reconciliation of Income and Earnings Data: Income from continuing operations as adjusted and adjusted earnings per diluted share from continuing operations are non-GAAP financial measures that Myers Industries, Inc. calculates according to the schedule above, using GAAP amounts from the unaudited Consolidated Financial Statements. The Company believes that the excluded items are not primarily related to core operational activities. The Company believes that income (loss) excluding items that are not primarily related to core operating activities is generally viewed as providing useful information regarding a company's operating profitability. Management uses income (loss) excluding these items as well as other financial measures in connection with its decision-making activities. Income (loss) excluding these items should not be considered in isolation or as a substitute for net income (loss), income (loss) before taxes or other consolidated income data prepared in accordance with GAAP. The Company's method for calculating income (loss) excluding these items may not be comparable to methods used by other companies.

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

	Year Ended December 31, 2017
Income from continuing operations	\$ 10,844
Add: tax expense	4,864
Add: net interest expense	7,292
Add: extinguishment of debt	1,888
Add: depreciation	21,945
Add: amortization	8,886
EBITDA	<u>55,719</u>
Add: one-time adjustments (excludes one-time depreciation adjustments of \$1,993)	4,587
EBITDA as adjusted	<u>\$ 60,306</u>

Note on Reconciliation of Income and Earnings Data: EBITDA and EBITDA as adjusted are non-GAAP financial measures that Myers Industries, Inc. calculates according to the schedule above, using amounts from the unaudited Reconciliation of Non-GAAP Financial Measures Income (Loss) Before Taxes by Segment and GAAP amounts from the unaudited Condensed Consolidated Statement of Operations. The Company believes that the excluded items are not primarily related to core operational activities. The Company believes that EBITDA and EBITDA as adjusted provides useful information regarding a company's operating profitability. Management uses EBITDA and EBITDA as adjusted as well as other financial measures in connection with its decision-making activities. EBITDA and EBITDA as adjusted should not be considered in isolation or as a substitute for net income (loss), income (loss) before taxes or other consolidated income data prepared in accordance with GAAP. The Company's method for calculating EBITDA and EBITDA as adjusted may not be comparable to methods used by other companies.

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

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Assets		
Current Assets		
Cash	\$ 2,520	\$ 2,404
Restricted cash	8,659	8,635
Accounts receivable, net	76,650	64,282
Income tax receivable	12,954	2,208
Inventories	47,025	44,785
Other	2,204	4,639
Current assets of discontinued operations	—	14,198
Total Current Assets	150,012	141,151
Property, Plant, & Equipment, Net	83,904	106,266
Other Assets	122,026	127,758
Noncurrent assets of discontinued operations	—	6,509
Total Assets	<u>\$ 355,942</u>	<u>\$ 381,684</u>
Liabilities & Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 63,581	\$ 47,573
Accrued expenses	35,072	28,989
Current liabilities of discontinued operations	—	2,750
Total Current Liabilities	98,653	79,312
Long-term debt, net	151,036	189,522
Other liabilities	8,236	9,203
Deferred income taxes	4,265	10,365
Non-current liabilities of discontinued operations	—	249
Total Shareholders' Equity	93,752	93,033
Total Liabilities & Shareholders' Equity	<u>\$ 355,942</u>	<u>\$ 381,684</u>

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

	Year Ended December 31,	
	2017	2016
Cash Flows From Operating Activities		
Net income	\$ (9,889)	\$ 1,057
Income (loss) from discontinued operations, net of income taxes	(20,733)	(10,267)
Income from continuing operations	10,844	11,324
Adjustments to reconcile income from continuing operations to net cash provided by (used for) operating activities		
Depreciation	19,952	22,049
Amortization	8,886	9,743
Accelerated depreciation associated with restructuring activities	1,993	—
Non-cash stock-based compensation expense	3,626	3,357
(Gain) loss on disposal of fixed assets	(3,482)	628
Loss on extinguishment of debt	1,888	—
Deferred taxes	(5,663)	555
Accrued interest income on note receivable	(1,360)	(1,268)
Impairment charges	544	1,329
Other	256	155
Payments on performance based compensation	(1,010)	(1,794)
Other long-term liabilities	723	(592)
Cash flows provided by (used for) working capital		
Accounts receivable	(6,757)	6,411
Inventories	(1,876)	8,603
Prepaid expenses and other assets	2,209	1,047
Accounts payable and accrued expenses	18,299	(27,594)
Net cash provided by (used for) operating activities - continuing operations	49,072	33,953
Net cash provided by (used for) operating activities - discontinued operations	(4,633)	(232)
Net cash provided by (used for) operating activities	44,439	33,721
Cash Flows From Investing Activities		
Capital expenditures	(5,814)	(12,489)
Proceeds from sale of property, plant and equipment	11,058	450
Proceeds (payments) related to sale of business	—	(4,034)
Net cash provided by (used for) investing activities - continuing operations	5,244	(16,073)
Net cash provided by (used for) investing activities - discontinued operations	(1,107)	(16)
Net cash provided by (used for) investing activities	4,137	(16,089)
Cash Flows From Financing Activities		
Net borrowing (repayments) on credit facility	(16,474)	(3,804)
Repayments of senior unsecured notes	(23,798)	—
Cash dividends paid	(16,341)	(16,221)
Proceeds from issuance of common stock	4,527	3,374
Excess tax benefit from stock-based compensation	—	64
Repurchase of common stock	—	—
Shares withheld for employee taxes on equity awards	(620)	(1,166)
Deferred financing costs	(1,030)	—
Net cash provided by (used for) financing activities - continuing operations	(53,736)	(17,753)
Net cash provided by (used for) financing activities - discontinued operations	—	—
Net cash provided by (used for) financing activities	(53,736)	(17,753)
Foreign exchange rate effect on cash	(208)	665
Less: Net increase (decrease) in cash classified within discontinued operations	(5,484)	493
Net increase (decrease) in cash	116	51
Cash at January 1	2,404	2,353
Cash at December 31	<u>\$ 2,520</u>	<u>\$ 2,404</u>

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

	For the twelve months ended	
	December 31, 2017	December 31, 2016
Net cash provided by (used for) operating activities - continuing operations	\$ 49,072	\$ 33,953
Capital expenditures	(5,814)	(12,489)
Free cash flow	\$ 43,258	\$ 21,464

Note on Reconciliations of Cash Flow Data: Free cash flow is a non-GAAP financial measure that Myers Industries, Inc. calculates according to the schedules above using GAAP amounts from the unaudited Condensed Consolidated Statement of Cash Flows. The Company uses free cash flow as well as other financial measures in connection with its decision-making activities. The Company’s method for calculating free cash flow may not be comparable to methods used by other companies.



MYERS INDUSTRIES, INC.

MARCH 6, 2018 – FOURTH-QUARTER & FULL-YEAR EARNINGS PRESENTATION

SAFE HARBOR STATEMENT

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 and at the SEC.gov web site.

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

AGENDA

- » 2017 Year-In-Review
- » Financial Results
- » Balance Sheet & Cash Flow
- » 2018 Outlook
- » 2018 Key Assumptions
- » Appendix

2017 YEAR-IN-REVIEW

Achievements

- ✓ Generated \$43M in free cash flow, an increase of 102%
- ✓ Strong commercial execution in three key niche markets
 - Double-digit year-over-year sales growth in Consumer and Food & Beverage due to increased demand and share gains
 - High single-digit sales growth year-over-year in Vehicle due to share gains and positive momentum in the RV market
- ✓ Operational improvements furthered our progress towards an asset-light business model
 - Closed two manufacturing facilities and relocated fuel can production on time and on budget
 - Decreased working capital by \$10M despite higher sales volume
- ✓ Divested our Brazil operations which were non-strategic and generated negative cash flow
- ✓ Reduced debt by \$38.5M, decreasing net-debt-to-adjusted EBITDA ratio to 2.5x
- ✓ Established a robust acquisition pipeline, giving us the ability to deploy future cash flow towards higher growth

Challenges

- Distribution showing progress, but at a slow rate
 - Myers Tire Supply sales declined 6% year-over-year; sales in 2H 2017 improved sequentially vs. 1H 2017
 - Myers Tires Supply 2H 2017 profitability negatively impacted by investments in SG&A
 - Patch Rubber sales declined double digits due to the planned exit of a low margin product line
 - New leader in place
- Material Handling not yet realizing full restructuring benefits
 - Additional costs incurred due to higher than anticipated volumes in Q4
- Mitigating raw material cost increases through pricing actions

Q4 FINANCIAL SUMMARY – GAAP

REFLECTS RESULTS FROM CONTINUING OPERATIONS; IN \$MILLIONS EXCEPT PER-SHARE FIGURES

Net Sales



Net sales increased 13.6%

- Material Handling up \$20.7M (26%) due to growth in key niche markets, partially offset by declines in the industrial end market
- Distribution down \$3.8M (9%) mostly due to the planned exit of low margin product line at the Patch business, which contributed \$2.7M

Gross Profit

% Sales



Gross profit increased \$3.0M

- Increased volume and price, partially offset by unfavorable mix and operating inefficiencies
- Benefits from pricing actions mostly offset raw material cost increases

SG&A Expenses

% Sales



SG&A increased \$0.1M

- Lower healthcare costs
- Lower depreciation and amortization expenses
- Higher variable selling expenses and recruiting fees

Operating Income

% Sales



Operating income increased \$2.6M

- Gross profit higher \$3.0M
- SG&A higher \$0.1M
- Loss on fixed asset disposal \$0.3M

Diluted EPS



Q4 FINANCIAL SUMMARY – ADJUSTED (NON-GAAP)

REFLECTS RESULTS FROM CONTINUING OPERATIONS; IN \$MILLIONS EXCEPT PER-SHARE FIGURES

Net Sales



Net sales increased 13.6%

- Material Handling up \$20.7M (26%) due to growth in niche markets, partially offset by declines in the industrial end market
- Distribution down \$3.8M (9%) mostly due to planned exit of low margin product line at the Patch business, which contributed \$2.7M

Adj. Gross Profit

% Sales



Adj. gross profit increased \$3.4M

- Increased volume and price, partially offset by unfavorable mix and operational inefficiencies
- Benefits from pricing actions mostly offset raw material cost increases

Adj. SG&A Expenses

% Sales



Adj. SG&A declined \$0.1M

- Lower healthcare costs
- Lower depreciation and amortization expenses
- Higher variable selling expenses and recruiting fees

Adj. Operating Income

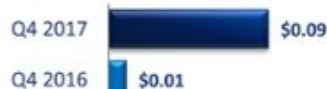
% Sales



Adj. operating income increased \$3.2M

- Higher gross profit \$3.4M
- Lower SG&A \$0.1M
- Loss on fixed asset disposal \$0.3M

Adj. Diluted EPS



Q4 SEGMENT RESULTS

REFLECTS RESULTS FROM CONTINUING OPERATIONS; IN \$MILLIONS EXCEPT PER-SHARE FIGURES

Material Handling

Net Sales



Net sales increased 26%

- Double-digit sales growth in food and beverage due to higher demand in agriculture and market share gains in food processing
- Consumer up double-digits due to high demand for fuel cans
- Sales to the vehicle end market grew mid single-digits driven by continued demand in RV market
- Sales declined double-digits in the industrial end market due to 80/20 initiatives

Operating Income



Adj. operating income increased \$4.0M

- Higher volume partially offset by unfavorable mix and operating inefficiencies; pricing actions offset raw material cost inflation
- Restructuring savings offset by higher outsource premiums resulting from increased demand

Distribution

Net Sales



Net sales declined 9%

- Planned exit of low margin product line at Patch Rubber business largest contributor to decline
- Myers Tire Supply sales decreased ~3% year-over-year; volume declines due to open territories and decreased demand in its international business were partially offset by higher pricing
- New leadership in place

Operating Income



Adj. operating income declined \$1.7M

- Volume decline partially offset by favorable mix and higher pricing
- Higher compensation costs due to investments in SG&A

2017 FINANCIAL SUMMARY – GAAP

REFLECTS RESULTS FROM CONTINUING OPERATIONS; IN \$MILLIONS EXCEPT PER-SHARE FIGURES

Net Sales



Net sales increased 2.4%

- Material Handling increased \$27.4M (7.5%) due to growth in food and beverage, consumer and vehicle end markets, partially offset by declines in the industrial end market
- Distribution down \$14.2M (8.3%) mostly due to planned exit of low margin product line and volume declines, primarily during 1H 2017

Gross Profit

% Sales



Gross profit declined \$4.4M

- Higher sales volume and favorable sales mix
- Pricing actions partially offset raw material cost increases
- Operating inefficiencies partially offset by lower depreciation
- Restructuring expenses \$7.4M

SG&A Expenses

% Sales



SG&A increased \$2.9M

- Restructuring related expenses \$1.0M
- Higher incentive compensation costs and legal/professional fees
- Lower health care costs and depreciation and amortization expenses

Operating Income

% Sales



Operating income declined \$2.5M

- Gross profit lower \$4.4M
- SG&A higher \$2.9M
- Gain on sale of assets \$4.1M; lower impairment charges of \$0.8M

Diluted EPS



2017 FINANCIAL SUMMARY – ADJUSTED (NON-GAAP)

REFLECTS RESULTS FROM CONTINUING OPERATIONS; IN \$MILLIONS EXCEPT PER-SHARE FIGURES

Net Sales



Net sales increased 2.4%

- Material Handling increased \$27.4M (7.5%) due to growth in food and beverage, consumer and vehicle end markets, partially offset by declines in the Industrial end market
- Distribution down \$14.2M (8.3%) mostly due to planned exit of low margin product line and volume declines, primarily during 1H 2017

Adj. Gross Profit

% Sales

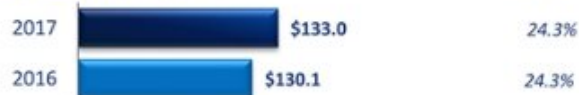


Adj. gross profit increased \$3.1M

- Higher sales volume and favorable sales mix
- Pricing actions partially offset raw material cost increases
- Operating inefficiencies partially offset by lower depreciation

Adj. SG&A Expenses

% Sales

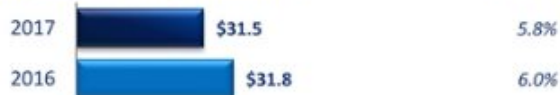


Adj. SG&A increased \$2.9M

- Higher incentive compensation costs and legal/professional fees
- Lower healthcare costs and depreciation and amortization expenses

Adj. Operating Income

% Sales



Adj. operating income declined \$0.3M

- Higher gross profit \$3.1M
- Higher SG&A \$2.9M
- Loss on asset disposals \$0.4M

Adj. Diluted EPS



2017 SEGMENT RESULTS

REFLECTS RESULTS FROM CONTINUING OPERATIONS; IN \$MILLIONS EXCEPT PER-SHARE FIGURES

Material Handling

Net Sales



Net sales increased 7.5%

- Double-digit sales growth in food and beverage and consumer end markets driven by increased demand and market share gains
- High single-digit year-over-year growth in the vehicle end market driven by continued demand in the RV market
- Sales declined high single-digits in the industrial end market

Operating Income



Adj. operating income increased \$3.3M

- Increased volume, partially offset by unfavorable mix and operating inefficiencies
- Benefits from pricing actions partially offset raw material cost increases
- Higher incentive compensation costs and professional/legal fees

Distribution

Net Sales



Net sales declined 8.3%

- Planned exit of low margin product line at Patch Rubber business
- Myers Tire Supply sales decreased ~6% year-over-year
- Mixed market conditions at beginning of the year
- Continued volume impact from territory gaps
- New pricing model driving desired results

Operating Income



Adj. operating income declined \$3.8M

- Volume decline, partially offset by higher price and favorable mix
- Higher compensation costs due to investments in SG&A

BALANCE SHEET & CASH FLOW

BALANCE SHEET

IN \$MILLIONS	2017	2016
Cash	\$ 2.5	\$ 2.4
Debt	<u>151.0</u>	<u>189.5</u>
Net Debt	\$ 148.5	\$ 187.1
TTM Adjusted EBITDA	\$ 60.3	\$ 63.6
Net Debt-to-Adj. EBITDA	2.5x	2.9x

FREE CASH FLOW

IN \$MILLIONS	2017	2016
Operating Cash from Continuing Operations	\$ 49.1	\$ 34.0
Capital Expenditures	(5.8)	(12.5)
Free Cash Flow	\$ 43.3	\$ 21.5

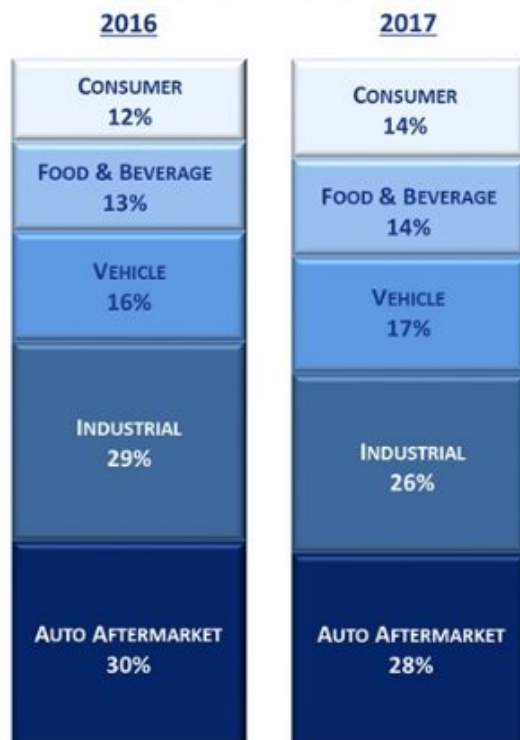
WORKING CAPITAL AS A % OF TTM SALES




- Reduced debt by \$38.5M compared to 2016
 - Reduced net debt-to-adjusted EBITDA ratio despite lower EBITDA compared to 2016
- Working capital as % of TTM sales consistently below target of 9%
- Capex lower than prior year due to better capacity management
- Free cash flow increased by \$22M (102%) vs. 2016

2018 OUTLOOK

Market as a % of Net Sales



2018 Operating Framework

	Flat	Anticipating growth in market share will be offset by 2017 unusual hurricane volume
	High single digits	Expect increased demand from agriculture and food processing markets
	High single digits	Strong RV market demand expected to continue
	Flat	Industrial volume is expected to be flat as we finalize product simplification and 80/20 initiatives
	Low single digits	Expecting growth due to an improved sales process and market share gains



FORECASTING LOW-TO-MID SINGLE-DIGIT SALES GROWTH IN 2018 (CONSTANT CURRENCY) 12

2018 KEY ASSUMPTIONS

» Net Sales:	Up low-to-mid single-digits
» Capital expenditures:	\$10 - \$12 million
» Net interest expense:	\$7 - \$8 million
» D&A:	\$26 - \$28 million
» Effective tax rate (normalized):	25%

APPENDIX



RECONCILIATION OF NON-GAAP MEASURES

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

	For the Three Months Ended		For the Twelve Months Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Gross profit as reported	\$ 38,257	\$ 35,300	\$ 157,453	\$ 161,898
Restructuring expenses and other adjustments in cost of sales				
Material Handling Segment	422	22	7,501	22
Distribution Segment	-	-	-	-
Gross profit as adjusted	\$ 38,679	\$ 35,322	\$ 164,954	\$ 161,920

Note on Reconciliation of Income and Earnings Data: Gross profit excluding the items above in the text of this presentation and in this reconciliation chart is a non-GAAP financial measure that Myers Industries, Inc. calculates according to the schedule above using GAAP amounts from the unaudited Condensed Consolidated Statement of Operations. The Company believes that the excluded items are not primarily related to core operational activities. The Company believes that gross profit excluding items that are not primarily related to core operating activities is generally viewed as providing useful information regarding a company's operating profitability. Management uses gross profit excluding these items as well as other financial measures in connection with its decision-making activities. Gross profit excluding these items should not be considered in isolation or as a substitute for gross profit prepared in accordance with GAAP. The Company's method for calculating gross profit excluding these items may not be comparable to methods used by other companies.

RECONCILIATION OF NON-GAAP MEASURES

MYERS INDUSTRIES, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
CONSOLIDATED SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (UNAUDITED)
(Dollars in thousands)

	For the Three Months Ended		For the Twelve Months Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Selling, general and administrative expenses as reported	\$ 33,724	\$ 33,639	\$ 135,503	\$ 132,579
Restructuring expenses and other adjustments in selling, general and administrative expenses				
Material Handling Segment	(76)	(728)	(1,155)	1,833
Distribution Segment	-	-	-	-
Corporate	(1,000)	(186)	(1,326)	(4,352)
Selling, general and administrative expenses as adjusted	\$ 32,648	\$ 32,725	\$ 133,022	\$ 130,060

Note on Reconciliation of Income and Earnings Data: Selling, general and administrative expenses excluding the items above in the text of this presentation and in this reconciliation chart is a non-GAAP financial measure that Myers Industries, Inc. calculates according to the schedule above using GAAP amounts from the unaudited Condensed Consolidated Statement of Operations. The Company believes that the excluded items are not primarily related to core operational activities. The Company believes that selling, general and administrative expenses excluding items that are not primarily related to core operating activities is generally viewed as providing useful information regarding a company's operating profitability. Management uses selling, general and administrative expenses excluding these items as well as other financial measures in connection with its decision-making activities. Selling, general and administrative expenses excluding these items should not be considered in isolation or as a substitute for selling, general and administrative expenses prepared in accordance with GAAP. The Company's method for calculating selling, general and administrative expenses excluding these items may not be comparable to methods used by other companies.

RECONCILIATION OF NON-GAAP MEASURES

MYERS INDUSTRIES, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
INCOME (LOSS) BEFORE TAXES BY SEGMENT (UNAUDITED)
(Dollars in thousands, except per share data)

	Quarter Ended December 31,		Year Ended December 31,	
	2017	2016	2017	2016
Material Handling				
Operating income as reported	\$ 8,199	\$ 3,962	\$ 38,874	\$ 40,776
Asset impairments	-	-	544	1,329
Reduction to contingent liability	-	-	-	(2,335)
Gain on sale of asset	141	59	(3,946)	577
Restructuring expenses and other adjustments	498	751	8,656	525
Operating income as adjusted	8,838	4,772	44,128	40,872
Distribution				
Operating income as reported	1,331	3,031	9,073	12,834
Corporate Expense				
Corporate expense as reported	(5,527)	(5,575)	(23,059)	(26,248)
Environmental reserve	1,000	-	1,326	2,155
CFO severance related costs	-	186	-	2,197
Corporate expense as adjusted	(4,527)	(5,389)	(21,733)	(21,896)
Continuing Operations				
Operating income as reported	4,003	1,418	24,888	27,362
Total of all adjustments above	1,639	996	6,580	4,448
Operating income as adjusted	5,642	2,414	31,468	31,810
Interest expense, net	(1,464)	(2,122)	(7,292)	(8,643)
Income (loss) before taxes as adjusted	4,178	292	24,176	23,167
Income tax expense*	(1,504)	(111)	(8,703)	(8,688)
Income (loss) from continuing operations as adjusted	\$ 2,674	\$ 182	\$ 15,473	\$ 14,479
Adjusted earnings (loss) per diluted share from continuing operations	\$ 0.09	\$ 0.01	\$ 0.51	\$ 0.48

*Income taxes are calculated using the normalized effective tax rate for each year. The normalized rates used in 2017 and 2016 were 36% and 37.5%, respectively.

Note on Reconciliation of Income and Earnings Data: Income (loss) excluding the items above in the text of this presentation and in this reconciliation chart is a non-GAAP financial measure that Myers Industries, Inc. calculates according to the schedule above using GAAP amounts from the unaudited Condensed Consolidated Statement of Operations. The Company believes that the excluded items are not primarily related to core operational activities. The Company believes that income (loss) excluding items that are not primarily related to core operating activities is generally viewed as providing useful information regarding a company's operating profitability. Management uses income (loss) excluding these items as well as other financial measures in connection with its decision-making activities. Income (loss) excluding these items should not be considered in isolation or as a substitute for income (loss) prepared in accordance with GAAP. The Company's method for calculating income (loss) excluding these items may not be comparable to methods used by other companies.

RECONCILIATION OF NON-GAAP MEASURES

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

	Quarter Ended				TIM
	3/31/2017	6/30/2017	9/30/2017	12/31/2017	12/31/2017
Income from continuing operations	\$ 3,458	\$ 2,482	\$ 3,083	1,821	\$ 10,844
Add: tax expense	2,528	1,626	1,880	(1,170)	4,864
Add: net interest expense	2,130	1,860	1,838	1,464	7,292
Add: extinguishment of debt	-	-	-	1,888	1,888
Add: depreciation	6,150	6,487	4,606	4,702	21,945
Add: amortization	2,422	2,122	2,178	2,164	8,886
EBITDA	16,688	14,577	13,585	10,869	55,719
Add: one-time adjustments	42	2,998	(116)	1,663	4,587
EBITDA as adjusted	\$ 16,730	\$ 17,575	\$ 13,469	\$ 12,532	\$ 60,306

	Quarter Ended				TIM
	3/31/2016	6/30/2016	9/30/2016	12/31/2016	12/31/2016
Income from continuing operations	\$ 5,722	\$ 5,921	\$ 580	\$ (899)	\$ 11,324
Add: tax expense	3,216	3,435	549	195	7,395
Add: net interest expense	2,153	2,174	2,194	2,122	8,643
Add: depreciation	5,286	5,632	5,549	5,582	22,049
Add: amortization	2,424	2,469	2,433	2,417	9,743
EBITDA	18,801	19,631	11,305	9,417	59,154
Add: one-time adjustments	2,011	544	897	996	4,448
EBITDA as adjusted	\$ 20,812	\$ 20,175	\$ 12,202	\$ 10,413	\$ 63,602

Note on Reconciliation of Income and Earnings Data: EBITDA and EBITDA as adjusted are financial measures that Myers Industries, Inc. calculates according to the schedule above using amounts from the unaudited Reconciliation of Non-GAAP Financial Measures Income (Loss) Before Taxes By Segment and GAAP amounts from the unaudited Condensed Consolidated Statement of Operations. The Company believes that EBITDA and EBITDA as adjusted provide useful information regarding a company's operating profitability. Management uses EBITDA and EBITDA as adjusted as well as other financial measures in connection with its decision-making activities. EBITDA and EBITDA as adjusted should not be considered in isolation or as a substitute for net income (loss), income (loss) before taxes or other consolidated income data prepared in accordance with GAAP. The Company's method for calculating EBITDA and EBITDA as adjusted may not be comparable to methods used by other companies.

