

Multi-Color Corporation

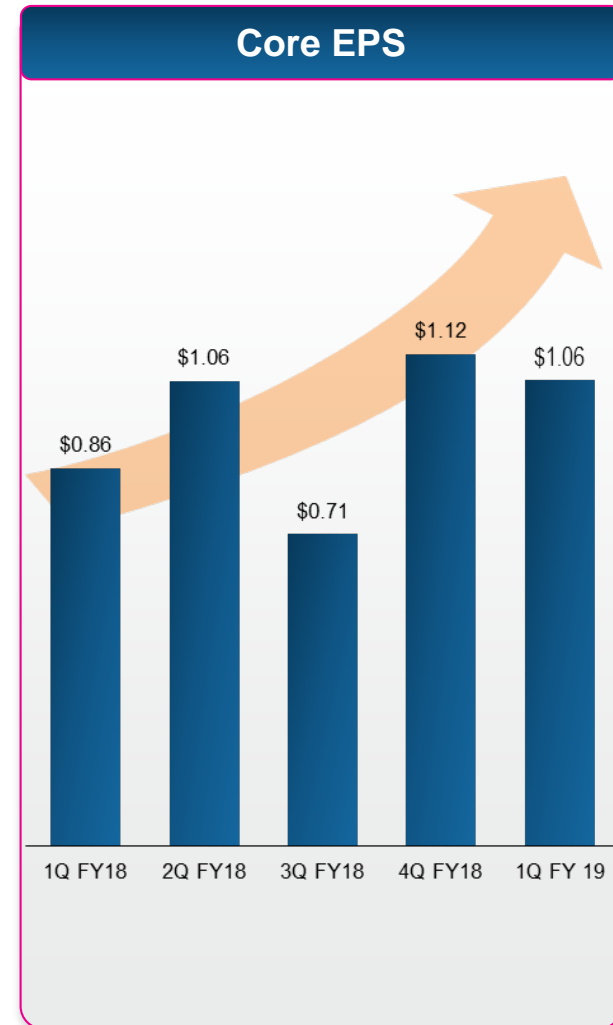
First Quarter FY2019 Webcast

Nasdaq: LABL
www.mcclabel.com



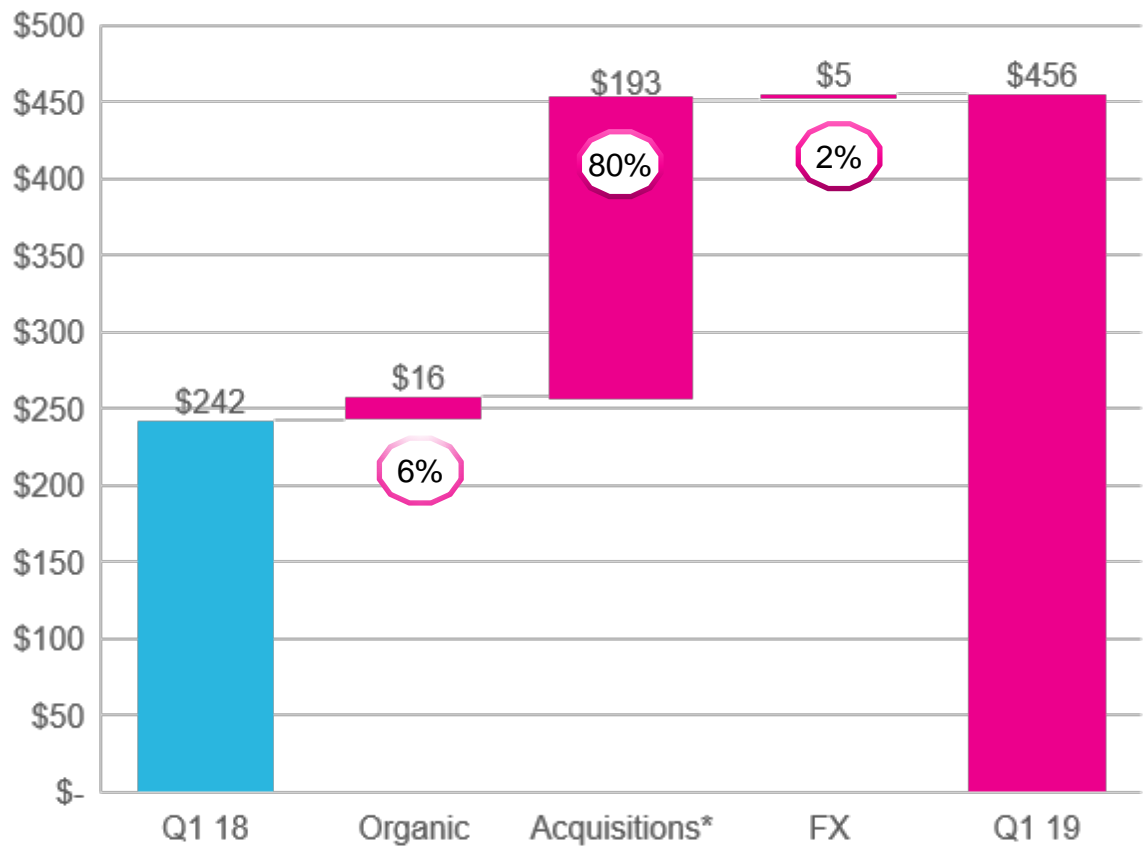
Q1 FY19 Results

- **Core diluted EPS increased 23% to \$1.06 over prior year quarter**
- **Core operating income increased 85% or \$22.8 million over prior year quarter**
 - Core SG&A expenses decreased to 8.5% of revenues from 9.4%
- **Core EBITDA increased to \$78 million for the quarter**
- **Other expense of \$1m in foreign exchange**
 - Resulted from re-measurement of trade payables, primarily in Latin America and South Africa
- **Interest expense of \$19.2 million**
 - FY19 forecast \$78 million
- **Core effective tax rate was 26% in the quarter**
 - FY19 forecast 27% for the remaining quarters



Net Revenues (\$ in millions)

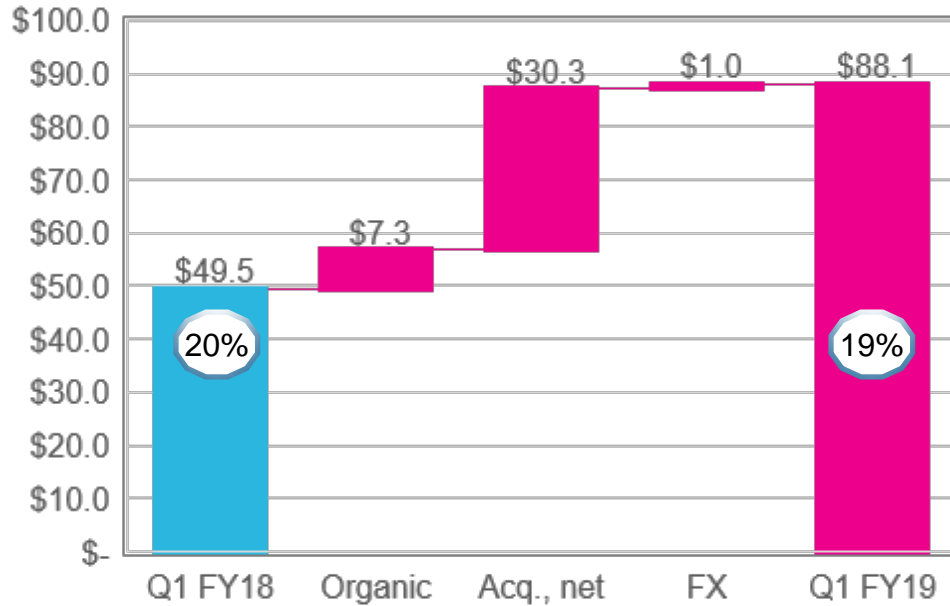
- **Net revenues increased 88% or \$213.7 million over the prior year quarter**
 - Strong organic growth of 6%
 - Acquisitions increased revenues by 80%
 - Currency tailwinds increased revenues by 2% favorable foreign exchange



*Net of divestitures

⊖ % Increase over prior year quarter

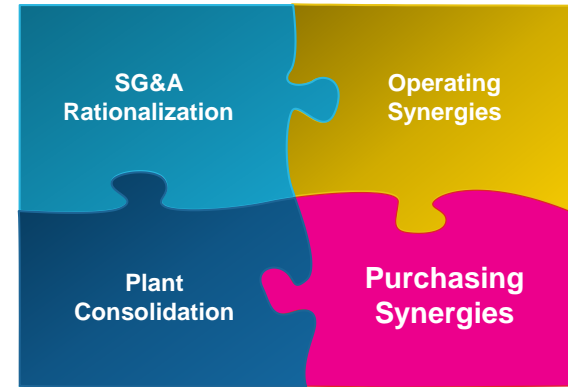
Gross Margin (\$ in millions)



% Gross margin

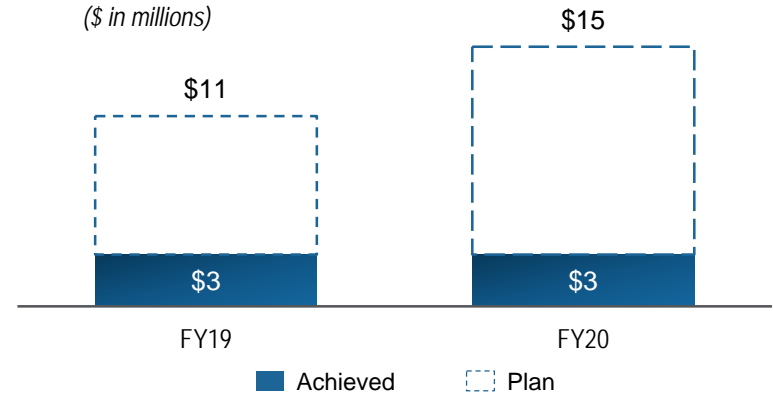
- Legacy plants gross margins 22%
- Acquisitions gross margins 16%, diluting the average to 19%.
- Acquisition synergies were \$3 million during the quarter

Synergy Breakdown



Total Run-Rate Synergies: \$15 million

Achieved Synergies to Date (\$ in millions)



Free Cash Flow (\$ in millions)

Increased Operating Cash Flow

	Q1 19	Q1 18	
Core EBITDA	\$78	\$39	Δ 100%
Interest (cash paid)	(31)	(10)	
Acq & int (cash paid)	(3)	(1)	
Tax expense	(7)	(4)	
Working capital	(13)	(9)	
Operating cash	\$24	\$15	Δ 60%
Cap ex	(34)	(10)	
Free cash flow (Non-GAAP)	(10)	\$5	

FY19 Free Cash Flow Guidance

	FY 19
Net Cash Provided by Operating Activities	~\$190
Less: Capital Expenditures	~(\$90)
Free Cash Flow (Non-GAAP)	~\$100

- \$11 million bond interest paid in Q1 FY19 in excess of expense incurred
- Capital expenditure forecast at \$90 million in FY19 with 73% anticipated in the first half of the year
- Working capital increase forecast in the \$10-\$15 million per annum range

Debt Profile (\$ in millions)

Balance Sheet

	Q1 19
Debt	\$1,604
Cash	60
Net debt	\$1,545

- Blended interest rate of 5%
- Free cash flow priority is debt reduction

Debt Profile

	Q1 19
Fixed / floating-interest rate ratio*	70% fixed
Undrawn committed facilities (Revolver)	\$295

Debt Structure

\$400m Revolver matures 2022
\$146m Term A matures 2022
\$498m Term B matures 2024
\$250m Bond matures 2022
\$600m Bond matures 2025 (€400m swapped)

*Forward starting 1 yr. swap to increase fixed debt to 80% from FY20

Thank you for your interest In Multi-Color Corporation

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