



Matthews
INTERNATIONAL®

**SIDOTI VIRTUAL
SMALL CAP
CONFERENCE**

January 19, 2022

www.matw.com | Nasdaq: MATW

DISCLAIMER

Any forward-looking statements contained in this presentation are included pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks and uncertainties that may cause the Company’s actual results in future periods to be materially different from management’s expectations. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Factors that could cause the Company’s results to differ materially from the results discussed in such forward-looking statements principally include changes in domestic or international economic conditions, changes in foreign currency exchange rates, changes in the cost of materials used in the manufacture of the Company’s products, changes in mortality and cremation rates, changes in product demand or pricing as a result of consolidation in the industries in which the Company operates or other factors such as supply chain disruptions, labor shortages or labor cost increases, changes in product demand or pricing as a result of domestic or international competitive pressures, ability to achieve cost-reduction objectives, unknown risks in connection with the Company’s acquisitions, cybersecurity concerns, labor shortages or labor cost increases, effectiveness of the Company’s internal controls, compliance with domestic and foreign laws and regulations, technological factors beyond the Company’s control, impact of pandemics or similar outbreaks, such as coronavirus disease 2019 (“COVID-19”) or other disruptions to our industries, customers or supply chains, and other factors described in the Company’s Annual Report on Form 10-K and other periodic filings with the U.S. Securities and Exchange Commission (“SEC”).

The information contained in this presentation, including any financial data, is made as of September 30, 2021 unless otherwise noted. The Company does not, and is not obligated to, update this information after the date of such information. Included in this report are measures of financial performance that are not defined by generally accepted accounting principles in the United States (“GAAP”). The Company uses non-GAAP financial measures to assist in comparing its performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect the Company’s core operations including acquisition costs, ERP integration costs, strategic initiative and other charges (which includes non-recurring charges related to operational initiatives and exit activities), stock-based compensation, the non-service portion of pension and postretirement expense, legal matter reserves, non-recurring/incremental COVID-19 costs, and joint venture depreciation, amortization, interest expenses and other charges. Management believes that presenting non-GAAP financial measures is useful to investors because it (i) provides investors with meaningful supplemental information regarding financial performance by excluding certain items that management believes do not directly reflect the Company’s core operations, (ii) permits investors to view performance using the same tools that management uses to budget, forecast, make operating and strategic decisions, and evaluate historical performance, and (iii) otherwise provides supplemental information that may be useful to investors in evaluating the Company’s results. The Company believes that the presentation of these non-GAAP financial measures, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provided herein, provides investors with an additional understanding of the factors and trends affecting the Company’s business that could not be obtained absent these disclosures.

The Company believes that adjusted EBITDA provides relevant and useful information, which is used by the Company’s management in assessing the performance of its business. Adjusted EBITDA is defined by the Company as earnings before interest, income taxes, depreciation, amortization and certain non-cash and/or non-recurring items that do not contribute directly to management’s evaluation of its operating results. These items include stock-based compensation, the non-service portion of pension and postretirement expense, acquisition costs, ERP integration costs, and strategic initiatives and other charges. Adjusted EBITDA provides the Company with an understanding of earnings before the impact of investing and financing charges and income taxes, and the effects of certain acquisition and ERP integration costs, and other items that do not reflect the ordinary earnings of the Company’s operations. This measure may be useful to an investor in evaluating operating performance. It is also useful as a financial measure for lenders and is used by the Company’s management to measure business performance. In this presentation, the Company has also presented adjusted EBITDA margin, which the Company believes may help investors assess its business by providing the margin that adjusted EBITDA represents to sales. Adjusted EBITDA and adjusted EBITDA margin are not measures of the Company’s financial performance under GAAP and should not be considered as alternatives to net income or other performance measures derived in accordance with GAAP, or as alternatives to cash flow from operating activities as a measure of the Company’s liquidity. The Company’s definitions of adjusted EBITDA and adjusted EBITDA margin may not be comparable to similarly titled measures used by other companies.

The Company has also presented net debt and a net debt leverage ratio, which is referred to herein as “financial leverage”, and believes each measure provides relevant and useful information, which is widely used by analysts and investors as well as by our management. These measures provide management with insight on the indebtedness of the Company, net of cash and cash equivalents and relative to adjusted EBITDA. These measures allow management, as well as analysts and investors, to assess the Company’s leverage.

Lastly, the Company has presented free cash flow and free cash flow conversion as supplemental measures of cash flow that are not required by, or presented in accordance with, GAAP. Management believes that these measures provide relevant and useful information, which is widely used by analysts and investors as well as by our management. These measures provide management with insight on the cash generated by operations, excluding capital expenditures and the efficiency of such free cash flow. These measures allow management, as well as analysts and investors, to assess the Company’s ability to pursue growth and investment opportunities designed to increase shareholder value.

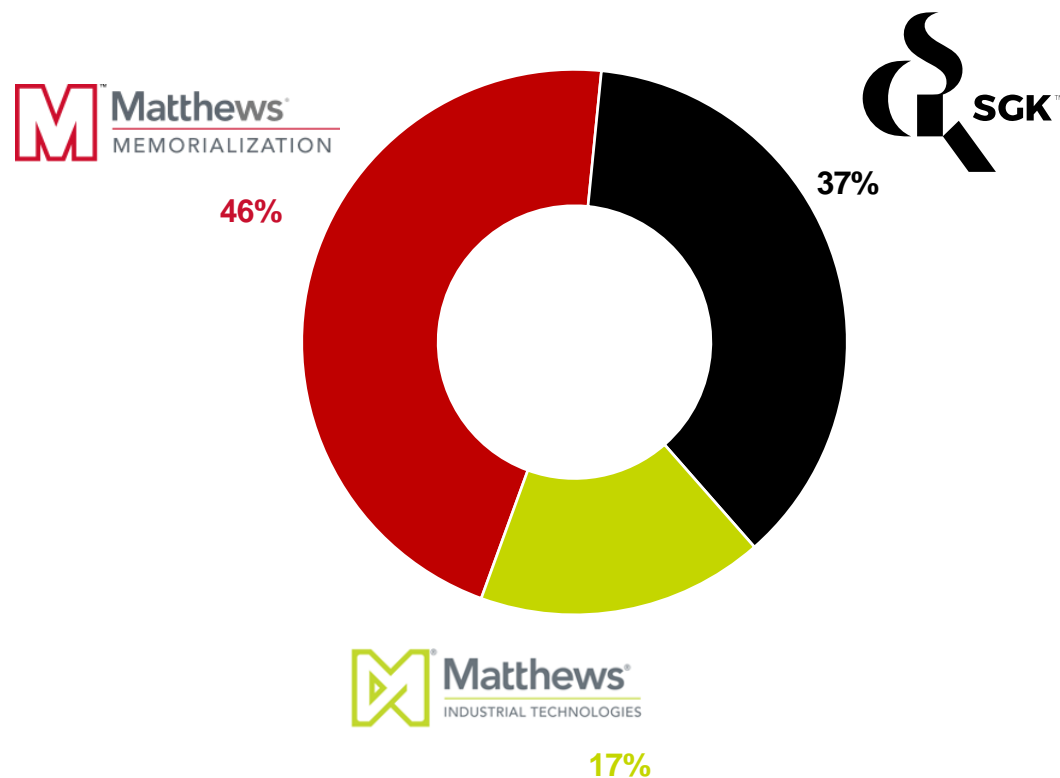


BUSINESS OVERVIEW

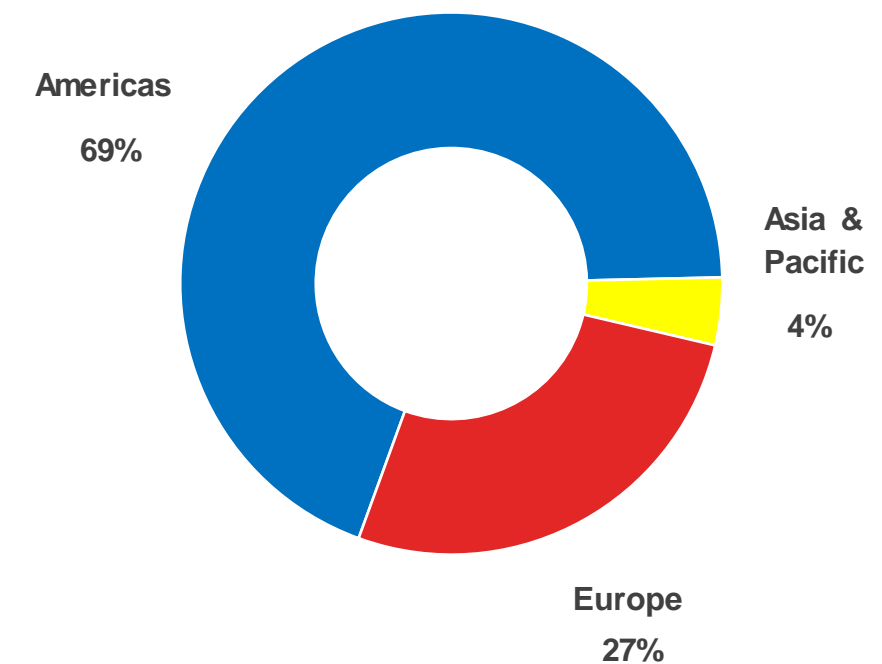


MATTHEWS AT A GLANCE - \$1.7B ANNUAL REVENUE

TOTAL SALES BY SEGMENT



TOTAL SALES BY REGION



Note: All figures reflect fiscal years ended September 30th. ¹ Effective in the first quarter of fiscal 2022, the Company transferred its surfaces and engineered products businesses from the SGK Brand Solutions segment to the Industrial Technologies segment. The above chart sets forth sales and adjusted EBITDA for the year ended September 30, 2021, as if the segments had been reported under the new reportable segment structure. See reconciliation in the appendix on page 29; ² Adjusted EBITDA is defined by the Company as earnings before interest, income taxes, depreciation, amortization and certain non-cash and/or non-recurring items that do not contribute directly to management's evaluation of its operating results. Breakdown excludes corporate and non-operating adjusted EBITDA. See reconciliation in the appendix on page 26



**CEMETERY PRODUCTS
FUNERAL HOME PRODUCTS
CREMATION PRODUCTS AND EQUIPMENT**

MARKET LEADERSHIP

Cemetery Products



Funeral Home Products



Cremation and Incineration Equipment



Market Position (U.S.)

Bronze Memorials - #1
Granite Memorials - #1

Caskets - #2

Cremation Equipment - #1

Core Geographies

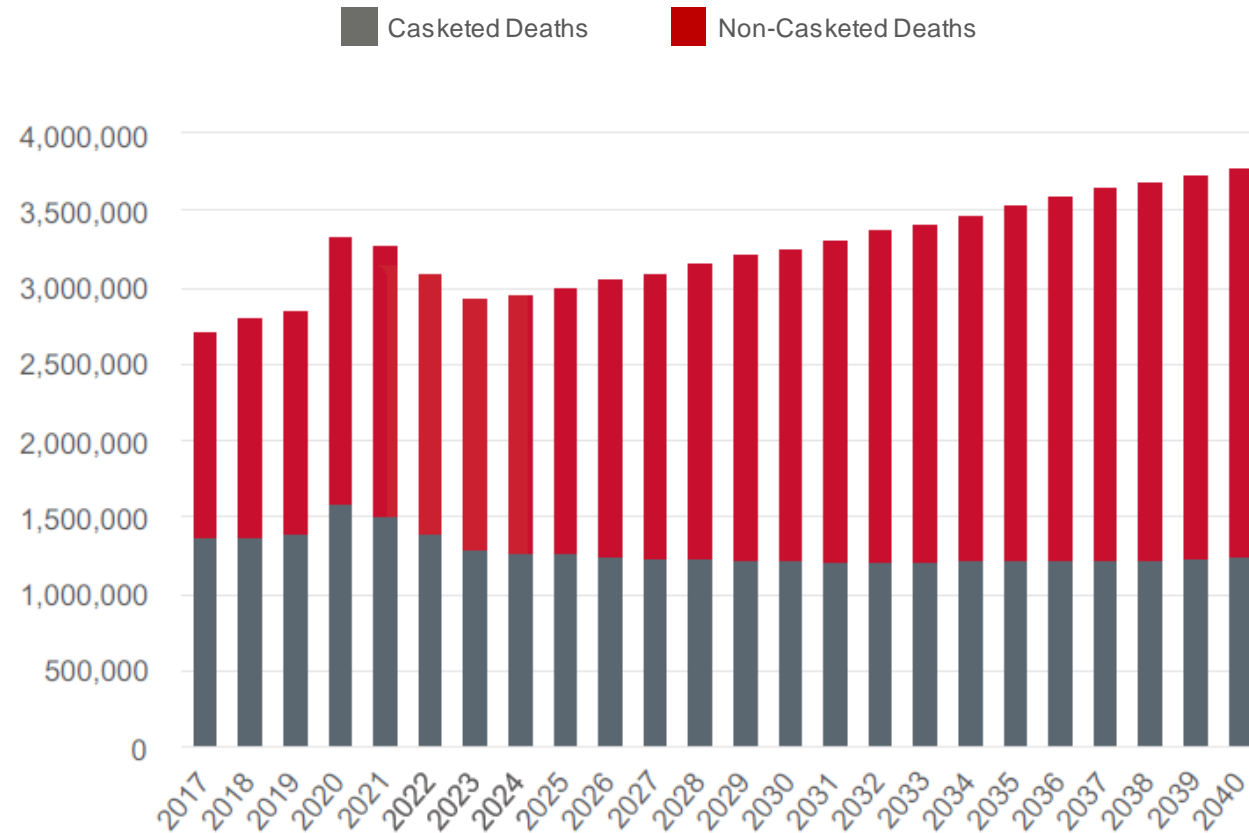
North America, Italy, Australia

United States

Global

STABILITY IN MEMORIALIZATION WITH GROWTH POTENTIAL

CASKETED VS. NON-CASKETED DEATHS¹

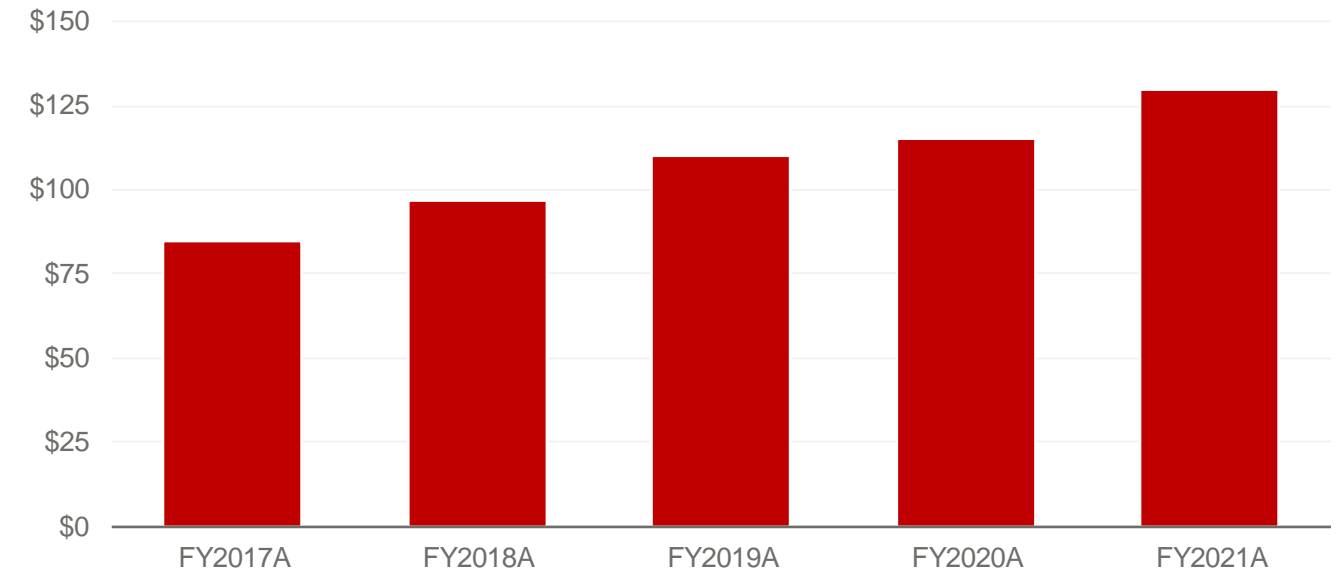


Relatively stable demand driven by predictable trends:
increased deaths and rising cremation rates

Note: All financial figures reflect fiscal years ended September 30th.

¹ Internal estimates based upon data compiled from CDC, US Census Bureau and Industry reports; ² Includes incineration products

SALES OF CREMATION PRODUCTS² (\$mm)



ADDITIONAL GROWTH OPPORTUNITIES

3D Printing

- New 3D printing mold technology presents opportunity to further drive efficiency, flexibility and profitability
- Currently holding patent for 3D printing technology that allows MATW to print molds allowing for wider breadth of products both in and outside the memorialization market

Environmentally Safe Incineration Equipment

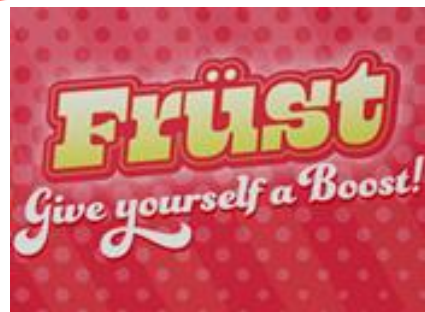
- Offers waste-to-energy solutions where MATW takes municipal waste and turns it into steam that turns a turbine that generates electricity
- Advanced equipment allows environmentally equipment incineration of potentially toxic materials (e.g. plastic, drugs)



**BRAND SOLUTIONS
CORE PACKAGING SERVICES**

CORE PACKAGING SERVICES

BRAND CREATIVE & DESIGN



BRAND ASSETS, CLIENT & LEGAL INPUTS

Amount Per Serving	% Daily Value*
Calories 140	
Total Fat 0g	0%
Saturated Fat 0g	0%
Trans Fat 0g	0%
Cholesterol 0mg	0%
Sodium 45mg	2%
Total Carbohydrate 30g	13%
Dietary Fiber 0g	0%
Sugars 30g	
Protein 0g	0%

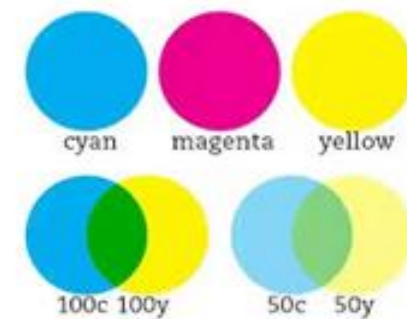
Energy	Fat	Saturated	Sugars	Salt
kJ	g	g	g	g
0	0	0	0	1

100ml: 1.4kJ/0.3kcal

PACKAGING LAYOUT, PRODUCTION ART & COLOR SEPARATION



COLOR CONTROL & PRINT TOOLING



PRINTED PACKAGING SKU's



start

SGK BRAND SOLUTIONS

SERVICING GLOBAL AND REGIONAL CLIENTS

- Longstanding relationships with a large, blue chip customer base consisting of many Fortune 100 and Fortune 500 companies
- "Strategic" relationships rather than "vendor" relationships – more valued client engagement
- Critical service provider in marketing execution of top worldwide brands, particularly where global consistency is highly valued
- Global ERP platform provides improvements for the segment operations

FOOD/BEVERAGE CLIENTS



GLOBAL PHARMA / HEALTHCARE CLIENTS



GLOBAL RETAILER CLIENTS



OTHER LEADING BRANDS





Matthews®

INDUSTRIAL TECHNOLOGIES

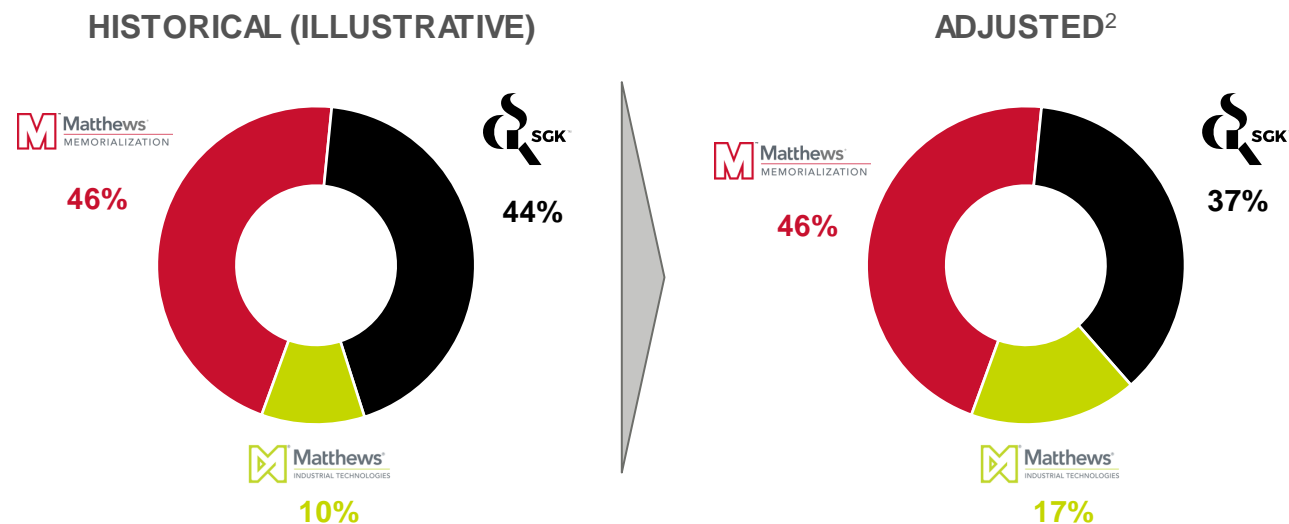
**ENGINEERED SOLUTIONS
PRODUCT IDENTIFICATION
WAREHOUSE AUTOMATION**

ENERGY STORAGE SOLUTIONS

BACKGROUND

- Effective in the first quarter of fiscal 2022, Matthews transferred its energy storage solutions-related business from SGK to Industrial Technologies
- Matthews' exposure to electric vehicles comes primarily through the wholly-owned Saueressig subsidiary which produces engineered calendaring equipment used in the manufacturing of lithium ion batteries and embossing plates used in fuel cells
- Saueressig currently delivers to two major vehicle producers and is actively pursuing opportunities with other electric vehicle manufacturers
- Matthews has experienced significant growth in this space driven by a number of tailwinds including the electrification of the cities in Europe as well as the expansion of renewable energy production globally

SALES BREAKDOWN (FY2021)

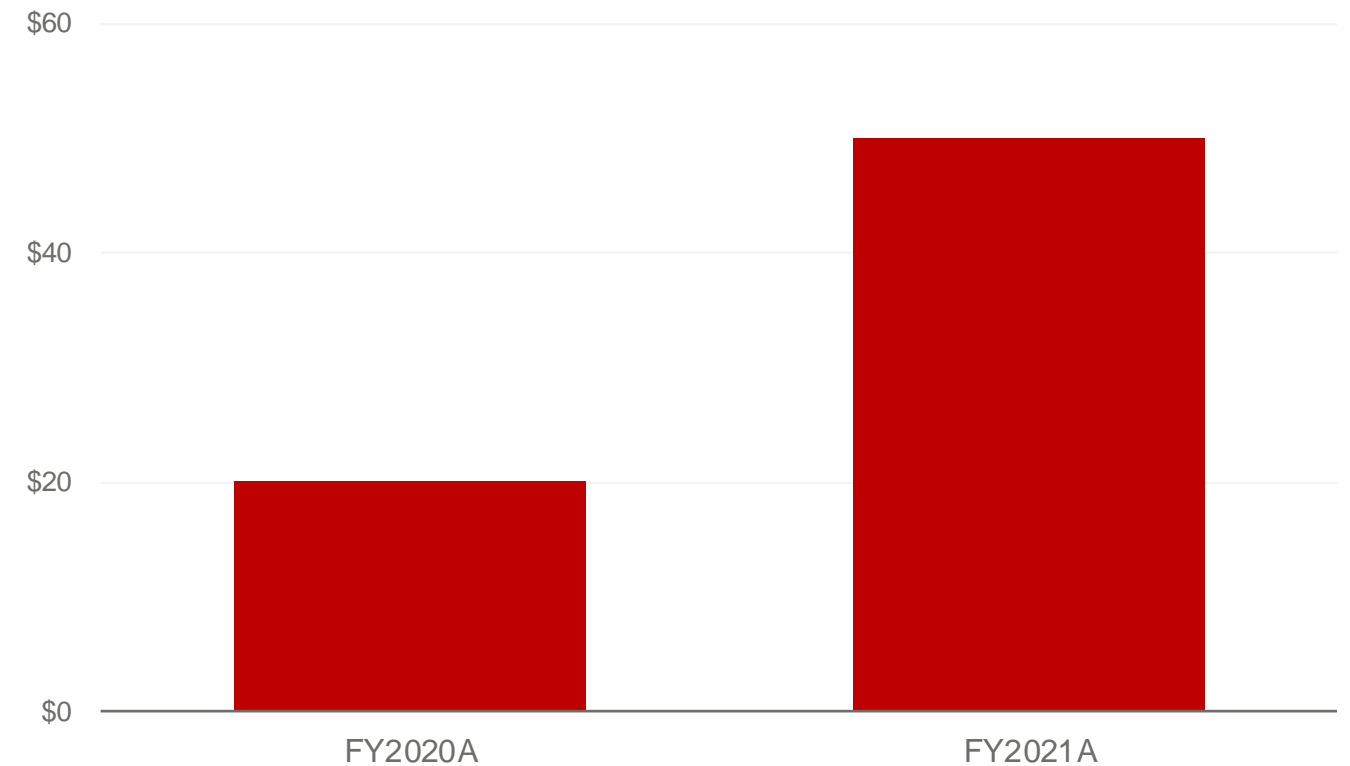


Note: All figures reflect fiscal years ended September 30th.

¹ Includes energy storage solutions-related sales; ² Effective in the first quarter of fiscal 2022, the Company transferred its surfaces and engineered products businesses from the SGK Brand Solutions segment to the Industrial Technologies segment. The above chart sets forth sales and adjusted EBITDA for the year ended September 30, 2021, as if the segments had been reported under the new reportable segment structure. See reconciliation in the appendix on page 29

ENERGY STORAGE SOLUTIONS SALES¹ (\$mm)

Backlog in excess of ~\$100mm for FY2022



Growing demand for fuel efficient and low emission vehicles

Stringent rules and regulations on emissions

Increasing government support

WAREHOUSE AUTOMATION

BACKGROUND

- Warehouse Automation systems complement the tracking and distribution of a customer's products with automated order fulfillment technologies and controls for material handling systems
- Material handling customers include some of the largest retail, e-commerce and automated assembly companies in the United States
- Matthews engineers innovative, custom solutions to address specific customer requirements in a variety of industries

SELECT MATTHEWS SOLUTIONS

DISTRIBUTION AND FULFILLMENT SYSTEMS



Systems communicate in a warehouse to identify and route items and parcels through the facility and out to a customer

PYRAMID



Proven platform integrates interconnected systems to balance work, provide process visibility and boost end-to-end material flow

PICK-TO-LIGHT SYSTEMS



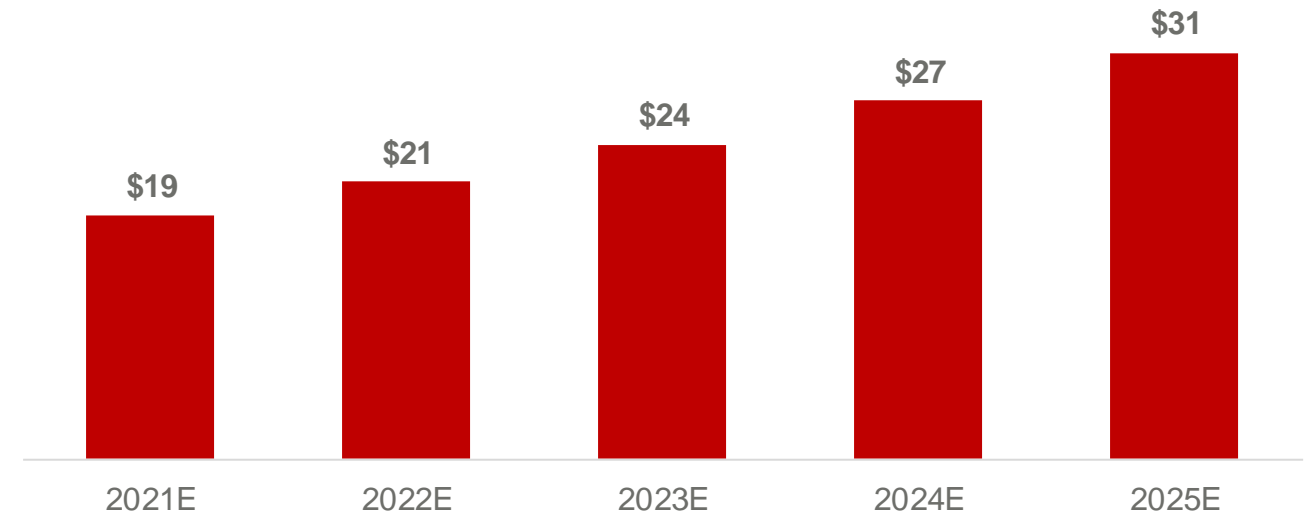
Utilizes light indicators to help increase the speed, accuracy and efficiency of material handling tasks

AUTONOMOUS VEHICLE NAVIGATION



Fully integrated with the Warehouse Automation groups' other solutions to offer a collaborative, AMR-assisted operation

GLOBAL WAREHOUSE AUTOMATION MARKET SIZE¹ (\$bn)



KEY MEGATRENDS DRIVING GROWTH

Speed of shipping

- Consumers expect faster delivery speeds while ordering a variety of SKUs
- Shift toward one-day shipping has made automation of certain warehousing tasks essential

Growth of e-commerce

- Growth of e-commerce sales requires improved order fulfillment capabilities
- Increased throughput volume and the importance of accuracy requires reducing human-error in sorting and picking processes

Labor shortages in warehouses

- Shortage of qualified skilled labor for warehouse fulfillment exacerbated in periods of peak labor demand
- Wages steadily rising contributes to margin pressure in non-automated facilities

¹ Global Warehouse Automation Markets 2021-2025 – Research and Markets

INKJET ORGANIC GROWTH OPPORTUNITY

BACKGROUND

- Product identification dates back to Matthews' original branding irons and hand stamps from the 1850s
- Matthews identified a significant market opportunity to displace incumbent continuous inkjet (CIJ) technology, which is complex, generally unreliable and requires complete rebuilds every two years, with new inkjet technology
- Team spent ~12+ years developing a new technology that culminated in a product that is more reliable, experiences less downtime and results in approximately 75% lower cost of ownership versus legacy products

NEW TECHNOLOGY VALUE PROPOSITION

CIJ HEAD
(CONTINUOUS INKJET)



NEW
TECHNOLOGY

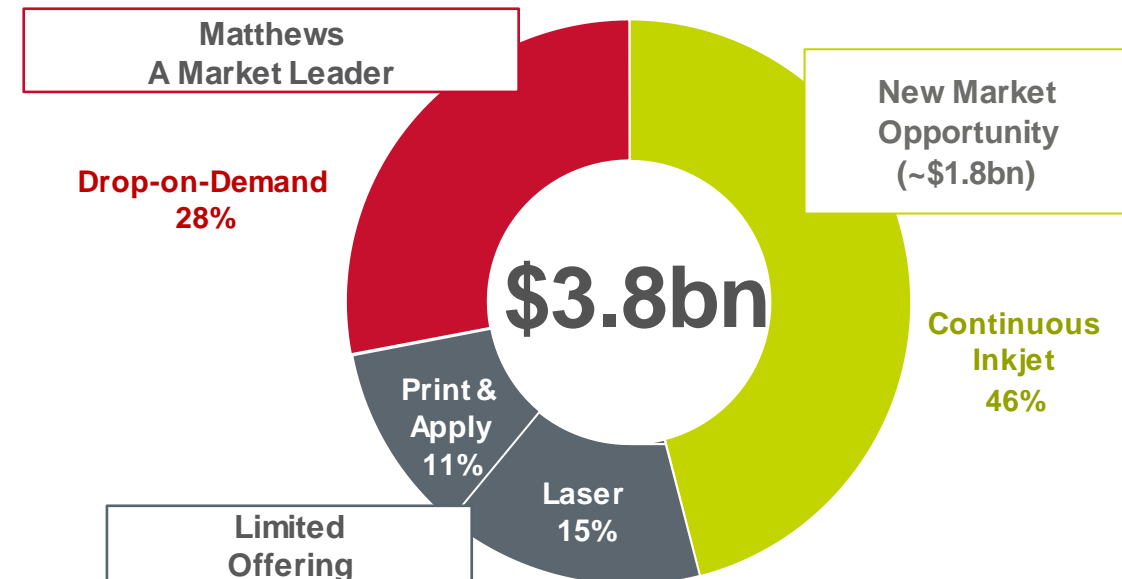


IMPROVED
RELIABILITY

75% LOWER COST
OF OWNERSHIP
VERSUS LEGACY
PRODUCTS

REDUCED
DOWNTIME

MARKET OPPORTUNITY¹



Significant market opportunity for organically developed product

¹ Total marking and coding industry per Technavio (2019)



INVESTMENT THESIS



KEY HIGHLIGHTS

1

FAVORABLE COMPETITIVE POSITIONS IN ATTRACTIVE ADDRESSABLE MARKETS

2

WELL DIVERSIFIED CASH FLOWS WITH ATTRACTIVE MARGIN AND FREE CASH FLOW PROFILE

3

DISCIPLINED TRACK RECORD OF ACQUISITIONS AND INTEGRATION

4

ROBUST CASH FLOW AND LOW LEVERAGE SUPPORTING CONSERVATIVE FINANCIAL POLICY

5

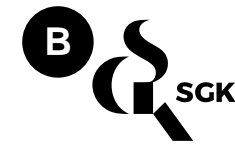
STRONG AND EXPERIENCED MANAGEMENT TEAM

GROWING ATTRACTIVE ADDRESSABLE MARKETS

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- Stable casket demand driven by increased deaths as a result of population growth
- Strong presence and growing revenue in cremation supported by long-term cultural shift away from casketed deaths
- Investment in innovations to drive profitability



- Expanding digital and social media channels challenge traditional marketing approach
- Recovery in retail in post-COVID environment provides strong tailwinds for growth
- Additional positive trends including consumer focus on sustainability, private label proliferation and government regulation impacting consumer packaging



- **Energy storage solutions:** High-growth, high-margin battery business supported by global vehicle electrification
- **Warehouse automation:** Growth in retail e-commerce and rapid fulfillment accelerated by the COVID-19 pandemic
- **Inkjet:** Highly disruptive opportunity with new product resulting in lower total cost of ownership for customers

Attractive
markets and
growth
opportunities

STRONG HISTORY OF 170+ YEARS ROOTED IN IDENTIFICATION PRODUCTS

WELL DIVERSIFIED WITH ATTRACTIVE CASHFLOW

BUSINESS UPDATE

- Strong results in FY2021 including positive growth in consolidated sales and adjusted EBITDA despite challenging operating environment
 - Consolidated sales and adjusted EBITDA of \$1.7bn and \$228mm¹ (13.6% margin²), respectively
- Continue to demonstrate resiliency of business units through COVID-19 with liquidity of approximately \$457mm³
- Generated strong operating cash flow, which allowed for \$200mm of debt repayment since the beginning of the COVID-19 pandemic in March 2020
- Settled defined benefit plans eliminating ~\$140mm of pension obligations from the balance sheet by October 2022

GROWTH OPPORTUNITIES

- **Memorialization** experiencing stable demand complemented by growth in cremation and new, innovative solutions driving margin enhancement
- **SGK** benefitting from recovery in retail in post-COVID environment and strong tailwinds from growing digital and social media channels continuing to disrupt traditional marketing approach
- **Industrial Technologies** seeing strong growth avenues:
 - **Energy storage solutions:** High-growth, high-margin battery business supported by global vehicle electrification
 - **Warehouse automation:** Growth in retail e-commerce and rapid fulfillment accelerated by the pandemic
 - **Inkjet:** Highly disruptive opportunity with new product resulting in lower total cost of ownership for customers

¹ Total adjusted EBITDA is defined by the Company as earnings before interest, income taxes, depreciation, amortization and certain non-cash and/or non-recurring items that do not contribute directly to management's evaluation of its operating results. See reconciliation in the appendix on page 26; ² Defined as the proportion of adjusted EBITDA to sales; ³ Defined as cash of \$49mm plus unused revolver capacity of \$408mm as of 9/30/21

DISCIPLINED TRACK RECORD OF ACQUISITIONS AND INTEGRATION

PRINCIPAL OBJECTIVE

- Identify and integrate complementary businesses with an insistence on prudent capital deployment
- Focus on complementary geographies with minimal customer overlap

FINANCIAL CRITERIA

- Immediately accretive to earnings per share and cash flow
- Achieve return on invested capital of at least 12% over the long-term

INTEGRATION FOCUS

- Matthews has a long track record of successfully integrating acquisitions and has carried out 27 acquisitions in last five years

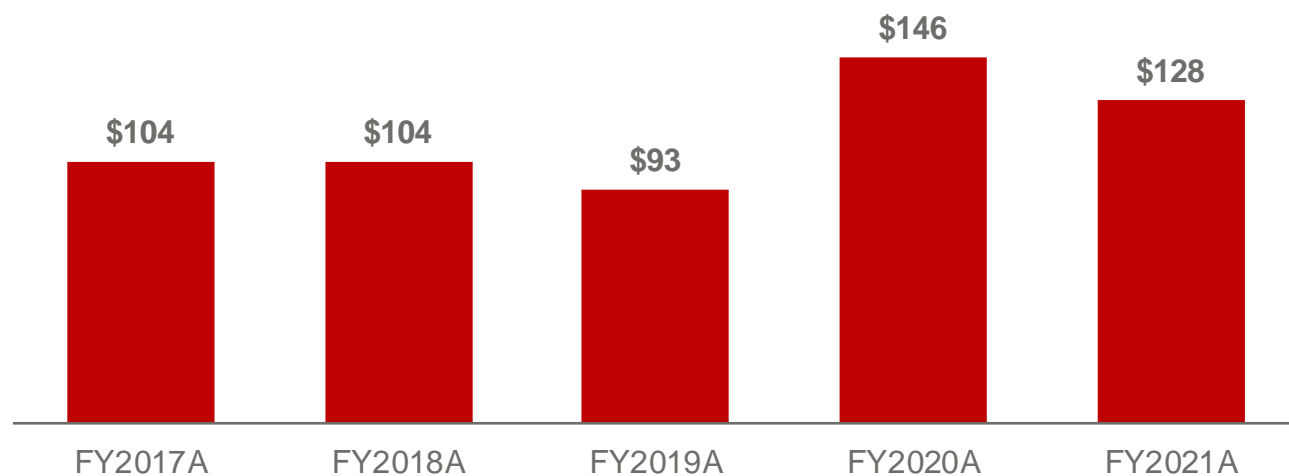
RECENT M&A ACTIVITY

- Added hydrogen fuel cell manufacturing support with Terrella Energy in May 2021
- Further consolidated position in Memorialization with ~\$13mm bolt-on acquisition

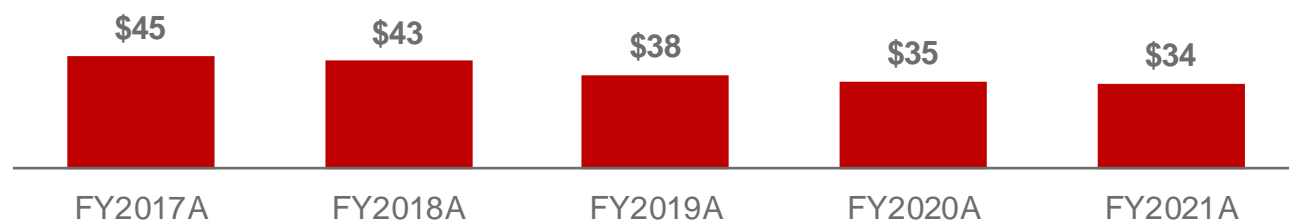
ROBUST CASH FLOW AND LEVERAGE REDUCTION SUPPORTING CONSERVATIVE FINANCIAL POLICY

CASH FLOW SUMMARY

FREE CASH FLOW (\$mm)¹



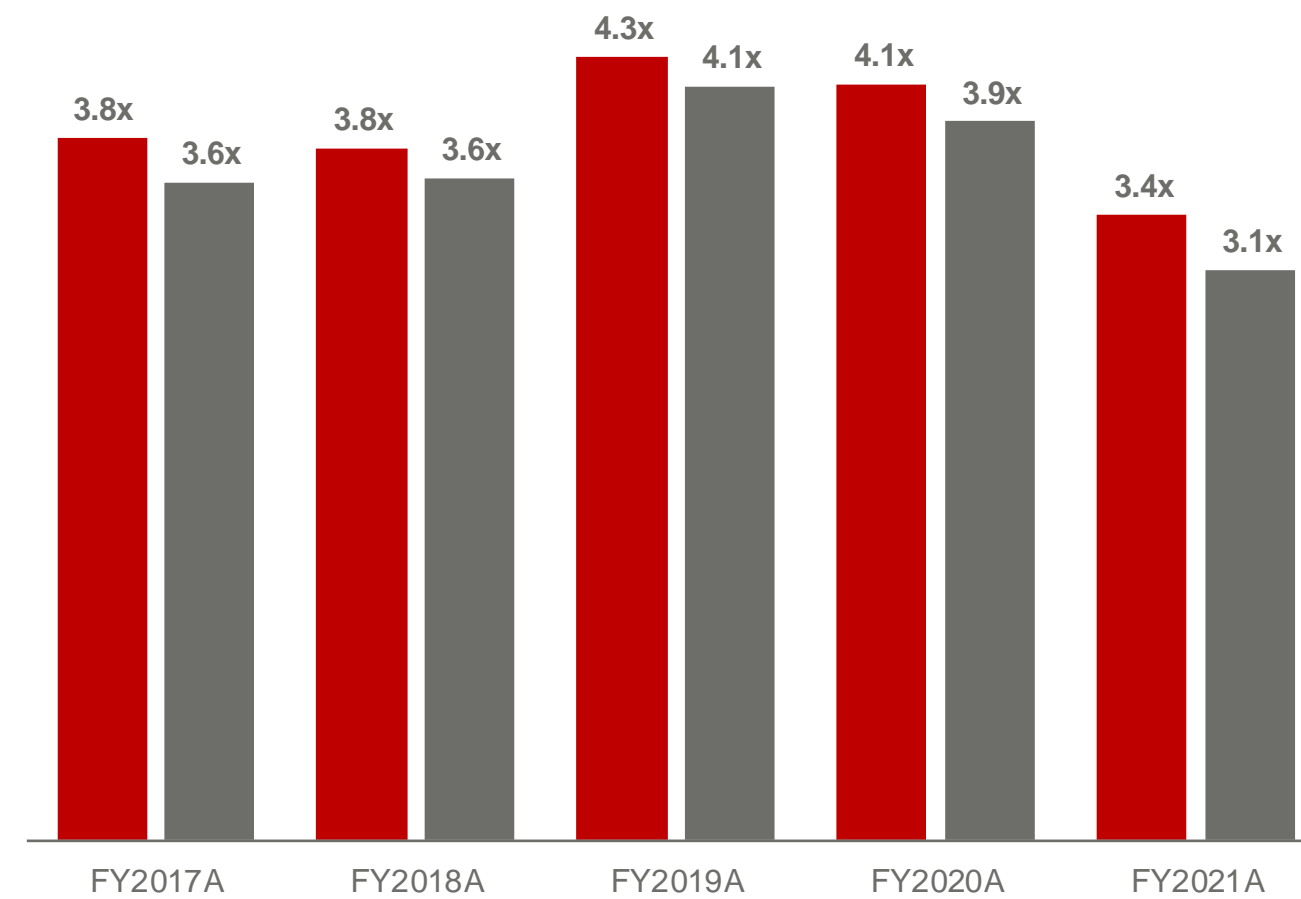
CAPITAL EXPENDITURES (\$mm)



FINANCIAL LEVERAGE²

■ Debt ■ Net Debt

Near-term publicly stated leverage target of 3.0x or less



Note: All figures reflect fiscal years ended September 30th; Historical FY2017 – FY2018 reflects public filing figures. ¹ Defined as cash provided from operating activities less capital expenditures. See reconciliation in the appendix on page 30; ² Financial leverage based on ratio of total and net debt as of September 30th of the applicable fiscal year to total adjusted EBITDA, defined by the Company as earnings before interest, income taxes, depreciation, amortization and certain non-cash and/or non-recurring items that do not contribute directly to management's evaluation of its operating results. See reconciliation in the appendix on page 28

STRONG AND EXPERIENCED MANAGEMENT TEAM



Joseph Bartolacci
Chief Executive Officer and
President

- Chief Executive Officer and President since 2006 and previously served as Chief Operating Officer from 2005-2006
- President of York Casket division and EVP of Matthews from 2004-2005
- Joined Matthews in 1997 and later served as president of Caggiati and Matthews, Europe from 1999-2004



Greg Babe
Chief Technology Officer

- Chief Technology Officer since 2015
- Served as interim Chief Information Officer / Chief Technology Officer in 2014
- Also served as President and Chief Executive Officer of Bayer Corporation North America from 2008-2012 before retiring from that role



Brian Dunn
EVP, Strategy and
Corporate Development

- Responsible for the Industrials Group and Integration Management
- Group President of Brand Solutions from 2010 to 2014
- Served as President, Marking Products Division 2000-2007



Steven Gackenbach
Group President of
Memorialization

- Joined Matthews in January 2011 and originally served as Chief Commercial Officer, Memorialization Group
- Spent 18 years in marketing, general management and strategy assignments with Kraft Foods prior to joining Matthews
- Steven has been a consultant at Monitor Group and Booz & Company
- Steven graduated from University of Pennsylvania and earned his MBA from Harvard Business School



Gary Kohl
President, SGK Brand
Solutions

- Became SGK's president in 2017
- Prior to serving in his current role, he was the executive vice president, global development at SGK
- Prior to joining SGK, he was the group senior vice president of the digital solutions, global packaging and printed electronics team at RR Donnelley



Steven Nicola
Chief Financial Officer and
Secretary

- Chief Financial Officer since 2003
- Vice President, Accounting and Finance from 2001-2003
- Served as Controller from 1995-2001
- Joined Matthews in 1992



FINANCIAL OVERVIEW



FINANCIAL POLICY AND CAPITAL ALLOCATION STRATEGY

DEBT REDUCTION

- Historically maintained a modest leverage profile
- Publicly stated leverage target of 3.0x or less
- Near-term focus on cash flow and continued debt reduction
- Approximately \$200mm of debt repayment since the beginning of the pandemic
- Settled defined benefit plans eliminating ~\$140mm of pension obligations from the balance sheet by October 2022

GROWTH – ORGANIC & ACQUISITIONS

- **Organic:** Leverage existing capability in new markets and geographic regions, cost structure improvements, new product development
 - Recent meaningful organically developed growth initiatives include (i) Saueressig engineered calendaring machines used in electric vehicle battery production, and (ii) new jetting technology in industrial identification business
- **Acquisitions:** Identify and integrate complementary businesses with an insistence on prudent capital deployment (achieve long-term annual return on invested capital of at least 12%)
 - Successful consolidation and integration of stone memorial headstone business (Star Granite & Bronze) in 2018
 - Pursued, but prudently withdrew from, potential acquisitions in 2018 (withdrew due to ROIC concerns) and in 2020 (did not pursue due to market conditions)

SHARE REPURCHASES & DIVIDENDS

- Opportunistically repurchase in periods of excess cash flow
- Authorization of 2.7 million shares as of 9/30/2021
- Quarterly dividend increased to \$0.22 per share for FY2022 vs. \$0.215 per share for FY2021

FINANCIAL SUMMARY

(Dollars in thousands)	Fiscal Year Ended September 30,		
	2019	2020	2021
Sales:			
SGK Brand Solutions	\$ 661,146	\$ 613,818	\$ 617,519
Memorialization	636,892	656,035	769,016
Industrial Technologies	239,238	228,453	284,495
Consolidated Sales	\$ 1,537,276	\$ 1,498,306	\$ 1,671,030
Adjusted EBITDA:			
SGK Brand Solutions	\$ 112,361	\$ 90,342	\$ 91,435
Memorialization	134,286	146,285	165,653
Industrial Technologies	31,214	23,055	34,889
Corporate and Non-Operating	(56,989)	(56,602)	(64,227)
Total Adjusted EBITDA ⁽¹⁾	\$ 220,872	\$ 203,080	\$ 227,750

Note: Effective in the first quarter of fiscal 2022, the Company transferred its surfaces and engineered products businesses from the SGK Brand Solutions segment to the Industrial Technologies segment. The above table sets forth sales and adjusted EBITDA for the years ended September 30, 2021, 2020 and 2019, as if the segments had been reported under the new reportable segment structure. See Disclaimer (Page 2) for Management's assessment of supplemental information related to total adjusted EBITDA.

⁽¹⁾ Total adjusted EBITDA is defined by the Company as earnings before interest, income taxes, depreciation, amortization and certain non-cash and/or non-recurring items that do not contribute directly to management's evaluation of its operating results. See reconciliation at Appendix A.

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APPENDIX



TOTAL ADJUSTED EBITDA

NON-GAAP RECONCILIATION (Unaudited)

APPENDIX A

(In thousands, except per share data)

	Fiscal Year Ended September 30,		
	2019	2020	2021
Net (loss) income	\$ (38,889)	\$ (87,652)	\$ 2,858
Income tax provision (benefit)	806	(18,685)	6,375
(Loss) income before income taxes	(38,083)	(106,337)	9,233
Net loss attributable to noncontrolling interests	901	497	52
Interest expense	40,962	34,885	28,684
Depreciation and amortization	90,793	119,058	133,512
Acquisition related items ⁽¹⁾	10,084	3,440	541
ERP integration costs ⁽²⁾	7,508	2,296	1,037
Strategic initiatives and other charges ⁽³⁾			
Workforce reductions and related costs	5,061	9,232	10,644
Other cost-reduction initiatives	9,176	25,718	17,317
Legal matter reserve ⁽⁴⁾	—	10,566	—
Non-recurring / incremental COVID-19 costs ⁽⁵⁾	—	3,908	5,312
Goodwill write-downs ⁽⁶⁾	77,572	90,408	—
Net realized losses (gains) on divestitures and asset dispositions:			
Loss (gain) on sale of ownership interests in subsidiaries ⁽⁷⁾	6,469	(11,208)	—
Realized loss on cost-method investments ⁽⁸⁾	4,731	—	—
Net gains from the sale of buildings and vacant properties ⁽⁹⁾	(7,347)	—	—
Joint Venture depreciation, amortization, interest expense and other charges ⁽¹⁰⁾	1,514	4,732	—
Stock-based compensation	7,729	8,096	15,581
Non-service pension and postretirement expense ⁽¹¹⁾	3,802	7,789	5,837
Total Adjusted EBITDA	\$ 220,872	\$ 203,080	\$ 227,750

⁽¹⁾ Includes certain non-recurring items associated with recent acquisition activities.

⁽²⁾ Represents costs associated with global ERP system integration efforts.

⁽³⁾ Includes certain non-recurring costs primarily associated with productivity and cost-reduction initiatives intended to result in improved operating performance, profitability and working capital levels.

⁽⁴⁾ Represents a reserve established for a legal matter involving a letter of credit for a customer in Saudi Arabia within the Memorialization segment.

⁽⁵⁾ Includes certain non-recurring direct incremental costs (such as costs for purchases of computer peripherals and devices to facilitate working-from-home, additional personal protective equipment and cleaning supplies and services, etc.) incurred in response to COVID-19. This amount does not include the impact of any lost sales or underutilization due to COVID-19.

⁽⁶⁾ Represents goodwill write-downs within the SGK Brand Solutions segment.

⁽⁷⁾ Represents the loss (gain) on the sale of ownership interests in subsidiaries within the Memorialization segment.

⁽⁸⁾ Includes gains/losses related to cost-method investments, and related assets, within the SGK Brand Solutions and Memorialization segments.

⁽⁹⁾ Includes significant building and vacant property transactions resulting in a gain of \$8.7 million within the Industrial Technologies segment and losses of \$915,000 and \$401,000 within the SGK Brand Solutions and Memorialization segments, respectively.

⁽¹⁰⁾ Represents the Company's portion of depreciation, intangible amortization, interest expense, and other non-recurring charges incurred by non-consolidated subsidiaries accounted for as equity-method investments within the Memorialization segment.

⁽¹¹⁾ Non-service pension and postretirement expense includes interest cost, expected return on plan assets, amortization of actuarial gains and losses, and curtailment gains and losses. These benefit cost components are excluded from adjusted EBITDA since they are primarily influenced by external market conditions that impact investment returns and interest (discount) rates. Curtailment gains and losses are excluded from Adjusted EBITDA since they generally result from certain non-recurring events, such as plan amendments to modify future benefits. The service cost and prior service cost components of pension and postretirement expense are included in the calculation of adjusted EBITDA, since they are considered to be a better reflection of the ongoing service-related costs of providing these benefits. Please note that GAAP pension and postretirement expense or the adjustment above are not necessarily indicative of the current or future cash flow requirements related to these employee benefit plans.

* See Disclaimer (page 2) for Management's assessment of supplemental information related to adjusted EBITDA.

ADJUSTED NET INCOME AND EARNINGS PER SHARE

NON-GAAP RECONCILIATION (Unaudited)

APPENDIX B

(In thousands, except per share data)

	Fiscal Year Ended September 30,										
	2019		2020		2021						
				per share		per share					
Net (loss) income attributable to Matthews	\$	(37,988)	\$	(1.21)	\$	(87,155)	\$	2,910	\$	0.09	
Acquisition related items ⁽¹⁾		7,764		0.25		2,580		0.08		0.01	
ERP integration costs ⁽²⁾		5,781		0.18		1,721		0.06		0.03	
Strategic initiatives and other charges ⁽³⁾											
Workforce reductions and related charges		3,897		0.12		6,924		0.22		10,025	0.31
Other cost-reduction initiatives		7,301		0.24		19,424		0.62		14,024	0.44
Legal matter reserve ⁽⁴⁾		—		—		7,924		0.25		—	—
Non-recurring / incremental COVID-19 costs ⁽⁵⁾		—		—		2,931		0.09		4,106	0.13
Goodwill write-downs ⁽⁶⁾		76,316		2.42		81,861		2.63		—	—
Net realized losses (gains) on divestitures and asset dispositions ⁽⁷⁾		3,232		0.10		(8,406)		(0.27)		—	—
Joint Venture depreciation, amortization and interest expense ⁽⁸⁾		266		0.01		2,433		0.08		—	—
Non-service pension and postretirement expense ⁽⁹⁾		2,927		0.09		5,842		0.19		4,395	0.14
Intangible amortization expense		35,232		1.12		53,636		1.72		63,428	1.98
Tax-related ⁽¹⁰⁾		(300)		(0.01)		4,175		0.13		4,837	0.15
Adjusted net income	\$	104,428	\$	3.31	\$	93,890	\$	3.01	\$	104,913	3.28

Note: Adjustments to net income for non-GAAP reconciling items were calculated using an income tax rate of 24.7%, 25.0%, and 23.0% for the fiscal years ended September 30, 2021, 2020, and 2019, respectively.

⁽¹⁾ Includes certain non-recurring items associated with recent acquisition activities.

⁽²⁾ Represents costs associated with global ERP system integration efforts.

⁽³⁾ Includes certain non-recurring costs primarily associated with productivity and cost-reduction initiatives intended to result in improved operating performance, profitability and working capital levels.

⁽⁴⁾ Represents a reserve established for a legal matter involving a letter of credit for a customer in Saudi Arabia within the Memorialization segment.

⁽⁵⁾ Includes certain non-recurring direct incremental costs (such as costs for purchases of computer peripherals and devices to facilitate working-from-home, additional personal protective equipment and cleaning supplies and services, etc.) incurred in response to COVID-19. This amount does not include the impact of any lost sales or underutilization due to COVID-19.

⁽⁶⁾ Represents goodwill write-downs within the SGK Brand Solutions segment.

⁽⁷⁾ Includes pre-tax loss on divestitures of \$6,469 within the Memorialization segment for the fiscal year ended September 30, 2019; net pre-tax gains from sale of buildings and vacant properties of \$7,347 for the fiscal year ended September 30, 2019; pre-tax realized loss and gain of \$4,731 for the fiscal year ended September 30, 2019; and pre-tax realized gain of \$11,208 on sale of ownership interests in a subsidiary within the Memorialization segment for the fiscal year ended September 30, 2020.

⁽⁸⁾ Represents the Company's portion of depreciation, intangible amortization, interest expense, and other non-recurring charges incurred by non-consolidated subsidiaries accounted for as equity-method investments within the Memorialization segment.

⁽⁹⁾ Non-service pension and postretirement expense includes interest cost, expected return on plan assets, amortization of actuarial gains and losses, and curtailment gains and losses. These benefit cost components are excluded from adjusted EBITDA since they are primarily influenced by external market conditions that impact investment returns and interest (discount) rates. Curtailment gains and losses are excluded from Adjusted EBITDA since they generally result from certain non-recurring events, such as plan amendments to modify future benefits. The service cost and prior service cost components of pension and postretirement expense are included in the calculation of adjusted EBITDA, since they are considered to be a better reflection of the ongoing service-related costs of providing these benefits. Please note that GAAP pension and postretirement expense or the adjustment above are not necessarily indicative of the current or future cash flow requirements related to these employee benefit plans.

⁽¹⁰⁾ Fiscal 2020 balance represents tax-related items incurred in connection with goodwill write-downs. Fiscal 2021 balance represents tax-related items incurred in connection with the termination of the Company's Supplemental Retirement Plan.

* See Disclaimer (page 2) for Management's assessment of supplemental information related to adjusted net income and adjusted EPS.

NET DEBT AND NET DEBT LEVERAGE RATIO

NON-GAAP RECONCILIATION (Unaudited)

APPENDIX C

(Dollars in thousands) (unaudited)	Fiscal Year Ended September 30,		
	2019	2020	2021
Long-term debt, current maturities	\$ 42,503	\$ 26,824	\$ 4,624
Long-term debt	898,194	807,710	759,086
Total debt	940,697	834,534	763,710
Less: Cash and cash equivalents	(35,302)	(41,334)	(49,176)
Net Debt	\$ 905,395	\$ 793,200	\$ 714,534
Adjusted EBITDA	\$ 220,872	\$ 203,080	\$ 227,750
Net Debt Leverage Ratio	4.1	3.9	3.1

* See Disclaimer (page 2) for Management's assessment of supplemental information related to net debt.

SEGMENT RECLASSIFICATION RECONCILIATION

Revenue	FYE September 30,			
	2020A		2021A	
	SGK	Industrial Technologies	SGK	Industrial Technologies
\$mm				
Total Historical	\$693.1	\$149.2	\$726.9	\$175.1
Surfaces & Engineered Products	(\$79.3)	\$79.3	(\$109.4)	\$109.4
Total Reclassified	\$613.8	\$228.5	\$617.5	\$284.5

Adjusted EBITDA	FYE September 30,			
	2020A		2021A	
	SGK	Industrial Technologies	SGK	Industrial Technologies
\$mm				
Total Historical	\$90.6	\$22.8	\$99.7	\$26.6
Surfaces & Engineered Products	(\$0.3)	\$0.3	(\$8.3)	\$8.3
Total Reclassified	\$90.3	\$23.1	\$91.4	\$34.9

FREE CASH FLOW RECONCILIATION

\$mm	FYE September 30,				
	2017A	2018A	2019A	2020A	2021A
Cash Flow from Operating Activities	\$149.3	\$147.6	\$131.1	\$180.4	\$162.8
Less: Capital Expenditures	(\$44.9)	(\$43.2)	(\$37.7)	(\$34.8)	(\$34.3)
Free Cash Flow	\$104.4	\$104.4	\$93.4	\$145.6	\$128.5

INSTITUTIONAL SHAREHOLDERS

Shares

September 30, 2021

BlackRock, Inc.	5,233,856	
The Vanguard Group, Inc.	3,430,199	
Dimensional Fund Advisors, L.P.	1,477,861	
Phoenix Holdings Ltd.	1,440,466	
Aristotle Capital Boston, LLC	1,159,072	
Gamco Investors, Inc. et al	1,080,850	
State Street Corporation	1,041,039	
Ameriprise Financial, Inc.	890,582	
FMR LLC	535,159	
Geode Capital Management, LLC	529,895	
Top Ten Institutions	16,818,979	53.4 % of outstanding shares
Remaining Institutions	8,933,567	
Total Institutional Ownership	25,752,546	81.8 % of outstanding shares

Note: Institutional share information obtained from Nasdaq as of November 16, 2021

Matthews

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