

MYERS INDUSTRIES INC

FORM 8-K (Current report filing)

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Address	1293 S MAIN ST AKRON, OH 44301
Telephone	330-253-5592
CIK	0000069488
Symbol	MYE
SIC Code	3089 - Plastics Products, Not Elsewhere Classified
Industry	Fabricated Plastic & Rubber
Sector	Basic Materials
Fiscal Year	12/31

**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) February 20, 2014

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))
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Item 2.02. Results of Operations and Financial Condition

On February 20, 2014, Myers Industries, Inc. (the "Company") issued a press release announcing earnings results for the fiscal year and quarter ended December 31, 2013. 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 February 20, 2014 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 exhibit) 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 8.01. Other Events

On February 20, 2014, the Company issued a press release announcing an increased quarterly dividend of \$0.13 per share payable April 1, 2014 to shareholders of record as of March 10, 2014. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.3 to this Current Report on Form 8-K.

On February 20, 2014, the Company issued a press release announcing that its Board of Directors has authorized additional share repurchases of \$40 million of common stock with expectations for the share repurchases to be completed in 2014. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.4 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits

- 99.1 Press Release by the Company regarding earnings results dated February 20, 2014
- 99.2 Earnings Presentation Fourth Quarter and Full Year 2013 by the Company dated February 20, 2014
- 99.3 Press Release by the Company regarding increased quarterly dividend dated February 20, 2014
- 99.4 Press Release by the Company regarding Lawn and Garden Segment dated February 20, 2014

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 February 20, 2014

By: /s/ Gregory W. Branning

Gregory W. Branning
Senior Vice President, Chief Financial Officer
and Corporate Secretary

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- Net income per diluted share as adjusted was \$0.26 for the fourth quarter of 2013 and the fourth quarter of 2012.
 - Net sales for the full year of 2013 were \$825.2 million compared to \$791.2 million for the full year of 2012.
 - The gross profit margin as adjusted was 27.7% for the full year of 2013 compared to 27.4% for the full year of 2012.
 - Net income per diluted share as adjusted increased 6.4% to \$1.00 for the full year of 2013 compared to \$0.94 for the full year of 2012.

President and Chief Executive Officer John C. Orr said, "We are pleased with the consistent financial improvement of the Company in 2013. Although we saw less strength in the fourth quarter results due to softer sales volumes and transportation difficulties, our full year results showed a 6.4% improvement in diluted adjusted earnings per share. Our restructuring of our Lawn and Garden Segment, the strong contribution of our recent acquisitions of Novel and Jamco, new product introductions and productivity gains were the key ingredients to improvement. In addition, we delivered a strong 95% increase in free cash flow year-over-year. Inventory management, strong collections and terms management were the consistent focus in 2013."

"We continue to use a balanced approach to capital allocation. We continue to invest in new products and end markets that will improve shareholder value. As we announced this morning, we are returning value to shareholders who continue to hold our stock. The Board of Directors has approved a \$40 million share repurchase which is expected to be completed in 2014. In addition, the quarterly dividend will be increased 44% to \$0.13 per share. These combined actions reflect our positive outlook for our business and strong cash flow generation."

Segment Results

The results below are as *adjusted* and *exclude restructuring and other unusual pre-tax charges* as detailed on the *Reconciliation of Non-GAAP Financial Measures* included in this release.

Net sales in the **Material Handling Segment** for the full year of 2013 were \$322.9 million compared to \$286.0 million for the full year of 2012. Most of the increase in sales was due to the acquisitions of Novel and Jamco which took place in July and October of 2012, respectively. Material Handling's adjusted income before taxes was \$41.3 million for the full year of 2013 compared to \$47.7 million for the full year of 2012. The decline was due to a change in both customer and product mix.

The Material Handling's net sales for the fourth quarter of 2013 were \$83.1 million compared to \$84.4 million for the fourth quarter of 2012. The fourth quarter of 2012 benefited from some sizeable non-recurring project sales. Material Handling's adjusted income before taxes was \$9.7 million for the fourth quarter of 2013 compared to \$12.8 million for the fourth quarter of 2012. The decrease in adjusted income before taxes was mostly the result of higher selling, general and administrative expenses due to increased royalty, information technology upgrades and employee related expenses. Customer and product mix also contributed to the year-over-year decrease.

Net sales in the **Lawn and Garden Segment** for the full year of 2013 were \$204.9 million compared to \$205.8 million for the full year of 2012. Lawn and Garden's adjusted income before taxes for the full year of 2013 increased 237% to \$11.8 million from \$3.5 million for the full year of 2012. The significant year-over-year improvement reflected savings from phase one of our restructuring project, additional cost reductions resulting from productivity and raw material cost savings and new product introductions.

The Lawn and Garden Segment net sales for the fourth quarter of 2013 were \$58.7 million compared to \$58.8 million for the fourth quarter of 2012. Lawn and Garden's adjusted income before taxes for the fourth quarter of 2013 increased 39% to \$5.3 million from \$3.8 million for the fourth quarter of 2012, due to savings from the restructuring project, productivity improvements and raw material cost savings.

Net sales in the **Distribution Segment** for the full year of 2013 were \$177.4 million compared to \$176.6 million for the full year of 2012. Sales of new products and market share gains in equipment sales led to the increase in sales year over year. Distribution's adjusted income before taxes for the full year of 2013 was \$14.6 million compared to \$14.7 million for the full year of 2012.

The Distribution Segment's net sales for the fourth quarter of 2013 were \$43.9 million compared to \$44.7 million for the fourth quarter of 2012. Softer demand from international customers more than offset increased new product sales domestically. Distribution's adjusted income before taxes for the fourth quarter of 2013 was \$3.6 million compared to \$3.2 million for the fourth quarter of 2012. Lower selling, general and administrative expenses, due partially to headcount reductions, contributed to the increase in adjusted income before taxes year-over-year.

On January 30, 2014, the Company announced it would be closing the Distribution Segment's Canadian distribution branches. In 2013, sales from those branches were approximately \$7.5 million and profitability was negligible.

Net sales in the **Engineered Products Segment** for the full year of 2013 were \$137.7 million compared to \$141.7 million for the full year of 2012. Strong sales in the marine and recreational vehicle markets were more than offset by decreased sales of custom products as compared to 2012, partially due to a strategic focus on more profitable business within the segment. Engineered Products' adjusted income before taxes for the full year of 2013 was \$15.5 million compared to \$15.7 million for the full year of 2012.

The Engineered Products Segment net sales for the fourth quarter of 2013 were \$29.3 million compared to \$30.1 million for the fourth quarter of 2012. Engineered Products' adjusted income before taxes for the fourth quarter of 2013 was \$1.8 million compared to \$2.4 million for the fourth quarter of 2012.

Other Financial Items

For the year ended December 31, 2013, free cash flow increased 95% to \$66.1 million compared to \$33.8 million for the year ended December 31, 2012. The significant improvement reflected successful initiatives put in place to better manage working capital.

Capital expenditures totaled \$30.0 million for the year ended December 31, 2013 and are forecasted to be approximately \$35 million to \$40 million in 2014.

During the fourth quarter of 2013, the Company amended its loan agreement. The new agreement provides for a \$200 million senior revolving credit facility, which replaced the existing \$180 million facility.

The Company announced today that it is raising its quarterly dividend 44% to \$0.13 per share.

The Company purchased \$8.1 million of common stock in the year ended December 31, 2013.

The Company also announced today that the board of directors has authorized additional share repurchases of \$40 million of common stock with expectations for the share repurchases to be completed in 2014.

2014 Outlook

"The first quarter of 2014 will be impacted by weather and transportation challenges. However, we anticipate that our full year 2014 results will show another consistent year of profit improvement and increased shareholder value. New product introductions, margin improvement through productivity gains such as phase two of the Lawn and Garden Segment project, material substitutions and elimination of low margin business and reliable cash flow generation are all expected to deliver continued consistent improved results." Orr said.

Conference Call Details

The Company will host an earnings conference call and webcast for investors and analysts on Thursday, February 20, 2014 at 10:00 a.m. ET. The call is anticipated to last approximately one hour and may be accessed at (877) 407-8033. Callers are asked to sign on at least five minutes in advance. A live and archived 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 telephone 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) 877-660-6853 or (Int'l) 201-612-7415. The replay passcode is Conference ID #13575688.

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 wholesale distributor of tools, equipment and supplies for the tire, wheel and undervehicle 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: changes in the markets for the Company's business segments; changes in trends and demands in the markets in which the Company competes; unanticipated downturn in business relationships with customers or their purchases; competitive pressures on sales and pricing; raw material availability, increases in raw material costs, or other production costs; future economic and financial conditions in the United States and around the world; ability to weather the current economic downturn; 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; the Company's ability to execute the components of its Strategic Business Evolution process; 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 web site at <http://www.sec.gov>, and on the Company's Investor Relations section of its web site at <http://www.myersindustries.com>. Myers Industries undertakes no obligation to publicly update or revise any forward-looking statements contained herein. These statements speak only as of the date made.

MYERS INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE QUARTER AND TWELVE MONTHS ENDED DECEMBER 31, 2013 AND 2012
(Dollars in thousands, except share data)

	For the Quarter Ended		For the Twelve Months Ended	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Net sales	\$ 211,286	\$ 214,008	\$ 825,210	\$ 791,188
Cost of sales	161,384	156,818	607,582	575,907
Gross profit	49,902	57,190	217,628	215,281
Selling, general and administrative expenses	44,407	42,215	173,695	163,425
Operating income	5,495	14,975	43,933	51,856
Interest expense, net	1,222	1,187	4,542	4,515
Income before income taxes	4,273	13,788	39,391	47,341
Income tax expense	954	5,267	13,389	17,379
Net income	<u>\$ 3,319</u>	<u>\$ 8,521</u>	<u>\$ 26,002</u>	<u>\$ 29,962</u>
Income per common share:				
Basic	\$ 0.10	\$ 0.25	\$ 0.77	\$ 0.89
Diluted	\$ 0.10	\$ 0.25	\$ 0.76	\$ 0.88
Weighted Average Common Shares Outstanding				
Basic	33,656,673	33,646,031	33,588,720	33,597,020
Diluted	34,204,594	34,119,301	34,043,425	34,109,232

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

	Quarter Ended December 31		Twelve Months Ended December 31	
	2013	2012	2013	2012
Gross Profit as reported	\$49,902	\$57,190	\$217,628	\$215,281
Restructuring and other adjustments in cost of sales				
Material Handling Segment	—	—	178	—
Lawn & Garden Segment	8,050	—	10,957	—
Engineered Products Segment	53	71	56	1,121
Gross Profit as adjusted	<u>\$58,005</u>	<u>\$57,261</u>	<u>\$228,819</u>	<u>\$216,402</u>

Note on Reconciliation of Income and Earnings Data: Gross profit excluding the items mentioned above in the text of this release 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 Consolidated Financial Statements. 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.

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

(Dollars in thousands)

	Quarter Ended December 31,			Twelve Months Ended December 31,		
	2013	2012	% Change	2013	2012	% Change
Net Sales						
Material Handling	\$ 83,086	\$ 84,362	(1.5)%	\$322,854	\$285,994	12.9%
Lawn and Garden	58,733	58,806	(0.1)%	204,890	205,814	(0.4)%
Distribution	43,864	44,654	(1.8)%	177,412	176,645	0.4%
Engineered Products	29,342	30,080	(2.5)%	137,745	141,658	(2.8)%
Inter-company Sales	(3,739)	(3,894)		(17,691)	(18,923)	
Total	<u>\$211,286</u>	<u>\$214,008</u>	<u>(1.3)%</u>	<u>\$825,210</u>	<u>\$791,188</u>	<u>4.3%</u>
Income (Loss)						
Before Income Taxes						
Material Handling	\$ 9,682	\$ 12,580	(23.0)%	\$ 41,076	\$ 47,483	(13.5)%
Lawn and Garden	(3,805)	3,588	(206.0)%	(1,540)	2,905	(153.0)%
Distribution	3,455	3,686	(6.3)%	14,448	14,838	(2.6)%
Engineered Products	1,583	2,309	(31.4)%	15,296	14,481	5.6%
Corporate	(6,642)	(8,375)		(29,889)	(32,366)	
Total	<u>\$ 4,273</u>	<u>\$ 13,788</u>	<u>(69.0)%</u>	<u>\$ 39,391</u>	<u>\$ 47,341</u>	<u>(16.8)%</u>

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

	Quarter Ended December 31		Twelve Months Ended December 31	
	2013	2012	2013	2012
Material Handling				
Income before taxes as reported	\$ 9.7	\$12.6	\$ 41.1	\$ 47.5
Restructuring expenses	0.0	0.2	0.2	0.2
Income before taxes as adjusted	9.7	12.8	41.3	47.7
Lawn and Garden				
Income (loss) before taxes as reported	(3.8)	3.6	(1.5)	2.9
Restructuring expenses and other adjustments	9.1	0.2	11.4	0.6
Loss on disposal of assets	0.0	0.0	0.6	0.0
Depreciation recapture	0.0	0.0	1.3	0.0
Income before taxes as adjusted	5.3	3.8	11.8	3.5
Distribution				
Income before taxes as reported	3.5	3.7	14.4	14.8
Restructuring expenses	0.1	0.0	0.2	0.7
Gain on building sale	0.0	(0.5)	0.0	(0.8)
Income before taxes as adjusted	3.6	3.2	14.6	14.7
Engineered Products				
Income before taxes as reported	1.6	2.3	15.3	14.5
Restructuring expenses	0.2	0.1	0.2	1.2
Income before taxes as adjusted	1.8	2.4	15.5	15.7
Corporate and interest expense				
Income (loss) before taxes as reported	(6.7)	(8.4)	(29.9)	(32.4)
Severance and other	0.0	0.3	0.0	1.8
Loss before taxes as adjusted	(6.7)	(8.1)	(29.9)	(30.6)
Consolidated				
Income before taxes as reported	4.3	13.8	39.4	47.3
Restructuring expenses and other adjustments	9.4	0.3	13.9	3.7
Income before taxes as adjusted	13.7	14.1	53.3	51.0
Income taxes	4.9	5.2	19.2	18.9
Net Income as adjusted	<u>\$ 8.8</u>	<u>\$ 8.9</u>	<u>\$ 34.1</u>	<u>\$ 32.1</u>
Adjusted earnings per diluted share	\$0.26	\$0.26	\$ 1.00	\$ 0.94

Note: Numbers in the Corporate and interest expense section above may be rounded for presentation purposes.

Note on Reconciliation of Income and Earnings Data: Income (loss) excluding the items mentioned above in the text of this release 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 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.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
(Dollars in thousands)

	December 31,	December 31,
	<u>2013</u>	<u>2012</u>
Assets		
Current Assets		
Cash	\$ 6,539	\$ 3,948
Accounts receivable, net	112,459	115,508
Inventories	106,524	107,502
Other	9,388	12,638
Total Current Assets	<u>234,910</u>	<u>239,596</u>
Other Assets	85,069	94,777
Property, Plant, & Equipment, Net	149,478	150,483
Total Assets	<u><u>\$ 469,457</u></u>	<u><u>\$ 484,856</u></u>
Liabilities & Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 98,263	\$ 72,417
Accrued expenses	52,320	42,060
Total Current Liabilities	<u>150,583</u>	<u>114,477</u>
Long-term debt	44,347	92,814
Other liabilities	14,687	17,865
Deferred income taxes	24,333	29,678
Total Shareholders' Equity	<u>235,507</u>	<u>230,022</u>
Total Liabilities & Shareholders' Equity	<u><u>\$ 469,457</u></u>	<u><u>\$ 484,856</u></u>

MYERS INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND 2012
(Dollars in thousands)

	December 31, <u>2013</u>	December 31, <u>2012</u>
Cash Flows From Operating Activities		
Net income	\$ 26,002	\$ 29,962
Items not affecting use of cash		
Depreciation	33,709	29,667
Amortization of intangible assets	3,563	3,052
Amortization of deferred financing costs	373	288
Non-cash stock compensation	2,557	2,708
Provision for (recovery of) loss on accounts receivable	1,098	(543)
Deferred taxes	(3,934)	1,052
Other long-term liabilities	709	4,057
Loss (gain) from asset disposition	749	(1,085)
Tax benefit from options	(389)	—
Cancellation and terminations of share grants	—	253
Other	202	50
Payments for long-term incentive compensation	(1,719)	(333)
Cash flow provided by (used for) working capital, net of acquisitions:		
Accounts receivable	(716)	(2,002)
Inventories	(1,585)	(2,780)
Prepaid expenses	581	(2,119)
Accounts payable and accrued expenses	34,868	(1,475)
Net cash provided by operating activities	<u>96,068</u>	<u>60,752</u>
Cash Flows From Investing Activities		
Capital expenditures	(30,001)	(26,977)
Acquisition of business, net of cash acquired	(600)	(18,543)
Proceeds from sale of property, plant and equipment	933	3,086
Other	(273)	(50)
Net cash used for investing activities	<u>(29,941)</u>	<u>(42,484)</u>
Cash Flows From Financing Activities		
Proceeds from long-term debt	11,000	—
Repayment of long-term debt	(35,000)	(27,258)
Net (repayments of) borrowing on credit facility	(24,492)	17,700
Cash dividends paid	(9,103)	(13,006)
Proceeds from issuance of common stock	5,806	3,122
Tax benefit from options	389	—
Cancellations and terminations of share grants	—	(253)
Repurchase of common stock	(8,096)	(4,204)
Shares withheld for employee taxes on equity awards	(684)	—
Deferred financing costs	(608)	—
Net cash used for financing activities	<u>(60,788)</u>	<u>(23,899)</u>
Foreign Exchange Rate Effect on Cash	(2,748)	2,778
Net increase (decrease) in cash	2,591	(2,853)
Cash at January 1	3,948	6,801
Cash at December 31	<u>\$ 6,539</u>	<u>\$ 3,948</u>

February 20, 2014

Earnings Presentation Fourth Quarter & Full Year 2013



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. Whenever you read a statement that is not simply a statement of historical fact (such as when we describe what we "believe," "expect," or "anticipate" will occur, and other similar statements), you must remember that our expectations may not be correct, even though we believe they are reasonable. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). You should review this presentation with the understanding that actual future results may be materially different from what we expect. Many of the factors that will determine these results are beyond our ability to control or predict. 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. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the applicable statements. Such risks include:

- (1) Fluctuations in product demand and market acceptance
- (2) Uncertainties associated with the general economic conditions in domestic and international markets
- (3) Increased competition in our markets
- (4) Changes in seasonality
- (5) Difficulties in manufacturing operations, such as production outages or maintenance programs
- (6) Raw material availability
- (7) Fluctuations in raw material costs; fluctuations outside the "normal" range of industry cycles
- (8) Changes in laws and regulations and approvals and decisions of courts, regulators, and governmental bodies

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.myersind.com and at the SEC.gov web site.

Full Year 2013 Highlights



- Achieved 6.4% increase in adjusted EPS
 - \$1.00 compared to \$0.94 in 2012
- Generated 95% increase in free cash flow
 - \$66.1 million compared to \$33.8 million
- As part of Innovation initiative more than 40 new products and services were introduced
 - 6% of total sales in 2013 came from products, services or markets developed in the last three years.
- Realized \$16 million in Operations Excellence savings
 - 3% of Cost of Goods sold
- 2012 Novel & Jamco acquisition performed as anticipated in 2013 and continue to be a good strategic fit
- Increased dividend 12.5% to \$0.09 per quarter or \$0.36 per year
- Invested \$8.1 million to repurchase common stock

Full Year 2013 Financial Summary



- Sales increased 4.3%
 - Novel and Jamco acquisitions were the primary contributor to the increase
- Adjusted gross margin expanded to 27.7% from 27.4%
 - *Operations Excellence* initiatives drove productivity improvements and cost savings
- Adjusted net income increased 6.1%
- Adjusted EPS increased 6.4%

Highlights	FY 2013	FY 2012	B/(W)
Net sales	\$825.2	\$791.2	4.3%
Gross profit margin - adjusted ¹	27.7%	27.4%	1.1%
SG&A	\$173.7	\$163.4	(6.3%)
Net income - adjusted ²	\$34.1	\$32.1	6.1%
Effective tax rate	34.0%	36.7%	
EPS - adjusted ²	\$1.00	\$0.94	6.4%

¹See Reconciliation of Non-GAAP measures slide 17

²See Reconciliation of Non-GAAP measures on slide 18

Note: All figures except ratios and percents are \$Millions

Full Year 2013 Financial Summary



Cash Highlights	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012
Cash provided by operations	\$96.1	\$60.8
Capital expenditures	\$30.0	\$27.0
Free cash flow	\$66.1	\$33.8
Dividends	\$9.1	\$13.0

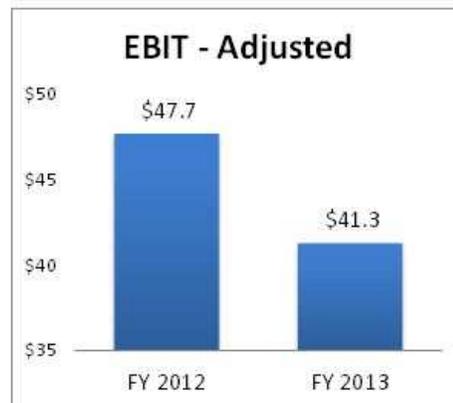
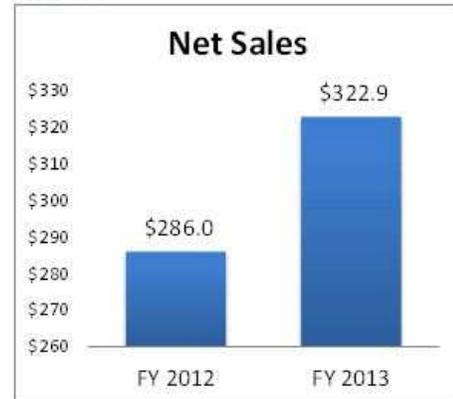
Balance Sheet Highlights	December 31, 2013	December 31, 2012
Long-term debt	\$44.3	\$92.8
Debt - net of cash	\$37.8	\$88.9
Net Debt to total capital	13.8%	27.9%

Notes: All figures except ratios and percents are \$Millions
Free cash flow = cash flow from operations – capital expenditures

FY Results

- Sales increase of 13% due mostly to Novel & Jamco acquisitions
- Change in both customer and product mix led to decrease in adjusted EBIT

\$ Millions

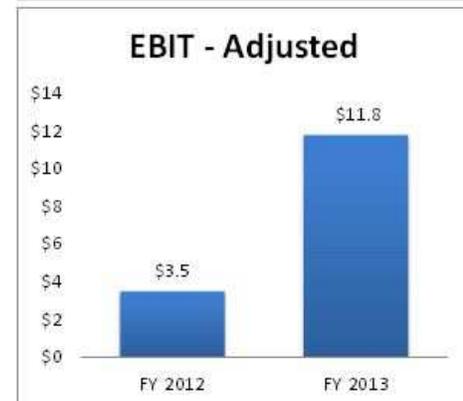
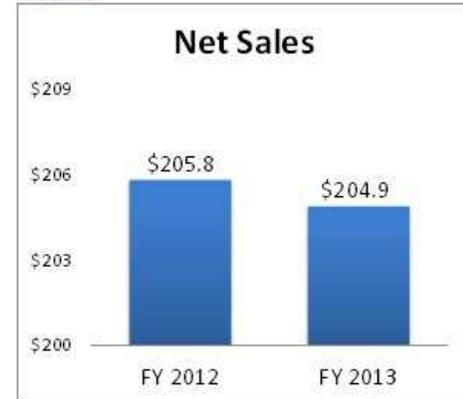


See Reconciliation of Non-GAAP measures on slide 18

FY Results

- Sales relatively flat year-over-year
- Savings from phase one of restructuring combined with productivity and material cost savings generated significant year-over-year adjusted EBIT improvement

\$ Millions



See Reconciliation of Non-GAAP measures on slide 18

FY Results

- Sales increase the result of new product sales and market share gains in equipment
- Adjusted EBIT relatively flat year-over-year



See Reconciliation of Non-GAAP measures on slide 18

FY Results

- Strong sales in the marine and recreational vehicle markets were offset by lower custom sales, primarily as the result of a focus on more profitable business



See Reconciliation of Non-GAAP measures on slide 18

Q4 2013 Financial Highlights



- Softer sales volumes partially resulting from near-term transportation issues led to a 1.3% decline in sales year-over-year
- Adjusted gross profit margin increased to 27.5% from 26.8%
 - *Operations Excellence* initiatives drove productivity improvements and cost savings
- Adjusted net income flat year-over-year
- Adjusted EPS flat vs. 2012

Highlights	Q4 2013	Q4 2012	B/(W)
Net sales	\$211.3	\$214.0	(1.3%)
Gross profit margin - adjusted ¹	27.5%	26.8%	2.6%
SG&A	\$44.4	\$42.2	(5.2%)
Net income - adjusted ²	\$8.8	\$8.9	(1.7%)
Effective tax rate	22.3%	38.2%	
EPS - adjusted ²	\$0.26	\$0.26	0.0%

¹See Reconciliation of Non-GAAP measures slide 17

²See Reconciliation of Non-GAAP measures on slide 18

Note: All figures except ratios and percents are \$Millions

Q4 Results

- Sales decreased 1.5% year-over-year as Q4 2012 sales benefited from some sizeable non-recurring project sales
- Higher SG&A expenses due to increased royalty and employee related expenses led to the decline in adjusted EBIT year-over-year
 - A change in customer and product mix also contributed to the decline



See Reconciliation of Non-GAAP measures on slide 18

Q4 Results

- Savings from phase one of the restructuring project combined with cost reductions driven by productivity improvements and raw material substitutions led to the increase in adjusted EBIT year-over-year



See Reconciliation of Non-GAAP measures on slide 18

Q4 Results

- Softer demand from International customers during the quarter more than offset increased sales from new products in the U.S.
- Lower SG&A expenses partially due to headcount reductions contributed to the increase in adjusted EBIT year-over-year



See Reconciliation of Non-GAAP measures on slide 18

Q4 Results

- Strong sales in the marine and RV market were more than offset by lower custom sales during the quarter as the segment continued to focus more profitable business



See Reconciliation of Non-GAAP measures on slide 18

Q1 Outlook

- **Material Handling**
 - Strong sales in food processing and organic growth in Brazil will more than offset the impacts to production schedules and product shipping resulting from poor weather conditions at the start of the year
- **Lawn & Garden**
 - Anticipate that sales will be lower than Q1 2013, partially due to an inability to ship products during the quarter and as a result of decreased production during the quarter as we implement phase two of the segment's restructuring plan
- **Distribution**
 - Anticipate sales will be relatively flat during the quarter as a result of weather conditions at the start of the year
 - Future quarters should see the benefit of the resulting pent-up demand
- **Engineered Products**
 - Anticipate that custom sales will be lower than Q1 2013 due to the elimination of some unprofitable business throughout 2012

Full Year Outlook

- The Company anticipates that it will show another year of profit improvement from its sustained focus on productivity and cost saving initiatives, including phase two of the Lawn & Garden restructuring project that was announced in July 2013



Appendix

Reconciliation of Non-GAAP Measures

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

	Quarter Ended		Twelve Months Ended	
	December 31		December 31	
	2013	2012	2013	2012
Gross Profit as reported	\$ 49,902	\$ 57,190	\$ 217,628	\$ 215,281
Restructuring and other adjustments in Cost of sales				
Material Handling Segment	—	—	178	—
Lawn & Garden Segment	8,050	—	10,957	—
Engineered Products Segment	53	71	56	1,121
Gross Profit as adjusted	<u>\$ 58,005</u>	<u>\$ 57,261</u>	<u>\$ 228,819</u>	<u>\$ 216,402</u>

Note on Reconciliation of Income and Earnings Data: Gross profit excluding the items mentioned above in the text of this release 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 Consolidated Financial Statements. 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
 INCOME (LOSS) BEFORE TAXES BY SEGMENT (UNAUDITED)
 (Dollars in millions, except per share data)

	Quarter Ended		Twelve Months Ended	
	December 31		December 31	
	2013	2012	2013	2012
Material Handling				
Income before taxes as reported	\$ 9.7	\$ 12.6	\$ 41.1	\$ 47.5
Restructuring expenses	0.0	0.2	0.2	0.2
Income before taxes as adjusted	9.7	12.8	41.3	47.7
Lawn and Garden				
Income (loss) before taxes as reported	(3.8)	3.6	(1.5)	2.9
Restructuring expenses and other adjustments	9.1	0.2	11.4	0.6
Loss on disposal of assets	0.0	0.0	0.6	0.0
Depreciation recapture	0.0	0.0	1.3	0.0
Income before taxes as adjusted	5.3	3.8	11.8	3.5
Distribution				
Income before taxes as reported	3.5	3.7	14.4	14.8
Restructuring expenses	0.1	0.0	0.2	0.7
Gain on building sale	0.0	(0.5)	0.0	(0.8)
Income before taxes as adjusted	3.6	3.2	14.6	14.7
Engineered Products				
Income before taxes as reported	1.6	2.3	15.3	14.5
Restructuring expenses	0.2	0.1	0.2	1.2
Income before taxes as adjusted	1.8	2.4	15.5	15.7
Corporate and interest expense				
Income (loss) before taxes as reported	(6.7)	(8.4)	(29.9)	(32.4)
Severance and other	0.0	0.3	0.0	1.8
Loss before taxes as adjusted	(6.7)	(8.1)	(29.9)	(30.6)
Consolidated				
Income before taxes as reported	4.3	13.8	39.4	47.3
Restructuring expenses and other adjustments	9.4	0.3	13.9	3.7
Income before taxes as adjusted	13.7	14.1	53.3	51.0
Income taxes	4.9	5.2	19.2	18.9
Net income as adjusted	\$ 8.8	\$ 8.9	\$ 34.1	\$ 32.1
Adjusted earnings per diluted share	\$ 0.26	\$ 0.26	\$ 1.00	\$ 0.94

Note: Numbers in the Corporate and interest expense section above may be rounded for presentation purposes.

Note on Reconciliation of Income and Earnings Data: Income (loss) excluding the items mentioned above in the text of this release 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 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.

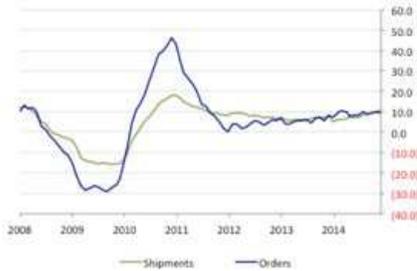
Market Indicators



Material Handling

MHEM Index

Material Handling Index
Annual rate of change



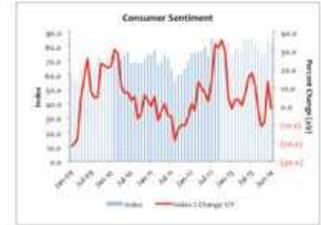
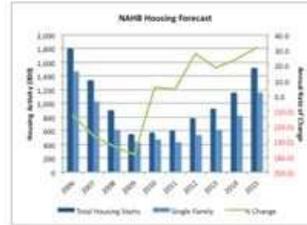
Source: Material Handling Industry Feb 2014 Forecast



Lawn & Garden

Housing Starts

Consumer Sentiment



Sources: National Association of Home Builders (NAHB), Jan 2014; Thomson Reuters/University of Michigan, Jan 2014

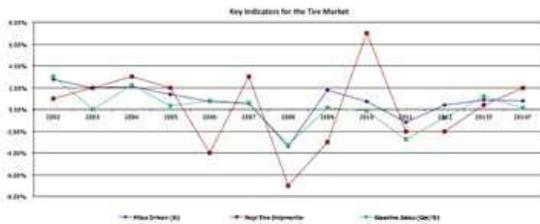


Distribution

Miles Driven

Replacement Tire Shipments,

Gasoline Sales



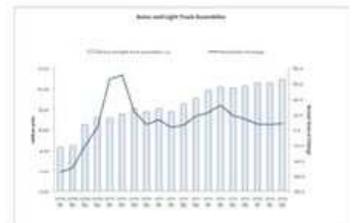
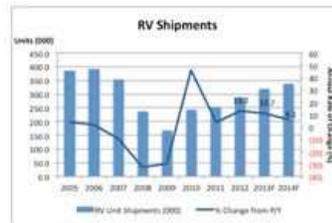
Source: JP Morgan, RMA, Energy Information Administration, Dec 2013



Engineered Products

RVIA

Auto Market Forecasts



Sources: RVIA Forecasts, Dec 2013; FRB G17 Release, Feb 2014



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Leadership Brands Helping Customers Grow!



News Release
NYSE: MYE

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& Chief Financial Officer (330) 761-6303

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

Myers Industries Increases Quarterly Dividend by 44%

February 20, 2014, Akron, Ohio — On Wednesday, February 19, 2014, the Board of Directors of Myers Industries, Inc. (NYSE: MYE) declared an increased quarterly dividend of \$0.13 per share payable April 1, 2014 to shareholders of record as of March 10, 2014. The board continues to believe that it is important to increase a return to shareholders through the Company's dividend. The quarterly dividend represents a 44% increase compared to the \$0.09 per share paid last quarter. This increase together with the announcement this morning of an additional \$40 million share repurchase reflects the Company's ability to generate strong free cash flow and desire to maintain a balanced approach to capital allocation.

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 wholesale distributor of tools, equipment, and supplies for the tire, wheel, and undervehicle service industry in the U.S. Visit www.myersindustries.com to learn more.

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NYSE / MYE



News Release
NYSE: MYE

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

**Myers Industries Announces \$40 Million
Share Repurchase Program**

February 20, 2014, Akron, Ohio — Myers Industries, Inc. (NYSE: MYE) announced today that its Board of Directors has authorized additional share repurchases of \$40 million of common stock with expectations for the share repurchases to be completed in 2014.

“We are in contact with our shareholders and it is clear that returning capital to them is a high priority as our cash flow increases,” said John Orr, president and chief executive officer. “This investment in share repurchases demonstrates the board’s confidence in Myers’ ability to generate long term profitable growth, produce solid free cash flow and maintain a balanced approach to capital allocation.”

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 wholesale distributor of tools, equipment, and supplies for the tire, wheel, and undervehicle service industry in the U.S. Visit www.myersindustries.com to learn more.

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