



COMPANY UPDATE / RATING CHANGE ESTIMATE CHANGE / TARGET CHANGE

Key Metrics

LABL - NASDAQ - as of	1/5/18	\$74.40
Price Target		\$105.00
52-Week Range	\$63.05 -	\$88.25
Shares Outstanding (mm)		20.4
Market Cap. (\$mm)		\$1,520.8
1-Mo. Average Daily Volume		63,776
Institutional Ownership		65.7%
Net Debt/Total Capital	Q2'18	51.5%
ROE	TTM	15.0%
Book Value / Share	Q2'18	\$25.39
Price / Book Value		2.9x
Dividend Yield		0.3%
Adj EBITDA Margin	TTM	16.8%

EPS Fiscal Year 3/31

		Prior	Current	Prior	Current
	2017A	2018E	2018E	2019E	2019E
1Q	*\$0.95	--	\$0.86	A --	--
2Q	*\$0.99	--	\$1.06	A --	--
3Q	*\$0.70	\$0.77	\$0.77	--	--
4Q	*\$0.98	\$1.11	\$1.14	--	--
Year	\$3.61	\$3.80	\$3.83	\$4.37	\$4.51
P/E	20.6x		19.4x		16.5x

* adjusted for special items

Revenue (\$mm)

		Prior	Current	Prior	Current
	2017A	2018E	2018E	2019E	2019E
1Q	\$236.5	--	\$245.4	A --	--
2Q	\$232.1	--	\$256.0	A --	--
3Q	\$210.7	\$335.7	\$335.3	--	--
4Q	\$244.0	\$413.8	\$417.5	--	--
Year	\$923.3	\$1,248.0	\$1,251.2	\$1,695	\$1,681

Company Description: *Cincinnati, OH-based Multi-Color Corp, established in 1916, is a leader in global label solutions supporting prominent brands selling a range of home & personal care, wine & spirit, food & beverage, and specialty consumer products. LABL serves brand owners across 6 continents. Multi-Color employs ~4600 associates across 46 operations globally, and trades on the NASDAQ under 'LABL'.*

Industrials

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Multi-Color Corporation

LABL – NASDAQ – Long-term Buy – 3

Upgrading to Long-term Buy.

- We are upgrading our rating on LABL from Neutral to Long-term Buy; we assign shares a 2-year \$105 price target. Our suitability rating remains '3,' a somewhat aggressive assertion given M&A strategy and leverage.
- Keep in mind for reference, LABL's fiscal year ends March 31, meaning fiscal '18 is nearly complete.
- Several layers of uncertainty exist at LABL, but some of this is positive (i.e. tax cuts); otherwise, we are inclined to buy ahead of clarity we expect in calendar-2018.
- Furthermore, LABL fits our affinity for consumer-oriented Industrials exposure as we move into the New Year, based on relative performance in 2017 and our view toward good consumer dynamics in 2018. We note that LABL is largely retail channel-agnostic.
- An oft-volatile stock, we like adding Multi-Color amidst a period of what we see as subdued sentiment. Absent our upgrade, LABL carries the equivalent of 5 'Neutral' and 1 'Sell' rating, and we gauge little news flow since the company trimmed guidance ~2 months ago on items that LABL expects will not impact past fiscal '18.
- The Street has yet to see financials following the Constantia acquisition (closed 10/31/17), which brings uncertainty. Nonetheless, 'accretion' should be an easy hurdle, in our view, and incremental changes to the tax profile should be supportive of 2019/2020 guideposts that already suggest \$5.00 in EPS for fiscal 2020.
- Forex adjustments and slightly more constructive volume assumptions boost our fiscal 2018 and 2019 model years, while our out-year forecast is also aided by dropping our effective tax rate to 25.5% from 29%.
- At our 2-year \$105 price target, LABL would trade at an EV/EBITDA multiple of ~9x based on our fiscal 2019 estimates, about 1x below 'average' over the past several years, but reasonable, in our view, based on a bit higher leverage. In our view, this also leaves some margin of safety should initial integration of Constantia disappoint.
- Our upgrade is not necessarily a tactical call on fiscal Q3'18, to be reported in February, where we see expectations as relatively fair.

**Note Important Disclosures on Pages 7-8.
Note Analyst Certification on Page 7.**

ADDITIONAL DISCUSSION—P&G RELATIONSHIP

As an update to our comments following fiscal Q2'17 (ending 9/30/17) results late last year (from review of the 10-Q), we estimate Procter & Gamble accounted for ~\$43.5MM of LABL's sales, up from ~\$41.8MM and ~\$37.5MM in fiscal Q2'16 and Q2'15, respectively. We believe the relationship posted a high-water mark during the most recently reported quarter. We continue to view the P&G relationship as a good proxy for LABL's performance, but also remind investors that we expect the Constantia transaction will substantially dilute the importance of P&G to consolidated financials. Reducing key customer risk is attractive, in our view (P&G should be ~10% of sales post-acquisition versus 17%-18% prior); having said that, diluting P&G's impact dampens one of our long-standing thesis points, and removes an element of visibility.

ADDITIONAL DISCUSSION—CONSTANTIA FLEXIBLES RECAP

First announced in July of last year, Multi-Color Corp. completed its ~\$1.3B acquisition of the Labels Division of Constantia Flexibles 10/31/17. Pro forma expectations for the deal were already reflected in our model, and are unchanged in conjunction with this upgrade note. Purchase consideration consisted of 3.4MM newly issued LABL shares (assigned a value of \$75) and cash consideration of about \$1.05B, funded by debt. Although perhaps interesting, we believe it is largely coincidence that LABL stock has been more/less range bound in the mid-\$70s since the deal was completed. Pro forma net debt-to-EBITDA should be about 5x when the company releases its 12/31/17 financials, but debt reduction is now a strategic focus for management.

With Constantia, LABL expands its Food & Beverage competitive position, while gaining scale in Europe that will, ideally, support growth of legacy-LABL's Wine & Spirits and Home & Personal Care offerings. Overall, we continue to look forward to a company with a seemingly more balanced positioning across product groups and geographies.

ADDITIONAL DISCUSSION—FINAL THOUGHTS

As noted in bullet points, we are not attempting to make a trading call on Q3'18 results, which we expect to receive next month. More so, we are upgrading the stock amidst what we view as balanced sentiment and compelling longer-term risk reward (at least across our ~2 year investment horizon). We believe the Constantia acquisition will ultimately be additive to shareholder value, and while some layers of uncertainty exist at this point, we believe this has helped generate an attractive entry point.

SUITABILITY

We assign LABL a suitability rating of '3.' A complete description of our suitability scale is on page 7. Small-cap status, a narrow product focus (consumer labels), reasonable but modestly aggressive leverage and a reliance on roll-up acquisitions push LABL below our more conservative ratings. Generally stable demand, a strong history of execution and a long history of operations, along with leading market positions in some technologies and entrenched positions with several major customers, keep LABL well above our most aggressive '4' rating.

CONSIDERATIONS AND RISKS

Multi-Color Corporation generates >40% of its sales internationally, and we expect most of its acquisitions moving forward to occur outside of the United States. Changes in the status quo regarding globalization, free capital flow and/or free trade could materially and negatively impact LABL.

Multi-Color was found by their external auditors to have material flaws in internal reporting controls during the FY 2014 auditing process. After changing accounting firms, LABL's new auditors reiterated this position following the FY 2015 auditing process, although the situation was remedied during the FY 2016 auditing process. Nonetheless, not-yet-discovered issues that may be derivative of the inadequate controls represent a potential risk factor. With Q2'16 results, management noted a 'step function' increase in accounting/compliance costs.

LABL has been an active acquirer in recent years, and is remaining such with the \$1.3B planned acquisition of Constantia Labels. We believe a portion of investor expectations are tied to M&A, both announced and not-yet-announced. Failure to effectively integrate any potential purchase and/or overpayment for assets could result in asset impairments and a reduced capital position. Expected cost synergies and the ability to execute on the organic strategy for acquired assets may never materialize.

The prior noted Constantia Labels will nearly double the scope of Multi-Color, funded primarily with debt.

Tangible book value is negative for LABL.

LABL generates a significant portion of its revenue from Procter & Gamble (~17% as of FY 2017); a deterioration of this relationship could have a material adverse effect on the company. Similarly, many of Multi-Color's clients are large global consumer products firms, and while no customer outside of PG marks >10% of revenue, we expect several other major firms represent a material portion of business for LABL.

Consolidation throughout the packaged food, wine & spirits, household products and soft beverage industries represents a two-fold risk factor, in our view. Acquisition of a client by a non-client could result in a loss of business, while consolidation could also lead to a client base with greater negotiating leverage.

LABL is expected to provide high quality labels and solutions under time constraints. An inability to deliver on commitments could result in the loss of business or inability to secure future new business.

Multi-Color's labels are typically applied to consumer products, a severe pullback in consumer consumption of either staple or discretionary goods could negatively impact the firm. We believe management has little ability to compel consumption of products carrying their labels.

Our Suitability rating is 3 on a 1-to-4 scale (1 = most conservative, 4 = most aggressive)

Additional information is available upon request.

Prices of other stocks mentioned: Procter & Gamble (PG--\$91.24, Long-term Buy, \$105)

Multi-Color Corp (LABL)

(\$'s in thousands)	march '15	march '16	Jun '16	Sept '16	Dec '16		march '17	Jun '17	Sept '17	Dec '17		march '18	march '19
Income Statement Analysis	FY'15	FY'16	Q1'17	Q2'17	Q3'17	Q4'17	FY'17	Q1'18	Q2'18	Q3'18E	Q4'18E	FY'18E	FY'19E
Revenues	\$ 810,772	\$ 870,825	\$ 236,494	\$ 232,140	\$ 210,658	\$ 244,003	\$ 923,295	\$ 242,440	\$ 256,034	\$ 335,310	\$ 417,450	\$ 1,251,230	\$ 1,680,940
Cost of Revenues	637,498	689,199	184,401	182,187	169,441	190,457	726,486	192,983	204,260	268,919	328,533	994,690	1,330,640
Gross Profit	173,274	181,626	52,093	49,953	41,217	53,546	196,809	49,457	51,774	66,391	88,917	256,540	350,300
%	21.4%	20.9%	22.0%	21.5%	19.6%	21.9%	21.3%	20.4%	20.2%	19.8%	21.3%	20.5%	20.8%
Selling, G & A Expense	68,012	81,998	22,654	19,736	20,408	22,124	84,922	23,589	25,200	30,410	36,770	115,969	148,770
%	8.4%	9.4%	9.6%	8.5%	9.7%	9.1%	9.2%	9.7%	9.8%	9.1%	8.8%	9.3%	8.9%
Facility Closure Expense	7,399	5,200	157	57	393	314	921	34	95				
Loss on Legal Settlement	-	-	-	-	-	-	-	-	-				
Goodwill Impairment	951	-	-	-	-	-	-	-	-				
Operating Inc.	96,912	94,428	29,282	30,160	20,416	31,108	110,966	25,834	26,479	35,981	52,147	140,571	201,530
%	12.0%	10.8%	12.4%	13.0%	9.7%	12.7%	12.0%	10.7%	10.3%	10.7%	12.5%	11.2%	12.0%
Interest (Expense)	(26,386)	(25,751)	(6,456)	(6,521)	(6,141)	(6,370)	(25,488)	(6,335)	(6,669)	(15,208)	(19,424)	(47,637)	(76,542)
Other Income / (Expense)	346	(1,867)	270	290	1,125	1,050	2,735	(1,199)	2,676	243	200	1,920	(560)
Pre Tax Inc.	70,872	66,810	23,096	23,929	15,400	25,788	88,213	18,300	22,486	21,016	32,923	94,854	124,428
Income Tax (Expense)	(25,156)	(18,981)	(7,186)	(7,395)	(3,205)	(9,062)	(26,848)	(4,158)	(7,296)	(6,095)	(9,548)	(27,100)	(31,730)
Tax Rate	35.5%	28.4%	31.1%	30.9%	20.8%	35.1%	30.4%	22.7%	32.4%	29.0%	29.0%	28.6%	25.5%
Net Income	45,716	47,829	15,910	16,534	12,195	16,726	61,365	14,142	15,190	14,921	23,375	67,754	92,698
Less: (NI)/Loss Attrib to non-CI	0	(90)	(105)	(191)	(69)	(4)	(369)	(36)	-	0	0	(36)	0
Net Income att to LABL (ctd ops)	45,716	47,739	15,805	16,343	12,126	16,722	60,996	14,106	15,190	14,921	23,375	67,718	92,698
%	5.6%	5.5%	6.7%	7.0%	5.8%	6.9%	6.6%	5.8%	5.9%	4.5%	5.6%	5.4%	5.5%
Shares Out.	16,877	16,952	16,961	17,008	17,039	17,065	17,024	17,152	17,177	19,426	20,554	18,577	20,567
Diluted EPS (cont'd ops)	\$ 2.71	\$ 2.82	\$ 0.93	\$ 0.96	\$ 0.71	\$ 0.98	\$ 3.58	\$ 0.82	\$ 0.88	\$ 0.77	\$ 1.14	\$ 3.61	\$ 4.51
Integration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition	\$ 0.09	\$ 0.22	\$ 0.01	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.06	\$ 0.04	\$ 0.24				
Supplemental Purch Adj	\$ -	\$ -	\$ -	\$ -	\$ (0.05)	\$ -	\$ (0.05)	\$ -	\$ -				
Currency Re-Pat	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Plant Close/Consolidation	\$ 0.27	\$ 0.22	\$ 0.01	\$ 0.00	\$ 0.02	\$ 0.01	\$ 0.04	\$ 0.00	\$ 0.00				
Inventory Purch Accounting	\$ -	\$ 0.02	\$ -	\$ 0.01	\$ -	\$ 0.01	\$ 0.02	\$ -	\$ 0.02				
Goodwill Impairment	\$ 0.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Other, Severance, P/L on Sale, Hedge	\$ 0.07	\$ -	\$ -	\$ -	\$ -	\$ (0.04)	\$ (0.04)	\$ -	\$ (0.08)				
Release of Foreign Valuation	\$ -	\$ (0.06)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Uncertain Tax Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Adjusted EPS (cont'd ops)	\$ 3.20	\$ 3.22	\$ 0.95	\$ 0.99	\$ 0.70	\$ 0.98	\$ 3.61	\$ 0.86	\$ 1.06	\$ 0.77	\$ 1.14	\$ 3.83	\$ 4.51
EPS from disc ops													
Dividends Paid	\$ 0.200	\$ 0.200	\$ 0.050	\$ 0.050	\$ 0.050	\$ 0.050	\$ 0.200	\$ 0.050	\$ 0.050	\$ 0.050	\$ 0.050	\$ 0.200	\$ 0.200
Rate of Change Analysis													
Revenue	14.8%	7.4%	8.5%	5.6%	2.2%	7.4%	6.0%	2.5%	10.3%	59.2%	71.1%	35.5%	34.3%
Operating Income	61.2%	-2.6%	12.3%	6.8%	17.4%	36.9%	17.5%	-11.8%	-12.2%	76.2%	67.6%	26.7%	43.4%
Adj Core Op Income--(non-GAAP)	38.6%	-3.0%	4.7%	4.5%	7.0%	20.7%	9.1%	-9.6%	1.6%	69.9%	63.3%	28.9%	37.9%
EPS--Adj if necessary	49.5%	0.7%	5.2%	6.3%	3.4%	39.6%	12.2%	-9.7%	7.7%	10.0%	16.2%	5.9%	17.8%
Adj EBITDA	28.6%	-0.4%	7.4%	5.2%	7.8%	14.0%	8.5%	-6.3%	0.6%	54.9%	113.5%	37.5%	73.0%
Working Capital	-5.3%	2.1%	8.2%	2.8%	-1.2%	-0.4%	-0.4%	0.0%	16.4%	75.2%	92.9%	92.9%	12.5%
Inventory	-0.4%	9.1%	6.3%	-0.6%	-1.1%	4.6%	4.6%	9.2%	18.1%	59.2%	71.1%	71.1%	5.1%
								*Guiding to \$0.80		*Constantia Flexibles closed 10/31/17		*EPS Guide for \$3.80-\$3.90	*EPS guide \$4.50 *could be 4-5% org gr w/Constantia

Source: Company reports and Hilliard Lyons estimates

Multi-Color Corp (LABL)

Summary Cash Flow	FY15	FY16	Q1'17	Q2'17	Q3'17	Q4'17	FY17	Q1'18	Q2'18	Q3'18E	Q4'18E	FY18E	FY19E
Net Income--Ct'd Ops to LABL	45,716	47,739	15,805	16,343	12,126	16,722	60,996	14,106	15,190	14,921	23,375	67,718	92,698
D & A	43,569	46,165	12,299	12,541	12,117	12,613	49,570	12,500	12,341	15,590	42,940	83,371	185,980
Major Impairments / (Gain)	951	1,874	-	(278)	(151)	(628)	(1,057)	-	0	-	-	-	-
Share-base Compensation	1,970	2,982	919	763	763	597	3,042	910	887	500	500	2,797	2,000
Deferred Income Tax	6,944	2,343	27	(62)	(370)	(2,533)	(2,938)	191	2,008	1,500	1,500	5,199	6,000
(Increase) Decrease in Wrk Cap	4,772	(1,780)	(13,188)	(1,367)	4,635	10,265	345	(13,557)	(17,918)	(51,368)	2,714	(80,129)	(20,821)
Operating CF	103,922	99,323	15,862	27,940	29,120	37,036	109,958	14,150	12,508	(18,857)	71,029	78,956	265,857
Cap Ex	(29,153)	(34,892)	(10,021)	(8,091)	(15,943)	(12,091)	(46,146)	(10,272)	(15,990)	(17,000)	(17,000)	(60,260)	(60,000)
Acquisitions, net of cash acq	(31,240)	(103,245)	(3,123)	(8,246)	-	(17,470)	(28,839)	-	(21,383)	(1,045,000)	0	(1,066,380)	(19,300)
Divestitures	471	3,105	32	646	606	66	1,350	195	3,425	-	-	3,620.00	-
Dividends	(3,302)	(3,351)	(1,337)	(844)	(849)	(846)	(3,876)	(1,126)	(851)	(970)	(1,030)	(3,977)	(4,120)
Free Cash Flow	40,698	(39,060)	1,413	11,405	12,934	6,695	32,447	2,947	(22,291)	(1,081,827)	52,999	(1,048,041)	182,437
FCF / Share	\$ 2.41	\$ (2.30)	\$ 0.08	\$ 0.67	\$ 0.76	\$ 0.39	\$ 1.91	\$ 0.17	\$ (1.30)	\$ (55.69)	\$ 2.58	\$ (56.42)	\$ 8.87
FCF as % of NI	89.0%	-81.8%					53.2%					-1547.6%	196.8%
FCF Yield--@ yr-end price	3.5%	-4.3%					2.7%					-75.8%	11.9%
LoC Borrowing / (Repmnts)	96,077	53,339	(3,070)	(11,103)	(7,906)	(4,972)	(27,051)	(4,740)	15,917	(8,000)	1,000	4,177	(89,000)
LTD Borrowing	251,896	823	-	38	2,054	64	2,156	-	0	1,145,000	0	1,145,000	-
LTD (Repmnts)	(367,868)	(9,165)	(357)	(4,239)	(840)	(1,136)	(6,572)	(706)	(772)	(800)	(800)	(3,078)	(3,200)
Special Deferred Pmts	(10,916)	(1,141)	-	(1,784)	-	-	(1,784)	-	0	-	-	-	-
Stock Sale Proceeds / (Repurch)	2,019	2,706	1,012	1,263	300	167	2,742	1,080	1,352	400	400	3,232	1,600
Net C.F.	11,906	7,502	(1,002)	(4,420)	6,542	818	1,938	(1,419)	(5,794)	54,773	53,599	101,290	91,837
Net CF--Disc Ops													
Reported EBITDA	140,481	140,593	41,581	42,701	32,533	43,721	160,536	38,334	38,820	51,571	95,087	223,942	387,510
Adj EBITDA (Adj Op Inc + D&A)	150,696	150,108	41,904	43,174	33,298	44,544	162,920	39,274	43,450	51,571	95,087	223,942	387,510
TTM Adj EBITDA Margin	18.6%	17.2%	17.2%	17.2%	17.4%	17.6%	17.6%	17.2%	16.8%	16.6%	18.3%	18.3%	23.1%

Source: Company reports and Hilliard Lyons estimates

Summary Balance Sheet	FY'15	FY'16	Q1'17	Q2'17	Q3'17	Q4'17	FY'17	Q1'18	Q2'18	Q3'18E	Q4'18E	FY'18E	FY'19E
Cash and Equivalents	18,049	27,709	28,349	27,750	25,268	25,229	25,229	25,891	35,628	90,401	144,000	144,000	235,841
A/R	111,092	134,920	137,080	133,651	119,901	141,211	141,211	144,759	152,363	189,785	225,840	225,840	237,261
Inventory	56,067	61,191	64,480	62,805	62,522	63,995	63,995	70,418	74,147	99,518	109,485	109,485	115,022
Other Current Assets	22,764	26,370	18,446	23,320	27,426	23,311	23,311	21,683	42,424	27,975	23,777	23,777	24,253
Total Current Assets	207,972	250,190	248,355	247,526	235,117	253,746	253,746	262,751	304,562	407,679	503,103	503,103	612,377
Net PP&E	190,078	221,295	218,329	227,315	231,493	247,261	247,261	256,060	264,248	788,158	851,468	851,468	735,138
Goodwill	368,221	422,009	414,261	410,688	397,012	412,550	412,550	420,406	434,725	852,725	992,975	992,975	1,000,695
Intangible Assets	145,023	169,146	163,058	172,571	163,734	169,220	169,220	170,244	179,300	283,800	309,300	309,300	311,230
Other Non-Current Assets	16,077	15,426	9,592	9,385	8,997	9,213	9,213	8,533	8,861	9,038	9,219	9,219	9,979
Total Assets	927,371	1,078,066	1,053,595	1,067,485	1,036,353	1,091,990	1,091,990	1,117,994	1,191,696	2,341,401	2,666,065	2,666,065	2,669,419
CP of LT Debt	2,947	1,573	3,537	1,808	1,870	2,093	2,093	2,530	4,076	4,076	4,076	4,076	116
A/P	62,228	82,958	77,520	73,708	75,828	88,475	88,475	87,933	95,900	114,005	141,933	141,933	135,954
Accrued Exp & Othr	42,846	52,894	42,669	44,884	37,472	53,758	53,758	49,086	55,275	38,221	54,833	54,833	55,930
Total Current Liabilities	108,021	137,425	123,726	120,400	115,170	144,326	144,326	139,549	155,251	152,227	196,766	196,766	191,883
Long-Term Debt	455,583	512,706	499,370	490,534	482,380	479,408	479,408	474,659	494,473	1,636,473	1,637,473	1,637,473	1,546,173
Deferred Inc Tax	59,677	65,798	64,996	68,911	67,257	65,761	65,761	67,473	66,609	68,109	69,609	69,609	75,609
Other LT Liabilities	14,617	19,505	16,076	21,686	18,514	20,675	20,675	20,433	39,309	18,884	21,089	21,089	21,510
Total Liabilities	637,898	735,434	704,168	701,531	683,321	710,170	710,170	702,114	755,642	1,875,693	1,924,937	1,924,937	1,835,176
Shareholders' Equity	289,473	338,992	346,245	362,626	350,251	378,951	378,951	413,320	436,054	465,707	741,129	741,129	834,243
Noncontrolling Interest	-	3,640	3,182	3,328	2,781	2,869	2,869	2,560	0	0	0	0	0
Book Value	\$ 17.15	\$ 20.02	\$ 20.41	\$ 21.32	\$ 20.56	\$ 22.21	\$ 22.21	\$ 24.10	\$ 25.39	\$ 23.97	\$ 36.06	\$ 36.06	\$ 40.55
Tangible Book Value	\$ (13.26)	\$ (14.89)	\$ (13.62)	\$ (12.97)	\$ (12.35)	\$ (11.89)	\$ (11.89)	\$ (10.34)	\$ (10.36)	\$ (34.53)	\$ (27.30)	\$ (27.30)	\$ (23.22)
Current Ratio	1.9x	1.8x	2.0x	2.1x	2.0x	1.8x	1.8x	1.9x	2.0x	2.7x	2.6x	2.6x	3.2x
Net LT Debt / Total Cap	60.2%	58.6%	57.4%	55.8%	56.4%	54.3%	54.3%	51.9%	51.3%	76.9%	66.8%	66.8%	61.1%
Net Total Debt / Total Cap	60.3%	58.7%	57.6%	55.9%	56.5%	54.4%	54.4%	52.0%	51.5%	76.9%	66.9%	66.9%	61.1%
Gross Debt / TTM Adj EBITDA	3.0x	3.4x	3.3x	3.2x	3.1x	3.0x	3.0x	3.0x	3.1x	9.2x	7.2x	7.2x	4.0x
TTM ROE--unadjusted	15.2%	15.3%	15.5%	15.0%	15.3%	17.2%	17.2%	16.0%	15.0%	14.9%	13.9%	13.9%	11.8%

Source: Company reports and Hilliard Lyons estimates

Analyst Certification

I, Spencer E Joyce, CFA, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject company(ies) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation(s) in this report.

Important Disclosures

Hilliard Lyons' analysts receive bonus compensation based on Hilliard Lyons' profitability. They do not receive direct payments from investment banking activity.

Investment Ratings

Buy - We believe the stock has significant total return potential in the coming 12 months.

Long-term Buy - We believe the stock is an above average holding in its sector, and expect solid returns to be realized over a longer time frame than our Buy rated issues, typically 2-3 years.

Neutral - We believe the stock is an average holding in its sector, is currently fully valued, and may be used as a source of funds if better opportunities arise.

Underperform - We believe the stock is vulnerable to a price set back in the next 12 months.

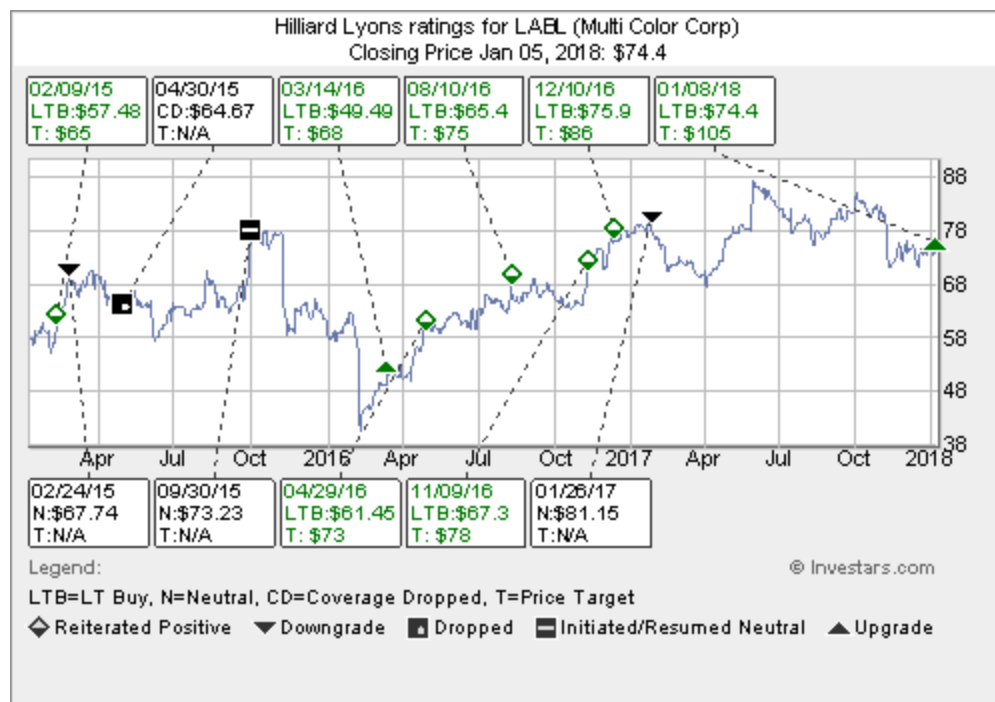
Suitability Ratings

1 - A large cap, core holding with a solid history

2 - A historically secure company which could be cyclical, has a shorter history than a "1" or is subject to event driven setbacks

3 - An above average risk/reward ratio could be due to small size, lack of product diversity, sporadic earnings or high leverage

4 - Speculative, due to small size, inconsistent profitability, erratic revenue, volatility, low trading volume or a narrow customer or product base



Rating	Hilliard Lyons Recommended Issues		Investment Banking Provided in Past 12 Mo.	
	# of Stocks Covered	% of Stocks Covered	Banking	No Banking
Buy	31	28%	13%	87%
Hold/Neutral	74	66%	9%	91%
Sell	7	6%	0%	100%

As of 6 December 2017

Other Disclosures

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