SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **2019-05-28** | Period of Report: **2019-03-31**
SEC Accession No. 0001193125-19-158194

(HTML Version on secdatabase.com)

FILER

MULTI COLOR Corp

CIK:**819220**| IRS No.: **311125853** | State of Incorp.:**OH** | Fiscal Year End: **0331**
Type: **10-K** | Act: **34** | File No.: **000-16148** | Film No.: **19857424**
SIC: **2750** Commercial printing

Mailing Address
4053 CLOUGH WOODS DRIVE
BATAVIA OH 45103

Business Address
4053 CLOUGH WOODS DRIVE
BATAVIA OH 45103
513-381-1480

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

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

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 0-16148

MULTI-COLOR CORPORATION

Incorporated in the State of Ohio

IRS Employer Identification Number 31-1125853

4053 Clough Woods Dr.
Batavia, OH 45103
(Address of principal executive offices)

(513) 381-1480

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	**LABL**	**NASDAQ Global Select Market**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates was approximately $874 million based upon the closing price of $62.25 per share of Common Stock on the NASDAQ Global Select Market as of September 28, 2018, the last business day of the registrant' s most recently completed second fiscal quarter.

As of April 30, 2019, 20,543,353 shares of no par value Common Stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

The information required by Items 10 through 14 will be furnished as may be required on or prior to July 29, 2019 (and is hereby incorporated by reference) by an amendment hereto.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

			Page
Part I			
Item 1	–	Business	4
Item 1A	–	Risk Factors	8
Item 1B	–	Unresolved Staff Comments	16
Item 2	–	Properties	17
Item 3	–	Legal Proceedings	19
Item 4	–	Mine Safety Disclosures	19
Part II			
Item 5	–	Market for Registrant' s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	20
Item 6	–	Selected Financial Data	21
Item 7	–	Management' s Discussion and Analysis of Financial Condition and Results of Operations	22
Item 7A	–	Quantitative and Qualitative Disclosures About Market Risk	32
Item 8	–	Financial Statements and Supplementary Data	33
Item 9	–	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	73
Item 9A	–	Controls and Procedures	73
Item 9B	–	Other Information	73
Part III			
Item 10	–	Directors, Executive Officers and Corporate Governance	74
Item 11	–	Executive Compensation	74
Item 12	–	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	74
Item 13	–	Certain Relationships and Related Transactions, and Director Independence	74
Item 14	–	Principal Accountant Fees and Services	74
Part IV			
Item 15	–	Exhibits and Financial Statement Schedules	74
Item 16	–	Form 10-K Summary	76

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

FORWARD-LOOKING STATEMENTS

This report contains certain statements that are not historical facts that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and that are intended to be covered by the safe harbors created by that Act. All statements contained in this Form 10-K other than statements of historical fact are forward-looking statements. Forward-looking statements include statements regarding our future financial position, business strategy, budgets, projected costs, plans and objectives of management for future operations. The words "may," "continue," "estimate," "intend," "plan," "will," "believe," "project," "expect," "anticipate" and similar expressions (as well as the negative versions thereof) may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. With respect to the forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed or implied. Such forward-looking statements speak only as of the date made. The Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which they are made.

Statements concerning expected financial performance, on-going business prospects or strategies, and possible future actions which the Company intends to pursue in order to achieve strategic objectives constitute forward-looking information. Implementation of these strategies and the achievement of such financial performance or business prospects are each subject to numerous conditions, uncertainties and risk factors, including those contained in Item 1A in "Risk Factors." Factors which could cause actual performance by the Company to differ materially from these forward-looking statements include, without limitation: factors discussed in conjunction with a forward-looking statement; changes in global economic and business conditions; changes in business strategies or plans; raw material cost pressures; availability of raw materials; availability to pass raw material cost increases to our customers; interruption of business operations; changes in, or the failure to comply with, government regulations, legal proceedings and developments, including, but not limited to, tax law changes; acceptance of new product offerings, services and technologies; new developments in packaging; our ability to effectively manage our growth and execute our long-term strategy; our ability to manage foreign operations and the risks involved with them, including compliance with applicable anti-corruption laws; currency exchange rate fluctuations; tariffs and tradewars; our ability to manage global political uncertainty; terrorism and political unrest; increases in general interest rate levels and credit market volatility affecting our interest costs; competition within our industry; our ability to consummate and successfully integrate acquisitions; our ability to recognize the benefits of acquisitions, including potential synergies and cost savings; failure of an acquisition or acquired company to achieve its plans and objectives generally; risk that proposed or consummated acquisitions may disrupt operations or pose difficulties in employee retention or otherwise affect financial or operating results; risk that some of our goodwill may be or later become impaired; the success and financial condition of our significant customers; our ability to maintain our relationships, arrangements and agreements with our significant customers on terms and conditions consistent with historical terms and conditions, including, without limitation, with respect to amounts of sales, pricing and margin; dependence on certain significant customers; dependence on information technology; our ability to market new products; our ability to maintain an effective system of internal control; ongoing claims, lawsuits and governmental proceedings, including environmental proceedings; availability, terms and developments of capital and credit; dependence on key personnel; quality of management; our ability to protect our intellectual property and the potential for intellectual property litigation; employee benefit costs; and risk associated with significant leverage; the risk that the proposed merger with W/S Packaging (the "Merger") may not be completed in a timely manner, or at all; the failure to satisfy the conditions precedent to the consummation of the Merger, including, without limitation, the receipt of regulatory approvals; unanticipated difficulties or expenditures relating to the transactions contemplated by the Merger Agreement (as defined in this Form 10-K); legal proceedings, including those that may be instituted against the Company, its board of directors, its executive officers and others following the announcement of the execution of the Merger Agreement; disruptions of current plans and operations caused by the announcement of the execution of the Merger Agreement and pendency of the transactions contemplated by the Merger Agreement; potential difficulties in employee retention due to the announcement of the execution of the Merger Agreement and pendency of the transactions contemplated by the Merger Agreement; the response of customers, suppliers and business partners to the announcement of the execution of the Merger Agreement; risks related to diverting management' s attention from the Company' s ongoing business operations; risks regarding the failure to obtain the necessary financing to complete the transactions contemplated by the Merger Agreement; risks related to the equity and debt financing and related guarantee arrangements entered into in connection with the Merger Agreement. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

PART I

ITEM 1. BUSINESS

(In thousands, except for statistical data)

OVERVIEW

Multi-Color Corporation (Multi-Color, MCC, we, us, our or the Company), headquartered near Cincinnati, Ohio, is a leader in global label solutions supporting a number of the world' s most prominent brands including leading producers of home & personal care, wine & spirits, food & beverage, healthcare and specialty consumer products. MCC serves international brand owners in the North American, Latin American, EMEA (Europe, Middle East and Africa) and Asia Pacific regions with a comprehensive range of the latest label technologies in Pressure Sensitive, Cut and Stack, In-Mold, Shrink Sleeve, Heat Transfer, Roll Fed, and Aluminum Labels.

The Company was incorporated in 1985, succeeding the predecessor business. Our corporate offices are located at 4053 Clough Woods Drive, Batavia, Ohio 45103 and our telephone number is (513) 381-1480.

Our common stock, no par value, is listed on the NASDAQ Global Select Market under the symbol "LABL". See "Item 5 – Market for Registrant' s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities." We maintain a website (www.mcclabel.com), which includes additional information about the Company. The website includes corporate governance information for our shareholders and our Code of Ethics can be found under the corporate governance section. Information on the website is not part of this Form 10-K. Shareholders can also obtain on and through our website, free of charge, our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as reasonably practicable after the Company electronically files such materials with or furnishes such materials to the Securities and Exchange Commission (SEC). The Company' s filed documents may also be accessed via the SEC Internet site at http://www.sec.gov.

On February 24, 2019, the Company entered into a definitive agreement and plan of merger (the "Merger Agreement") with W/S Packaging Holdings, Inc., a Delaware corporation ("Parent") and Monarch Merger Corporation, an Ohio corporation and a wholly owned subsidiary of Parent ("Merger Sub"). The Merger Agreement provides that, on the terms and subject to the conditions set forth therein, Merger Sub will merge with and into the Company in accordance with the Ohio General Corporation Law (the "Merger"), with the Company surviving such Merger as a wholly owned subsidiary of Parent.

References to 2019, 2018 and 2017 are for the fiscal years ended March 31, 2019, 2018 and 2017, respectively.

PRODUCTS AND SERVICES

The Company provides a wide range of products for the packaging needs of our customers and is one of the world' s largest producers of high quality pressure sensitive, in-mold and heat transfer labels and a major manufacturer of cut and stack, roll fed, aluminum and shrink sleeve labels. The Company also provides a full complement of print methods including rotogravure, lithographic, flexographic, digital and a combination of flexographic and screen printing, plus in-house pre-press services.

Pressure Sensitive Labels:

Pressure sensitive labels adhere to a surface with pressure. The label typically consists of four elements – a substrate, which may include paper, foil or plastic; an adhesive, which may be permanent or removable; a release coating; and a backing material to protect the adhesive against premature contact with other surfaces. The release coating and protective backing are removed prior to application to the container, exposing the adhesive, and the label is pressed or rolled into place. Innovative features of this product include promotional neckbands, peel-away coupons, resealable labels, see-through window graphics, and holographic foil enhancements to cold and hot foil stamping.

Pressure sensitive labels are the largest category of the overall label market and provide an extremely versatile, low-cost application that is able to produce sharp, bright colors in a wide variety of applications. We are one of the world' s largest producers of high quality pressure sensitive labels and this market represents a significant growth opportunity for us.

In-Mold Labels (IML):

The in-mold label process applies a label to a plastic container as the container is being formed in the mold cavity. The finished IML product is a finely detailed label that performs consistently well for plastic container manufacturers and adds marketing value and product security for consumer product companies.

Each component of the IML production process requires a special expertise for success. The components include the substrate (the base material for the label), inks, overcoats, varnishes and adhesives. We believe we are unique in the industry in that we manufacture IMLs on rotogravure, flexographic and lithographic printing presses. There are several critical characteristics of a successful IML: the material needs a proper coefficient of friction so that the finished label is easily and consistently picked up and applied to the injection or blow-molded container, the substrate must be able to hold the label' s inks, including metallics and fluorescents, overlay varnishes and adhesives and the material must be able to lay smoothly, without wrinkle or bulge, when applied to a very hot, just molded plastic container that will

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

quickly shrink, along with the label, as its temperature falls. We continually search for alternate substrates to be used in the IML process in order to improve label performance and capabilities, as well as to reduce substrate costs. Technical innovations in this area include the use of peel-away IML coupons and scented and holographic labels.

Heat Transfer Labels (HTL):

HTL are reverse printed and transferred from a special release liner onto the container using heat and pressure. The labels are a composition of inks and lacquers tailored to the customer' s specific needs. These labels are printed and then shipped to blow molders and/or contract decorators who transfer the labels to the containers. Once applied, the labels are permanently adhered to the container. The graphics capabilities include fine vignettes, metallic and thermochromatic inks, as well as the patented "frost", giving an acid-etch appearance.

Therimage™ is our pioneer heat transfer label technology developed primarily for applications involving plastic containers serving the home & personal care and food & beverage consumer markets. Our Clear ADvantage™ brand enables us to provide premium graphics on both glass and plastic containers facilitating the highly sought after "no label" look for the health and beauty aid, beverage, personal care, household chemical and promotional markets. Our "ink only" and flameless HTL technology have increased our capabilities in this area. Flameless technology enables us to provide a solution to customers who want to remove open flames from their operations, which are normally required to pre-treat and post-treat containers for Therimage™ and Clear ADvantage™ products. Flameless technology has applications in all the aforementioned markets.

Cut and Stack:

Cut and stack labels are adhered to containers using an adhesive applied during the labeling process. These labels are an attractive and cost-effective choice for high volume applications. These labels can be produced on a wide variety of substrates and accommodate a comprehensive range of embellishments including foil stamping, embossing, metallics and unique varnish finishes.

Our innovations within cut and stack labels include peel-away promotional labels, thermochromics, holographics and metalized films. We also offer promotional products such as scratch-off coupons and static-clings.

Roll Fed:

Roll fed labels can be applied to any type of container and offer customers optimum space for brand presentation at a competitive price. Our roll fed labels are highly resistant to tearing and moisture and can be printed in brilliant colors with a wide range of special effects using thermochromic inks and interactive technologies.

Shrink Sleeve Labels:

Shrink sleeve labels are produced in colorful, cutting edge styles and materials. The labels are manufactured as sleeves, slid over glass or plastic bottles and then heated to conform precisely to the contours of the container. This label type is increasingly popular with consumer goods companies such as beverage manufacturers as it allows for product differentiation as well as having a 360-degree label and tamper resistant features. Demand in other end-markets (including the food and personal care markets) continues to grow, broadening the market opportunities for shrink sleeve labels as a whole.

Aluminum Labels:

Fully printable and equipped for embossing, our aluminum labels let our customers' products shine with premium shelf impact while providing tamper evidence protection. The aluminum product range includes elegant neck labels that effortlessly adapt to the bottleneck shape and can be customized with embossing and de-embossing and a variety of ink effects. Also available in aluminum are Smart Top can lid labels. Smart Top labels are designed to maximize branding and messaging. They also provide the added benefit of protection against dust and germs and are fully recyclable.

Graphic Services:

We provide graphics and pre-press services for our customers at all of our manufacturing locations. These services include the conversion of customer digital files and artwork into proofs, production of print layouts and printing plates, and product mock ups and samples for market research.

As a result of these capabilities, we are able to go from concept to printed label, thus increasing our customers' speed to market and further enhancing our value proposition.

SALES AND MARKETING

We provide a complete line of label solutions and a variety of pre-press activities. Our vision is to be the premier global resource for decorating solutions. We sell to a broad range of home & personal care, wine & spirits, food & beverage, healthcare and specialty consumer product companies located in the North American, Latin American, EMEA (Europe, Middle East and Africa) and Asia Pacific regions. Our sales strategy is a consultative selling approach. Our sales organization reviews the requirements of the container and offers

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

a number of alternative decorating methods. Our customers view us as an expert source of materials, methods and technologies with the ability to offer the most cost-effective solution.

We have continued to make progress in expanding our customer base and portfolio of products, pre-press activities and manufacturing locations throughout the world. During 2019, 2018 and 2017, sales to major customers (those exceeding 10% of the Company' s net revenues in one or more of the periods presented) approximated 10%, 14% and 17%, respectively, of the Company' s consolidated net revenues. All of these sales were made to The Procter & Gamble Company. In fiscal 2018, we entered the German label market with the acquisition of GEWA Etiketten GmbH located in Bingen am Rhein, Germany, which specializes in producing pressure sensitive labels for the wine & spirits market. Our fiscal 2018 acquisition of Constantia Labels expanded our presence in Germany and gave us entrance into the Belgian, Romanian and Vietnamese label markets. We also entered the Tanzanian label market in fiscal 2018 with the acquisition of TP Label Limited, the labels business of Tanzania Printers Limited (Tanzania Printers), and TP Kenya Limited (collectively, "TP Label"), which is located in Dar es Salaam, Tanzania with a sales and distribution center located in Nairobi, Kenya. TP Label is primarily a pressure sensitive and cut and stack business, serving customers in the food & beverage market. We also entered the New Zealand wine & spirits market in fiscal 2018 with a start-up operating in Auckland, New Zealand.

PRODUCTION AND QUALITY

To guarantee consistent quality results, all of our label decorating services are backed by aggressively implemented and administered quality programs and qualified technical support staff. Our quality assurance program ensures excellence in every label.

Multi-Color' s comprehensive range of printing technologies facilitates our ability to respond quickly and effectively to changing customer needs. Our current printing technologies include rotogravure, lithographic, flexographic, digital and a combination of flexographic and screen printing. Pre-press technology offerings include color separations, color management programs and in-house platemaking and tooling.

Our manufacturing operations involve complex processes and utilize factory automation to produce a consistent, high quality label. We employ state of the art technologies, including digital platemaking and automated vision inspection systems complemented by a robust systemic quality management system.

EMPLOYEES

As of March 31, 2019, we employ over 8,300 associates across more than 70 operations globally.

RAW MATERIALS

Common to the printing industry, we purchase proprietary products from a number of raw material suppliers. To prevent potential disruptions to our manufacturing facilities, we have developed relationships with more than one supply source for each of our critical raw materials. Our raw material suppliers are major corporations with successful historical performance. Although we intend to prevent any long-term business interruption due to our inability to obtain raw materials, there could be short-term manufacturing disruptions during the vendor qualification period for any new raw material source.

ACQUISITIONS

We are continually in pursuit of selective acquisitions that will contribute to our growth. We believe that acquisitions are a method of increasing our presence in existing markets, expanding into new markets, gaining new customers and product offerings and improving operating efficiencies through economies of scale. Through acquisitions, we intend to broaden our revenue stream by expanding our lines of innovative label solutions, offering a variety of technical and graphic services and fulfilling the specific needs and requirements of our customers. The printing and packaging industry is highly fragmented and offers many opportunities for acquisitions.

On October 31, 2017, the Company completed its acquisition pursuant to the Sale and Purchase Agreement (as amended) with Constantia Flexibles Germany GmbH, Constantia Flexibles International GmbH, Constantia Flexibles Group GmbH and GPC Holdings B.V. (collectively, "Constantia Flexibles"), acquiring 100% of the Labels Division of Constantia Flexibles ("Constantia Labels"). Constantia Labels, headquartered in Vienna, Austria, is a leader in label solutions serving the food, beverage and consumer packaging goods industries.

On October 11, 2017, the Company acquired 100% of TP Label Limited, the labels business of Tanzania Printers Limited (Tanzania Printers), and TP Kenya Limited (collectively, "TP Label"), which is located in Dar es Salaam, Tanzania with a sales and distribution center located in Nairobi, Kenya. TP Label is primarily a pressure sensitive and cut and stack label business, serving customers in the food & beverage market.

On August 3, 2017, the Company acquired 100% of GEWA Etiketten GmbH (GEWA). GEWA is located in Bingen am Rhein, Germany and specializes in producing pressure sensitive labels for the wine & spirits market.

On January 3, 2017, the Company acquired Graphix Labels and Packaging Pty Ltd. (Graphix). Graphix is located in Melbourne, Victoria, Australia and specializes in producing labels for both the food & beverage and wine & spirits markets. In January 2017, the Company acquired an additional 67.6% of the common shares of Gironde Imprimerie Publicité (GIP). The Company acquired 30% of GIP as part of

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

the Barat acquisition in fiscal 2016. GIP is located in the Bordeaux region of France and specializes in producing labels for the wine & spirits market.

On July 6, 2016, the Company acquired Industria Litografica Alessandrina S.r.l. (I.L.A.), which is located in the Piedmont region of Italy and specializes in producing premium self-adhesive and wet glue labels primarily for the wine & spirits market and also services the food industry.

On July 1, 2016, the Company acquired Italstereo Resin Labels S.r.l. (Italstereo), which is located near Lucca, Italy and specializes in producing pressure sensitive adhesive resin coated labels, seals and emblems.

See Note 17 to our consolidated financial statements for geographic information relating to our net revenues and long-lived assets. See Note 4 to our consolidated financial statements for further information regarding acquisitions.

COMPETITION

We have a large number of competitors in the pressure sensitive, cut and stack and roll fed label markets and several competitors in each of the IML, shrink sleeve, HTL and aluminum label markets. Some of these competitors in the pressure sensitive and cut and stack label markets have greater financial and other resources than us. The competitors in IML, shrink sleeve and HTL markets are either private companies or subsidiaries of public companies and we cannot assess the financial resources of these organizations. We could be adversely affected should a competitor develop labels similar or technologically superior to our labels. We believe competition is principally dependent upon product performance, service, pricing, technical support and innovation.

PATENTS AND LICENSES

We own a number of patents and patent applications that relate to the products and services we offer to our customers. Although these patents are important to us, we are not dependent upon any one patent. We believe that these patents, collectively, along with our ability to be a single source provider of many packaging needs, provide us with a competitive advantage over our competition. The expiration or unenforceability of any one of our patents would not have a material adverse effect on us.

REGULATION

Our operations are subject to regulation by federal, state and foreign environmental protection agencies. To ensure ongoing compliance with these requirements, we have implemented an internal compliance program. Additionally, we continue to make capital investments to maintain compliance with these environmental regulations and to improve our existing equipment. However, there can be no assurances that these regulations will not require expenditures beyond those that are currently anticipated.

In the U.S., the Food and Drug Administration regulates the raw materials used in labels for various products. These regulations apply to the consumer product companies for which we produce labels. We use materials specified by the consumer product companies in producing labels.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ITEM 1A. RISK FACTORS

(In thousands, except for statistical data)

In addition to the other information set forth in this report, the following factors could materially affect the Company' s business, financial condition, cash flows or future results. Any one of these factors could cause the Company' s actual results to vary materially from recent results or from anticipated future results. The risks described below are not the only risks facing the Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect the Company' s business, financial condition and/or operating results.

Risks Relating to Our Business

The proposed acquisition of the Company by Parent may disrupt our business.

Upon the terms and subject to the conditions set forth in the Merger Agreement, if the proposed Merger is completed, our shareholders will be entitled to receive $50.00 in cash for each share of our common stock owned by them as of the effective time of the proposed Merger. The Merger Agreement generally requires us to operate our business in the ordinary course of business consistent with past practice pending consummation of the proposed Merger and restricts us, without Parent' s consent, from taking certain specified actions until the proposed Merger is completed. These restrictions may affect our ability to execute our business strategies, respond effectively to competitive pressures and industry developments, and attain our financial and other goals, and these restrictions may impact our financial condition, results of operations and cash flows.

Employee retention and recruitment may be challenging before the completion of the proposed Merger, as employees and prospective employees may experience uncertainty about their future roles with the combined company. If, despite our retention and recruiting efforts, key employees depart or prospective key employees fail to accept employment with the Company because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company, our business, financial condition and results of operations could be adversely affected.

The proposed Merger could also cause disruptions to our business or business relationships, which could have an adverse impact on our business, financial condition and results of operations. Parties with which we have business relationships, including customers and suppliers, may experience uncertainty as to the future of such relationships and may delay or defer certain business decisions, seek alternative relationships with third parties or seek to alter their present business relationships with us. Parties with whom we otherwise may have sought to establish business relationships may seek alternative relationships with third parties.

The pursuit of the proposed Merger and the preparation for the integration may place a significant burden on management and internal resources. The diversion of management' s attention away from day-to-day business concerns could adversely affect our business, financial condition and results of operations.

We are also subject to litigation related to the proposed Merger and there could be other litigation, which could result in significant costs and expenses. See "Item 3 – Legal Proceedings." In addition to potential litigation-related expenses, we have incurred and will continue to incur other significant costs, expenses and fees for professional services and other transaction costs in connection with the proposed Merger, and many of these fees and costs are payable regardless of whether or not the proposed Merger is consummated.

Failure to complete the proposed Merger in a timely manner or at all could negatively impact the market price of shares of our common stock, as well as our business, financial condition and results of operations.

We cannot be certain when or if the conditions for the proposed Merger will be satisfied or (if permissible under applicable law) waived. The proposed Merger cannot be completed until the conditions to closing are satisfied or (if permissible under applicable law) waived, including (i) the approval of the proposed Merger by the affirmative vote of the Company shareholders entitled to exercise a majority of the voting power (the "Requisite Shareholder Approval"), (ii) the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and the receipt of required foreign antitrust approvals and clearances in the European Union, Mexico and South Africa and (iii) other customary closing conditions. As of the filing of this Form 10-K, the Company has received the Requisite Shareholder Approval, foreign antitrust approvals and clearances in Mexico and South Africa and the expiration of the applicable waiting period under the HSR Act has occurred. In the event that the proposed Merger is not completed for any reason, the holders of shares of our common stock will not receive any payment for their shares in connection with the proposed Merger. Instead, the Company will remain an independent public company and holders of shares of our common stock will continue to own such shares. If the proposed Merger or a similar transaction is not completed, the share price of our common stock may drop to the extent that the current market price of our common stock reflects an assumption that a transaction will be completed.

Additionally, if the proposed Merger is not consummated in a timely manner or at all, our ongoing business may be adversely affected, including due to:

- negative reactions from financial markets and a decline in the price of shares of our common stock;
- negative reactions from employees, customers, suppliers or other third parties;

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

- the diversion of management' s focus from pursuing other opportunities that could have been beneficial to us; and
- higher than anticipated costs of pursuing the proposed Merger.

If the proposed Merger is not completed, there can be no assurance that these risks will not materialize and will not materially adversely affect the price of shares of our common stock or our business, financial condition or results of operations.

We have incurred and will continue to incur substantial transaction fees and costs in connection with the proposed Merger.

We expect to incur significant costs, expenses and fees for professional services and other transaction costs in connection with the proposed Merger. A material portion of these expenses are payable by us whether or not the proposed Merger is completed. Further, although we have assumed that a certain amount of transaction expenses will be incurred, factors beyond our control could affect the total amount or the timing of these expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately. These costs could adversely affect our business, financial condition and results of operations.

Raw material cost increases or shortages could adversely affect our results of operations and cash flows.

Our sales and profitability are dependent upon the availability and cost of various raw materials, which are subject to price fluctuations, and the ability to control the fluctuating costs of raw materials, pass on any price increases to our customers or find suitable alternative suppliers. If we are unable to effectively manage these costs or improve our operating efficiencies, or if adverse developments arise concerning certain key raw material vendors, such as disruptions in their productions or lack of availability of the raw materials we need from them, or our relationships with them, our profit margin may decline, especially if the inflationary conditions that have occurred in these markets in the recent past continue to occur.

We face risks related to interruption of our operations and lack of redundancy.

Our production facilities, websites, transaction processing systems, network infrastructure, supply chain and customer service operations may be vulnerable to interruptions, including by cyber-attack, and we do not have redundancies in all cases to carry on these operations in the event of an interruption. Specifically, the long-term shutdown of our printing presses or malfunctions experienced with our presses could negatively impact our ability to fulfill customers' orders and on-time delivery needs and adversely impact our operating results and cash flows. We have not identified alternatives to all of our facilities, systems, supply chains and infrastructure, including production, to serve us in the event of an interruption, and if we were to find alternatives, they may not be able to meet our requirements on commercially acceptable terms or at all. In addition, we are dependent in part on third parties for the implementation and maintenance of certain aspects of our communications and production systems, and because many of the causes of system interruptions or interruptions of the production process may be outside of our control, we may not be able to remedy such interruptions in a timely manner, or at all. Any interruptions that cause any of our websites to be unavailable, reduce our order fulfillment performance or interfere with our manufacturing, technology or customer service operations could result in lost revenue, increased costs, negative publicity, damage to our reputation and brand, and an adverse effect on our business and results of operations.

Building redundancies into our infrastructure, systems and supply chain to mitigate these risks may require us to commit substantial financial, operational and technical resources, in some cases before the volume of our business increases with no assurance that our revenues will increase.

Various laws and governmental regulations applicable to a manufacturer or distributor of consumer products may adversely affect our business, results of operations and financial condition.

Our business is subject to numerous federal, state, provincial, local and foreign laws and regulations, including laws and regulations with respect to labor and employment, product safety, including regulations enforced by the United States Consumer Products Safety Commission, import and export activities, the Internet and e-commerce, antitrust issues, taxes, chemical usage, air emissions, wastewater and storm water discharges and the generation, handling, storage, transportation, treatment and disposal of waste materials, including hazardous materials. We routinely incur costs in complying with these regulations and, if we fail to comply, could incur significant penalties.

Although we believe that we are in substantial compliance with all applicable laws and regulations, because legal requirements frequently change and are subject to interpretation, we are unable to predict the ultimate cost of compliance or the consequences of non-compliance with these requirements, or the effect on our operations, any of which may be significant. If we fail to comply with applicable laws and regulations, we may be subject to criminal sanctions or civil remedies, including fines, injunctions, or prohibitions on importing or exporting. A failure to comply with applicable laws and regulations, or concerns about product safety, also may lead to a recall or post-manufacture repair of selected products, resulting in the rejection of our products by our customers and consumers, lost sales, increased customer service and support costs, and costly litigation. In addition, failure to comply with environmental requirements could require us to shut down one or more of our facilities. There is risk that any claims or liabilities, including product liability claims, relating to such noncompliance may exceed, or fall outside the scope of, our insurance coverage. Laws and regulations at the state, federal and international levels frequently change and the cost of compliance cannot be precisely estimated. Any changes in regulations, the imposition of additional regulations, or the enactment of any new governmental legislation that impacts employment/labor, trade, health care, tax, environmental or other business issues could have an adverse impact on our financial condition and results of operations.

Changes in applicable tax regulations could adversely affect our financial results.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

The Company is subject to taxation in the U.S. and numerous foreign jurisdictions. On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The changes included in the Tax Act are broad and complex. The U.S. Securities and Exchange Commission has issued rules that would allow for a measurement period of up to one year after the enactment date of the Tax Act to finalize the recording of the related tax impact. As of December 31, 2018, the Company' s accounting for the impact of the Tax Act is complete.

As this and other tax regulations change and as there are updates or changes to our estimates of the transition impact, our financial results could be adversely impacted.

We must be able to continue to effectively manage our growth, including our recent acquisitions, and to execute our long-term growth strategy.

We have experienced significant and steady growth over the last several years. Our growth, in particular our recent acquisitions, combined with the geographical separation of our operations, has placed, and will continue to place, a strain on our management, administrative and operational infrastructure. Our ability to manage our operations and anticipated growth will require us to continue to refine our operational, financial and management controls, human resource policies, reporting systems and procedures in the locations in which we operate. In addition, our expectations regarding the earnings, operating cash flow, capital expenditures and liabilities resulting from acquisitions recently completed are based on information currently available to us and may prove to be incorrect. We may not be able to implement improvements to our management information and control systems in an efficient or timely manner and may discover deficiencies in existing systems and controls. If we are unable to realize any of the anticipated benefits of an acquisition or manage expected future expansion, or if our long-term growth strategy is not successful, our ability to provide a high-quality customer experience could be harmed, which would damage our reputation and brand and substantially harm our business and results of operations. In addition, projections made by us in connection with forming our long-term growth strategy are inherently uncertain and based on assumptions and judgments by management that may be flawed or based on information about our business and markets that may change in the future, many of which are beyond our reasonable control. These and various other factors may cause our actual results to differ materially from our projections.

We are subject to risks associated with our international operations, including compliance with applicable U.S. and foreign anti-corruption laws and regulations such as the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act of 2010 and other applicable anti-corruption laws, which may increase the cost of doing business in international jurisdictions.

We have operations in the North American, Latin American, EMEA (Europe, Middle East and Africa) and Asia Pacific regions and we intend to continue expansion of our international operations. As a result, our business is exposed to risks inherent in foreign operations. If we fail to adequately address the challenges and risks associated with our international expansion and acquisition strategy, we may encounter difficulties implementing our strategy, which could impede our growth or harm our operating results. These risks, which can vary substantially by jurisdiction, include the difficulties associated with managing an organization with operations in multiple countries, compliance with differing laws and regulations (including the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act of 2010 and local laws prohibiting payments to government officials and other corrupt practices, tax laws, regulations and rates), enforcing agreements and collecting receivables through foreign legal systems. Although we have implemented policies and procedures designed to ensure compliance with these laws, there can be no assurance that our employees, contractors and agents will not take actions in violation of our policies, particularly as we expand our operations through organic growth and acquisitions. Any such violations could subject us to civil or criminal penalties, including material fines or prohibitions on our ability to offer our products in one or more countries, and could also materially damage our reputation, brand, international expansion efforts, business and operating results. Additional risks include the potential for restrictive actions by foreign governments, changes in economic conditions in each market, foreign customers who may have longer payment cycles than customers in the United States, the impact of economic, political and social instability of those countries in which we operate and acts of nature, such as typhoons, tsunamis, or earthquakes. The overall volatility of the economic environment has increased the risk of disruption and losses resulting from hyper-inflation, currency devaluation and tax or regulatory changes in certain countries in which we have operations. Approximately 62% of our sales were derived from our foreign operations (based on the country from which the product was shipped) during fiscal 2019.

We also face the challenges and uncertainties associated with operating in developing markets, which may subject us to a relatively high risk of political and social instability and economic volatility, all of which are enhanced, in many cases, by uncertainties as to how local law is applied and enforced, including in areas most relevant to commercial transactions and foreign investment.

The results of the United Kingdom' s referendum on withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and our business.

In June 2016, a majority of voters in the United Kingdom ("UK") elected to withdraw from the European Union ("EU") in a national referendum (commonly referred to as Brexit). The referendum was advisory, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the UK formally initiates a withdrawal process. Nevertheless, the referendum has created significant uncertainty about the future relationship between the UK and the EU, including with respect to the laws and regulations that will apply as the UK determines which EU laws to replace or replicate in the event of a withdrawal. The referendum has also given rise to calls from the governments of other EU member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our common stock.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Due to the fact that we have operations located within the UK, Brexit could negatively impact our operations resulting primarily from (a) operational disruptions due to changes in the manner in which people and products are moved between the UK and EU following Brexit; and (b) potential price increases for supplies purchased by our UK businesses from companies located in the EU or elsewhere.

Currency exchange rate fluctuations could have an adverse effect on our revenue, cash flows and financial results.

Because we conduct a significant portion of our business outside the United States, our revenues and earnings and the value of our foreign net assets are affected by fluctuations in foreign currency exchange rates, which may favorably or adversely affect reported earnings and net assets. Currency exchange rates fluctuate in response to, among other things, changes in local, regional or global economic conditions, the imposition of currency exchange restrictions and unexpected changes in regulatory or taxation environments. Fluctuations in currency exchange rates may affect the Company' s operating performance by impacting revenues and expenses outside of the United States due to fluctuations in currencies other than the U.S. Dollar or where the Company translates into U.S. Dollars for financial reporting purposes the assets and liabilities of its foreign operations conducted in local currencies.

We have risks related to continued uncertain global economic conditions and volatility in the credit markets.

At times, domestic and international financial markets have experienced extreme disruption, including, among other things, extreme volatility in stock prices and severely diminished liquidity and credit availability. These developments and the related severe domestic and international economic downturns could adversely impact our business and financial condition in a number of ways, including effects beyond those that were experienced in previous recessions in the United States and foreign economies.

Global economic conditions also affect our customers' businesses and the markets they serve, as well as our suppliers. Because a significant part of our business relies on our customers' spending, a prolonged downturn in the global economy and an uncertain economic outlook could reduce the demand for printing and related services that we provide to these customers. Economic weakness and constrained advertising spending have resulted, and may in the future result, in decreased revenue, operating margin, earnings and growth rates and difficulty in managing inventory levels and collecting accounts receivable. We also have experienced, and expect to experience in the future, operating margin declines in certain businesses, reflecting the effect of items such as competitive pricing pressures and inventory write-downs. Economic downturns may also result in restructuring actions and associated expenses and impairment of long-lived assets, including goodwill and other intangibles. Uncertainty about future economic conditions makes it difficult for us to forecast operating results and to make decisions about future investments.

Finally, economic downturns may affect one or more of our lenders' ability to fund future draws on our Credit Facility or our ability to access the capital markets or obtain new financing arrangements that are favorable to us. In such an event, our liquidity could be severely constrained with an adverse impact on our ability to operate our businesses. Our ability to meet the financial covenants in the Credit Facility may also be affected by events beyond our control, including a deterioration of economic and industry conditions, which could negatively affect our earnings. If it is determined we are not in compliance with these financial covenants, the lenders under the Credit Facility will be entitled to take certain actions, including acceleration of all amounts due under the facility. If the lenders take such action, we may be forced to amend the terms of the credit agreement, obtain a waiver or find alternative sources of capital. Obtaining new financing arrangements or amending our existing one may result in significantly higher fees and ongoing interest costs as compared to those in our current arrangement.

Competition in our industry could limit our ability to retain current customers and attract new customers.

The markets for our products and services are highly competitive and constantly evolving. We compete primarily based on the level and quality of customer service, technological leadership, product performance and price; the inability to successfully overcome competition in our business could have a material adverse impact on our operating results and cash flows. Some of our competitors have greater financial and other resources than us. We could face competitive pressure as a result of any of the following: our ability to continue to improve our product and service offerings and keep pace with and integrate technological advances and industry evolutions; new products developed by our competitors that are of superior quality, fit our customers' needs better or have lower prices; patents obtained or developed by competitors; consolidation of our competitors; pricing pressures; loss of proprietary supplies of certain materials; decrease in the utilization of labels. The inability to successfully identify, develop and sell new or improved products and to overcome competition in our business could have a material adverse impact on our operating results and cash flows.

Our business growth strategy involves the potential for significant acquisitions, which involve risks and difficulties in integrating potential acquisitions and may adversely affect our business, results of operations and financial condition.

All acquisitions involve inherent uncertainties, which may include, among other things, our ability to:

- successfully identify targets for acquisition;
- negotiate reasonable terms;
- properly perform due diligence and determine all the significant risks associated with a particular acquisition;
- properly evaluate target company management capabilities; and
- successfully transition the acquired company into our business and achieve the desired performance.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

We may acquire businesses with unknown liabilities, contingent liabilities, or internal control deficiencies. We have plans and procedures to conduct reviews of potential acquisition candidates for compliance with applicable regulations and laws prior to acquisition. Despite these efforts, realization of any of these liabilities or deficiencies may increase our expenses, adversely affect our financial position through the initiation, pendency or outcome of litigation or otherwise, or cause us to fail to meet our public financial reporting obligations.

We have a history of making acquisitions and, over the past several years, have invested, and in the future may continue to invest, a substantial amount of capital in acquisitions. We continue to evaluate potential acquisition opportunities to support, strengthen and grow our business. Although we have completed many acquisitions, there can be no assurance that we will be able to locate suitable acquisition candidates, acquire possible acquisition candidates, acquire such candidates on commercially reasonable terms, or integrate acquired businesses successfully in the future. In addition, any governmental review or investigation of our proposed acquisitions, such as by the Federal Trade Commission or the European Commissioner for Competition, may impede, limit or prevent us from proceeding with an acquisition. Future acquisitions may require us to incur additional debt and contingent liabilities, which may adversely affect our business, results of operations and financial condition. The process of integrating acquired businesses into our existing operations may result in operating, contract and supply chain difficulties, such as the failure to retain customers or management personnel. Such difficulties may divert significant financial, operational and managerial resources from our existing operations, and make it more difficult to achieve our operating and strategic objectives.

We have a significant amount of goodwill and other intangible assets on our balance sheet that are subject to periodic impairment evaluations; an impairment of our goodwill or other intangible assets may have a material adverse impact on our financial condition and results of operations.

When we acquire a business, a portion of the purchase price of the acquisition may be allocated to goodwill and other identifiable intangible assets. The amount of the purchase price which is allocated to goodwill and other intangible assets is the excess of the purchase price over the fair value of the net identifiable tangible and intangible assets acquired. As of March 31, 2019, we had $1,516,740 of goodwill and intangible assets, the value of which depends on a number of factors, including earnings growth, market capitalization and the overall success of our business. Accounting standards require us to test goodwill for impairment annually, and more frequently when events or changes in circumstances indicate impairment may exist.

There can be no assurance that reviews of our goodwill and other intangible assets will not result in impairment charges. Although it does not affect cash flow, an impairment charge does have the effect of decreasing our earnings, assets and shareholders' equity. Future events may occur that could adversely affect the value of our assets and require future impairment charges. Such events may include, but are not limited to, poor operating results, strategic decisions made in response to changes in economic and competitive conditions, the impact of a deteriorating economic environment and decreases in our market capitalization due to a decline in the trading price of our common stock.

During the early years of an acquisition, the risk of impairment to goodwill and intangible assets is naturally higher. This is because the fair values of these assets align very closely with what we recently paid to acquire the reporting units to which these assets are assigned. This means the difference between the carrying value of the reporting unit and its fair value (typically referred to as "headroom") is naturally smaller at the time of acquisition. Until this headroom grows over time (due to business growth or lower carrying value of the reporting unit due to natural amortization, etc.), a relatively small decrease in reporting unit fair value can trigger an impairment. That fair value is affected by actual business performance but is also determined by the market (usually reflected in the value of our common stock). As a consequence, sometimes even with favorable business performance, the market alone can drive an impairment condition if general business valuations decline significantly. When impairment charges are triggered, they tend to be material due to the sheer size of the assets involved.

Our debt instruments impose operating and financial restrictions on us and, in the event of a default, would have a material adverse impact on our business and results of operations.

As of March 31, 2019, our consolidated indebtedness, including current maturities of long-term indebtedness, was $1,537,353 (see Note 9) which could have important consequences including the following:

- Increasing our vulnerability to global economic and industry conditions;
- Requiring a substantial portion of cash flows from operating activities to be dedicated to the payment of principal and interest on our indebtedness and, as a result, reducing our ability to use our cash flows to fund our operations and capital expenditures, pay dividends, capitalize on future business opportunities and expand our business;
- Exposing us to the risk of increased interest expense as certain of our borrowings are at variable rates of interest;
- Limiting our ability to obtain additional financing for working capital, capital expenditures, additional acquisitions and other business purposes; and
- Limiting our flexibility to adjust to changing market conditions and react to competitive pressures.

We may be able to incur additional indebtedness in the future, subject to the restrictions contained in our credit agreements. If new indebtedness is added to our current debt levels, the related risks that we now face could intensify.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Our debt instruments contain covenants that limit our flexibility in operating our business.

The agreements governing our indebtedness contain various covenants that may adversely affect our ability to operate our business. Among other things, these covenants limit our ability to incur additional indebtedness, dispose of assets, incur guarantee obligations, make restricted payments, create liens, make equity or debt investments, change the business conducted by the Company and its subsidiaries, and engage in certain transactions with affiliates.

The agreements governing our indebtedness also require that (i) the consolidated secured net leverage ratio as of the last day of any fiscal quarter of the Company shall not exceed 4.50 to 1.00 for the fiscal quarters ended during the period of March 31, 2017 through, and including June 30, 2019 and (ii) the consolidated secured net leverage ratio as of the last day of any fiscal quarter of the Company shall not exceed 4.25 to 1.00 for the fiscal quarters ended during the period of September 30, 2019 and thereafter.

Our ability to meet the financial ratios and tests contained in our credit agreement and other debt arrangements, and otherwise comply with debt covenants may be affected by various events, including those that may be beyond our control. Accordingly, we may not be able to continue to meet those ratios, tests and covenants. A significant breach of any of these covenants, ratios, tests or restrictions, as applicable, could result in an event of default under our debt arrangements, which would allow our lenders to declare all amounts outstanding to be immediately due and payable. If the lenders were to accelerate the payment of our indebtedness, our assets may not be sufficient to repay in full the indebtedness and any other indebtedness that would become due as a result of any acceleration. Further, as a result of any breach and during any cure period or negotiations to resolve a breach or expected breach, our lenders may refuse to make further loans, which would materially affect our liquidity and results of operations.

In the event we were to fall out of compliance with one or more of our debt covenants in the future, we may not be successful in amending our debt arrangements or obtaining waivers for any such non-compliance. Even if we are successful in entering into an amendment or waiver, we could incur substantial costs in doing so. It is also possible that any amendments to our debt instruments or any restructured debt could impose covenants and financial ratios more restrictive than under our current facility. Any of the foregoing events could have a material adverse impact on our business and results of operations, and there can be no assurance that we would be able to obtain the necessary waivers or amendments on commercially reasonable terms, or at all.

Changes in the method of determining London Interbank Offered Rate ("LIBOR"), or the replacement of LIBOR with an alternative reference rate, may adversely affect interest expense related to outstanding debt.

Amounts drawn under our Credit Facility may bear interest rates in relation to LIBOR, depending on our selection of repayment options. On July 27, 2017, the Financial Conduct Authority ("FCA") in the UK announced that it would phase out LIBOR as a benchmark by the end of 2021. It is unclear whether new methods of calculating LIBOR will be established such that it continues to exist after 2021. The U.S. Federal Reserve is considering replacing U.S. dollar LIBOR with a newly created index called the Broad Treasury Financing Rate, calculated with a broad set of short-term repurchase agreements backed by treasury securities. If LIBOR ceases to exist, we may need to renegotiate the Credit Facility and may not be able to do so with terms that are favorable to us. The overall financing market may be disrupted as a result of the phase-out or replacement of LIBOR. Disruption in the financial market or the inability to renegotiate the Credit Facility with favorable terms could have a material adverse effect on our business, financial position, and operating results.

We rely on several large customers and the loss of one of these customers would have a material adverse impact on our operating results and cash flows.

For the fiscal year ended March 31, 2019, one customer accounted for approximately 10% of our consolidated sales and our top twenty-five customers accounted for approximately 45% of our consolidated sales. While we maintain sales contracts with certain of our largest customers, such contracts do not impose minimum purchase or volume requirements and these contracts require renewal on a regular basis in the ordinary course of business. Any termination of a business relationship with, or a significant sustained reduction in business received from, one or more of our largest customers could have a material adverse effect on our revenues and results of operations. The volume and type of services we provide all of our customers may vary from year to year and could be reduced if a customer were to change its procurement strategy. We cannot guarantee that these contracts will be successfully renewed in the future. The loss or substantial reduction in business of any of our major customers could have a material adverse impact on our operating results and cash flows.

As a result of a recent procurement savings initiative conducted by our major customer, this customer has diversified its supply of certain label products produced by the Company in North America. We have provided pricing concessions to retain volume but also expect volume from this customer will be reduced. These actions resulted in softer revenues for fiscal 2019 and are expected to continue throughout fiscal 2020. The Company believes that it remains a significant supplier of labels to this customer in North America and that the Company' s global footprint and the Company' s high quality and innovative products will provide the Company the opportunity to grow its relationship with this customer in new products and regions. We expect to offset these developments by continuing to focus on organic growth and internal improvement opportunities. We believe the Company' s operating margins will enhance over the longer term as we historically achieved through continued premiumization, innovation and efficiency gains. However, the loss or continued reduction of business of our major customer could have a material adverse impact on our results of operations and cash flow.

We are highly dependent on information technology. If our systems fail or are unreliable our operations may be adversely impacted.

The efficient operation of our business depends on our information technology infrastructure and our management information systems.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

In addition, production technology in the printing industry has continued to evolve specifically related to the pre-press component of production. Our information technology infrastructure and/or our management information systems are vulnerable to damage or interruption from natural or man-made disasters, terrorist attacks, computer viruses or hackers, power loss, or other computer systems, Internet telecommunications or data network failures. Any significant breakdown, virus or destruction could negatively impact our business. We also periodically upgrade and install new systems, which if installed or programmed incorrectly, could cause significant disruptions. If a disruption occurs, we could incur losses and costs for interruption of our operations. Unauthorized disclosure of sensitive or confidential information, whether through system failure or breaches or employee negligence, fraud or misappropriation, could damage our reputation and cause us to lose customers. Similarly, unauthorized access to or through our information systems or those we develop, whether by our employees or third parties, including a cyberattack by computer programmers and hackers who may develop and deploy viruses, worms or other malicious software programs, could result in negative publicity, significant remediation costs, legal liability and damage to our reputation and could have a material adverse effect on our results of operations. In addition, our liability insurance might not be sufficient in type or amount to adequately cover us against claims related to security breaches, cyberattacks and other related breaches.

Changes in the foreign regulatory environment regarding privacy and data protection regulations could have a material adverse impact on our results of operations.

Personal data is highly regulated in many other countries in which we operate. In addition, some of the data that we may process, store and transmit may travel outside of the United States. In Europe, we may be subject to the General Data Protection Regulation ("GDPR"). The GDPR imposes restrictions on the collection and use of personal data that, in some respects, is more stringent, and imposes more significant burdens on subject businesses, than current privacy standards in the United States. The EU member state regulations establish several obligations that organizations must follow with respect to the use of personal data, including a prohibition on the transfer of personal information from the EU to other countries whose laws do not protect personal data to an adequate level of privacy or security. Other countries have enacted or are considering enacting data localization laws that require certain data to stay within their borders. We may also face audits or investigations by one or more foreign government agencies relating to our compliance with these regulations that could result in the imposition of penalties or fines. The costs of compliance with, and other burdens imposed by, such laws, regulations and policies that are applicable to us may increase our costs of operation and our inability or failure to comply with such regulation could result in legal liability or negative publicity for the Company.

We are involved on an ongoing basis in claims, lawsuits, and governmental proceedings relating to our operations, including environmental, commercial transactions, and other matters.

The ultimate outcome of these claims, lawsuits, and governmental proceedings cannot be predicted with certainty, but could have a material adverse effect on our financial condition, results of operations, and cash flow. We are also involved in other possible claims, including product and general liability, workers compensation and employment-related matters, some of which may be of a material nature or may be resolved in a manner that has a material adverse effect on our financial condition, results of operations, and cash flow. While we maintain insurance for certain of these exposures, the policies in place are high-deductible policies resulting in our assuming exposure for a layer of coverage with respect to such claims.

We cannot predict our future capital needs and any limits on our ability to raise capital in the future could prevent further growth.

We may in the future be required to raise capital through public or private financing or other arrangements. Such financing may not be available on acceptable terms, or at all, and our failure to raise capital when needed could harm our business. Additional equity financing may be dilutive to the holders of our common stock, and debt financing, if available, may involve restrictive covenants and could reduce our profitability. In addition, we may experience operational difficulties and delays due to working capital restrictions. If we cannot raise funds on acceptable terms, we may have to delay or scale back our growth plans and may not be able to effectively manage competitive pressures.

We depend on key personnel, and we may not be able to operate and grow our business effectively if we lose their services or are unable to attract qualified personnel in the future.

We are dependent upon the efforts of our senior management team. The success of our business is heavily dependent on our ability to retain our current management and to attract and retain qualified personnel in the future. Competition for senior management personnel is intense, and we may not be able to retain our personnel. We enter into employment agreements with certain key personnel: our Executive Chairman, Chief Executive Officer and President, Chief Operating Officer-Consumer Product Goods, Chief Operating Officer-Food & Beverage, Chief Operating Officer-Wine & Spirits and Chief Financial Officer. These individuals may not continue in their present capacity with us for any particular period of time. Outside of the implementation of succession plans and executive transitions done in the normal course of business, the loss of the services of one or more members of our senior management team could require the remaining executive officers to divert immediate and substantial attention to seeking a replacement and would disrupt our business and impede our ability to execute our business strategy. Any inability to find a replacement for a departing executive officer on a timely basis could adversely affect our ability to operate and grow our business.

If we are unable to adequately protect our intellectual property, we may lose some of our competitive advantage.

Our success is determined in part by our ability to obtain United States and foreign patent protection for our technology and to preserve our trade secrets. Our ability to compete and the ability of our business to grow could suffer if our intellectual property rights are not adequately protected. There can be no assurance that our patent applications will result in patents being issued or that current or additional patents will afford protection against competitors. We rely on a combination of patents, copyrights, trademarks and trade secret protection

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

and contractual rights to establish and protect our intellectual property. Failure of our patents, copyrights, trademarks and trade secret protection, non-disclosure agreements and other measures to provide protection of our technology and our intellectual property rights could enable our competitors to more effectively compete with us and have an adverse effect on our business, financial condition and results of operations. In addition, our trade secrets and proprietary know-how may otherwise become known or be independently discovered by others. No guarantee can be given that others will not independently develop substantially equivalent proprietary information or techniques, or otherwise gain access to our proprietary technology.

We could become involved in intellectual property litigation, which is costly and could cause us to lose our intellectual property rights or subject us to liability.

Although we have received patents with respect to certain technologies of ours, there can be no assurance that these patents will afford us any meaningful protection. Although we believe that our use of the technology and products we developed and other trade secrets used in our operations do not infringe upon the rights of others, our use of the technology and trade secrets we developed may infringe upon the patents or intellectual property rights of others. In the event of infringement, we could, under certain circumstances, be required to obtain a license or modify aspects of the technology and trade secrets we developed or refrain from using the same. We may not have the necessary financial resources to defend an infringement claim made against us or be able to successfully terminate any infringement in a timely manner, upon acceptable terms and conditions or at all. Moreover, if the patents, technology or trade secrets we developed or use in our business are deemed to infringe upon the rights of others, we could, under certain circumstances, become liable for damages, which could have a material adverse effect on us and our financial condition. As we continue to market our products, we could encounter patent barriers that are not known today. Furthermore, third parties may assert that our intellectual property rights are invalid, which could result in significant expenditures by us to refute such assertions. If we become involved in litigation, we could lose our proprietary rights, be subject to damages and incur substantial unexpected operating expenses. Intellectual property litigation is expensive and time-consuming, even if the claims are subsequently proven unfounded, and could divert management' s attention from our business. If there is a successful claim of infringement, we may not be able to develop non-infringing technology or enter into royalty or license agreements on acceptable terms, if at all. If we are unsuccessful in defending claims that our intellectual property rights are invalid, we may not be able to enter into royalty or license agreements on acceptable terms, if at all. This could prohibit us from providing our products and services to customers, which could have a material adverse effect on us and our financial condition.

Employee benefit costs, including increasing health care costs for our employees may adversely affect our business, results of operations and financial condition.

We seek to provide competitive employee benefit programs to our employees. Employee benefit costs, such as U.S. healthcare costs of our eligible and participating employees, may increase significantly at a rate that is difficult to forecast, in part because we are unable to determine the impact that U.S. federal healthcare legislation may have on our employer-sponsored medical plans. Higher employee benefit costs could have an adverse effect on our business, results of operations and financial condition.

We provide health care and other benefits to our employees. In recent years, costs for health care have increased more rapidly than general inflation in the U.S. economy. If this trend in health care costs continues, our cost to provide such benefits could increase, adversely impacting our profitability. Changes to health care regulations in the U.S. may also increase the cost to us of providing such benefits.

Risks Relating to Our Common Stock

Our operating results fluctuate from quarter to quarter.

Our quarterly operating results have fluctuated in the past and may fluctuate in the future as a result of a variety of factors, many of which are outside of our control, including:

- timing of the completion of particular projects or orders;
- material reduction, postponement or cancellation of major projects, or the loss of a major client;
- timing and amount of new business;
- differences in order flows;
- sensitivity to the effects of changing economic conditions on our clients' businesses;
- the strength of the consumer products industry;
- the relative mix of different types of work with differing margins;
- costs relating to expansion or reduction of operations, including costs to integrate current and any future acquisitions;
- changes in interest costs, foreign currency exchange rates and tax rates; and
- costs associated with compliance with legal and regulatory requirements.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Because of this, we may be unable to adjust spending on fixed costs, such as building and equipment leases, depreciation and personnel costs, quickly enough to offset any revenue shortfall and our operating results could be adversely affected. Due to these factors or other unanticipated events, our financial and operating results in any one quarter may not be a reliable indicator of our future performance.

If we fail to comply with U.S. public company reporting obligations or to maintain adequate internal controls over financial reporting, our business, results of operations and financial condition could be adversely affected.

As a U.S. public company, we are required to comply with the periodic reporting obligations of the Securities Exchange Act of 1934, including preparing annual reports, quarterly reports and current reports. We are also subject to certain of the provisions of the Sarbanes-Oxley Act of 2002 and Dodd-Frank Act which, among other things, require enhanced disclosure of business, financial, compensation and governance information. Our failure to prepare and disclose this information in a timely manner could subject us to penalties under federal securities laws, expose us to lawsuits, and restrict our ability to access financing. We may identify areas requiring improvement with respect to our internal control over financial reporting, which may require us to design enhanced processes and controls to address any additional issues identified. This could result in significant delays and cost to us and require us to divert substantial resources, including management time, from other activities. If we fail to maintain the adequacy of our internal controls, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal control over financial reporting. Moreover, effective internal controls are necessary for us to produce reliable financial reports and are important to help prevent fraud.

Certain provisions of Ohio law and our Articles of Incorporation and Code of Regulations may deter takeover attempts, which may limit the opportunity of our shareholders to sell their shares at a favorable price, and may make it more difficult for our shareholders to remove our Board of Directors and management.

Provisions in our Amended Articles of Incorporation and Amended and Restated Code of Regulations may have the effect of delaying or preventing a change of control or changes in our management. These provisions include the following:

- advance notice requirements for shareholders proposals and nominations;
- the right of the board of directors to elect a director to fill a vacancy created by the expansion of the board of directors or due to the resignation or departure of an existing board member;
- the prohibition of cumulative voting in the election of directors, which would otherwise allow less than a majority of shareholders to elect director candidates; and
- limitations on the removal of directors.

In addition, because we are incorporated in Ohio, we are governed by the provisions of Section 1704 of the Ohio Revised Code. These provisions may prohibit large shareholders, particularly those owning 10% or more of our outstanding voting stock, from merging or combining with us. These provisions in our Articles of Incorporation and Code of Regulations and under Ohio law could discourage potential takeover attempts, could reduce the price that investors are willing to pay for our common shares in the future and could potentially result in the market price being lower than it would without these provisions.

Although no preferred shares were outstanding as of March 31, 2019 and although we have no present plans to issue any preferred shares, our Articles of Incorporation authorize the Board of Directors to issue up to 1,000 preferred shares. The preferred shares may be issued in one or more series, the terms of which will be determined at the time of issuance by our Board of Directors without further action by the shareholders. These terms may include voting rights, including the right to vote as a series on particular matters, preferences as to dividends and liquidation, conversion rights, redemption rights and sinking fund provisions. The issuance of any preferred shares could diminish the rights of holders of our common shares and, therefore, could reduce the value of our common shares. In addition, specific rights granted to future holders of preferred shares could be used to restrict our ability to merge with, or sell assets to, a third party. The ability of our Board of Directors to issue preferred shares and the foregoing anti-takeover provisions may prevent or frustrate attempts by a third party to acquire control of the Company, even if some of our shareholders consider such change of control to be beneficial.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ITEM 2. PROPERTIES

As of March 31, 2019, the Company owned and leased the following 72 manufacturing facilities:

Location	Approximate Square Feet	Owned/Leased
United States:		
Napa, California	150,125	Leased
Scottsburg, Indiana	120,500	Owned
Elkton, Kentucky	43,000	Leased
Asheville, North Carolina	53,500	Leased
Omaha, Nebraska	31,000	Leased
Fulton, New York	106,692	Leased
Batavia, Ohio (2)	392,527	Owned / Leased
Mason, Ohio	72,000	Leased
Norwood, Ohio	313,322	Owned
York, Pennsylvania	160,000	Leased
Clarksville, Tennessee	189,300	Leased
Chesapeake, Virginia	49,885	Leased
Green Bay, Wisconsin	39,600	Owned
International:		
Mendoza, Argentina	10,273	Leased
Adelaide, Australia	65,246	Leased
Brisbane, Australia	42,744	Leased
Barossa, Australia	25,306	Leased
Griffith, Australia	21,775	Leased
Notting Hill, Australia	16,404	Leased
Perth, Australia	22,184	Leased
Maldegem, Belgium (2)	264,598	Leased
Cowansville, Canada	30,000	Leased
Montreal, Canada	51,650	Leased
Santiago, Chile	150,610	Leased
Guangzhou, China	43,056	Leased
Jiangsu, China	24,757	Leased
Daventry, England	34,059	Owned / Leased
Ablis, France	104,119	Owned
Libourne, France	39,934	Owned
Montagny, France	20,000	Leased
Nantes, France (2)	325,436	Owned
Port-Sainte-Foy, France	22,690	Leased
Reyrieux, France	48,868	Leased
Saint Emilion, France	35,112	Leased
Vittel, France	104,442	Owned

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Location	Approximate Square Feet	Owned/Leased
International continued:		
Bingen am Rhein, Germany (2)	105,397	Leased
Heilbad Heiligenstadt, Germany	175,666	Owned
Muenden, Germany	100,118	Owned
Bekasi, Indonesia	33,799	Leased
Jakarta, Indonesia	27,771	Owned
Castlebar, Ireland	42,722	Leased
Drogheda, Ireland	53,529	Owned
Roscommon, Ireland	12,109	Leased
Alessandria, Italy	45,500	Owned
Florence, Italy	23,681	Leased
Lucca, Italy (2)	134,179	Leased
Balakong, Malaysia	16,000	Leased
Kuala Lumpur, Malaysia	42,468	Owned / Leased
Penang, Malaysia	70,808	Owned
Rawang, Malaysia	60,010	Leased
Guadalajara, Mexico	82,990	Leased
Monterrey, Mexico	155,269	Owned / Leased
Auckland, New Zealand	18,773	Leased
Manila, Philippines	21,722	Leased
Warsaw, Poland	61,657	Leased
Cluj Napoca, Romania	63,103	Leased
Glasgow, Scotland	43,196	Owned
Johannesburg, South Africa	21,148	Leased
Paarl, South Africa	114,343	Owned
Pinetown, South Africa	17,297	Leased
Haro, Spain	21,528	Leased
Bevaix, Switzerland	15,069	Leased
Dar es Salaam, Tanzania (2)	20,796	Leased
Bangkok, Thailand	50,470	Owned
Ho Chi Minh, Vietnam	27,396	Leased
Cwmbran, Wales	61,569	Leased

All of the Company' s properties are in good condition, well maintained and adequate for our intended uses.

During the three months ended June 30, 2018, the Company announced plans to consolidate our manufacturing facility located in Melbourne, Australia into our existing facility in Notting Hill, Australia. The transition was substantially completed during the second quarter of fiscal 2019, except for restoring the facility to its original leased condition.

On October 31, 2017, the Company completed its acquisition pursuant to the Sale and Purchase Agreement (as amended) with Constantia Flexibles Germany GmbH, Constantia Flexibles International GmbH, Constantia Flexibles Group GmbH and GPC Holdings B.V. (collectively, "Constantia Flexibles"), acquiring 100% of the Labels Division of Constantia Flexibles ("Constantia Labels"). As a result of the acquisition, the Company acquired 24 manufacturing facilities across 14 countries, with major operations across Europe, Asia and North America.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ITEM 3. LEGAL PROCEEDINGS

The Company is subject to various legal claims and contingencies that arise out of the normal course of business, including claims related to commercial transactions, product liability, health and safety, taxes, environmental matters, employee matters and other matters. Litigation is subject to numerous uncertainties and the outcome of individual claims and contingencies is not predictable. It is possible that some legal matters for which reserves have or have not been established could result in an unfavorable outcome for the Company and any such unfavorable outcome could be of a material nature or have a material adverse effect on our financial condition, results of operations and cash flows.

On February 24, 2019, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with W/S Packaging Holdings, Inc., a Delaware corporation ("Parent"), and Monarch Merger Corporation, an Ohio corporation and a wholly-owned subsidiary of Parent ("Sub"). The Merger Agreement provides for the merger of Sub with and into the Company, on the terms and subject to the conditions set forth in the Merger Agreement (the "Merger"), with the Company continuing as the surviving corporation in the Merger. As a result of the Merger, the Company will become a wholly-owned subsidiary of Parent. On April 5, 2019, the Company filed with the Securities and Exchange Commission a definitive proxy statement (the "Proxy Statement") with respect to the Company's special meeting of the shareholders held on May 16, 2019 in connection with the Merger. At the special meeting of the shareholders, the Company received approval of the proposal to adopt the Merger Agreement and approval of the proposal to approve, on a non-binding advisory basis, the compensation that may be paid or become payable to the Company's named executive officers that is based on or otherwise relates to the Merger.

On April 29, 2019, the Company was served with a complaint in an action captioned Eric Sabatini, Individually And On Behalf of All Others Similarly Situated, and Derivatively On Behalf of Multi-Color Corporation v. Nigel A. Vinecombe, Michael J. Henry, Vadis A. Rodato, Alex Baumgartner, Ari J. Benacerraf, Robert R. Buck, Charles B. Connolly, Robert W. Kuhn, Ronald Lienau and Multi-Color Corporation (the "Sabatini Complaint") relating to the Merger Agreement and the Proxy Statement. The Sabatini Complaint was filed in the Hamilton County Court of Common Pleas in the State of Ohio and alleges, among other things, that the individual defendants breached their fiduciary duties to Company shareholders by failing to secure adequate merger consideration and failing to disclose material information in the Proxy Statement. The lawsuit asserts claims on behalf of a putative class of Company shareholders as well as derivatively on behalf of the Company. Among other remedies, the Sabatini Complaint seeks to enjoin the consummation of the Merger (or alternatively, rescission of the Merger in the event the defendants are able to consummate it), as well as damages, costs and attorneys' and experts' fees.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

PART II

ITEM 5. MARKET FOR REGISTRANT' S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

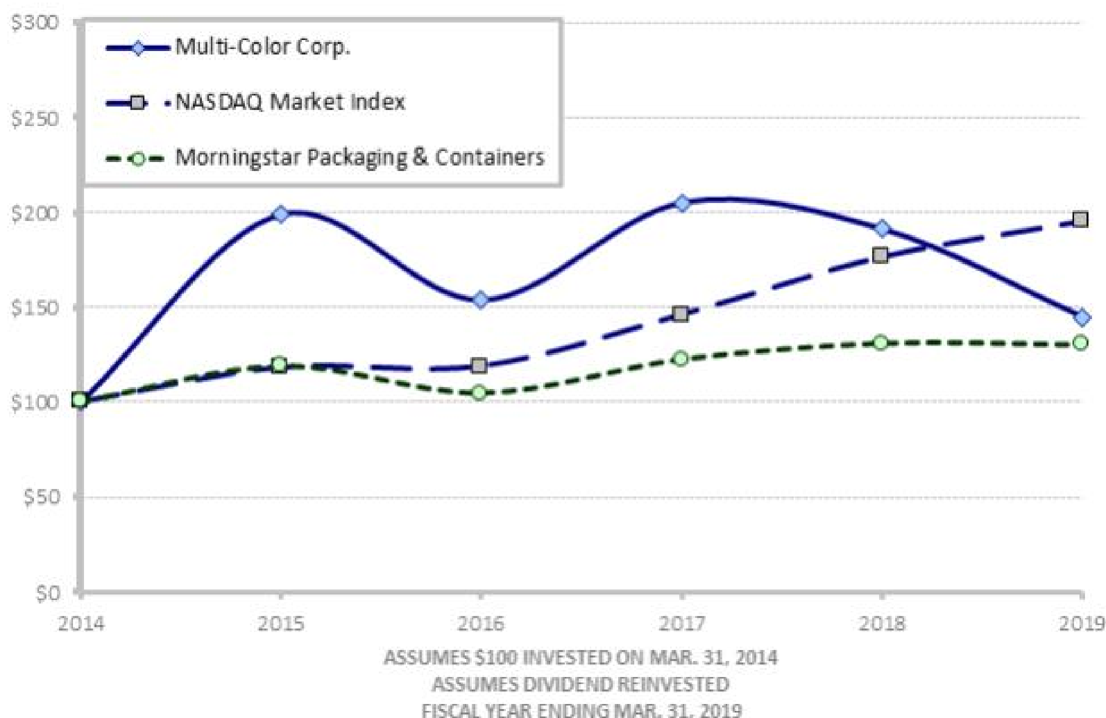
Our shares trade on the NASDAQ Global Select Market under the symbol LABL.

As of April 30, 2019, there were approximately 230 shareholders of record of the Common Stock.

Beginning in and since the fourth quarter of the fiscal year ended March 31, 2005, we have paid a quarterly dividend of $0.05 per common share.

FIVE YEAR PERFORMANCE GRAPH

The following performance graph compares Multi-Color' s cumulative annual total shareholder return from March 31, 2014 through March 31, 2019, to that of the NASDAQ Market Index, a broad market index, and the Morningstar Packaging & Containers Index ("Morningstar Packaging & Containers"), an index of 64 printing and packaging industry peer companies. The graph assumes that the value of the investment in the common stock and each index was $100 on March 31, 2014, and that all dividends were reinvested. Stock price performances shown in the graph are not indicative of future price performances.



Company/Market/Peer Group	3/31/2014	3/31/2015	3/31/2016	3/31/2017	3/31/2018	3/31/2019
Multi-Color Corporation	$100.00	$198.95	$153.63	$205.06	$191.29	$145.03
NASDAQ Market Index	$100.00	$118.12	$118.77	$145.94	$176.24	$194.97
Morningstar Packaging & Containers	$100.00	$118.03	$104.02	$123.86	$133.73	$132.97

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

[Table of Contents](#)

ITEM 6. SELECTED FINANCIAL DATA

(In thousands, except per share data)

	Year Ended March 31,				
	2019 (1)	2018 (2)	2017 (3)	2016 (4)	2015 (5)
Net revenues	**$ 1,725,554**	$ 1,300,912	$923,295	$870,825	$ 810,772
Gross profit	**321,920**	246,600	196,809	181,626	173,274
Operating income	**61,344**	115,580	110,966	94,428	96,912
Net income (loss) attributable to Multi-Color Corporation	**(29,041)**	71,951	60,996	47,739	45,716
Basic earnings (loss) per common share	**$(1.42)**	$3.91	$3.61	$2.85	$2.75
Diluted earnings (loss) per common share	**$(1.42)**	$3.87	$3.58	$2.82	$2.71
Weighted average shares and equivalents outstanding – basic	**20,468**	18,421	16,879	16,750	16,623
Weighted average shares and equivalents outstanding – diluted	**20,468**	18,583	17,024	16,952	16,877
Dividends per common share	**$0.20**	$0.20	$0.20	$0.20	$0.20
Dividends paid	**4,106**	4,024	3,876	3,351	3,302
Net working capital	**$281,122**	$273,956	$109,420	$111,100	$99,951
Total assets	**2,652,472**	2,902,976	1,091,990	1,070,066	927,371
Current portion of long-term debt	**23,059**	20,864	2,093	1,573	2,947
Long-term debt	**1,514,294**	1,577,821	479,408	504,706	455,583
Total stockholders' equity	**628,703**	760,373	381,820	342,632	289,473

(1) Fiscal 2019 results include goodwill impairment charges of $99,155 related to our In-Mold Labels Food & Beverage and Europe Food & Beverage reporting units. Results include $711 ($507 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac, France and Cowansville, Canada. Results include $8,695 ($6,890 after tax) of acquisition and integration expenses, primarily related to the Constantia Labels acquisition, and $7,066 ($6,647 after-tax) of strategic review expenses.

(2) Fiscal 2018 results include $1,419 ($945 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac and Dormans, France and Norway, Michigan. Results include $19,901 ($15,267 after tax) of acquisition and integration expenses, of which $18,857 related to the Constantia Labels acquisition.

(3) Fiscal 2017 results include $921 ($706 after-tax) in costs related to the closure of our manufacturing facilities located in the following: Glasgow, Scotland; Sonoma, California; Greensboro, North Carolina; Dublin, Ireland; Norway, Michigan and Watertown, Wisconsin.

(4) Fiscal 2016 results include $5,200 ($3,708 after-tax) in costs related to the closure of our manufacturing facilities located in the following: Glasgow, Scotland; Sonoma, California; Greensboro, North Carolina; Dublin, Ireland; Norway, Michigan and Watertown, Wisconsin; and a sales office located near Toronto, Canada.

(5) Fiscal 2015 results include a $951 impairment of goodwill related to the finalization of the fiscal 2014 annual impairment test for our Latin America Wine & Spirits reporting unit and $7,399 ($4,533 after-tax) in costs primarily related to the closure of our manufacturing facilities located in Norway, Michigan and Watertown, Wisconsin.

Refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" for a discussion of the impact of acquisitions completed during recent fiscal years that would impact the comparability of the selected financial data above. During fiscal 2018, we acquired GEWA with manufacturing plants in Germany; TP Label, which has manufacturing plants in Tanzania; and Constantia Labels, which has manufacturing plants across 14 countries, with major operations across Europe, Asia and North America. During fiscal 2017, we acquired Italstereo and I.L.A., which have manufacturing plants in Italy; Graphix, which has a manufacturing plant in Australia; and GIP, which has a manufacturing plant in France. During fiscal 2016, we acquired Mr. Labels and Supa Stik, which have manufacturing plants in Australia; Barat Group, which has manufacturing plants in France; Super Label, which has manufacturing plants in Malaysia, Indonesia, the Philippines, Thailand, and China; and System Label and Cashin Print, which have manufacturing plants in Ireland. During fiscal 2015, we acquired Multiprint Labels Limited and New Era Packaging, which have manufacturing plants in Ireland, and Multi Labels Ltd., which has a manufacturing plant in England.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ITEM 7. MANAGEMENT' S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Information included in this Annual Report on Form 10-K contains certain forward-looking statements that involve potential risks and uncertainties. Multi-Color Corporation' s future results could differ materially from those discussed herein. Factors that could cause or contribute to such differences include, but are not limited to, those discussed herein and those discussed in Part 1, Item 1A "Risk Factors." Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date thereof.

Refer to "Forward-Looking Statements" following the index in this Form 10-K. In the discussion that follows, all amounts are in thousands (both tables and text), except per share data and percentages.

Following is a discussion and analysis of the financial statements and other statistical data that management believes will enhance the understanding of the Company' s financial condition and results of operations.

RESULTS OF OPERATIONS

The following table shows for the periods indicated, certain components of Multi-Color' s consolidated statements of operations as a percentage of net revenues.

	Percentage of Net Revenues		
	2019	2018	2017
Net revenues	**100.0%**	100.0%	100.0%
Cost of revenues	**81.3 %**	81.0 %	78.7 %
Gross profit	**18.7 %**	19.0 %	21.3 %
Selling, general and administrative expenses	**9.3 %**	10.0 %	9.2 %
Facility closure expenses	**0.0 %**	0.1 %	0.1 %
Goodwill impairment	**5.7 %**	0.0 %	0.0 %
Operating income	**3.6 %**	8.9 %	12.0 %
Interest expense	**4.4 %**	4.2 %	2.8 %
Other expense (income), net	**0.1 %**	0.6 %	-0.3 %
Income (loss) before income taxes	**-0.9 %**	4.1 %	9.5 %
Income tax expense (benefit)	**0.7 %**	-1.4 %	2.9 %
Net income (loss) attributable to Multi-Color Corporation	**-1.7 %**	5.5 %	6.6 %

* The sum of the percentages may not equal the totals due to rounding.

EXECUTIVE SUMMARY

We provide a complete line of innovative decorative label solutions and offer a variety of technical and graphic services to our customers based on their specific needs and requirements. Our customers include a wide range of consumer product companies, and we supply labels for many of the world' s best-known brands and products, including home & personal care, wine & spirits, food & beverage, healthcare and specialty consumer products.

As a result of a recent procurement savings initiative, our major customer has diversified its supply of certain label products produced by the Company in North America. We have provided pricing concessions to retain volume but also expect volume from this customer will be reduced. These actions resulted in softer revenues in fiscal 2019 and are expected to result in softer revenues throughout fiscal 2020. The Company believes that it remains a significant supplier of labels to this customer in North America and that the Company' s global footprint and the Company' s high quality and innovative products will provide the Company the opportunity to grow its relationship with this customer in new products and regions. We expect to offset these developments by continuing to focus on organic growth and internal improvement opportunities. We believe the Company' s operating margins will enhance over the longer term as we historically achieved through continued premiumization, innovation and efficiency gains. However, the loss or continued reduction of business of our major customer could have a material adverse impact on our results of operations and cash flow.

The label markets we serve exist in a competitive environment amidst price pressures. We continually search for ways to reduce our costs through improved production and labor efficiencies, reduced substrate waste, new substrate options and lower substrate pricing.

Operating income decreased 47% or $54,236 compared to the prior year primarily due to a goodwill impairment loss of $99,155 and strategic review expenses of $7,066. Acquisitions occurring after the beginning of fiscal 2018, net of divestitures, contributed $39,937 to operating income in fiscal 2019. Operating income in fiscal 2019 was impacted by a goodwill impairment loss of $99,155, inventory purchase accounting charges of $173 and acquisition and integration expenses of $8,695, primarily related to the Constantia Labels acquisition, and strategic review costs of $7,066. Operating income in fiscal 2019 also included $711 of expenses primarily related to consolidation of our manufacturing facilities in Merignac, France into our plant in Libourne, France and the closure of our plant in Dormans, France.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

During 2019, 2018 and 2017, sales to major customers approximated 10%, 14% and 17%, respectively, of the Company' s consolidated net revenues. All were made to The Procter & Gamble Company.

Our vision is global leadership in premium label solutions. We currently serve customers located across the globe. We continue to monitor and analyze new trends in the packaging and consumer products industries to ensure that we are providing appropriate services and products to our customers. Certain factors that influence our business include consumer spending, new product introductions, new packaging technologies and demographics.

COMPARISON OF FISCAL YEARS ENDED MARCH 31, 2019 AND MARCH 31, 2018

Net Revenues

	2019	2018	$ Change	% Change
Net revenues	**$ 1,725,554**	$ 1,300,912	**$ 424,642**	**33 %**

Net revenues increased 33% or $424,642 in fiscal 2019 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2018, net of divestitures, accounted for a 33% increase in revenues. Organic revenues increased 2% and foreign exchange rates, primarily driven by depreciation of the Euro, led to a 2% decrease in revenues year over year.

Cost of Revenues and Gross Profit

	2019	2018	$ Change	% Change
Cost of revenues	**$ 1,403,634**	$ 1,054,312	**$ 349,322**	**33 %**
% of Net revenues	**81.3 %**	81.0 %		
Gross profit	**$321,920**	$246,600	**$75,320**	**31 %**
% of Net revenues	**18.7 %**	19.0 %		

Cost of revenues increased 33% or $349,322 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2018, net of divestitures, contributed 34% or $355,258. Cost of revenues for the prior year included $6,284 related to inventory purchase accounting charges primarily associated with the acquisition of Constantia Labels. Organic revenue growth and operating inefficiencies increased cost of revenues by $26,659. The remaining decrease of $26,311 related to the favorable impact of foreign exchange.

Gross profit increased 31% or $75,320 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2018, net of divestitures, contributed $74,505. Organic gross profit, excluding the impact of $6,284 of inventory purchase accounting changes in the prior year, decreased $756. The remaining decrease of 2% or $4,713 related to the unfavorable effects of foreign exchange. Gross margins were 18.7% of net revenues in fiscal 2019 compared to 19% of net revenues fiscal 2018.

Selling, General and Administrative (SG&A) Expenses and Facility Closure Expenses

	2019	2018	$ Change	% Change
Selling, general and administrative expenses	**$ 160,710**	$ 129,601	**$ 31,109**	**24 %**
% of Net revenues	**9.3 %**	9.2 %		
Facility closure expenses	**$711**	$1,419	**$(708)**	**(50 %)**
% of Net revenues	**0.0 %**	0.1 %		

SG&A expenses increased 24% or $31,109 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2018 contributed $34,569, net of divestitures, including acquisition and integration expenses of $3,108. Foreign exchange decreased selling, general and administrative expenses by $2,255. In the current year, the Company incurred an additional $5,587 of acquisition and integration expenses, for a total of $8,695, primarily in relation to Constantia Labels, compared to $19,901 in the prior year. In the current

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

year, the Company also incurred $7,066 of strategic review expenses. The remaining increase of $6,043 primarily relates to professional fees and compensation expenses, including $641 relating to modification of our Term Loan B, which will reduce interest expense in future periods.

Facility closure expenses decreased 50% or $708 compared to the prior year. These expenses primarily relate to consolidation of our manufacturing facilities in Merignac, France into Libourne, France.

Goodwill Impairment

	2019	2018	**$ Change**	**% Change**
Goodwill impairment	**$ 99,155**	$ −	**$ 99,155**	**100 %**

After conducting our annual impairment testing, we recorded impairment charges of $99,155 to reduce the carrying value of the goodwill of our In-Mold Labels Food & Beverage and Europe Food & Beverage reporting units to fair value. See further details in the Critical Accounting Policies and Estimates section below.

Interest Expense and Other (Income) Expense, Net

	2019	2018	**$ Change**	**% Change**
Interest expense	**$ 75,399**	$ 54,027	**$ 21,372**	**40 %**
Other expense, net	**$2,280**	$7,851	**$(5,571)**	**71 %**

Interest expense increased 40% or $21,372 compared to the prior year, primarily due to the increase in debt borrowings to finance the acquisition of Constantia Labels. Additionally, during the prior year, the Company paid $2,194 in interest on loans prior to the acquisition and $4,587 in fees to access unused bridge loans necessary to secure financing for the acquisition which contributed to the increase in interest expense. The Company also wrote off unamortized deferred debt fees related to the prior credit agreement upon execution of the New Credit Agreement in the amount of $660.

Other expense was $2,280 compared to $7,851 in the prior year. Other expense in the current year includes the release of foreign indemnification receivables of $3,063 related to previous acquisitions for which offsetting tax liabilities were relieved and foreign currency gains and losses. Other expense in the prior year included net foreign currency losses for the acquisition and structuring of Constantia Labels, the unfavorable impact of the release of a $1,124 foreign indemnification receivable, for which offsetting tax liabilities was also relieved and gains and losses on foreign exchange, and $512 of loss on the sale of the Southeast Asian Durables business.

Income Tax Expense (Benefit)

	2019	2018	**$ Change**	**% Change**
Income tax expense (benefit)	**$ 12,332**	$(18,195)	**$ 30,527**	**(168 %)**

Income tax was an expense of $12,332 in fiscal 2019 compared to benefit of $18,195 in the prior year primarily due to tax rate changes enacted in calendar 2017 in the U.S. and Belgium, which resulted in net benefits of $1,350 and $2,268 in the current year, respectively, and net benefits in the prior year of $18,268 and $15,164, respectively. Additionally, the current year included $3,063 and the prior year included $1,124 for the release of tax liabilities related to foreign indemnification receivables related to previous acquisitions for which there were offsetting impacts in other expense.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

COMPARISON OF FISCAL YEARS ENDED MARCH 31, 2018 AND MARCH 31, 2017

Net Revenues

	2018	2017	$ Change	% Change
Net revenues	**$ 1,300,912**	$ 923,295	**$ 377,617**	**41 %**

Net revenues increased 41% or $377,617 in fiscal 2018 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2017, net of divestitures, accounted for a 35% increase in revenues. Increased revenues globally led by North America contributed to an organic revenue increase of 4% and foreign exchange rates, primarily driven by appreciation of the Euro, led to a 2% increase in revenues year over year.

Cost of Revenues and Gross Profit

	2018	2017	$ Change	% Change
Cost of revenues	**$ 1,054,312**	$ 726,486	**$ 327,826**	**45 %**
% of Net revenues	**81.0 %**	78.7 %		
Gross profit	**$246,600**	$196,809	**$49,791**	**25 %**
% of Net revenues	**19.0 %**	21.3 %		

Cost of revenues increased 45% or $327,826 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2017, net of divestitures, contributed 39% or $284,211, as did the unfavorable impact of foreign exchange rates of 2% or $13,399. Organic revenue growth increased cost of revenues by 4% or $30,216.

Gross profit increased 25% or $49,791 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2017, net of divestitures, and favorable foreign exchange contributed $41,589 and $3,442, respectively, to the increase. Gross margins were 19.0% of net revenues for the current year compared to 21.3% in the prior year. Increased volumes and improved operating performance, predominantly in Europe, contributed to organic margin improvement of $4,760 compared to the prior year.

Selling, General and Administrative (SG&A) Expenses and Facility Closure Expenses

	2018	2017	$ Change	% Change
Selling, general and administrative expenses	**$ 129,601**	$ 84,922	**$ 44,679**	**53 %**
% of Net revenues	**10.0 %**	9.2 %		
Facility closure expenses	**$1,419**	$921	**$498**	**54 %**
% of Net revenues	**0.1 %**	0.1 %		

SG&A expenses increased 53% or $44,679 compared to the prior year. Acquisitions occurring after the beginning of fiscal 2017, net of divestitures, and unfavorable foreign exchange contributed $23,887 and $1,470, respectively, to the increase. In the current year, the Company incurred $19,901 of acquisition and integration expenses compared to $1,101 in the prior year. Acquisition and integration expenses in fiscal 2018 include $18,858 related to the Constantia Labels acquisition. The remaining increase of $522 primarily relates to compensation expenses.

Facility closure expenses increased 54% or $498 compared to the prior year. These expenses are primarily related to the consolidation of facilities in certain locations into other existing facilities. In fiscal 2018, these expenses were primarily related to the consolidation of our manufacturing facilities in Merignac, France into Libourne, France ($1,115) and the closure of our facility in Dormans, France ($260), and the consolidation of our plants in Norway, Michigan and Watertown, Wisconsin ($44). In the prior year, facility closure expenses related to the consolidation of the facilities in Dublin, Ireland ($355) and Glasgow, Scotland ($262), as well as the consolidation of the plants in Norway, Michigan and Watertown, Wisconsin ($133), Greensboro, North Carolina ($119), and Sonoma, California ($52).

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

Interest Expense and Other (Income) Expense, Net

	2018	2017	$ Change	% Change
Interest expense	**$ 54,027**	$ 25,488	**$ 28,539**	**112 %**
Other (income) expense, net	**$7,851**	$(2,735)	**$10,586**	**387 %**

Interest expense increased 112% or $28,539 compared to the prior year, primarily due to the increase in debt borrowings to finance the acquisition of Constantia Labels. The Company paid $2,194 in interest on loans prior to the acquisition and $4,587 in fees to access unused bridge loans necessary to secure financing for the acquisition, which contributed to the increase. The Company also wrote off unamortized deferred debt fees related to the prior credit agreement upon execution of the New Credit Agreement in the amount of $660.

Other expense was $7,851 compared to income of $2,735 in the prior year. Additional costs in the current year include, $6,478 of net foreign currency losses for the acquisition and structuring of Constantia Labels, the unfavorable impact of the release of a $1,124 foreign indemnification receivable in the current year period, for which an offsetting tax liability was also relieved reducing the current year effective tax rate and gains and losses on foreign exchange, and $512 of loss on the sale of the Southeast Asian Durables business. In the prior year period, adjustments were made to other income to reconcile certain supplemental purchase price accruals to management' s estimate of the liability for $887; and a gain of $690 was recorded to state Multi-Color' s 30% investment in Gironde Imprimerie Publicité at its fair value upon purchase of an additional 67.6% in the company (97.6% owned at March 31, 2017).

Income Tax Expense (Benefit)

	2018	2017	$ Change	% Change
Income tax expense	**$(18,195)**	$ 26,848	**$(45,043)**	**(168 %)**

Income tax was a benefit of $18,195 in fiscal 2018 compared to expense of $26,848 in the prior year. The income tax benefit was primarily the result of tax rate changes enacted during the period in the U.S. and Belgium, which resulted in net benefits of $18,268 and $15,164, respectively. Tax expense was also impacted by discrete items recognized in the current period that decreased tax expense, including the release of a tax liability related to a foreign indemnification receivable related to previous acquisitions for $1,124, for which there was an offsetting impact in other expense and other discrete items. In addition, the Company adopted a new accounting standard to simplify share-based payments during the current period, which decreased tax expense $1,462 compared to the prior year.

Liquidity and Capital Resources

Summary of Cash Flows

Net cash provided by operating activities was $159,439 in 2019 compared to $56,907 in the prior year. Net income adjusted for non-cash expenses consisting primarily of goodwill impairment, depreciation, amortization and deferred income taxes was $171,566 in the current year compared to $118,555 in the prior year. The $53,011 increase from 2018 to 2019 in net income adjusted for non-cash expenses was primarily driven by additional income from the inclusion of a full year of results in 2019 for the Constantia Labels acquired plants compared to five months in 2018 and changes in deferred taxes. Our use of operating assets and liabilities of $12,127 in the current year decreased from a use of $61,648 in the prior year.

Net cash provided by operating activities was $56,907 in 2018 and $107,210 in 2017. Net income adjusted for non-cash expenses consisting primarily of depreciation and amortization and changes in deferred taxes was $118,555 in 2018 compared to $109,097 in 2017. The $9,458 increase from 2017 to 2018 in net income adjusted for non-cash expenses was primarily driven by a 17% increase in net income from $61,365 in 2017 to $71,897 in 2018. Our net usage from operating assets and liabilities of $61,648 in 2018 increased from our net use of $1,887 in 2017.

Net cash used in investing activities was $78,632 in 2019, $1,080,331 in 2018, and $73,635 in 2017 of which $0, $1,024,644 and $28,839 was used for acquisitions in those years, respectively, including the Constantia Labels acquisition in 2018. The remaining net usages of $78,632 in 2019, $55,687 in 2018 and $44,796 in 2017 were capital expenditure related, primarily for the purchase of presses, net of various sales.

Net cash used in financing activities in fiscal 2019 was $83,335, which included $72,432 of net debt borrowings, $10 in debt issuance costs, dividends paid of $4,106 and $1,556 of proceeds from the issuance of common stock. Cash provided by financing activities also included $8,343 in deferred payments for the Constantia Labels, Italstereo, Gern & Cie, TP Label, Graphix Labels and Cashin Print acquisitions.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Net cash provided by financing activities in fiscal 2018 was $1,060,089, which included $1,098,907 of net debt borrowings, $26,669 in debt issuance costs, dividends paid of $4,024 and $2,572 of proceeds from the issuance of common stock. Dividends paid included $3,741 to shareholders of Multi-Color Corporation and $279 to the minority shareholders of our 60% owned legal entity in Malaysia, which was sold in the second quarter of fiscal 2018. Cash provided by financing activities also included $10,697 in deferred payments related to the Italstereo, Supa Stik, GIP and TP Label acquisitions.

Net cash used in financing activities in fiscal 2017 was $33,641, which included $31,467 of net debt payments and $4,000 of proceeds from various stock transactions, offset by $1,784 in deferred payments related to the Mr. Labels and Flexo Print acquisitions and dividends paid of $3,876. Dividends paid include $3,378 to shareholders of Multi-Color Corporation and $498 to the minority shareholders of our 60% owned legal entity in Malaysia.

Capital Resources

In conjunction with the Constantia Labels acquisition, effective October 31, 2017 the Company entered into a credit agreement (the "Credit Agreement") with various lenders. The Credit Agreement replaced the Company' s previous credit agreement and consists of (i) a senior secured first lien term loan A facility (the "Term Loan A Facility") in an aggregate initial principal amount of $150,000 with a five year maturity, (ii) a senior secured first lien term loan B facility (the "Term Loan B Facility") in an aggregate initial principal amount of $500,000 with a seven year maturity, and (iii) a senior secured first lien revolving credit facility (the "Revolving Credit Facility") in an aggregate principal amount up to $400,000, comprised of a $360,000 U.S. revolving credit facility (the "U.S. Revolving Credit Facility") and a $40,000 U.S. Dollar equivalent Australian sub-facility (the "Australian Revolving Sub-Facility"), each with a five year maturity.

On October 16, 2018, the Company amended the terms of the Term Loan B Facility upon entering into Amendment No. 1 to the Credit Agreement, which lowered the applicable margin payable on LIBOR indexed loans thereunder from 225 bps to 200 bps.

The Credit Agreement contains customary mandatory and optional prepayment provisions and customary events of default. The Credit Agreement' s Term Loan A Facility, Term Loan B Facility and U.S. Revolving Credit Facility (together, the "U.S. facilities") are guaranteed by substantially all of the Company' s direct and indirect wholly owned domestic subsidiaries, and such guarantors pledged substantially all their assets as collateral to secure the U.S. facilities. The Australian Revolving Sub-Facility is secured by substantially all of the assets of the Australian borrower and its direct and indirect subsidiaries.

The Credit Agreement can be used for working capital, capital expenditures and other corporate purposes and to fund permitted acquisitions (as defined in the Credit Agreement). Loans under the Credit Agreement bear interest at variable rates plus a margin, based on the Company' s consolidated secured net leverage ratio.

The Credit Agreement contains customary representations and warranties as well as customary negative and affirmative covenants, which require the Company to maintain the following financial covenants at the end of each quarter: (i) the consolidated secured net leverage ratio as of the last day of any fiscal quarter of the Company shall not exceed 4.50 to 1.00 for the fiscal quarters ended during the period of March 31, 2017 through, and including June 30, 2019 and (ii) the consolidated secured net leverage ratio as of the last day of any fiscal quarter of the Company shall not exceed 4.25 to 1.00 for the fiscal quarters ended during the period of September 30, 2019 and thereafter.

The Credit Agreement, the indenture governing the 4.875% Senior Notes (the "4.875% Senior Notes Indenture") and the indenture governing the 6.125% Senior Notes (the "6.125% Senior Notes Indenture") and together with the 4.875% Senior Notes Indenture, (the "Indentures") limit the Company' s ability to incur additional indebtedness. Additional covenants contained in the Credit Agreement and the Indentures, among other things, restrict the ability of the Company to dispose of assets, incur guarantee obligations, make restricted payments, create liens, make equity or debt investments, change the business conducted by the Company and its subsidiaries, and engage in certain transactions with affiliates. Under the Credit Agreement and the Indentures, certain changes in control of the Company could result in the occurrence of an Event of Default. In addition, the Credit Agreement limits the ability of the Company to modify terms of the Indentures. As of March 31, 2019, the Company was in compliance with the covenants in the Credit Agreement and the Indentures.

Available borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility were $354,241 and $4,023, respectively, at March 31, 2019. The Company also has various other uncommitted lines of credit available at March 31, 2019 in the aggregate amount of $23,625.

The $600,000 aggregate principal amount of 4.875% Senior Notes due 2025 (the "4.875% Senior Notes") were issued in October 2017 to fund the acquisition of Constantia Labels. The 4.875% Senior Notes are unsecured senior obligations of the Company. Interest is payable on the 4.875% Senior Notes on May 1st and November 1st of each year beginning May 1, 2018 until the maturity date of November 1, 2025. The Company' s obligations under the 4.875% Senior Notes are guaranteed by certain of the Company' s existing direct and indirect wholly-owned domestic subsidiaries.

The $250,000 aggregate principal amount of 6.125% Senior Notes due 2022 (the "6.125% Senior Notes") were issued in November 2014. The 6.125% Senior Notes are unsecured senior obligations of the Company. Interest is payable on the 6.125% Senior Notes on June 1st and December 1st of each year beginning June 1, 2015 until the maturity date of December 1, 2022. The Company' s obligations under the 6.125% Senior Notes are guaranteed by certain of the Company' s existing direct and indirect wholly-owned domestic subsidiaries.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

Contractual Obligations

The following table summarizes the Company' s contractual obligations as of March 31, 2019:

	Total	Year 1	Year 2	Year 3	Year 4	Year 5	More than 5 years
Long-term debt	$ 1,520,754	$18,509	$17,331	$22,005	$ 389,158	$5,000	$ 1,068,751
Capital leases	36,255	4,550	3,999	3,107	2,925	2,635	19,039
Interest on long-term debt (1)	342,337	67,010	64,903	63,636	55,764	46,229	44,795
Rent due under operating leases	96,091	22,595	19,569	17,297	13,168	7,585	15,877
Unconditional purchase obligations	36,414	35,929	351	133	1	–	–
Pension obligations	429	11	18	26	35	42	297
Unrecognized tax benefits (2)	–	–	–	–	–	–	–
Deferred purchase price	15,354	1,891	1,122	4,712	1,122	6,507	–
Total contractual obligations	**$2,047,634**	**$ 150,495**	**$ 107,293**	**$ 110,916**	**$462,173**	**$ 67,998**	**$1,148,759**

(1) Interest on floating rate debt was estimated using projected forward London Interbank Offered Rate (LIBOR) and Bank Bill Swap Bid Rates (BBSY) rates as of March 31, 2019.

(2) The table excludes $5,846 in liabilities related to unrecognized tax benefits as the timing and extent of such payments are not determinable.

We do not have any off-balance sheet arrangements as of March 31, 2019.

Recent Acquisitions

On October 31, 2017, the Company completed its acquisition pursuant to the Sale and Purchase Agreement (as amended) with Constantia Flexibles Germany GmbH, Constantia Flexibles International GmbH, Constantia Flexibles Group GmbH and GPC Holdings B.V. (collectively, "Constantia Flexibles"), acquiring 100% of the Labels Division of Constantia Flexibles ("Constantia Labels"), for $1,299,403 less net cash acquired of $11,234. The purchase price included future performance based earnouts with a total fair value of $9,026 and deferred payments of $3,901, estimated as of the acquisition date. Constantia Labels, headquartered in Vienna, Austria, is a leader in label solutions serving the food, beverage and consumer packaging goods industries. Constantia Labels has approximately 2,800 employees globally and 24 production plants across 14 countries, with major operations across Europe, Asia and North America. The acquisition included a 75% controlling interest in certain label operations in South Africa.

On October 11, 2017, the Company acquired 100% of TP Label Limited, the labels business of Tanzania Printers Limited (Tanzania Printers), and TP Kenya Limited (collectively, "TP Label"), which is located in Dar es Salaam, Tanzania with a sales and distribution center located in Nairobi, Kenya, for $15,929 less net cash acquired of $397. The purchase price included $9,557, which was retained by MCC at closing and was used to repay the indebtedness of TP Label Limited and Tanzania Printers during the three months ended March 31, 2018. The purchase price also included an indemnification holdback of $1,593 to fund certain potential obligations of the sellers with respect to the transaction, which was deferred for one year and paid during the three months ended December 31, 2018. TP Label is primarily a pressure sensitive and cut and stack label business, serving customers in the food and beverage market.

On August 3, 2017, the Company acquired 100% of GEWA Etiketten GmbH (GEWA), including the remaining 2.4% of the common shares of GIP (see below), for $21,846 plus net debt assumed of $5,228. Upon closing, $2,185 of the purchase price was deposited into an escrow account and was released to the seller on the 18-month anniversary of the closing date in accordance with the purchase agreement. The escrow amount was to fund certain potential indemnification obligations of the seller with respect to the transaction. GEWA is located in Bingen am Rhein, Germany and specializes in producing pressure sensitive labels for the wine and spirits market.

On January 3, 2017, the Company acquired 100% of Graphix Labels and Packaging Pty Ltd. (Graphix) for $17,261. The purchase price included a deferred payment of $1,631 that was paid in the three months ended March 31, 2019. Graphix is located in Melbourne, Victoria, Australia and specializes in producing labels for both the food & beverage and wine & spirits markets.

In January 2017, the Company acquired an additional 67.6% of the common shares of Gironde Imprimerie Publicité (GIP) for $2,084 plus net debt assumed of $862. The purchase price included a deferred payment of $208 that was paid during the three months ended March 31, 2018. The Company acquired 30% of GIP as part of the Barat acquisition in fiscal 2016. Immediately prior to obtaining a controlling interest in GIP, the Company recognized a gain of $690 as a result of re-measuring our equity interest to its fair value of $771 based on the most recent share activity. In August 2017, the Company acquired the remaining 2.4% of the common shares of GIP in conjunction with the GEWA acquisition (see above). GIP is located in the Bordeaux region of France and specializes in producing labels for the wine & spirits market.

On July 6, 2016, the Company acquired 100% of Industria Litografica Alessandrina S.r.l. (I.L.A.) for $6,301 plus net debt assumed of $3,547. The purchase price included $819 that is deferred for three years after the closing date. I.L.A. is located in the Piedmont region

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

of Italy and specializes in production of premium self-adhesive and wet glue labels primarily for the wine & spirits market and also services the food industry.

On July 1, 2016, the Company acquired 100% of Italstereo Resin Labels S.r.l. (Italstereo) for $3,342 less net cash acquired of $181. The purchase price included a deferred payment of $201 that was paid in the three months ended September 30, 2017 and a deferred payment of $133 that was paid in the three months ended September 30, 2018. Italstereo is located near Lucca, Italy and specializes in producing pressure sensitive adhesive resin coated labels, seals and emblems.

Inflation

We do not believe that our operations have been materially affected by inflation. Inflationary price increases for raw materials could adversely impact our sales and profitability in the future.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses. We continually evaluate our estimates, including, but not limited to, those related to revenue recognition, bad debts, inventories and any related reserves, income taxes, fixed assets, goodwill and intangible assets. We base our estimates on historical experience and on various other assumptions believed to be reasonable under the facts and circumstances. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies impact the more significant judgments and estimates used in the preparation of our consolidated financial statements. Additionally, our senior management has reviewed the critical accounting policies and estimates with the Board of Directors' Audit and Finance Committee. For a more detailed discussion of the application of these and other accounting policies, refer to Note 2 of the consolidated financial statements.

Business Combinations

The Company allocates the purchase price of its acquisitions to the assets acquired and liabilities assumed based upon their respective fair values at the acquisition date. The Company reports in its consolidated financial statements provisional amounts for the items for which accounting is incomplete. Goodwill is adjusted for any changes to provisional amounts made within the measurement period. The Company utilizes management estimates and an independent third-party valuation firm to assist in determining the fair values of assets acquired and liabilities assumed. Such estimates and valuations require the Company to make significant assumptions, including projections of future events and operating performance.

Goodwill and Other Acquired Intangible Assets

Impairment reviews comparing fair value to carrying value are highly judgmental and involve the use of significant estimates and assumptions, which determine whether there is potential impairment and the amount of any impairment charge recorded. Fair value assessments involve estimates of discounted cash flows that are dependent upon discount rates and long-term assumptions regarding future sales and margin trends, market conditions, cash flow and multiples of revenue and earnings before interest, taxes, depreciation and amortization ("EBITDA"). Actual results may differ from these estimates. Fair value measurements used in the impairment reviews of goodwill and intangible assets are Level 3 measurements. See further information about our policy for fair value measurements within this section below.

Goodwill. Goodwill is not amortized and is tested for impairment annually. Impairment is also tested when events or changes in circumstances indicate that the assets' carrying values may be greater than the fair values.

No events or changes in circumstances occurred in 2019 or 2018 that required goodwill impairment testing in between annual tests.

Goodwill has been assigned to reporting units for purposes of impairment testing. The reporting units are the Company' s divisions. The Company can evaluate qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than the carrying value and whether it is necessary to perform the two-step goodwill impairment test.

In conjunction with our annual impairment tests as of January 31, 2019 and January 31, 2018, the Company performed quantitative assessments for all of our reporting units. The impairment tests compare the fair value of each reporting unit to its carrying value. We estimated the fair value of each reporting unit using a combination of: (i) a market approach based on multiples of revenue and EBITDA from recent comparable transactions and other market data; and (ii) an income approach based on expected future cash flows discounted at rates ranging between 8.5% to 13.0% in 2019 and 8.5% to 11.5% in 2018. The discount rate reflects the risk associated with each respective reporting unit, including the industry and geographies in which they operate. In fiscal 2019, the market and income approaches were weighted 25% and 75%, respectively, based on judgment of the comparability of the recent transactions and the risks inherent in estimating future cash flows. We considered recent economic and industry trends, as well as risk in executing our current plans from the perspective of a hypothetical buyer in estimating expected future cash flows in the income approach.

For most of our reporting units, the impairment test did not indicate impairment as the estimated fair value of the reporting units exceeded the carrying amount. For two of our reporting units, In-Mold Labels Food & Beverage and Europe Food & Beverage, both of which were

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

acquired in fiscal 2018 as part of the Constantia Labels acquisition, the carrying amounts exceeded the estimated fair value of the reporting units.

During the fourth quarter of fiscal 2019, the Company adopted ASC 2017-14, which removes step 2 of the goodwill impairment test. Goodwill impairment is now the amount by which a reporting unit' s carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. See Note 2 for further details. As such, the excess of the carrying value over the fair value for IML Food & Beverage and Europe Food & Beverage of $85,109 and $14,046, respectively, were recorded as non-cash goodwill impairment charges during the fourth quarter of fiscal 2019 and resulted in a reduction in goodwill. The impairment charges were a result of changes in expectations for future growth as part of our fourth quarter long-term strategic planning process.

Significant assumptions used to estimate the fair value of our reporting units include estimates of future cash flows, discount rates and multiples of revenue and EBITDA. These assumptions are typically not considered individually because assumptions used to select one variable should also be considered when selecting other variables; however, sensitivity of the overall fair value assessment to each significant variable is also considered.

Intangible Assets. Intangible assets with definite useful lives are amortized over periods of up to 21 years based on a number of assumptions including estimated period of economic benefit and utilization. Intangible assets are tested for impairment when events or changes in circumstances indicate that the assets' carrying values may be greater than their fair values. Tests are performed over asset groups at the lowest level of identifiable cash flows.

The Company performed impairment testing on long-lived assets, including intangibles, at certain manufacturing locations during fiscal 2019 and 2018 due to the existence of impairment indicators. The estimated undiscounted future cash flows associated with the long-lived assets were greater than their carrying values, and therefore, no impairment was present in either of these two years related to intangible assets.

Impairment of Long-Lived Assets

We review long-lived assets for impairment when events or changes in circumstances indicate that assets might be impaired and the related carrying amounts may not be recoverable. Changes in market conditions and/or losses of a production line could have a material impact on the consolidated statements of operations. The determination of whether impairment exists involves various estimates and assumptions, including the determination of the undiscounted cash flows estimated to be generated by the assets involved in the review. The cash flow estimates are based upon our historical experience, adjusted to reflect estimated future market and operating conditions. Measurement of an impairment loss requires a determination of fair value. We base our estimates of fair values on quoted market prices when available, independent appraisals as appropriate and industry trends or other market knowledge. Tests are performed over asset groups at the lowest level of identifiable cash flows.

During fiscal 2019, we closed our manufacturing facility located in Cowansville, Canada. As a result, non-cash fixed asset impairment charges of $309 were recorded to adjust the carrying value of certain machinery and equipment to their estimated fair value, less costs to sell, which were determined based on a quoted market price. The Company recorded $150 in impairment losses on fixed assets during fiscal 2018 related to assets that more likely than not will be sold or otherwise disposed of significantly before the end of their estimated useful lives, all of which related to the closure of our manufacturing facilities in Merignac and Dormans, France. In addition, the Company performed impairment testing on long-lived assets at certain manufacturing locations during fiscal 2019 and 2018 due to the existence of other impairment indicators. The estimated undiscounted cash flows associated with the long-lived assets were greater than their carrying values, and therefore, no impairment was present in any of these two years related to long-lived assets.

Income Taxes

The Company is subject to income taxes in both the United States and numerous foreign jurisdictions. Income taxes are recorded based on the current year amounts payable or refundable. Deferred income taxes are recognized at the enacted tax rates for the expected future tax consequences related to temporary differences between amounts reported for income tax purposes and financial reporting purposes as well as any tax attributes. Deferred income taxes are not provided for the undistributed earnings of subsidiaries operating outside of the U.S. that have been permanently reinvested in foreign operations.

We regularly review our deferred income tax balances for each jurisdiction to estimate whether these deferred income tax balances are more likely than not to be realized based on the information currently available. Projected future taxable income is based on forecasted results and assumptions as to the jurisdiction in which the income will be earned. The timing of reversals of any existing temporary differences is based on our methods of accounting for income taxes and current tax legislation. Unless the deferred tax balances are more likely than not to be realized, a valuation allowance is established to reduce the carrying values of any deferred tax balances until circumstances indicate that realization becomes more likely than not.

The Company establishes reserves for income tax related uncertainties based on estimates of whether it is more likely than not that the tax uncertainty would be sustained upon challenge by the appropriate tax authorities. Provisions for and changes to these reserves and any related net interest and penalties are included in income tax expense in the consolidated statements of operations. Significant judgment is required when evaluating our tax provisions and determining our provision for income taxes. We regularly review our tax positions and we adjust the reserves as circumstances change.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Fair Value Measurements

The Company defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. To increase consistency and comparability in fair value measurements, the Company uses a three-level hierarchy that prioritizes the use of observable inputs. The three levels are:

Level 1 – Quoted market prices in active markets for identical assets and liabilities

Level 2 – Observable inputs other than quoted market prices in active markets for identical assets and liabilities

Level 3 – Unobservable inputs

The determination of where an asset or liability falls in the hierarchy requires significant judgment.

Fair value measurements of nonfinancial assets and nonfinancial liabilities are primarily used in goodwill, other intangible assets and long-lived assets impairment analyses, the valuation of acquired intangibles and in the valuation of assets held for sale. The Company tests goodwill for impairment annually, as of the last day of January of each fiscal year. Impairment is also tested when events or changes in circumstances indicate that the assets' carrying values may be greater than the fair values. Goodwill and intangible assets are typically valued using Level 3 inputs.

New Accounting Pronouncements

For a discussion of new accounting pronouncements, see Note 2 to our consolidated financial statements.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

(In thousands, except for statistical data)

Interest Rate Risk Management

The Company is exposed to market risks from changes in interest rates on certain of its outstanding debt. Loans under the New Credit Agreement (see Note 9), bear interest at variable rates plus a margin, based on the Company' s consolidated secured net leverage ratio.

In conjunction with entering into the Credit Agreement (see Note 9), the Company entered into two spot non-amortizing Swaps with a total notional amount of $300,000 to convert variable rate debt to fixed rate debt. These Swaps became effective October 2017, expired in October 2018, and resulted in interest payments of 1.5625% plus the applicable margin per the requirements in the Credit Agreement. The Company also entered into two forward starting non-amortizing Swaps with a total notional amount of $300,000 to convert variable rate debt to fixed rate debt. These Swaps became effective in October 2018, will expire in October 2022, and will result in interest payments of 2.1345% plus the applicable margin per the requirements in the Credit Agreement. In addition, the Company entered into a forward starting non-amortizing Swap with a total notional amount of $100,000 to convert variable rate debt to fixed rate debt. This Swap will become effective in May 2019, will expire in October 2022, and will result in interest payments of 2.8060% plus the applicable margin per the requirements of the Credit Agreement.

Upon inception, the Swaps were designated as cash flow hedges under ASU 2017-12, with gains and losses, net of tax, measured on an ongoing basis, recorded in accumulated other comprehensive income (loss) ("AOCI").

Foreign Currency Risk Management

Foreign currency exchange risk arises from our international operations as well as from transactions with customers or suppliers denominated in currencies other than the U.S. Dollar. The functional currency of each of the Company' s subsidiaries is generally the currency of the country in which the subsidiary operates or the U.S. Dollar. The results of operations of our foreign subsidiaries are translated into U.S. Dollars at the average exchange rate for each monthly period. As foreign exchange rates change, there are changes to the U.S. Dollar equivalent of sales and expenses denominated in foreign currencies. During fiscal 2019, approximately 62% of our net sales were made by our foreign subsidiaries and their combined operating income was 53% of the Company' s operating income prior to the $99,155 goodwill impairment charges.

The balance sheets of our foreign subsidiaries are translated into U.S. Dollars at the closing exchange rates of each monthly balance sheet date. During fiscal 2019, the Company recorded an unrealized foreign currency translation loss of $136,726 in other comprehensive loss as a result of movements in foreign currency exchange rates related to our international operations. See Notes 2 and 20 to the Company' s consolidated financial statements. As of March 31, 2019, a 10% change in these foreign exchange rates would change shareholders' equity by approximately $144,000. This hypothetical change was calculated by multiplying the net assets of each of our foreign subsidiaries by a 10% change in the applicable foreign exchange rate.

In June 2018, the Company began entering into foreign exchange forward contracts to fix the purchase price in U.S. Dollars of foreign currency denominated raw materials. These forward contracts are designated as cash flow hedges with gains and losses, net of tax, measured on an ongoing basis, recorded in AOCI.

Net Investment Hedging

In September 2017, as a means of managing foreign currency risk related to our significant operations in Europe, the Company executed four fixed-for-fixed cross currency swaps, in which the Company will pay Euros and receive U.S. Dollars with a combined notional amount of €400,000, which mature in November 2025. This will effectively convert U.S. Dollar denominated debt to Euro denominated debt. The Company designated €205,000 of swap notional as a net investment hedge of the Company' s net investment in our European operations under ASU 2017-12 and applied the spot method to these hedges. Changes in fair value of the derivative instruments that are designated and qualify as hedges of net investments in foreign operations are recognized in AOCI to offset changes in the values of the net investments being hedged.

The remaining 195,000 of swap notional was not designated as an accounting hedge in September 2017. Therefore, changes in fair value of the derivative instruments were recognized in other income and expense in the consolidated statements of operations. Subsequently, in November 2017, the Company formally designated the remaining 195,000 of swap notional as a net investment hedge under ASU 2017-12, bringing the total designated notional value to 400,000. Effective November 1, 2017, hedge accounting was applied to the newly designated swap notional of 195,000.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements and Financial Statement Schedules

CONSOLIDATED FINANCIAL STATEMENTS

	Page
Reports of Independent Registered Public Accounting Firm	34-35
Consolidated Statements of Operations	36
Consolidated Statements of Comprehensive Income (Loss)	37
Consolidated Balance Sheets	38
Consolidated Statements of Stockholders' Equity	39
Consolidated Statements of Cash Flows	40
Notes to Consolidated Financial Statements	41

All financial statement schedules have been omitted because they are either not required or the information is included in the financial statements or notes thereto.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Multi-Color Corporation

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Multi-Color Corporation (an Ohio corporation) and subsidiaries (the “Company”) as of March 31, 2019 and 2018, the related consolidated statements of operations, comprehensive income (loss), stockholders’ equity, and cash flows for each of the three years in the period ended March 31, 2019, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of March 31, 2019, based on criteria established in the 2013 *Internal Control–Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated May 28, 2019 expressed an unqualified opinion.

Basis for opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company’s auditor since 2015.

Detroit, Michigan
May 28, 2019

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Multi-Color Corporation

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of Multi-Color Corporation (an Ohio corporation) and subsidiaries (the "Company") as of March 31, 2019, based on criteria established in the 2013 *Internal Control–Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2019, based on criteria established in the 2013 *Internal Control–Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of the Company as of and for the year ended March 31, 2019, and our report dated May 28, 2019 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company' s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management' s Report on Internal Control over Financial Reporting ("Management' s Report"). Our responsibility is to express an opinion on the Company' s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company' s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company' s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company' s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Detroit, Michigan
May 28, 2019

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

CONSOLIDATED STATEMENTS OF OPERATIONS

For the Years Ended March 31

(In thousands, except per share data)

	2019	2018	2017
Net revenues	**$1,725,554**	$1,300,912	$923,295
Cost of revenues	**1,403,634**	1,054,312	726,486
Gross profit	**321,920**	246,600	196,809
Selling, general and administrative expenses	**160,710**	129,601	84,922
Facility closure expenses	**711**	1,419	921
Goodwill Impairment	**99,155**	–	–
Operating income	**61,344**	115,580	110,966
Interest expense	**75,399**	54,027	25,488
Other (income) expense, net	**2,280**	7,851	(2,735)
Income (loss) before income taxes	**(16,335)**	53,702	88,213
Income tax expense (benefit)	**12,332**	(18,195)	26,848
Net income (loss)	**(28,667)**	71,897	61,365
Less: Net income (loss) attributable to noncontrolling interests	**374**	(54)	369
Net income (loss) attributable to Multi-Color Corporation	**$(29,041)**	$71,951	$60,996
Weighted average shares and equivalents outstanding:			
Basic	**20,468**	18,421	16,879
Diluted	**20,468**	18,583	17,024
Basic earnings (loss) per common share	**$(1.42)**	$3.91	$3.61
Diluted earnings (loss) per common share	**$(1.42)**	$3.87	$3.58
Dividends per common share	**$0.20**	$0.20	$0.20

The accompanying notes are an integral part of the consolidated financial statements.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
For the Years Ended March 31

(In thousands)

	2019	2018	2017
Net income (loss)	**$(28,667)**	$71,897	$61,365
Other comprehensive income (loss):			
Unrealized foreign currency translation gain (loss) (1)	**(136,726)**	93,892	(25,254)
Unrealized gain (loss) on derivative contracts, net of tax (2)	**29,907**	(25,408)	196
Change in minimum pension liability, net of tax (3)	**(28)**	34	174
Total other comprehensive income (loss)	**(106,847)**	68,518	(24,884)
Comprehensive income (loss)	**(135,514)**	140,415	36,481
Less: Comprehensive income (loss) attributable to noncontrolling interests	**(1,298)**	1,686	157
Comprehensive income (loss) attributable to Multi-Color Corporation	**$(134,216)**	$138,729	$36,324

(1) The amount for the years ended March 31, 2019, 2018 and 2017 includes a tax impact of $262, $(654) and $284, respectively, related to the settlement of foreign currency denominated intercompany loans.
(2) Amounts are net of tax of $(10,026), $10,423 and $(133) for the years ended March 31, 2019, 2018 and 2017, respectively.
(3) Amounts are net of tax of $9, $(21) and $(108) for the years ended March 31, 2019, 2018 and 2017, respectively.

The accompanying notes are an integral part of the consolidated financial statements.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

CONSOLIDATED BALANCE SHEETS

As of March 31

(In thousands, except per share data)

	2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents	**$57,762**	$67,708
Accounts receivable, net	**300,945**	306,542
Other receivables	**23,845**	16,589
Inventories, net	**144,235**	167,950
Prepaid expenses	**29,263**	24,926
Other current assets	**40,769**	17,468
Total current assets	**596,819**	601,183
Property, plant and equipment, net	**528,077**	510,002
Goodwill	**978,544**	1,196,634
Intangible assets, net	**538,196**	580,233
Other non-current assets	**6,755**	12,097
Deferred income tax assets	**4,081**	2,827
Total assets	**$ 2,652,472**	$ 2,902,976
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	**$23,059**	$20,864
Accounts payable	**197,899**	192,341
Accrued expenses and other liabilities	**94,739**	114,022
Total current liabilities	**315,697**	327,227
Long-term debt	**1,514,294**	1,577,821
Deferred income tax liabilities	**160,017**	149,950
Other liabilities	**33,761**	87,605
Total liabilities	**2,023,769**	2,142,603
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, no par value, 1,000 shares authorized, no shares outstanding	–	–
Common stock, no par value, stated value of $0.10 per share; 40,000 shares authorized, 20,860 and 20,753 shares issued at March 31, 2019 and 2018, respectively	**1,411**	1,403
Paid-in capital	**406,846**	402,252
Treasury stock, 317 and 307 shares at cost at March 31, 2019 and 2018, respectively	**(12,079)**	(11,528)
Retained earnings	**355,973**	384,671
Accumulated other comprehensive loss	**(126,166)**	(19,241)
Total stockholders' equity attributable to Multi-Color Corporation	**625,985**	757,557
Noncontrolling interests	**2,718**	2,816
Total stockholders' equity	**628,703**	760,373
Total liabilities and stockholders' equity	**$2,652,472**	$2,902,976

The accompanying notes are an integral part of the consolidated financial statements.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In thousands)

	Common Stock					Accumulated Other Comprehensive Loss		
	Shares Issued	Amount	Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
March 31, 2016	17,111	$1,040	$150,783	$(10,556)	$258,848	$(61,123)	$ 3,640	$342,632
Net income					60,996		369	61,365
Other comprehensive loss						(24,672)	(212)	(24,884)
Acquisitions							62	62
Issuance of common stock	136	14	3,338					3,352
Excess tax benefit from stock-based compensation			1,258					1,258
Restricted stock grant	8							–
Restricted stock forfeitures	(1)							–
Stock-based compensation			3,042					3,042
Shares acquired under employee plans				(612)				(612)
Buyout of noncontrolling interest			(22)				(492)	(514)
Common stock dividends					(3,383)			(3,383)
Dividends paid to noncontrolling interests							(498)	(498)
March 31, 2017	17,254	$1,054	$158,399	$(11,168)	$316,461	$(85,795)	$ 2,869	$381,820
Net income					71,951		(54)	71,897
Other comprehensive income						66,778	1,740	68,518
Constantia Labels acquisition	3,383	338	237,482				1,100	238,920
Issuance of common stock	110	11	2,915					2,926
Restricted stock grant	9							–
Restricted stock forfeitures	(3)							–
Stock-based compensation			3,456					3,456
Shares acquired under employee plans				(360)				(360)
Common stock dividends					(3,741)			(3,741)
Sale of Southeast Asian durables business						(231)	(2,484)	(2,715)
Acquisition of noncontrolling interest						7	(76)	(69)
Dividends paid to noncontrolling interests							(279)	(279)
March 31, 2018	20,753	$1,403	$402,252	$(11,528)	$384,671	$(19,241)	$ 2,816	$760,373
Net income (loss)					**(29,041)**		**374**	**(28,667)**
Topic 606 transition adjustment					**2,701**			**2,701**
ASU 2018-02 reclassification of stranded tax effects					**1,750**	**(1,750)**		–
Other comprehensive loss						**(105,175)**	**(1,672)**	**(106,847)**
Constantia Labels acquisition							**1,200**	**1,200**
Issuance of common stock	**76**	**8**	**2,096**					**2,104**
Restricted stock grant	**19**							–
Conversion of restricted share units	**12**							–
Stock-based compensation			**2,498**					**2,498**
Shares acquired under employee plans				**(551)**				**(551)**
Common stock dividends					**(4,108)**			**(4,108)**
March 31, 2019	**20,860**	**$ 1,411**	**$ 406,846**	**$(12,079)**	**$ 355,973**	**$(126,166)**	**$ 2,718**	**$628,703**

The accompanying notes are an integral part of the consolidated financial statements.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended March 31

(In thousands)

	2019	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	**$(28,667)**	$71,897	$61,365
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	**60,474**	46,913	33,480
Amortization of intangible assets	**43,618**	26,009	14,425
Goodwill impairment	**99,155**	–	–
Loss on sale of Southeast Asian durables business	–	512	–
Loss on write-off of deferred financing fees	**186**	660	–
Impairment loss on fixed assets related to facility closures	**309**	–	–
Amortization of deferred financing costs	**5,085**	3,174	1,665
Loss on benefit plans related to facility closures	–	55	133
Gain on previously held equity interests	–	–	(690)
Net (gain) loss on disposal of property, plant and equipment	**178**	1,150	(230)
Net (gain) loss on derivative contracts	**(976)**	4,018	103
Stock-based compensation expense	**2,498**	3,456	3,042
Excess tax benefit from stock-based compensation	–	–	(1,258)
Deferred income taxes, net	**(10,294)**	(39,289)	(2,938)
Changes in assets and liabilities, net of acquisitions:			
Accounts receivable	**(3,829)**	(35,410)	(7,457)
Inventories	**(9,106)**	(3,072)	(1,999)
Prepaid expenses and other assets	**(18,020)**	(12,069)	1,067
Accounts payable	**24,344**	(9,892)	171
Accrued expenses and other liabilities	**(5,516)**	(1,205)	6,331
Net cash provided by operating activities	**159,439**	56,907	107,210
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	**(81,898)**	(60,105)	(46,146)
Investment in acquisitions, net of cash acquired	–	(1,024,644)	(28,839)
Net proceeds from sale of Southeast Asian durables business	–	3,620	–
Proceeds from sale of property, plant and equipment	**3,266**	798	1,350
Net cash used in investing activities	**(78,632)**	(1,080,331)	(73,635)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowings under revolving lines of credit	**348,719**	478,519	265,746
Payments under revolving lines of credit	**(398,452)**	(618,804)	(292,797)
Borrowings of long-term debt	–	1,250,000	2,156
Repayments of long-term debt	**(22,699)**	(10,808)	(6,572)
Payment of acquisition related deferred payments	**(8,343)**	(10,697)	(1,784)
Buyout of non-controlling interest	–	–	(514)
Proceeds from issuance of common stock	**1,556**	2,572	2,742
Excess tax benefit from stock-based compensation	–	–	1,258
Debt issuance costs	**(10)**	(26,669)	–
Dividends paid	**(4,106)**	(4,024)	(3,876)
Net cash provided by (used in) financing activities	**(83,335)**	1,060,089	(33,641)
Effect of foreign exchange rate changes on cash	**(7,418)**	5,814	(2,414)
Net increase (decrease) in cash and cash equivalents	**(9,946)**	42,479	(2,480)
Cash and cash equivalents, beginning of year	**67,708**	25,229	27,709
Cash and cash equivalents, end of year	**$57,762**	$67,708	$25,229

The accompanying notes are an integral part of the consolidated financial statements.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(In thousands, except for statistical and per share data)

(1) THE COMPANY

Multi-Color Corporation (Multi-Color, MCC, we, us, our or the Company), headquartered near Cincinnati, Ohio, is a leader in global label solutions supporting a number of the world' s most prominent brands including leading producers of home & personal care, wine & spirits, food & beverage, healthcare and specialty consumer products. MCC serves international brand owners in the North American, Latin American, EMEA (Europe, Middle East and Africa) and Asia Pacific regions with a comprehensive range of the latest label technologies in Pressure Sensitive, Cut and Stack, In-Mold, Shrink Sleeve, Heat Transfer, Roll Fed, and Aluminum Labels.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

References to 2019, 2018 and 2017 are for the fiscal years ended March 31, 2019, 2018 and 2017, respectively. The consolidated financial statements included herein have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. Certain prior year balances have been reclassified to conform to current year classifications.

As of March 31, 2019, the Company' s operations were conducted through the Consumer Product Goods, Wine & Spirits and Food & Beverage operating segments, which are aggregated into one reportable segment in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 280, "Segment Reporting." The metrics used by management to assess the performance of the Company' s operating segments include revenue trends, gross profit margin and operating margin. The Company' s operating segments have historically had similar economic characteristics and are expected to have similar economic characteristics and long-term financial performance in future periods.

Use of Estimates in Financial Statements

In preparing financial statements in conformity with U.S. GAAP, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business Combinations

The Company allocates the purchase price of its acquisitions to the assets acquired and liabilities assumed based upon their respective fair values at the acquisition date. The Company utilizes management estimates and an independent third-party valuation firm to assist in determining these fair values. The excess of the acquisition price over the estimated fair value of the net assets is recorded as goodwill. Goodwill is adjusted for any changes to acquisition date fair value amounts made within the measurement period. Acquisition-related transaction costs are recognized separately from the business combination and expensed as incurred.

Revenue Recognition

On April 1, 2018, we adopted Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all related amendments, which provides revised guidance for revenue recognition. The standard' s core principle is that an entity should recognize the revenue for transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard defines a five-step process to recognize revenue and requires more judgment and estimates within the revenue recognition process than required under previous U.S. GAAP, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price, and allocating the transaction price to each separate performance obligation. See Note 3 for discussion of our accounting policies under the revised guidance.

Cost of Revenues

Cost of revenues primarily consists of direct materials and supplies consumed in the manufacture of product, as well as manufacturing labor, depreciation expense and direct overhead expense necessary to acquire and convert the purchased materials and supplies into finished product. Cost of revenues also includes inbound freight costs and costs to distribute products to customers.

Selling, General and Administrative Expenses

Selling, general and administrative expenses (SG&A) primarily consist of sales and marketing costs, corporate and divisional administrative and other costs and depreciation and amortization expense related to non-manufacturing assets. Advertising costs are charged to expense as incurred and were minimal in 2019, 2018 and 2017.

Research and Development Costs

Our product development group focuses on research and development, product commercialization and technical service support. The group includes chemical, packaging and field engineers who are responsible for developing and commercializing innovative label and application solutions. Technical service personnel also assist customers and manufacturers in improving container and label performance. The services provided by this group differentiate us from many of our competitors and drive our selection for the most challenging projects.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Research and development costs are charged to expense as incurred and were $8,065, $5,834 and $5,274 in 2019, 2018 and 2017, respectively.

Cash and Cash Equivalents

The Company records all highly liquid short-term investments with maturities of three months or less as cash equivalents. At March 31, 2019 and 2018, the Company had cash in foreign bank accounts of $56,914 and $66,061, respectively. Outstanding checks of $15,272 and $2,280 were included in accounts payable as of March 31, 2019 and 2018, respectively.

Accounts Receivable

Our customers are primarily major consumer product, food & beverage, wine & spirits and container companies. Accounts receivable consist of amounts due from customers in connection with our normal business activities and are carried at sales value less allowance for doubtful accounts. The allowance for doubtful accounts is established to reflect the expected losses of accounts receivable based on past collection history, age, account payment status compared to invoice payment terms and specific individual risks identified. The delinquency of a receivable account is determined based on these factors. The Company does not accrue interest on aged accounts receivable.

Supply Chain Financing and Factoring

The Company has entered into supply chain financing agreements with certain customers and factoring arrangements with certain banks. The receivables for the agreements are sold without recourse to the customers' banks and are accounted for as sales of accounts receivable. Losses on the sale of these receivables are included in selling, general and administrative expenses in the consolidated statements of operations, and losses of $1,964, $1,325 and $561 were recorded during 2019, 2018 and 2017, respectively.

Inventories

Inventories are valued at the lower of cost or net realizable value and substantially all are maintained using the FIFO (first-in, first-out) or specific identification method. Excess and obsolete inventory allowances are generally established based on inventory age.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation.

Depreciation expense, which includes the amortization of assets recorded under capital leases, is calculated using the straight-line method over the estimated useful lives of the assets, or the remaining terms of the leases, as follows:

Buildings	20-39 years
Building improvements	15 years
Machinery and equipment	3-15 years
Computers	3-5 years
Furniture and fixtures	5-10 years

Goodwill and Other Acquired Intangible Assets

Impairment reviews comparing fair value to carrying value are highly judgmental and involve the use of significant estimates and assumptions, which determine whether there is potential impairment and the amount of any impairment charge recorded. Fair value assessments involve estimates of discounted cash flows that are dependent upon discount rates and long-term assumptions regarding future sales and margin trends, market conditions, cash flow and multiples of revenue and earnings before interest, taxes, depreciation and amortization ("EBITDA"). Actual results may differ from these estimates. Fair value measurements used in the impairment reviews of goodwill and intangible assets are Level 3 measurements. See further information about our policy for fair value measurements within this section below. See further information regarding our impairment tests in Note 8.

Goodwill. Goodwill is not amortized and is tested for impairment annually. Impairment is also tested when events or changes in circumstances indicate that the assets' carrying values may be greater than the fair values.

Goodwill has been assigned to reporting units for purposes of impairment testing. The reporting units are the Company's divisions. The Company can evaluate qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than the carrying value and whether it is necessary to perform the quantitative goodwill impairment test. The impairment test compares the fair value of the reporting unit to the carrying value. The market and income approaches were weighted 25% and 75%, respectively, based on judgement of the comparability of recent transactions and the risks inherent in estimating future cash flows.

Intangible Assets. Intangible assets with definite useful lives are amortized over periods of up to 21 years based on a number of assumptions including estimated period of economic benefit and utilization. Intangible assets are tested for impairment when events or changes in circumstances indicate that the assets' carrying values may be greater than their fair values. We test for impairment by comparing (i) estimates of undiscounted future cash flows, before interest charges, included in our operating plans to (ii) the carrying values of the related assets. Tests are performed over asset groups at the lowest level of identifiable cash flows.

Impairment of Long-Lived Assets

We review long-lived assets for impairment when events or changes in circumstances indicate that assets might be impaired and the related carrying amounts may not be recoverable. Changes in market conditions and/or losses of a production line could have a material impact on the consolidated statements of operations. The determination of whether impairment exists involves various estimates and assumptions, including the determination of the undiscounted cash flows estimated to be generated by the assets involved in the review. The cash flow estimates are based upon our historical experience, adjusted to reflect estimated future market and operating conditions.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Measurement of an impairment loss requires a determination of fair value. We base our estimates of fair values on quoted market prices when available, independent appraisals as appropriate and industry trends or other market knowledge. Tests are performed over asset groups at the lowest level of identifiable cash flows.

Income Taxes

The Company is subject to income taxes in the United States and numerous foreign jurisdictions. Income taxes are recorded based on the current year amounts payable or refundable. Deferred income taxes are recognized at the enacted tax rates for the expected future tax consequences related to temporary differences between amounts reported for income tax purposes and financial reporting purposes as well as any tax attributes. Deferred income taxes are not provided for the undistributed earnings of subsidiaries operating outside of the U.S. that have been permanently reinvested in foreign operations.

We regularly review our deferred income tax balances for each jurisdiction to estimate whether these deferred income tax balances are more likely than not to be realized based on the information currently available. Projected future taxable income is based on forecasted results and assumptions as to the jurisdiction in which the income will be earned. The timing of reversals of any existing temporary differences is based on our methods of accounting for income taxes and current tax legislation. Unless the deferred tax balances are more likely than not to be realized, a valuation allowance is established to reduce the carrying values of any deferred tax balances until circumstances indicate that realization becomes more likely than not.

The Company establishes reserves for income tax related uncertainties based on estimates of whether it is more likely than not that the tax uncertainty would be sustained upon challenge by the appropriate tax authorities. Provisions for and changes to these reserves and any related net interest and penalties are included in income tax expense in the consolidated statements of operations. Significant judgment is required when evaluating our tax provisions and determining our provision for income taxes. We regularly review our tax positions and we adjust the reserves as circumstances change.

Earnings per Common Share

Basic earnings per common share (EPS) is computed by dividing net income (loss) attributable to Multi-Color Corporation by the weighted average number of common shares outstanding during the period. Diluted EPS is computed by dividing net income (loss) attributable to Multi-Color Corporation by the sum of the weighted average number of common shares outstanding during the period plus, if dilutive, potential common shares outstanding during the period. Potential common shares outstanding during the period consist of restricted shares and the incremental common shares issuable upon the exercise of stock options and are reflected in diluted EPS by application of the treasury stock method.

Derivative Financial Instruments

The Company accounts for derivative financial instruments by recognizing derivative instruments as either assets or liabilities in the consolidated balance sheets at fair value and recognizing the resulting gains or losses as adjustments to the consolidated statements of operations or accumulated other comprehensive income (loss). The Company does not hold or issue derivative financial instruments for trading or speculative purposes.

For derivative instruments that hedge the exposure to variability in expected future cash flows that are designated and qualify as cash flow hedges, the gain or loss on the derivative instrument is reported as a component of AOCI in stockholders' equity and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. To receive hedge accounting treatment, cash flow hedges must be highly effective in offsetting changes to expected future cash flows on hedged transactions.

For derivative instruments that hedge the exposure to changes in the fair value of an asset or a liability and that are designated and qualify as fair value hedges, both the net gain or loss on the derivative instrument as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in earnings in the current period.

For derivative instruments that hedge the exposure to changes in foreign currency exchange rates used for translation of the net investment in a foreign operation and that are designated as a net investment hedge, the net gain or loss on the derivative instrument is reported in AOCI as part of the foreign currency translation adjustment.

Derivatives that do not qualify as hedges are adjusted to fair value through earnings in the current period.

Fair Value Measurements

The carrying value of financial instruments approximates fair value.

The Company defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. To increase consistency and comparability in fair value measurements, the Company uses a three-level hierarchy that prioritizes the use of observable inputs. The three levels are:

Level 1 – Quoted market prices in active markets for identical assets and liabilities
Level 2 – Observable inputs other than quoted market prices in active markets for identical assets and liabilities
Level 3 – Unobservable inputs

The determination of where an asset or liability falls in the hierarchy requires significant judgment.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Fair value measurements of nonfinancial assets and nonfinancial liabilities are primarily used in goodwill, other intangible assets and long-lived assets impairment analyses, the valuation of acquired intangibles and in the valuation of assets held for sale. The Company tests goodwill for impairment annually, as of the last day of January of each fiscal year. Impairment is also tested when events or changes in circumstances indicate that the assets' carrying values may be greater than the fair values. Goodwill and intangible assets are typically valued using Level 3 inputs.

Foreign Exchange

The functional currency of each of the Company' s subsidiaries is generally the currency of the country in which the subsidiary operates or the U.S. Dollar. Assets and liabilities of foreign operations are translated using period end exchange rates, and revenues and expenses are translated using average exchange rates during each period. Translation (gains) and losses are reported in accumulated other comprehensive loss as a component of stockholders' equity and were $136,726, $(93,892) and $25,254 during 2019, 2018 and 2017, respectively. Transaction gains and (losses) are reported in other income and expense in the consolidated statements of operations and were $149, $3,899 and $(533) during 2019, 2018 and 2017, respectively.

New Accounting Pronouncements

On April 1, 2018, we adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all related amendments, which provides revised guidance for revenue recognition. We adopted this guidance using the modified retrospective transition method, which means that periods beginning in fiscal 2019 are reported under this guidance while prior periods continue to be reported under previous guidance. See Note 3.

In February 2018, the FASB issued ASU 2018-02, "Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income (Topic 220)," which permits the reclassification of stranded tax effects resulting from the Tax Cuts and Jobs Act (the "Tax Act") from accumulated other comprehensive income (AOCI) to retained earnings. This new guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years, which for the Company is the fiscal year beginning April 1, 2019. Early adoption is permitted, and the update must be applied either at the beginning of the period of adoption or retrospectively to each period in which the effects of the Tax Act related to items remaining in AOCI are recognized. The Company elected to early adopt this update in the second quarter of fiscal 2019. As part of this adoption, the Company elected to reclassify $1,750 of stranded income tax effects of the Tax Act from AOCI to retained earnings at the beginning of the second quarter of fiscal 2019.

In January 2017, the FASB issued ASU 2017-04, "Intangibles-Goodwill and Other," which simplifies the accounting for goodwill impairment. This update removes step 2 of the goodwill impairment test, which requires a hypothetical purchase price allocation. Goodwill impairment will now be the amount by which a reporting unit' s carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. This update is effective for any annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019, which for the Company is any annual or interim goodwill impairment tests performed after April 1, 2020. Early adoption is permitted for any impairment tests performed after January 1, 2017. The Company elected to early adopt this update in the fourth quarter of fiscal 2019. Under the new guidance, the Company recognized goodwill impairment charges of $99,155 during the fourth quarter of fiscal 2019. See Note 8.

In January 2017, the FASB issued ASU 2017-01, "Business Combinations," which revises the definition of a business. The FASB' s new framework assists entities in evaluating whether a set (integrated set of assets and activities) should be accounted for as an acquisition of a business or a group of assets. The framework adds an initial screen to determine if substantially all of the fair value of the gross assets acquired is concentrated in a single asset or group of similar assets. If that screen is met, the set is not a business. This update was effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, which for the Company was the fiscal year beginning April 1, 2018. The Company adopted this update effective April 1, 2018, and its adoption did not have an impact on the Company' s consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments," which addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The specific issues addressed include debt prepayment or debt extinguishment costs, contingent consideration payments made after a business combination and separately identifiable cash flows and application of the predominance principle. This update was effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, which for the Company was the fiscal year beginning April 1, 2018. The Company adopted this update effective April 1, 2018, and its adoption did not have an impact on the Company' s consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases," which requires that lessees recognize almost all leases on the balance sheet as right-of-use assets and lease liabilities. For income statement purposes, leases will be classified as either finance leases or operating leases. This update is effective for annual periods beginning after December 15, 2018, including interim periods within those fiscal years, which for the Company is the fiscal year beginning April 1, 2019.

We will adopt the standard using the modified retrospective method which will be applied to leases that exist or are entered into on or after April 1, 2019. As a result, we will not adjust our comparative period financial information or make the new required lease disclosures for periods before the effective date. The Company will elect to utilize the package of practical expedients that allows entities to 1) not reassess whether any expired or existing contracts are or contain leases, 2) retain the existing classification of lease contracts as of the date of adoption, and 3) not reassess initial direct costs for any existing leases. The Company is in the final stages of evaluating its existing lease portfolio and is continuing to assess and quantify the amount of right-of-use assets and lease liabilities that will be included on its balance sheet as of April 1, 2019, with an estimated amount of $125,000.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

The Company is in the process of implementing a new lease accounting and administration software solution to manage and account for leases under the new guidance and is updating certain of its business processes and internal controls to meet the reporting and disclosure requirements of the new standard. We believe that the new standard will have a material impact on our consolidated balance sheet due to the recognition of right-of-use assets and liabilities for our operating leases, but it is not expected to have a material impact on our statements of operations or cash flows. The ASU will also require disclosures to allow financial statement users to better understand the amount, timing and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements, providing additional information about the amounts recorded in the financial statements.

No other new accounting pronouncement issued or effective during the fiscal year had or is expected to have a material impact on the consolidated financial statements.

(3) Revenue Recognition

On April 1, 2018, we adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all related amendments, which provides revised guidance for revenue recognition. The standard' s core principle is that an entity should recognize the revenue for transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard defines a five-step process to recognize revenue and requires more judgment and estimates within the revenue recognition process than required under previous U.S. GAAP, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price, and allocating the transaction price to each separate performance obligation.

We adopted the standard by applying the modified retrospective method to all contracts that were not completed as of the adoption date. The aggregate effect of any modifications to those contracts was reflected in identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the price to the satisfied and unsatisfied performance obligations as of the adoption date. Accordingly, the comparative statements of operations and comparative balance sheet have not been restated.

Adjustments due to ASU 2014-09 were as follows:

	Balance at March 31, 2018	Adjustments	Balance at April 1, 2018
Assets:			
Accounts receivable, net	$ 306,542	$ 253	$ 306,795
Inventories, net	167,950	(18,286)	149,664
Other current assets	17,468	21,657	39,125
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	$ 114,022	$ (215)	$ 113,807
Deferred income tax liabilities	149,950	1,125	151,075
Accumulated other comprehensive loss	(19,241)	13	(19,228)
Retained earnings	384,671	2,701	387,372

Revenue is generated through the sale of products created to meet the packaging needs of our customers, culminating in a single performance obligation to produce labels with no alternate use, and revenue is recorded in an amount that reflects the net consideration that we expect to receive. Prices for our products are based on agreed upon rates with customers and do not include financing components or noncash consideration. The amount of consideration we receive and revenue we recognize is variable for certain customers and is impacted by incentives, including rebates, which are generally tied to achievement of certain sales volume levels.

We recognize revenue when obligations under the terms of a contract with our customer are satisfied, in an amount that reflects the consideration we expect to receive in exchange for the product. Depending on the terms of the agreement with the customer, we recognize revenue either at a point-in-time (at shipment or delivery depending on agreed upon terms) or over-time when the Company has an enforceable right to payment for performance completed to date.

We believe the costs incurred method is the best method to recognize our over-time revenue as costs incurred are proportionate to progress achieved in satisfying our performance obligations.

The Company also has bill and hold arrangements with certain customers. For these arrangements, control over the product is transferred when the product is ready for physical transfer to the customer, as we have a present right to payment, the customer can direct the use of the product (i.e., request shipment to its facility), and legal title has passed to the customer. Revenue is recognized at the time the product is produced and we have transferred control to the customer.

Payment terms typically range from 30-90 days, based upon agreed upon terms with the customer.

Taxes assessed by a governmental authority that we collect from our customers that are both imposed on and concurrent with our revenue producing activities (such as sales tax, value-added tax, and excise taxes) are excluded from revenue. Shipping and handling costs incurred after control of the product is transferred to our customers are treated as fulfillment costs and not a separate performance obligation.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

MCC records contract assets when revenue is recognized but we have not yet invoiced the customer. This occurs when costs are incurred for the production of labels for over-time customers but the associated revenues have not been billed to the customer or when prepress costs related to fulfillment and completion of labels are incurred but the associated revenues for those labels have not been billed to the customer. Contract liabilities are recorded for expected shipping and handling charges for revenue recognized from over-time customers, billings to customers for prepress items to be utilized in the fulfilment and completion of labels that have not yet been fully utilized in the production process, and arrangements where MCC has billed the customer but has not yet shipped the labels and the transaction does not meet the criteria for bill and hold revenue recognition.

	Balance sheet location	March 31, 2019	April 1, 2018
Contract assets	Other current assets	**$ 29,143**	$ 31,001
Contract liabilities	Accrued expenses and other liabilities	**(10,654)**	(11,750)
Net contract assets and liabilities		**$ 18,489**	$ 19,251

MCC recognized revenues of $10,760 during fiscal year 2019, that were included in contract liabilities as of March 31, 2018.

We elected the practical expedient to disregard the possible existence of a significant financing component related to payment on contracts as part of the adoption of ASU 2014-09, as we expect that customers will pay for the products within one year. Additionally, as all contracts are expected to have an original duration of one year or less, we elected the practical expedient to exclude disclosure of information regarding the aggregate amount and future timing of performance obligations that are unsatisfied or partially satisfied as of the end of the reporting period.

The following table summarizes the March 31, 2019 consolidated statements of operations and consolidated balance sheet as if ASU 2014-09 had not been adopted and the adjustment required upon adoption of ASU 2014-09.

	Fiscal Year ended March 31, 2019		
	As Reported	Adjustments	Previous Standard
Condensed Consolidated Statement of Income:			
Net revenues	**$1,725,554**	**$ 3,349**	**$ 1,728,903**
Cost of revenues	**1,403,634**	**2,713**	**1,406,347**
Gross profit	**321,920**	**636**	**322,556**
Selling, general and administrative expenses	**160,710**	**67**	**160,777**
Operating income	**61,344**	**569**	**61,913**
Income tax benefit	**12,332**	**206**	**12,538**
Net income (loss)	**(28,667)**	**363**	**(28,304)**

	As of March 31, 2019		
	As Reported	Adjustments	Previous Standard
Condensed Consolidated Balance Sheet:			
Assets:			
Accounts receivable, net	**$300,945**	**$ (169)**	**$ 300,776**
Inventories, net	**144,235**	**15,494**	**159,729**
Other current assets	**40,769**	**(18,230)**	**22,539**
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	**$94,739**	**$ 347**	**$ 95,086**
Deferred income tax liabilities	**160,017**	**(919)**	**159,098**
Accumulated other comprehensive loss	**(126,166)**	**5**	**(126,161)**
Retained earnings	**355,973**	**(2,338)**	**353,635**

The following table presents our net revenues disaggregated by region and timing of revenue recognition for the fiscal year ended March 31, 2019.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

	Fiscal Year ended March 31, 2019	
	Point-in-time	**Over-time**
North America	**$ 550,851**	**$ 224,380**
Europe	**672,349**	**3,970**
Asia Pacific and Africa	**246,657**	**2,684**
South America	**24,663**	**–**
Total	**$ 1,494,520**	**$ 231,034**

(4) ACQUISITIONS

Constantia Labels Summary

On October 31, 2017, the Company completed its acquisition pursuant to the Sale and Purchase Agreement (as amended) with Constantia Flexibles Germany GmbH, Constantia Flexibles International GmbH, Constantia Flexibles Group GmbH and GPC Holdings B.V. (collectively, "Constantia Flexibles"), acquiring 100% of the Labels Division of Constantia Flexibles ("Constantia Labels"). Constantia Labels, headquartered in Vienna, Austria, is a leader in label solutions serving the food, beverage and consumer packaging goods industries. Constantia Labels has approximately 2,800 employees globally and 24 production plants across 14 countries, with major operations across Europe, Asia and North America. The acquisition included a 75% controlling interest in certain label operations in South Africa.

The Company believes the combination of Constantia Labels' food & beverage business with Multi-Color's existing platforms, particularly in home & personal care and wine & spirits and emerging position in healthcare, will create a company with significant scale and geographic, end-market, customer and product diversification and additional growth opportunities. The results of Constantia Labels' operations were included in the Company's consolidated financial statements beginning on October 31, 2017.

The purchase price for Constantia Labels consisted of the following:

Cash from proceeds of borrowings	$1,048,656
MCC common stock issued	237,820
Deferred payments	3,901
Contingent consideration	9,026
Purchase price, before cash acquired	1,299,403
Net cash acquired	(11,234)
Total purchase price	$1,288,169

The Company issued 3,383 shares of its common stock to Constantia Flexibles as part of the consideration for the purchase of Constantia Labels. The Sale and Purchase Agreement provides for restrictions on the transfer of the shares issued to Constantia Flexibles and certain registration rights with respect to the shares. The fair value of the shares issued of $237,820 was calculated using the Company share price of $82.70, which was the closing price on October 31, 2017, discounted to reflect the temporary lack of liquidity.

The cash portion of the purchase price was funded through the 4.875% Senior Notes due 2025 and funds from the Credit Agreement (see Note 9). The purchase price included deferred payments with a total fair value of $3,901, estimated as of the acquisition date, of which $807 was paid during the three months ended June 30, 2018 with the remaining to be paid out approximately 90 days after December 31, 2018, 2019 and 2020. In addition, the purchase price includes future performance based earnouts with a total fair value of $9,026, estimated as of the acquisition date. The future value of the earnouts is dependent upon whether the Verstraete in Mould Labels N.V. (Verstraete) business, which was acquired in conjunction with the Constantia Labels' acquisition, meets or exceeds certain agreed upon EBITA (earnings before interest, taxes, and amortization) metrics over the three to five-year period following the acquisition. The earnouts have a minimum future payout of zero, and the maximum amount of the future payout is based on the amount of EBITA growth achieved relative to calendar 2017. The earnouts may be paid out approximately 90 days after December 31, 2020, 2021 or 2022. Net cash acquired includes $49,725 of cash acquired less $38,491 of assumed bank debt and capital leases. The Company spent $17,379 in acquisition expenses related to the Constantia Labels acquisition. These expenses were recorded in selling, general and administrative expenses in the consolidated statements of operations as follows: $18 in the third quarter of fiscal 2017, $744 in the first quarter of fiscal 2018, $3,545 in the second quarter of fiscal 2018, $11,299 in the third quarter of fiscal 2018, $632 in the fourth quarter of fiscal 2018, $1,246 in the first quarter of fiscal 2019 and a credit of $(105) in the second quarter of fiscal 2019.

Purchase Price Allocation and Other Items

Based on fair value estimates, the purchase price for Constantia Labels has been allocated to individual assets acquired and liabilities assumed as follows:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

	Constantia Labels
Assets Acquired:	
Net cash acquired	$ 11,234
Accounts receivable	117,248
Inventories	82,472
Property, plant and equipment	250,479
Intangible assets	432,400
Goodwill	673,561
Other assets	13,747
Total assets acquired	1,581,141
Liabilities Assumed:	
Accounts payable	93,812
Accrued income taxes payable	4,401
Accrued expenses and other liabilities	41,378
Deferred tax liabilities	139,847
Total liabilities assumed	279,438
Net assets acquired	1,301,703
Noncontrolling interests	(2,300)
Net assets acquired attributable to Multi-Color Corporation	$ 1,299,403

The liabilities assumed in the Constantia Labels acquisition included a contingent liability of $9,671, estimated as of the acquisition date based on the Company' s best estimate. The contingent liability, payable to the pre-Constantia Flexibles owners of the respective entities, was based on future earnings of certain entities acquired. In the fourth quarter of fiscal 2018, $7,523 of the contingent liability was paid. The remaining contingent liability was paid during the three months ended March 31, 2019.

The fair value of the noncontrolling interests for Constantia Labels was estimated based on market valuations performed by an independent third party using a combination of: (i) an income approach based on expected future discounted cash flows; and (ii) an asset approach. During fiscal 2019, the Company increased its valuation of the noncontrolling interests for Constantia Labels by $1,200.

During fiscal 2019, goodwill decreased by $33,772 related to measurement period adjustments for the Constantia Labels acquisition. The measurement period adjustments primarily consisted of increases of $33,607 and $22,400 related to the valuation of property, plant and equipment and intangible assets, respectively, and decreases of $4,881 and $4,846 related to the valuation of net cash acquired (primarily due to the valuation of capital leases) and inventories, respectively. In addition, the valuation of deferred tax liabilities increased by $11,195 and accrued income taxes decreased by $3,574 due to completion of the final valuation of current and deferred income tax assets and liabilities.

During fiscal 2019, we recognized a $(4,055) credit to depreciation expense and $911 of amortization expense that would have been recognized in fiscal 2018 if the adjustments to provisional amounts were recognized as of the Constantia Labels' acquisition date of October 31, 2017.

During the fourth quarter of fiscal 2018, goodwill decreased by $8,912 due to finalization of the purchase price and increased by $4,083 related to measurement period adjustments for the Constantia Labels acquisition. The measurement period adjustments primarily consisted of a $1,768 and $5,311 decrease in the valuation of inventory and other assets, respectively, and a $1,601 increase in the valuation of accrued and other liabilities, partially offset by a $4,765 decrease in the valuation of the related deferred tax liabilities.

The fair value of identifiable intangible assets acquired and their estimated useful lives are as follows:

	Constantia Labels	
	Fair Value	**Useful Lives**
Customer relationships	$407,300	19 years
Technology	20,700	4 years
Trade name	4,400	4 years
Total identifiable intangible assets	$432,400	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Identifiable intangible assets are amortized over their useful lives based upon a number of assumptions including the estimated period of economic benefit and utilization. The weighted-average amortization period for identifiable intangible assets acquired in the Constantia Labels acquisition is 18 years.

The goodwill for Constantia Labels is attributable to combining Constantia Labels' food & beverage business with Multi-Color' s existing platforms, particularly in home & personal care and wine & spirits and emerging position in healthcare, thereby creating additional growth opportunities for both businesses utilizing the expanded global footprint and the acquired workforce. Goodwill arising from the Constantia Labels acquisition is not deductible for income tax purposes.

The accounts receivable acquired as part of the Constantia Labels acquisition had a fair value of $117,248 at the acquisition date. The gross contractual value of the receivables prior to any adjustments was $119,883 and the estimated contractual cash flows that are not expected to be collected are $2,635.

Pro Forma Information

The following table provides the unaudited pro forma results of operations for the year ended March 31, 2018 and 2017 as if Constantia Labels had been acquired as of the beginning of fiscal year 2017. However, pro forma results do not include any anticipated synergies from the combination of the companies, and accordingly, are not necessarily indicative of the results that would have occurred if the acquisition had occurred on the date indicated or that may result in the future.

	2018	2017
Net revenues	$1,718,924	$1,588,090
Net income attributable to Multi-Color	87,147	78,768
Diluted earnings per share	4.24	3.86

The following is a reconciliation of actual net revenues and net income attributable to Multi-Color Corporation to unaudited pro forma net revenues and net income:

	2018		2017	
	Net revenues	Net income attributable to Multi-Color	Net revenues	Net income attributable to Multi-Color
Multi-Color Corporation actual results	$1,300,912	$ 71,951	$923,295	$ 60,996
Constantia Labels actual results (1)	418,012	23,426	664,795	52,109
Pro forma adjustments	–	(8,230)	–	(34,337)
Pro forma results	$1,718,924	$ 87,147	$1,588,090	$ 78,768

(1) Constantia Labels actual results include the seven months pre-acquisition in fiscal 2018 and 12 months in fiscal 2017. Constantia Labels results for the five months post-acquisition in fiscal 2018 are included in the Multi-Color Corporation actual results.

The following table identifies the unaudited pro forma adjustments:

	2018	2017
Constantia Labels financing costs	$9,689	$15,524
Acquisition transaction costs	16,220	18
Incremental depreciation and amortization costs	(8,468)	(14,667)
Incremental interest costs	(29,368)	(50,639)
Tax effect of adjustments	3,697	15,427
Pro forma adjustments	$(8,230)	$(34,337)

Other Acquisition Activity

On October 11, 2017, the Company acquired 100% of TP Label Limited, the labels business of Tanzania Printers Limited (Tanzania Printers), and TP Kenya Limited (collectively, "TP Label"), which is located in Dar es Salaam, Tanzania with a sales and distribution center located in Nairobi, Kenya, for $15,929 less net cash acquired of $397. The purchase price included $9,557, which was retained by MCC at closing and was used to repay the indebtedness of TP Label Limited and Tanzania Printers during the three months ended March 31, 2018. The purchase price also included an indemnification holdback of $1,593 to fund certain potential obligations of the sellers with respect to the transaction, which was deferred for one year and paid during the three months ended December 31, 2018. TP Label is primarily a pressure sensitive and cut and stack label business, serving customers in the food and beverage market.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

On August 3, 2017, the Company acquired 100% of GEWA Etiketten GmbH (GEWA), including the remaining 2.4% of the common shares of GIP (see below), for $21,846 plus net debt assumed of $5,228. Upon closing, $2,185 of the purchase price was deposited into an escrow account and was released to the seller on the 18-month anniversary of the closing date in accordance with the purchase agreement. The escrow amount was to fund certain potential indemnification obligations of the seller with respect to the transaction. GEWA is located in Bingen am Rhein, Germany and specializes in producing pressure sensitive labels for the wine and spirits market.

On January 3, 2017, the Company acquired 100% of Graphix Labels and Packaging Pty Ltd. (Graphix) for $17,261. The purchase price included a deferred payment of $1,631 that was paid in the three months ended March 31, 2019. Graphix is located in Melbourne, Victoria, Australia and specializes in producing labels for both the food & beverage and wine & spirits markets.

In January 2017, the Company acquired an additional 67.6% of the common shares of Gironde Imprimerie Publicité (GIP) for $2,084 plus net debt assumed of $862. The purchase price included a deferred payment of $208 that was paid during the three months ended March 31, 2018. The Company acquired 30% of GIP as part of the Barat acquisition in fiscal 2016. Immediately prior to obtaining a controlling interest in GIP, the Company recognized a gain of $690 as a result of re-measuring our equity interest to its fair value of $771 based on the most recent share activity. In August 2017, the Company acquired the remaining 2.4% of the common shares of GIP in conjunction with the GEWA acquisition (see above). GIP is located in the Bordeaux region of France and specializes in producing labels for the wine & spirits market.

On July 6, 2016, the Company acquired 100% of Industria Litografica Alessandrina S.r.l. (I.L.A.) for $6,301 plus net debt assumed of $3,547. The purchase price included $819 that is deferred for three years after the closing date. I.L.A. is located in the Piedmont region of Italy and specializes in production of premium self-adhesive and wet glue labels primarily for the wine & spirits market and also services the food industry.

On July 1, 2016, the Company acquired 100% of Italstereo Resin Labels S.r.l. (Italstereo) for $3,342 less net cash acquired of $181. The purchase price included a deferred payment of $201 that was paid in the three months ended September 30, 2017 and a deferred payment of $133 that was paid in the three months ended September 30, 2018. Italstereo is located near Lucca, Italy and specializes in producing pressure sensitive adhesive resin coated labels, seals and emblems.

The results of operations of the acquisitions described above within this “Other Acquisition Activity” section have been included in the consolidated financial statements since the respective dates of acquisition and have been determined to be immaterial for purposes of additional disclosure.

Sale of Southeast Asian durables business

On July 3, 2017, the Company sold its 60% controlling interest in its Southeast Asian durables business to its minority shareholders for $3,620 in net cash proceeds. The Company recognized a loss of $512 on the sale of the business, which was recognized in other expense in the consolidated statements of operations.

(5) ACCOUNTS RECEIVABLE ALLOWANCE

The Company’ s customers are primarily producers of home & personal care, wine & spirits, food & beverage, healthcare and specialty consumer products. Accounts receivable consist of amounts due from customers in connection with our normal business activities and are carried at sales value less allowance for doubtful accounts. The allowance for doubtful accounts is established to reflect the expected losses of accounts receivable based on past collection history, age, account payment status compared to invoice payment terms and specific individual risks identified. The following table summarizes the activity in the allowance for doubtful accounts:

	2019	2018	2017
Balance at beginning of year	**$2,704**	$2,273	$2,497
Provision	**312**	319	234
Accounts written-off	**(281)**	(62)	(384)
Foreign exchange	**(137)**	174	(74)
Balance at end of year	**$2,598**	$2,704	$2,273

(6) INVENTORIES

The Company’ s inventories as of March 31 consisted of the following:

	2019	2018
Finished goods	**$60,493**	$80,845
Work-in-process	**21,010**	21,156
Raw materials	**62,732**	65,949
Total inventories, net	**$144,235**	$167,950

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(7) PROPERTY, PLANT AND EQUIPMENT

The Company' s property, plant and equipment as of March 31 consisted of the following:

	2019	2018
Land	**$19,095**	$13,766
Buildings, building improvements and leasehold improvements	**123,517**	114,790
Machinery and equipment	**603,882**	535,142
Furniture, fixtures, computer equipment and software	**42,049**	50,779
Construction in progress	**24,313**	31,505
Property, plant and equipment, gross	**812,856**	745,982
Accumulated depreciation	**(284,779)**	(235,980)
Property, plant and equipment, net	**$528,077**	$510,002

Total depreciation expense for 2019, 2018 and 2017 was $60,474, $46,913 and $33,480, respectively.

As a result of our decision to close certain manufacturing facilities during fiscal 2019 and 2018, the Company determined that it was more likely than not that certain fixed assets at these facilities would be sold or otherwise disposed of significantly before the end of their estimated useful lives.

As a result of the decision to close our manufacturing facility located in Cowansville, Canada, during fiscal 2019, non-cash fixed asset impairment charges of $309 were recorded to adjust the carrying value of certain machinery and equipment to their estimated fair value, less costs to sell, which were determined based on a quoted market price.

As a result of the decision to consolidate our manufacturing facility located in Merignac, France into our existing facility in Libourne, France during fiscal 2018, non-cash fixed asset impairment charges of $125 were recorded, primarily to write off land and building improvements that were not transferred to Libourne and were abandoned.

As a result of the decision to close our manufacturing facility located in Dormans, France, during fiscal 2018, non-cash fixed asset impairment charges of $25 were recorded, to adjust the carrying value of the land and building held for sale at the Dormans facility to their estimated fair value, less cost to sell, which were determined based on a quoted market price. The land and building at the Dormans facility were sold during fiscal 2018.

These asset impairment charges were recorded in facility closure expenses in the consolidated statements of operations. See Note 21 for further information on these facility closures.

In addition, the Company performed impairment testing on long-lived assets at certain manufacturing locations during fiscal 2019 and 2018 due to the existence of impairment indicators. The estimated undiscounted future cash flows associated with the long-lived assets were greater than their carrying values, and therefore, no impairment was present in either of these two years.

(8) GOODWILL AND INTANGIBLE ASSETS

The changes in the Company' s goodwill consisted of the following:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

	2019	2018
Balance at beginning of year		
Goodwill, gross	**$1,210,179**	$424,941
Accumulated impairment losses	**(13,545)**	(12,391)
Goodwill, net	**1,196,634**	412,550
Activity during the year		
Acquisitions	–	721,874
Adjustments to prior year acquisitions	**(34,478)**	(359)
Currency translation	**(84,457)**	63,096
Impairment	**(99,155)**	–
Sale of Southeast Asian durables business	–	(527)
Balance at end of year		
Goodwill, gross	**1,089,010**	1,210,179
Accumulated impairment losses	**(110,466)**	(13,545)
Goodwill, net	**$978,544**	$1,196,634

See Note 4 for further information regarding acquisitions.

In conjunction with our annual impairment tests as of January 31, 2019 and January 31, 2018, the Company performed quantitative assessments for all of our reporting units. The impairment tests compare the fair value of each reporting unit to its carrying value. We estimated the fair value of each reporting unit using a combination of: (i) a market approach based on multiples of revenue and EBITDA from recent comparable transactions and other market data; and (ii) an income approach based on expected future cash flows discounted at rates ranging between 8.5% to 13.0% in 2019 and 8.5% to 11.5% in 2018. The discount rate reflects the risk associated with each respective reporting unit, including the industry and geographies in which they operate. In fiscal 2019, the market and income approaches were weighted 25% and 75%, respectively, based on judgment of the comparability of the recent transactions and the risks inherent in estimating future cash flows. We considered recent economic and industry trends, as well as risk in executing our current plans from the perspective of a hypothetical buyer in estimating expected future cash flows in the income approach.

For most of our reporting units, the impairment test did not indicate impairment as the estimated fair value of the reporting units exceeded the carrying amount. For two of our reporting units, In-Mold Labels Food & Beverage and Europe Food & Beverage, both of which were acquired in fiscal 2018 as part of the Constantia Labels acquisition, the carrying amounts exceeded the estimated fair value of the reporting units.

During the fourth quarter of fiscal 2019, the Company adopted ASC 2017-14, which removes step 2 of the goodwill impairment test. Goodwill impairment is now the amount by which a reporting unit' s carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. See Note 2 for further details. As such, the excess of the carrying value over the fair value for IML Food & Beverage and Europe Food & Beverage of $85,109 and $14,046, respectively, were recorded as non-cash goodwill impairment charges during the fourth quarter of fiscal 2019 and resulted in a reduction in goodwill. The impairment charges were a result of changes in expectations for future growth as part of our fourth quarter long-term strategic planning process.

Significant assumptions used to estimate the fair value of our reporting units include estimates of future cash flows, discount rates and multiples of revenue and EBITDA. These assumptions are typically not considered individually because assumptions used to select one variable should also be considered when selecting other variables; however, sensitivity of the overall fair value assessment to each significant variable was also considered.

No events or changes in circumstances occurred in 2019 and 2018 that required goodwill impairment testing in between annual tests.

The Company' s intangible assets as of March 31 consisted of the following:

	2019			2018		
	Gross Carrying Amount	**Accumulated Amortization**	**Net Carrying Amount**	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	**$ 641,385**	**$(119,821)**	**$521,564**	$ 648,273	$ (87,560)	$560,713
Technologies	**21,540**	**(8,512)**	**13,028**	21,721	(3,586)	18,135
Trademarks and trade names	**4,372**	**(1,635)**	**2,737**	99	(66)	33
Non-compete agreements	**3,824**	**(2,957)**	**867**	3,880	(2,528)	1,352
Total	**$ 671,121**	**$(132,925)**	**$538,196**	$ 673,973	$ (93,740)	$580,233

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

The intangible assets were established in connection with completed acquisitions. They are amortized, using the straight-line method, over their estimated useful lives based on a number of assumptions including customer attrition rates, percentage of revenue attributable to technologies, royalty rates and projected future revenue growth. The weighted-average amortization period for the intangible assets acquired in fiscal 2018 is 18 years. There were no acquisitions in fiscal 2019. Total amortization expense of intangible assets for 2019, 2018 and 2017 was $43,618, $26,009 and $14,425, respectively.

The estimated useful lives for each intangible asset class are as follows:

Customer relationships	9 to 21 years
Technologies	1 to 8 years
Trademarks and trade names	1 to 4 years
Non-compete agreements	2 to 7 years

The annual estimated amortization expense for future years is as follows:

Fiscal 2020	$42,079
Fiscal 2021	41,635
Fiscal 2022	40,326
Fiscal 2023	37,300
Fiscal 2024	34,183
Thereafter	342,673
Total	$538,196

The Company performed impairment testing on long-lived assets, including intangibles, at certain manufacturing locations during fiscal 2019 and 2018 due to the existence of impairment indicators. The estimated undiscounted future cash flows associated with the long-lived assets were greater than their carrying values, and therefore, no impairment was present in either of these two years related to intangible assets.

(9) DEBT

The components of the Company' s debt as of March 31 consisted of the following:

	2019			2018		
	Principal	**Unamortized Debt Issuance Costs**	**Debt Less Unamortized Debt Issuance Costs**	Principal	Unamortized Debt Issuance Costs	Debt Less Unamortized Debt Issuance Costs
6.125% Senior Notes (1)	**$250,000**	**$ (2,473)**	**$ 247,527**	$250,000	$ (3,148)	$ 246,852
4.875% Senior Notes (1)	**600,000**	**(8,420)**	**591,580**	600,000	(9,699)	590,301
Credit Agreement						
Term Loan A Facility (2)	**135,625**	**(3,125)**	**132,500**	148,125	(3,996)	144,129
Term Loan B Facility (3)	**493,750**	**(5,165)**	**488,585**	498,750	(6,280)	492,470
U.S. Revolving Credit Facility (4) (5)	–	–	–	56,945	(5,442)	51,503
Australian Revolving Sub-Facility (4)	**35,977**	**(473)**	**35,504**	33,033	(605)	32,428
Capital leases	**36,255**	–	**36,255**	36,288	–	36,288
Other subsidiary debt	**5,402**	–	**5,402**	4,714	–	4,714
Total debt	**1,557,009**	**(19,656)**	**1,537,353**	1,627,855	(29,170)	1,598,685
Less current portion of debt	**(23,059)**	–	**(23,059)**	(20,864)	–	(20,864)
Total long-term debt	**$1,533,950**	**$ (19,656)**	**$ 1,514,294**	$1,606,991	$ (29,170)	$ 1,577,821

(1) The 6.125% Senior Notes are due on December 1, 2022. The 4.875% Senior Notes are due on November 1, 2025.
(2) The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan A Facility. The principal payments are due on the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October 31, 2022.
(3) The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan B Facility. The principal payments are due on the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October 31, 2024.
(4) Borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility mature on October 31, 2022.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(5) Unamortized debt issuance costs related to the U.S. Revolving Credit Facility were reclassified to prepaid expenses and other long-term assets in the consolidated balance sheet as of March 31, 2019, as there are no borrowings outstanding on the U.S. Revolving Credit Facility as of March 31, 2019.

The carrying value of debt under the Credit Agreement approximates fair value. The fair value of the Senior Notes is based on observable inputs, including quoted market prices (Level 2). The fair values of the 4.875% Senior Notes and 6.125% Senior Notes were approximately $616,500 and $257,188, respectively, as of March 31, 2019. The fair values of the 4.875% Senior Notes and 6.125% Senior Notes were approximately $564,000 and $258,750, respectively, as of March 31, 2018.

The following is a schedule of future annual principal payments as of March 31, 2019:

	Debt	Capital Leases	Total
Fiscal 2020	$18,509	$ 4,550	$23,059
Fiscal 2021	17,331	3,999	21,330
Fiscal 2022	22,005	3,107	25,112
Fiscal 2023	389,158	2,925	392,083
Fiscal 2024	5,000	2,635	7,635
Thereafter	1,068,751	19,039	1,087,790
Total	$ 1,520,754	$ 36,255	$ 1,557,009

Senior Secured Credit Facility

In conjunction with the Constantia Labels acquisition, effective October 31, 2017 the Company entered into a credit agreement (the "Credit Agreement") with various lenders. The Credit Agreement replaced the Company' s previous credit agreement and consists of (i) a senior secured first lien term loan A facility (the "Term Loan A Facility") in an aggregate initial principal amount of $150,000 with a five year maturity, (ii) a senior secured first lien term loan B facility (the "Term Loan B Facility") in an aggregate initial principal amount of $500,000 with a seven year maturity, and (iii) a senior secured first lien revolving credit facility (the "Revolving Credit Facility") in an aggregate principal amount up to $400,000, comprised of a $360,000 U.S. revolving credit facility (the "U.S. Revolving Credit Facility") and a $40,000 U.S. Dollar equivalent Australian sub-facility (the "Australian Revolving Sub-Facility"), each with a five year maturity.

On October 16, 2018, the Company amended the terms of the Term Loan B Facility upon entering into Amendment No. 1 to the Credit Agreement, which lowered the applicable margin payable on LIBOR indexed loans thereunder from 225 bps to 200 bps.

The Credit Agreement contains customary mandatory and optional prepayment provisions and customary events of default. The Credit Agreement' s Term Loan A Facility, Term Loan B Facility and U.S. Revolving Credit Facility (together, the "U.S. facilities") are guaranteed by substantially all of the Company' s direct and indirect wholly owned domestic subsidiaries, and such guarantors pledged substantially all their assets as collateral to secure the U.S. facilities. The Australian Revolving Sub-Facility is secured by substantially all of the assets of the Australian borrower and its direct and indirect subsidiaries.

The Credit Agreement can be used for working capital, capital expenditures and other corporate purposes and to fund permitted acquisitions (as defined in the Credit Agreement). Loans under the Credit Agreement bear interest at variable rates plus a margin, based on the Company' s consolidated secured net leverage ratio.

The weighted average interest rates on the Company' s borrowings are as follows:

	March 31, 2019	March 31, 2018
Term Loan A Facility	**4.50 %**	4.13 %
Term Loan B Facility	**4.50 %**	4.13 %
U.S. Revolving Credit Facility	–	4.42 %
Australian Revolving Sub-Facility	**3.85 %**	4.13 %

The Credit Agreement contains customary representations and warranties as well as customary negative and affirmative covenants, which require the Company to maintain the following financial covenants at the end of each quarter: (i) the consolidated secured net leverage ratio as of the last day of any fiscal quarter of the Company shall not exceed 4.50 to 1.00 for the fiscal quarters ended during the period of March 31, 2017 through, and including June 30, 2019 and (ii) the consolidated secured net leverage ratio as of the last day of any fiscal quarter of the Company shall not exceed 4.25 to 1.00 for the fiscal quarters ended during the period of September 30, 2019 and thereafter.

The Credit Agreement, the indenture governing the 4.875% Senior Notes (the "4.875% Senior Notes Indenture") and the indenture governing the 6.125% Senior Notes (the "6.125% Senior Notes Indenture") and together with the 4.875% Senior Notes Indenture, (the "Indentures") limit the Company' s ability to incur additional indebtedness. Additional covenants contained in the Credit Agreement and the Indentures, among other things, restrict the ability of the Company to dispose of assets, incur guarantee obligations, make restricted

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

payments, create liens, make equity or debt investments, change the business conducted by the Company and its subsidiaries, and engage in certain transactions with affiliates. Under the Credit Agreement and the Indentures, certain changes in control of the Company could result in the occurrence of an Event of Default. In addition, the Credit Agreement limits the ability of the Company to modify terms of the Indentures. As of March 31, 2019, the Company was in compliance with the covenants in the Credit Agreement and the Indentures.

Available borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility were $354,241 and $4,023, respectively, at March 31, 2019. The Company also has various other uncommitted lines of credit available at March 31, 2019 in the aggregate amount of $23,625.

4.875% Senior Notes

The $600,000 aggregate principal amount of 4.875% Senior Notes due 2025 (the “4.875% Senior Notes”) were issued in October 2017 to fund the acquisition of Constantia Labels. The 4.875% Senior Notes are unsecured senior obligations of the Company. Interest is payable on the 4.875% Senior Notes on May 1st and November 1st of each year beginning May 1, 2018 until the maturity date of November 1, 2025. The Company’ s obligations under the 4.875% Senior Notes are guaranteed by certain of the Company’ s existing direct and indirect wholly-owned domestic subsidiaries.

6.125% Senior Notes

The $250,000 aggregate principal amount of 6.125% Senior Notes due 2022 (the “6.125% Senior Notes”) were issued in November 2014. The 6.125% Senior Notes are unsecured senior obligations of the Company. Interest is payable on the 6.125% Senior Notes on June 1st and December 1st of each year beginning June 1, 2015 until the maturity date of December 1, 2022. The Company’ s obligations under the 6.125% Senior Notes are guaranteed by certain of the Company’ s existing direct and indirect wholly-owned domestic subsidiaries.

Debt Issuance Costs

In conjunction with Amendment No. 1 to the Credit Agreement, the Company paid $730 in third-party fees of which $720 related to a debt modification and were recorded to selling, general and administrative expenses during the third quarter of fiscal 2019. The remaining $10 in third-party fees related to new lenders entering the syndication and were deferred. In addition, $185 of existing unamortized debt issuance costs related to lenders exiting the Term Loan B were written-off to interest expense as a loss on extinguishment of debt. The remaining unamortized debt issuance costs related to a debt modification and, along with the new deferred costs, are being amortized over the remaining term of the Term Loan B Facility.

In conjunction with the issuance of the Credit Agreement, the Company incurred $16,331 in debt issuance costs, which are being deferred and amortized over the term of the Term A Loan Facility, Term Loan B Facility and Revolving Credit Facility, except for the portion written-off in conjunction with Amendment No. 1. In conjunction with terminating the Company’ s prior credit agreement, $660 in unamortized debt issuance costs related to a debt extinguishment were written-off to interest expense during the three months ended December 31, 2017. The remaining unamortized fees under the prior credit agreement related to a debt modification and are being amortized over the term of the Revolving Credit Facility.

The Company incurred $10,338 in debt issuance costs associated with the issuance of the 4.875% Senior Notes, which are being deferred and amortized over the term of the 4.875% Senior Notes.

The Company recorded $5,085, $3,174 and $1,665 in interest expense in 2019, 2018 and 2017, respectively, in the consolidated statements of operations to amortize deferred financing costs.

The Company incurred $4,587 in commitment fees related to a senior unsecured bridge facility (the “Bridge Facility”), which were written off to interest expense upon expiration of the availability of the Bridge Facility in 2018.

Capital Leases

The present value of the net minimum payments on the capitalized leases as of March 31 is as follows:

	2019	2018
Total minimum lease payments	**$ 44,688**	$49,521
Less amount representing interest	**(8,433)**	(13,233)
Present value of net minimum lease payments	**36,255**	36,288
Current portion	**(4,550)**	(4,191)
Capitalized lease obligations, less current portion	**$31,705**	$32,097

Included in the consolidated balance sheet as of March 31, 2019 under property, plant and equipment are cost and accumulated depreciation related to capitalized leases of $42,710 and $6,336, respectively. Included in the consolidated balance sheet as of March 31, 2018 under property, plant and equipment are cost and accumulated depreciation related to capitalized leases of $49,640 and $9,841, respectively. The capitalized leases carry interest rates from 0.97% to 12.25% and mature from fiscal 2020 to fiscal 2032.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(10) RISK MANAGEMENT ACTIVITIES AND FINANCIAL INSTRUMENTS

The Company is exposed to market risks, both directly and indirectly, such as currency fluctuations and interest rate movement. To the extent the Company deems it to be appropriate, derivative instruments and hedging activities are used as a risk management tool to mitigate the potential impact of certain risks, primarily foreign currency exchange risk and interest rate risk.

The Company uses various types of derivative instruments including, but not limited to, forward contracts and swaps. The Company formally assesses, designates, and documents as a hedge of an underlying exposure each qualifying derivative instrument that will be accounted for as an accounting hedge at inception. Additionally, the Company assesses, both at inception and at least quarterly thereafter, whether the financial instruments used in the hedging transactions are effective at offsetting changes in either the fair values or cash flows of the underlying exposures.

Interest Rate Risk Management

The Company uses interest rate swap agreements (the "Swaps") to minimize its exposure to interest rate fluctuations on variable rate debt borrowings. Swaps involve the exchange of fixed and variable rate interest payments and do not represent an actual exchange of the underlying notional amounts between the two parties.

The Company had three forward starting non-amortizing Swaps with a total notional amount of $125,000 to convert variable rate debt to fixed rate debt. The Swaps became effective October 2012 and expired in August 2016. The Swaps resulted in interest payments based on an average fixed rate of 1.396% plus the applicable margin per the requirements in the previous credit agreement.

In conjunction with entering into the previous credit agreement on November 21, 2014 (see Note 9), the Company de-designated the Swaps as a cash flow hedge. The cumulative loss on the Swaps recorded in accumulated other comprehensive income (AOCI) at the time of de-designation was reclassified into interest expense in the same periods during which the originally hedged transactions affected earnings, as these transactions were still probable of occurring. Subsequent to November 21, 2014, changes in the fair value of the de-designated Swaps were immediately recognized in interest expense.

In conjunction with entering into the Credit Agreement (see Note 9), the Company entered into two spot non-amortizing Swaps with a total notional amount of $300,000 to convert variable rate debt to fixed rate debt. These Swaps became effective October 2017, expired in October 2018, and resulted in interest payments of 1.5625% plus the applicable margin per the requirements in the Credit Agreement. The Company also entered into two forward starting non-amortizing Swaps with a total notional amount of $300,000 to convert variable rate debt to fixed rate debt. These Swaps became effective in October 2018, will expire in October 2022, and result in interest payments of 2.1345% plus the applicable margin per the requirements in the Credit Agreement. In addition, the Company entered into a forward starting non-amortizing Swap with a total notional amount of $100,000 to convert variable rate debt to fixed rate debt. This Swap will become effective in May 2019, will expire in October 2022, and will result in interest payments of 2.8060% plus the applicable margin per the requirements of the Credit Agreement.

Upon inception, the Swaps were designated as cash flow hedges under ASU 2017-12, with gains and losses, net of tax, measured on an ongoing basis, recorded in accumulated other comprehensive income (loss).

Foreign Currency Risk Management

Foreign currency exchange risk arises from our international operations as well as from transactions with customers or suppliers denominated in currencies other than the U.S. Dollar. The functional currency of each of the Company' s subsidiaries is generally the currency of the country in which the subsidiary operates or the U.S. Dollar. At times, the Company uses foreign currency forward contracts to minimize the impact of fluctuations in currency exchange rates.

The Company periodically enters into foreign currency forward contracts to fix the purchase price of foreign currency denominated firm commitments. Certain of these forward contracts are designated as fair value hedges and changes in the fair value of the contracts are recorded in other income and expense in the consolidated statements of operations in the same period during which the related hedged items affect the consolidated statements of operations. In addition, the Company periodically enters into short-term foreign currency forward contracts to fix the U.S. Dollar value of certain intercompany loan payments, which typically settle in the following quarter. During 2019 and 2018, these forward contracts were not designated as hedging instruments; therefore, changes in the fair value of the contracts were immediately recognized in other income and expense in the consolidated statements of operations.

In June 2018, the Company began entering into foreign exchange forward contracts to fix the purchase price in U.S. Dollars of foreign currency denominated raw materials. These forward contracts are designated as cash flow hedges with gains and losses, net of tax, measured on an ongoing basis, recorded in AOCI.

Net Investment Hedging

In September 2017, as a means of managing foreign currency risk related to our significant operations in Europe, the Company executed four fixed-for-fixed cross currency swaps, in which the Company will pay Euros and receive U.S. Dollars with a combined notional amount of €400,000, which mature in November 2025. This will effectively convert U.S. Dollar denominated debt to Euro denominated debt. The Company designated €205,000 of swap notional as a net investment hedge of the Company' s net investment in our European operations under ASU 2017-12 and applied the spot method to these hedges. Changes in fair value of the derivative instruments that were designated

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

and qualified as hedges of net investments in foreign operations were recognized in AOCI to offset changes in the values of the net investments being hedged.

The remaining 195,000 of swap notional was not designated as an accounting hedge in September 2017. Therefore, changes in fair value of the derivative instruments were recognized in other income and expense in the consolidated statements of operations. Subsequently, in November 2017, the Company formally designated the remaining 195,000 of swap notional as a net investment hedge under ASU 2017-12, bringing the total designated notional value to 400,000. Effective November 1, 2017, hedge accounting was applied to the newly designated swap notional of 195,000.

Disclosures about Derivative Instruments

All of the Company' s derivative assets and liabilities measured at fair value are classified as Level 2 within the fair value hierarchy. The Company determines the fair values of its derivatives based on valuation models which project future cash flows and discount the future amounts to a present value using market based observable inputs including interest rate curves, foreign currency rates, futures and basis point spreads, as applicable. The fair values of qualifying and non-qualifying instruments used in hedging transactions as of March 31, 2019 and 2018 are as follows:

Derivatives Designated as Hedging Instruments	Balance Sheet Location	Fair Value	
		2019	2018
Assets:			
Cross currency swaps (Net investment hedges)	Other current assets	**$ 5,127**	$4,295
Interest rate swaps (Cash flow hedges)	Other current assets	**743**	920
Foreign exchange forward contracts (Fair value hedges)	Other current assets	−	127
Foreign exchange forward contracts (Cash flow hedges)	Other current assets	**5**	0
Interest rate swaps (Cash flow hedges)	Other long-term assets	−	4,956
Liabilities:			
Interest rate swaps (Cash flow hedges)	Other current liabilities	**$377**	$−
Foreign exchange forward contracts (Fair value hedges)	Other current liabilities	**234**	190
Foreign exchange forward contracts (Cash flow hedges)	Other current liabilities	**345**	−
Cross currency swaps (Net investment hedges)	Other long-term liabilities	**1,563**	50,019
Interest rate swaps (Cash flow hedges)	Other long-term liabilities	**2,353**	−

Derivatives Not Designated as Hedging Instruments	Balance Sheet Location	Fair Value	
		2019	2018
Assets:			
Foreign exchange forward contracts	Other current assets	**$26**	$−
Liabilities:			
Foreign exchange forward contracts	Other current liabilities	**$30**	$127

The amounts of gains and (losses) recognized in AOCI net of reclassifications into earnings, during the twelve months ended March 31, 2019 and 2018 are as follows:

Derivatives Designated as Hedging Instruments	**2019**	2018
Cross currency swaps (Net investment hedges) (1)	**$ 36,545**	$ (29,667)
Interest rate swaps (Cash flow hedges)	**(6,111)**	4,259
Foreign exchange forward contracts	**(527)**	−

(1) The net gain of $36,545 recognized in OCI on the cross currency swaps in a net investment hedge as of March 31, 2019 is comprised of an excluded component gain of $4,833 and an undiscounted spot gain of $43,480, net of tax of $(11,768).

The amounts of gains and (losses) reclassified from AOCI into earnings for the twelve months ended March 31, 2019 and 2018 are as follows:

Derivatives Designated as Hedging Instruments	**2019**	2018
Cross currency swaps (1)	**$ 5,226**	$ 4,234
Interest rate swaps (2)	**674**	(101)
Foreign exchange forward contracts (2)	**(588)**	−

(1) The Company had a $5,226 excluded component gain in AOCI which was recognized into income during the twelve months ended March 31, 2019.
(2) During the next 12 months, $26 of gains included in the March 31, 2019 AOCI balance are expected to be reclassified into interest expense.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

The amounts of gains and (losses) included in earnings from qualifying and non-qualifying financial instruments used in hedging transactions for the twelve months ended March 31, 2019 and 2018 are as follows:

Derivatives Not Designated as Hedging Instruments	Statement of Income Location	2019	2018
Foreign currency contract-Constantia purchase price	Other income (expense), net	**$–**	$8,109
Foreign currency contracts-Other	Other income (expense), net	**6,161**	(7,198)
Gain (loss) on underlying hedged items	Other income (expense), net	**(5,340)**	6,510
Cross currency swaps	Interest expense	**976**	(4,018)

Derivatives Designated as Hedging Instruments	Statement of Income Location	2019	2018
Foreign exchange forward contracts (Fair value hedges)	Other income (expense), net	**$(46)**	$(245)
Gain on underlying hedged items	Other income (expense), net	**46**	245

(11) ACCRUED EXPENSES AND OTHER LIABILITIES

The Company' s accrued expenses and other liabilities as of March 31 consisted of the following:

	2019	2018
Accrued payroll and benefits	**$ 41,441**	$45,418
Accrued income taxes	**6,632**	13,838
Professional fees	**4,534**	1,965
Accrued taxes other than income taxes	**1,671**	4,682
Accrued interest	**13,746**	16,480
Customer rebates	**3,750**	2,578
Exit and disposal costs related to facility closures	**210**	457
Deferred payments	**1,881**	9,735
Deferred revenue	**10,654**	11,887
Derivative liabilities	**986**	317
Other	**9,234**	6,665
Total accrued expenses and other liabilities	**$94,739**	$ 114,022

(12) EMPLOYEE BENEFIT PLANS

The Company maintains a 401K retirement savings plan (Plan) for U.S. employees who meet certain service requirements. The Plan provides for voluntary contributions by eligible U.S. employees up to a specified maximum percentage of gross pay. At the discretion of the Company' s Board of Directors, the Company may contribute a specified matching percentage of the employee contributions. The Company also makes contributions to various retirement savings plans for Australian employees as required by law equal to 9% of gross pay and to other voluntary and involuntary defined contribution plans in Scotland, China, Malaysia and other subsidiaries outside the U.S. Company contributions to these retirement savings plans were $10,194, $7,217 and $5,189 in 2019, 2018 and 2017, respectively.

The Company sponsors several pension plans, including our pension plan for certain former U.S. employees as well as other subsidiary pension plans around the globe. Our U.S. pension plan is a single employer defined benefit pension plan (Pension Plan), which covers eligible union employees at our former Norway, Michigan plant who were hired prior to July 14, 1998. The Pension Plan provides benefits based on a flat payment formula and years of credited service at a normal retirement age of 65. The benefits are actuarially reduced for early retirement. The Company recorded $10, $56 and $145 of net periodic benefit cost in 2019, 2018 and 2017, respectively.

The Company used a March 31 measurement date (the fiscal year end) for the Pension Plan in 2019 and 2018. The Pension Plan' s benefit obligation was $1,071 and $1,008 as of March 31, 2019 and 2018, respectively. The fair value of the Pension Plan' s assets was $632 and $498 as of March 31, 2019 and 2018, respectively. As of March 31, 2019 and 2018, the Pension Plan' s unfunded obligation was $439 and $510, respectively.

Non-U.S. Plans

Certain subsidiaries outside the U.S. sponsor defined benefit postretirement plans that cover eligible regular employees. The Company deposits funds and/or purchases investments to fund these plans in addition to providing reserves for these plans. Benefits under the defined benefit plans are typically based on years of service and the employee' s compensation. The range of assumptions that are used for the non-U.S. defined benefit plans reflect the different economic environments within the various countries. These defined benefit plans are recorded based upon local accounting standards and are immaterial to the Company' s financial position and results of operations.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

The Company' s largest defined benefit postretirement plan outside the U.S. covers eligible employees at our Münden, Germany plant (Münden Plan). The Münden Plan recorded $18 and $47 of net periodic benefit cost in 2019 and 2018, respectively. The Münden Plan' s benefit obligation, plan assets and unfunded obligation as of March 31, 2019 were $3,028, $2,958 and $70, respectively. The Münden Plan' s benefit obligation, plan assets and unfunded obligation as of March 31, 2018 were $3,075, $3,037 and $38, respectively.

(13) INCOME TAXES

Earnings before income taxes were as follows:

	2019	2018	2017
U.S.	**$29,964**	$6,848	$65,113
Foreign	**(46,299)**	46,854	23,100
Total	**$ (16,335)**	$ 53,702	$ 88,213

The provision (benefit) for income taxes as of March 31 includes the following components:

	2019	2018	2017
Current:			
Federal	**$420**	$2,783	$ 16,889
State and local	**2,306**	611	2,498
Foreign	**15,069**	20,641	9,298
Total Current	**17,795**	24,035	28,685
Deferred:			
Federal	**2,438**	(18,406)	987
State and local	**(1,764)**	70	(147)
Foreign	**(6,137)**	(23,894)	(2,677)
Total Deferred	**(5,463)**	(42,230)	(1,837)
Total	**$ 12,332**	$ (18,195)	$26,848

The following is a reconciliation between the U.S. statutory federal income tax rate and the effective tax rate:

	2019	2018	2017
U.S. federal statutory rate	**21.0 %**	31.5 %	35.0%
State and local income taxes, net of federal income tax benefit	**(1.9)%**	0.4 %	1.7 %
Section 199 deduction	–	–	(1.8)%
Foreign derived intangible income deduction	**4.8 %**	–	–
International rate differential	**45.1 %**	(5.1)%	(3.3)%
Unrecognized tax benefits	**19.4 %**	0.6 %	(0.9)%
Foreign permanent differences	**3.3 %**	(1.1)%	(2.1)%
Non-deductible transaction costs	**(8.3)%**	4.2 %	0.2 %
Valuation allowances	**(3.6)%**	2.0 %	1.2 %
U.S. Repatriation Tax	**3.2 %**	5.7 %	–
Goodwill impairment	**(176.6)%**	–	–
Share-based Compensation	**1.4 %**	(2.5)%	–
Tax Rate Changes	**18.0 %**	(70.8)%	–
U.S. Research & Development Credit	**6.6 %**	-1.5 %	-0.8 %
Other foreign taxes	**(6.9)%**	1.6 %	0.8 %
Other	**(1.0)%**	1.1 %	0.4 %
Effective tax rate	**(75.5)%**	(33.9)%	30.4%

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

During the fourth quarter of the Company' s fiscal year ended March 31, 2019, a goodwill impairment was recorded on various entities for which a tax deduction is not permitted. See Note 8 for additional details.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act significantly revises the future ongoing U.S. corporate income tax by, among other things, lowering U.S. corporate income tax rates and implementing a territorial tax system. As the Company has a March 31 fiscal year-end, the lower corporate income tax rate was phased in, resulting in a U.S. statutory federal rate of 31.5% for the Company' s fiscal year ending March 31, 2018, and 21% for subsequent fiscal years. The Tax Act eliminates the domestic manufacturing deduction and implements certain transitional impacts to the Company, including a one-time repatriation tax on deemed repatriation of historical earnings of foreign subsidiaries. In addition, the reduction of the U.S. corporate tax rate caused the Company to adjust the U.S. deferred tax assets and liabilities to the lower federal base rate of 21%.

As of March 31, 2018, the Company recorded a discrete net tax benefit of $18,268 as a result of the Tax Act, comprised of an estimated repatriation tax charge of $3,075 and an estimated net deferred tax benefit due to the rate change of $21,343. During the year ended March 31, 2019, the Company recorded an additional net tax benefit of $383, comprised of adjustments to the IRC 965 transition tax resulting in a net tax benefit of $528, net deferred tax benefit due to the rate change of $822, and a tax charge of $967 related to a change in the Company' s indefinite reinvestment assertion. The Company' s provisional accounting for the impact of the Tax Act was complete in the quarter ended December 31, 2018.

The majority of the Company' s earnings from foreign subsidiaries are considered permanently reinvested. The repatriation tax resulted in certain previously untaxed non-U.S. earnings being included in the U.S. federal and state 2017 taxable income. As a result of the Tax Act, the Company analyzed its global working capital requirements and the potential tax liabilities that would be incurred if certain non-U.S. subsidiaries made distributions, which include local country withholding tax and potential U.S. state taxation. At March 31, 2019, $1,189 of deferred tax was recorded for certain undistributed earnings of non-U.S. subsidiaries. Historically, no deferred taxes have been provided for any portion of the remaining undistributed earnings of the Company' s subsidiaries since these earnings have been, and will continue to be, permanently reinvested in these subsidiaries. For many reasons, including the number of legal entities and jurisdictions involved, the complexity of the Company' s legal entity structure, the complexity of tax laws in the relevant jurisdictions and the impact of projections of income for future years to any calculations, the Company believes it is not practicable to estimate, within any reasonable range, the amount of additional taxes which may be payable upon the distribution of earnings.

On December 25, 2017, a Belgian tax reform bill was signed into law. The bill revises the future ongoing Belgian corporate income tax by, among other things, lowering the Belgian corporate income tax rates and implementing a group consolidation system. The reduction of the Belgian corporate income tax rate caused us to adjust our Belgian deferred tax assets and liabilities to the newly enacted tax rates. For year ended March 31, 2018, the Company recognized a net deferred tax benefit of $15,164 due to the rate change. As of March 31, 2019, the Company recognized an additional net deferred tax benefit of $2,268 due to the rate change.

Effective April 1, 2017, the Company adopted ASU 2016-09, "Improvements to Employee Share-Based Payment Accounting." As part of the adoption, the Company recognizes excess tax benefits or detriments for share-based payments as a reduction of or add-back to income tax expense. For the year ended March 31, 2018 and March 31, 2019, the Company recognized $1,462 and $227, respectively, as discrete benefits in income tax expense related to share-based compensation. Due to the nature of share-based payment exercise patterns, the Company will not know all the potential impacts of the update until the end of each period.

Effective April 1, 2018, the Tax Act subjects a U.S. parent to current tax on its "global intangible low-taxed income" ("GILTI"). The Company does not anticipate incurring a GILTI liability in fiscal year 2019, however, to the extent that expense is incurred under the GILTI provisions, the Company will treat it as a component of income tax expense in the period incurred.

Effective April 1, 2018, the Company adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all related amendments, which provides revised guidance for revenue recognition. The standard was adopted by applying the modified retrospective method and all applicable deferred tax impacts were recorded as an adjustment to retained earnings on the date of adoption.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

The net deferred tax components as of March 31 consisted of the following:

	2019	2018
Deferred tax liabilities:		
Book basis over tax basis of fixed assets	**$ (58,169)**	$ (44,717)
Book basis over tax basis of intangible assets	**(128,273)**	(135,432)
Interest rate swap	**(406)**	–
Deferred financing costs	**(16)**	(297)
Other	**(5,766)**	(6,370)
Total deferred tax liabilities	**(192,630)**	(186,816)
Deferred tax assets:		
Inventory reserves	**2,165**	925
Interest expense carryforwards	**10,674**	–
Inventory capitalization	**343**	809
Allowance for doubtful accounts	**201**	242
Stock based compensation expense	**1,307**	1,305
Minimum pension liability	**524**	546
Loss carry forward amounts	**35,771**	25,110
Credit carry forward amounts	**963**	2,007
Interest rate swaps	–	9,306
State basis over tax basis of fixed assets	**1,554**	667
Non-deductible accruals and other	**8,491**	10,148
Deferred compensation	**234**	699
Lease obligations	**6,169**	4,799
Gross deferred tax asset	**68,396**	56,563
Valuation allowance	**(31,702)**	(16,870)
Net deferred tax asset	**36,694**	39,693
Net deferred tax liability	**$ (155,936)**	$ (147,123)

As of March 31, 2019, Multi-Color had tax-effected federal, state, and foreign operating loss carryforwards of $0, $1,516, and $34,255 respectively. As of March 31, 2018, Multi-Color had tax-effected federal, state and foreign operating loss carryforwards of $1,014, $1,922, and $22,174, respectively. The state operating loss carryforwards will expire between fiscal 2020 and fiscal 2039. The foreign operating loss carryforwards include $18,552 with no expiration date; the remainder will expire between fiscal 2021 and fiscal 2039.

As of March 31, 2019 and 2018, Multi-Color had valuation allowances of $31,702 and $16,870, respectively. As of March 31, 2019 and 2018, $31,247 and $16,454, respectively, of the valuation allowances are related to certain deferred tax assets in foreign jurisdictions due to the uncertainty of the realization of future tax benefits from those assets. The increase in the valuation allowance during the year is primarily caused by adjustments to the opening balance sheet deferred tax balances associated with recording the Constantia acquisition.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities and projected future taxable income in making this assessment. At each reporting date, the Company considers both negative and positive evidence that impacts the assessment of the realization of deferred tax assets.

The benefits of tax positions are not recorded unless it is more likely than not the tax position would be sustained upon challenge by the appropriate tax authorities. Tax benefits that are more likely than not to be sustained are measured at the largest amount of benefit that is cumulatively greater than a 50% likelihood of being realized.

As of March 31, 2019 and 2018, the Company had liabilities of $5,846 and $7,038, respectively, recorded for unrecognized tax benefits for U.S. federal, state and foreign tax jurisdictions. During the years ended March 31, 2019 and 2018, the Company recognized an income tax benefit of $1,672 and expense of $120, respectively, for interest and penalties in the consolidated statements of operations. The liability for the gross amount of interest and penalties at March 31, 2019 and 2018 was $1,408 and $2,641, respectively. The liability for unrecognized tax benefits is classified in other noncurrent liabilities on the consolidated balance sheets for the portion of the liability where payment of cash is not anticipated within one year of the balance sheet date. During the year ended March 31, 2019, the Company released $5,251 of reserves, including interest and penalties, related to uncertain tax positions for which the statutes of limitations have

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

lapsed or there was a reduction in the tax position related to a prior year. The Company believes that it is reasonably possible that $2,068 of unrecognized tax benefits as of March 31, 2019 could be released within the next 12 months due to lapse of statute of limitations and settlements of certain foreign and domestic income tax matters. The unrecognized tax benefits that, if recognized, would favorably impact the effective tax rate are $5,453.

A summary of the activity for the Company' s unrecognized tax benefits as of March 31 is as follows:

	2019	2018
Beginning balance	**$7,038**	$5,665
Additions based on tax positions related to the current year	**616**	1,843
Additions of tax positions of prior years	**1,870**	833
Settlements	**(146)**	(1,358)
Reductions of tax positions of prior years	**(233)**	(44)
Lapse of applicable statutes of limitations	**(3,059)**	(345)
Currency translation	**(240)**	444
Ending balance	**$5,846**	$7,038

The Company files income tax returns in the U.S. federal jurisdiction, various foreign jurisdictions and various state and local jurisdictions where the statutes of limitations generally range from three to four years. At March 31, 2019, the Company is no longer subject to U.S. federal examinations by tax authorities for years before fiscal 2016. The Company is no longer subject to state and local examinations by tax authorities for years before fiscal 2015. In foreign jurisdictions, the Company is no longer subject to examinations by tax authorities for years before fiscal 1999.

(14) MAJOR CUSTOMERS

During 2019, 2018 and 2017, sales to major customers (those exceeding 10% of the Company' s net revenues in one or more of the periods presented) approximated 10%, 14% and 17%, respectively, of the Company' s consolidated net revenues. All of these sales were made to The Procter & Gamble Company.

In addition, accounts receivable balances from The Procter & Gamble Company approximated 2% and 3% of the Company' s total accounts receivable balance at March 31, 2019 and 2018, respectively. The loss or substantial reduction of the business of this major customer could have a material adverse impact on the Company' s results of operations and cash flows.

As a result of a recent procurement savings initiative conducted by our major customer, this customer has diversified its supply of certain label products produced by the Company in North America. We have provided pricing concessions to retain volume but also expect volume from this customer will be reduced. These actions resulted in softer revenues for fiscal 2019 and are expected to continue throughout fiscal 2020. The Company believes that it remains a significant supplier of labels to this customer in North America and that the Company' s global footprint and the Company' s high quality and innovative products will provide the Company the opportunity to grow its relationship with this customer in new products and regions. We expect to offset these developments by continuing to focus on organic growth and internal improvement opportunities. We believe the Company' s operating margins will enhance over the longer term as we historically achieved through continued premiumization, innovation and efficiency gains. However, the loss or continued reduction of business of our major customer could have a material adverse impact on our results of operations and cash flow.

(15) EARNINGS PER COMMON SHARE

The following is a reconciliation of the number of shares used in the basic EPS and diluted EPS computations:

	2019		2018		2017	
	Shares	**Per Share Amount**	Shares	Per Share Amount	Shares	Per Share Amount
Basic EPS	**20,468**	**$ (1.42)**	18,421	$3.91	16,879	$3.61
Effect of dilutive securities	–	–	162	(0.04)	145	(0.03)
Diluted EPS	**20,468**	**$ (1.42)**	18,583	$3.87	17,024	$3.58

The Company excluded 386, 94 and 172 shares in the fiscal years ended March 31, 2019, 2018 and 2017, respectively, from the computation of diluted EPS because these shares would have an anti-dilutive effect.

(16) STOCK-BASED COMPENSATION

The Company maintains incentive plans which authorize the issuance of stock-based compensation including stock options, restricted stock and restricted share units to officers, key employees and non-employee directors. New shares are issued upon exercise of stock

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

options or vesting of restricted stock or restricted share units. As of March 31, 2019, 894 shares of common stock remained reserved for future issuance under the 2012 Stock Incentive Plan, 2003 Stock Incentive Plan, as amended, and 2006 Director Equity Compensation Plan.

The Company measures compensation costs related to stock-based transactions at the grant date, based on the fair value of the award, and recognizes them as expense over the requisite service period.

For the year ended March 31, 2019, the Company recorded pre-tax compensation expense for stock-based incentive awards of $2,498 which increased selling, general and administrative expenses by $1,685 and cost of revenues by $813 and had an associated tax benefit of $475.

For the year ended March 31, 2018, the Company recorded pre-tax compensation expense for stock-based incentive awards of $3,456 which increased selling, general and administrative expenses by $2,489 and cost of revenues by $967 and had an associated tax benefit of $898.

For the year ended March 31, 2017, the Company recorded pre-tax compensation expense for stock-based incentive awards of $3,042 which increased selling, general and administrative expenses by $2,064 and cost of revenues by $978 and had an associated tax benefit of $943.

Stock Options

Stock options granted under the plans enable the holder to purchase common stock at an exercise price not less than the market value on the date of grant and will expire not more than ten years after the date of grant. The applicable options vest ratably over a five year period. The Company calculates the value of each employee stock option, estimated on the grant date, using the Black-Scholes model and the following weighted average assumptions:

	2019	2018	2017
Expected life (years)	**5.6**	5.7	5.8
Risk-free interest rate	**2.8 %**	1.8 %	1.2 %
Expected volatility	**29.5%**	32.4%	38.9%
Dividend yield	**0.3 %**	0.3 %	0.3 %

The Company estimated volatility based on the historical volatility of its common stock. The risk-free interest rate is based on the U.S. Treasury yield for a term consistent with the expected life of the options in effect at the time of the grant. The dividend yield assumption is based on the Company' s history and expectation of dividend payouts. The expected life of the options represents the weighted-average period the stock options are expected to remain outstanding and is based on review of historical exercise behavior of option grants with similar vesting periods. The Company uses an estimated forfeiture rate based on historical data. The forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

A summary of the changes in the options outstanding for years ended March 31, 2019, 2018 and 2017 is shown below:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

	Options	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)	Aggregate Intrinsic Value
Outstanding at March 31, 2016	600	$ 34.50		
Granted	32	$ 61.62		
Exercised	(136)	$ 24.52		$5,664
Forfeited	(25)	$ 41.66		
Outstanding at March 31, 2017	471	$ 38.84		
Granted	119	$ 85.38		
Exercised	(110)	$ 26.60		$5,990
Forfeited	(14)	$ 57.10		
Outstanding at March 31, 2018	466	$ 53.10		
Granted	**45**	**$ 70.77**		
Exercised	**(76)**	**$ 27.80**		**$2,403**
Forfeited	**(18)**	**$ 64.86**		
Outstanding at March 31, 2019	**417**	**$ 59.09**	**6.4**	**$2,693**
Exercisable at March 31, 2019	**203**	**$ 45.86**	**5.0**	**$2,498**
Exercisable at March 31, 2018	186	$ 33.72	5.0	$ 6,024

As of March 31, 2019, the total compensation cost related to nonvested options not yet recognized and the weighted-average period over which it is expected to be recognized is $3,474 and 2.9 years, respectively.

The weighted average grant-date fair value of options granted during the year ended March 31, 2019, 2018 and 2017 was $22.67, $27.98 and $22.72, respectively. Cash received from options exercised during the year ended March 31, 2019 was $1,556. The total grant-date fair value of options vested during the year ended March 31, 2019, 2018 and 2017 was $2,162, $1,800 and $2,062, respectively.

Restricted Stock

Restricted stock grants under the plans typically vest over a three to five year period. The cost of these awards is determined using the fair value of the Company' s common stock on the date of the grant and is recognized on a straight-line basis over the period the restrictions lapse. A summary of the changes in restricted shares for the year ended March 31, 2019, 2018 and 2017 is shown below:

	Restricted Shares	Weighted Average Grant Date Fair Value
Non-vested restricted shares at March 31, 2016	25	$ 55.99
Granted	8	$ 64.50
Vested	(15)	$ 51.67
Forfeited	(1)	$ 64.05
Non-vested restricted shares at March 31, 2017	17	$ 62.72
Granted	9	$ 85.17
Vested	(10)	$ 63.46
Forfeited	(3)	$ 72.47
Non-vested restricted shares at March 31, 2018	13	$ 76.17
Granted	**19**	**$ 64.72**
Vested	**(7)**	**$ 72.88**
Forfeited	−	**$** −
Non-vested restricted shares at March 31, 2019	**25**	**$ 68.32**

As of March 31, 2019, the total compensation cost related to non-vested restricted shares not yet recognized and the weighted-average period over which it is expected to be recognized was $1,204 and 2.0 years. The total grant-date fair value of restricted shares vested during the year ended March 31, 2019, 2018 and 2017 was $472, $665 and $720, respectively.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Restricted Share Units

Restricted share units (RSUs) granted under the plans vest over a three-year period, and the number of RSUs that will vest is based on the Company' s level of achievement of a certain performance target. Based on the extent to which the performance condition is met, it is possible for none of the RSUs to vest or for a range up to the maximum to vest. The cost of these awards is determined using the fair value of the Company' s common stock on the date of grant and is recognized over the requisite service period based on the Company' s estimate of the probable outcome of the performance condition. We evaluate our estimate quarterly, and the expense is adjusted for any change in our estimate of the probable outcome. A summary of the changes in restricted share units for the years ended March 31, 2019, 2018 and 2017 are shown below:

	RSUs	Weighted Average Grant Date Fair Value
Non-vested RSUs at March 31, 2016	42	$ 64.05
Granted	35	$ 61.19
Forfeited	(18)	$ 62.59
Non-vested RSUs at March 31, 2017	59	$ 62.80
Granted	19	$ 85.90
Vested	(12)	$ 64.05
Forfeited	(30)	$ 67.51
Non-vested RSUs at March 31, 2018	36	$ 70.73
Granted	**46**	**$ 66.62**
Vested	**(10)**	**$ 61.19**
Forfeited	**(12)**	**$ 61.19**
Non-vested RSUs at March 31, 2019	**60**	**$ 71.09**

As of March 31, 2019, the total compensation cost related to non-vested RSUs not yet recognized was $739 based upon the Company' s estimate of the probable outcome of the performance condition. The weighted-average period over which it is expected to be recognized was 2.2 years.

(17) GEOGRAPHIC INFORMATION

During fiscal 2018, we acquired GEWA, TP Label, Constantia Labels and began producing labels from our start-up in Auckland, New Zealand. During fiscal 2017, we acquired Italstereo, I.L.A., Graphix and GIP. All of these acquisitions expanded the Company' s geographic presence. See Note 4 for further information regarding these acquisitions. The Company now manufactures labels in the North American, Latin American, EMEA (Europe, Middle East and Africa) and Asia Pacific regions. Net revenues, based on the geographic area from which the product is shipped, for the years ended March 31 and long-lived assets by geographic area as of March 31 are as follows:

	2019	2018	2017
Net revenues:			
United States	**$660,275**	$584,458	$511,551
Belgium	**152,242**	67,035	−
Germany	**132,973**	62,184	−
Other International	**780,064**	587,235	411,744
Total	**$1,725,554**	$1,300,912	$923,295

	2019	2018
Long-lived assets:		
United States	**$584,274**	$649,413
Belgium (1)	**408,171**	(7,455)
Germany	**252,533**	878,106
Other International	**806,594**	778,902
Total	**$2,051,572**	$2,298,966

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(1) We allocate goodwill to our foreign and domestic locations. In fiscal 2018, negative goodwill associated with the acquisition of Constantia Labels was allocated to our plant in Belgium, as the final goodwill allocation was not complete.

(18) COMMITMENTS AND CONTINGENCIES

Operating Lease Agreements

The Company has various equipment, office and facility operating leases. Leases expire on various dates through March 2032 and some of the leases contain clauses requiring escalating rent payments. Rent expense during 2019, 2018 and 2017 was $24,380, $17,953 and $12,767, respectively.

The annual future minimum rental obligations as of March 31, 2019 are as follows:

Fiscal 2020	$22,595
Fiscal 2021	19,569
Fiscal 2022	17,297
Fiscal 2023	13,168
Fiscal 2024	7,585
Thereafter	15,877
Total	$96,091

Purchase Obligations

The Company has entered into purchase agreements for various raw materials, uniforms, supplies, utilities, other services and property, plant and equipment. Total estimated purchase obligations are $36,414 at March 31, 2019.

Litigation

The Company is subject to various legal claims and contingencies that arise out of the normal course of business, including claims related to commercial transactions, product liability, health and safety, taxes, environmental matters, employee matters and other matters. Litigation is subject to numerous uncertainties and the outcome of individual claims and contingencies is not predictable. It is possible that some legal matters for which reserves have or have not been established could result in an unfavorable outcome for the Company and any such unfavorable outcome could be of a material nature or have a material adverse effect on our financial condition, results of operations and cash flows. See Note 23 for additional litigation discussion.

(19) SUPPLEMENTAL CASH FLOW DISCLOSURES

Supplemental disclosures with respect to cash flow information and non-cash investing and financing activities are as follows:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

	2019	2018	2017
Supplemental Disclosures of Cash Flow Information:			
Interest paid	$81,613	$32,844	$23,672
Income taxes paid, net of refunds	28,514	30,305	21,143
Supplemental Disclosures of Non-Cash Activities:			
Additional minimum pension liability	$37	$(55)	$(282)
Capital expenditures incurred but not yet paid	5,958	9,958	3,323
Capital lease obligations incurred	1,882	–	864
Change in derivative contract fair value - asset position	(4,397)	10,298	–
Change in derivative contract fair value - liability position	45,434	(50,336)	225
Business combinations accounted for as a purchase:			
Assets acquired (excluding cash)	$16,233	$1,612,925	$45,328
Liabilities assumed	(15,033)	(335,648)	(16,669)
Liabilities for contingent / deferred payments	–	(13,713)	242
MCC common stock issued	–	(237,820)	–
Noncontrolling interest	(1,200)	(1,100)	(62)
Net cash paid	$–	$1,024,644	$28,839

(20) ACCUMULATED OTHER COMPREHENSIVE LOSS

The changes in the Company' s accumulated other comprehensive loss by component consisted of the following:

	Foreign currency items	Gains and (losses) on derivative contracts	Defined benefit pension items	Total
Balance at March 31, 2017	$(85,593)	$ –	$ (202)	$(85,795)
OCI before reclassifications (1)	91,928	(22,635)	3	69,296
Amounts reclassified from AOCI	–	(2,773)	31	(2,742)
Net current period OCI	91,928	(25,408)	34	66,554
Balance at March 31, 2018	6,335	(25,408)	(168)	(19,241)
OCI before reclassifications (2)	**(135,054)**	**33,894**	**(32)**	**(101,192)**
Amounts reclassified from AOCI	–	**(3,987)**	**4**	**(3,983)**
Net current period OCI	**(135,054)**	**29,907**	**(28)**	**(105,175)**
ASU 2018-02 reclassifications of stranded tax effects	**(244)**	**(1,506)**	–	**(1,750)**
Balance at March 31, 2019	**$(128,963)**	**$ 2,993**	**$ (196)**	**$(126,166)**

(1) Net of tax of $9,063 and $(1) for derivative contracts and defined benefit pension items, respectively.
(2) Net of tax of $(11,351) and $11 for derivative contracts and defined benefit pension items, respectively.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

Reclassifications out of accumulated other comprehensive loss consisted of the following:

	2019	2018
Gains and losses on cash flow hedges:		
Cross currency swaps (1)	**$ (5,226)**	$ (4,234)
Interest rate swaps (1)	**(674)**	101
Foreign exchange forward contracts (2)	**588**	–
Tax	**1,325**	1,360
Net of tax	**(3,987)**	(2,773)
Defined benefit pension items:		
Amortization of net actuarial losses (3)	**6**	7
Settlement and curtailments (3)	**–**	44
Tax	**(2)**	(20)
Net of tax	**4**	31
Total reclassifications, net of tax	**$ (3,983)**	$ (2,742)

(1) Reclassified from AOCI into interest expense in the consolidated statements of operations. See Note 10.
(2) Reclassified from AOCI into cost of revenues in the consolidated statements of operations. See Note 10.
(3) Reclassified from AOCI into facility closure expenses in the consolidated statements of operations. These components are included in the computation of net periodic pension cost. See Note 12.

(21) FACILITY CLOSURES

Cowansville, Canada

During the three months ended March 31, 2019, the Company announced plans to close our manufacturing facility located in Cowansville, Canada. Production ceased at the facility as of March 31, 2019, and the closure is expected to be substantially completed during the first quarter of fiscal 2020.

Below is a summary of the exit and disposal costs related to the closure of the Cowansville facility:

	Total costs expected to be incurred	Total costs incurred 2019	Cumulative costs incurred as of March 31, 2019
Severance and other termination benefits	**$ 150**	**$ 111**	**$ 111**
Other associated costs	–	–	–

Below is a reconciliation of the beginning and ending liability balances related to the exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid	Balance at March 31, 2019
Severance and other termination benefits	$ –	**111**	**(54)**	**$ 57**

As a result of the decision to close our Cowansville facility, the Company determined that it was more likely than not that certain fixed assets at the Cowansville facility would be sold or otherwise disposed of significantly before the end of their estimated useful lives. During fiscal 2019, non-cash impairment charges of $309 were recorded to adjust the carrying value of certain machinery and equipment to their estimated fair value, less costs to sell, which were determined based upon a quoted market price. In addition, the Company recorded a net gain on the sale of property, plant and equipment of $55 related to assets at the Cowansville facility and wrote-off $118 in inventory that will be disposed of as a result of the closure. These items were recorded in facility closure expenses in the consolidated statements of operations in fiscal 2019.

The cumulative costs incurred in conjunction with the closure as of March 31, 2019 are $483, which were recorded in facility closure expenses in the consolidated statements of operations in fiscal 2019.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Table of Contents

Melbourne, Australia

During the three months ended June 30, 2018, the Company announced plans to consolidate our manufacturing facility located in Melbourne, Australia into our existing facility in Notting Hill, Australia. The transition was substantially completed during the second quarter of fiscal 2019 except for restoring the facility to its original leased condition, which is expected to be completed during the first quarter of fiscal 2020.

Below is a summary of the total contractual termination benefits and exit and disposal costs related to the closure of the Melbourne facility:

	Total costs expected to be incurred	Total costs incurred 2019	Cumulative costs incurred as of March 31, 2019
Severance and other termination benefits	**$170**	**$ 170**	**$ 170**
Other associated costs	**700-900**	**612**	**612**

Other associated costs primarily consist of costs to dismantle, transport and reassemble manufacturing equipment that was moved from Melbourne to Notting Hill, costs to prepare the Notting Hill facility for installation of the new equipment and costs to restore the facility to its original leased condition.

Below is a reconciliation of the beginning and ending liability balances related to the contractual termination benefits and exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid	Balance at March 31, 2019
Severance and other termination benefits	**$ –**	**170**	**(170)**	**$ –**
Other associated costs	**$ –**	**612**	**(459)**	**$ 153**

The cumulative costs incurred in conjunction with the closure are $782, which were recorded in integration expenses within selling, general and administrative expenses in the consolidated statements of operations in fiscal 2019.

Merignac, France

During the three months ended September 30, 2017, the Company announced plans to consolidate our manufacturing facility located in Merignac, France into our existing facility in Libourne, France. The transition was substantially completed in the third quarter of fiscal 2018.

Below is a summary of the total contractual termination benefits and exit and disposal costs related to the closure of the Merignac facility:

	Total costs expected to be incurred	Total costs incurred		Cumulative costs incurred as of March 31, 2019
		2019	2018	
Severance and other termination benefits	**$663**	**$(40)**	**$703**	**$ 663**
Other associated costs	**566-750**	**220**	**347**	**567**

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved to other manufacturing facilities and ongoing costs related to the leased facility until expiration or early termination of the related lease agreement.

Below is a reconciliation of the beginning and ending liability balances related to the contractual termination benefits and exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid	Balance at March 31, 2019
Severance and other termination benefits	$ 457	(40)	(417)	$ –
Other associated costs	$ –	220	(220)	$ –

As a result of the decision to close our Merignac facility, the Company determined that it was more likely than not that certain fixed assets at the Merignac facility would be sold or otherwise disposed of significantly before the end of their estimated useful lives. During fiscal 2018, non-cash impairment charges of $125 related to these assets were recorded to write off land and building improvements that will not be transferred to Libourne and will be abandoned. In addition, the Company recorded a net loss on the sale of property, plant and equipment of $48 and $42 related to assets in Merignac that were not transferred to Libourne and were sold or abandoned during fiscal

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

2019 and 2018, respectively. In fiscal 2018, the Company reversed $102 in accrued pension related to employees that were terminated in conjunction with the closure. These items were recorded in facility closure expenses in the consolidated statements of operations.

The cumulative costs incurred in conjunction with the closure as of March 31, 2019 are $1,343, which were recorded in facility closure expenses in the consolidated statements of operations, $228 and $1,115 in fiscal 2019 and 2018, respectively.

Dormans, France

During the three months ended June 30, 2017, the Company announced plans to close our manufacturing facility located in Dormans, France. Production at the facility ceased during the first quarter of fiscal 2018, and closure activities were substantially completed during the fourth quarter of fiscal 2018.

Below is a summary of the exit and disposal costs related to the closure of the Dormans facility:

	2018
Severance and other termination benefits	$ 106
Other associated costs	23

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved to other manufacturing facilities.

During fiscal 2018, the Company recorded non-cash impairment charges of $25 to adjust the carrying value of the land and building held for sale at the Dormans facility to their estimated fair value, less costs to sell, which were determined based on a quoted market price. The land and building at the Dormans facility were sold during fiscal 2018. During fiscal 2018, the Company recorded a net loss on the disposal of property, plant and equipment of $59 related to assets in Dormans that were not transferred to other facilities and were sold or abandoned. In addition, the Company wrote-off $47 in raw materials that were not transferred to other facilities. These items were recorded in facility closure expenses in the consolidated statements of operations.

The cumulative costs incurred in conjunction with the closure as of March 31, 2019 are $260, which were recorded in facility closure expenses in the consolidated statements of operations in fiscal 2018.

Sonoma, California

On January 19, 2016, the Company announced plans to consolidate our manufacturing facility located in Sonoma, California, into our existing facility in Napa, California. The transition was substantially completed in the third quarter of fiscal 2017.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Sonoma facility, which were recorded in facility closure expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$6
Other associated costs	91

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved from Sonoma to Napa.

During fiscal 2017, the Company recorded a net gain on the sale of property, plant and equipment of $185 related to assets in Sonoma that were not transferred to Napa and were sold. In addition, the Company wrote-off $140 in property, plant and equipment that was not transferred to Napa and was abandoned in fiscal 2017. These items were recorded in facility closure expenses in the consolidated statements of operations.

Glasgow, Scotland

During the three months ended March 31, 2016, the Company began the process to consolidate our two manufacturing facilities located in Glasgow, Scotland into one facility. The transition was substantially completed in the fourth quarter of fiscal 2017.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the consolidation of the Glasgow facilities, which were recorded in facility closure expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$ 100
Other associated costs	539

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved in order to consolidate our two manufacturing facilities located in Glasgow into one facility.

During fiscal 2017, the Company recorded a net gain on the sale of property, plant and equipment of $377 related to assets that were not transferred from the closing Glasgow facility to other locations and were sold, which was recorded in facility closure expenses in the consolidated statements of operations.

Greensboro, North Carolina

On October 5, 2015, the Company announced plans to consolidate our manufacturing facility located in Greensboro, North Carolina into other North American facilities. The transition was substantially completed in the fourth quarter of fiscal 2016.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Greensboro facility, which were recorded in facility closure expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$(22)
Contract termination costs	(66)
Other associated costs	207

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved from the Greensboro facility to other North American facilities and costs to return the facility to its original leased condition.

Dublin, Ireland

During the three months ended December 31, 2015, the Company began the process to consolidate our manufacturing facility located in Dublin, Ireland into our existing facility in Drogheda, Ireland (near Dublin). The consolidation was substantially completed in the first quarter of fiscal 2017.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Dublin facility, which were recorded in facility closure expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$102
Contract termination costs	177
Other associated costs	76

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved from Dublin to Drogheda and costs to relocate employees.

Norway, Michigan and Watertown, Wisconsin

During fiscal 2015, the Company decided to close our manufacturing facilities located in Norway, Michigan and Watertown, Wisconsin. Due to available capacity, we transitioned the Norway and Watertown business to other North American facilities. During fiscal 2018 and 2017, the Company recorded settlement expense of $44 and $133, respectively, related to the defined benefit pension plan that covers eligible former union employees of the Norway plant who were hired prior to July 14, 1998. These costs were recorded in facility closure expenses in the consolidated statements of operations.

(22) QUARTERLY DATA (UNAUDITED)

Earnings per share amounts are computed independently each quarter. As a result, the sum of each quarter' s per share amount may not equal the total per share amount for the respective year.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Fiscal 2019	Quarter			
	First	Second	Third	Fourth
Net revenues	$456,131	$434,913	$397,004	$437,506
Gross profit	88,010	86,785	65,381	81,744
Net income (loss)	18,092	23,805	11,475	(82,039)
Net income (loss) attributable to Multi-Color Corporation	18,139	23,755	11,286	(82,221)
Basic earnings (loss) per share	$0.89	$1.16	$0.55	$(4.01)
Diluted earnings (loss) per share	0.88	1.16	0.55	(4.01)

Fiscal 2019 results include $711 ($507 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac, France and Cowansville, Canada. These expenses were recorded as follows:

	Quarter			
	First	Second	Third	Fourth
Facility closure expenses	$27	$114	$60	$510

Fiscal 2018	Quarter			
	First	Second	Third	Fourth
Net revenues	$242,440	$256,034	$352,699	$449,739
Gross profit	49,457	51,774	57,302	88,067
Net income	14,142	15,190	20,511	22,054
Net income attributable to Multi-Color Corporation	14,106	15,190	20,532	22,123
Basic earnings per share	$0.83	$0.89	$1.06	$1.08
Diluted earnings per share	0.82	0.88	1.06	1.08

Fiscal 2018 results include $1,419 ($945 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac and Dormans, France and Norway, Michigan. These expenses were recorded as follows:

	Quarter			
	First	Second	Third	Fourth
Facility closure expenses	$34	$95	$761	$529

(23) SUBSEQUENT EVENTS

On February 24, 2019, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with W/S Packaging Holdings, Inc., a Delaware corporation (“Parent”), and Monarch Merger Corporation, an Ohio corporation and a wholly-owned subsidiary of Parent (“Sub”). The Merger Agreement provides for the merger of Sub with and into the Company, on the terms and subject to the conditions set forth in the Merger Agreement (the “Merger”), with the Company continuing as the surviving corporation in the Merger. As a result of the Merger, the Company will become a wholly-owned subsidiary of Parent. On April 5, 2019, the Company filed with the Securities and Exchange Commission a definitive proxy statement (the “Proxy Statement”) with respect to the Company’ s special meeting of the shareholders held on May 16, 2019 in connection with the Merger. At the special meeting of the shareholders, the Company received approval of the proposal to adopt the Merger Agreement and approval of the proposal to approve, on a non-binding advisory basis, the compensation that may be paid or become payable to the Company’ s named executive officers that is based on or otherwise relates to the Merger.

On April 29, 2019, the Company was served with a complaint in an action captioned Eric Sabatini, Individually And On Behalf of All Others Similarly Situated, and Derivatively On Behalf of Multi-Color Corporation v. Nigel A. Vinecombe, Michael J. Henry, Vadis A. Rodato, Alex Baumgartner, Ari J. Benacerraf, Robert R. Buck, Charles B. Connolly, Robert W. Kuhn, Ronald Lienau and Multi-Color Corporation (the “Sabatini Complaint”) relating to the Merger Agreement and the Proxy Statement. The Sabatini Complaint was filed in the Hamilton County Court of Common Pleas in the State of Ohio and alleges, among other things, that the individual defendants breached their fiduciary duties to Company shareholders by failing to secure adequate merger consideration and failing to disclose material information in the Proxy Statement. The lawsuit asserts claims on behalf of a putative class of Company shareholders as well as derivatively on behalf of the Company. Among other remedies, the Sabatini Complaint seeks to enjoin the consummation of the Merger (or alternatively, rescission of the Merger in the event the defendants are able to consummate it), as well as damages, costs and attorneys’ and experts’ fees.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(In thousands, except for statistical data)

(a) Evaluation of Disclosure Controls and Procedures

The term "disclosure controls and procedures" as defined by Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") refers to the controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported within required time periods. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

In accordance with Exchange Act Rule 13a-15(b), Multi-Color' s management, with the participation of the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, conducted an evaluation of the effectiveness of the Company' s disclosure controls and procedures as of March 31, 2019. Based on this evaluation, Multi-Color has concluded that the disclosure controls and procedures were effective as of March 31, 2019.

Multi-Color' s management does not expect that its disclosure controls and procedures will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system' s objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur due to simple errors or mistakes. The design of any system of controls is based in part upon certain assumptions regarding the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

(b) Management' s Report on Internal Control over Financial Reporting

Multi-Color' s management is responsible for the preparation and accuracy of the financial statements and other information included in this report. Multi-Color' s management is also responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Securities Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of management, including Multi-Color' s Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, Multi-Color conducted an evaluation of the effectiveness of internal control over financial reporting as of March 31, 2019, based on the criteria set forth in Internal Control ‑ Integrated Framework (2013) (the "Framework") issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this assessment, management concluded that, as of March 31, 2019, its internal control over financial reporting was effective based on the Framework.

There are inherent limitations on the effectiveness of any system of internal controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective internal controls and procedures can only provide reasonable assurance of achieving their control objectives.

Item 8 includes the audit report of Grant Thornton LLP on Multi-Color' s internal control over financial reporting as of March 31, 2019.

(c) Changes in Internal Control over Financial Reporting

There were no changes in the Company' s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, Multi-Color' s internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not Applicable.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

PART III

Information required by this Part III of the Form 10-K is incorporated by reference from an amendment to this Annual Report on Form 10-K that will be filed with the Securities and Exchange Commission as may be required within 120 days after March 31, 2019.

ITEM 10. Directors, Executive Officers and Corporate Governance

ITEM 11. Executive Compensation

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

ITEM 14. Principal Accountant Fees and Services

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements:

The following Consolidated Financial Statements of Multi-Color Corporation and subsidiaries and the Reports of the Independent Registered Public Accounting Firm are included in Part II, Item 8.

Reports of Independent Registered Public Accounting Firm

Consolidated Statements of Operations for the years ended March 31, 2019, 2018 and 2017

Consolidated Statements of Comprehensive Income (Loss) for the years ended March 31, 2019, 2018 and 2017

Consolidated Balance Sheets as of March 31, 2019 and 2018

Consolidated Statements of Stockholders' Equity for the years ended March 31, 2019, 2018 and 2017

Consolidated Statements of Cash Flows for the years ended March 31, 2019, 2018 and 2017

Notes to Consolidated Financial Statements

Management's Report on Internal Control Over Financial Reporting is included in Part II, Item 9A.

(a)(2) Financial Statement Schedules:

All schedules have been omitted because they are either not required or the information is included in the financial statements and notes thereto.

(b) Exhibits

Exhibit Number	Exhibit Description
2.1	Agreement and Plan of Merger, dated as of February 24, 2019, by and among Multi-Color Corporation, W/S Packaging Holdings, Inc. and Monarch Merger Corporation (incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 25, 2019)
3.1	Amended and Restated Articles of Incorporation dated September 13, 1999, as amended by that Amendment dated August 16, 2007 and that Amendment dated August 21, 2015
3.2	Amended and Restated Code of Regulations (incorporated by reference to the Registrant's Current Report on Form 8-K filed on February 25, 2019)
4.1	Investor Rights Agreement of Multi-Color Corporation, dated as of October 3, 2011, by and between Multi-Color Corporation and each of the Investors whose name appears on the signature pages thereof (incorporated by reference from the Registrant's Current Report on Form 8-K filed on October 5, 2011)
4.2	Indenture governing the 6.125% Senior Notes due 2022, dated as of November 21, 2014, by and among Multi-Color Corporation, the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference from the Registrant's Current Report on Form 8-K filed on November 21, 2014)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

4.3	Indenture governing the 4.875% Senior Notes due 2025, including the form of the 4.875% Note, by and between Multi-Color Escrow Issuer, LLC and U.S. Bank National Association, as Trustee, dated October 4, 2017 (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on October 4, 2017)
4.4	Escrow and Security Agreement by and among Multi-Color Corporation, Multi-Color Escrow Issuer, LLC and U.S. Bank National Association, as Escrow Agent, dated October 4, 2017 (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on October 4, 2017)
4.5	Investors' Rights Agreement of Multi-Color Corporation, dated as of October 31, 2017, by and between Multi-Color Corporation and each of the Investors whose name appears on the signature pages thereof (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on November 3, 2017)
4.6	Credit Agreement, made and entered into as of October 31, 2017, by and among Multi-Color Corporation, Collotype International Holdings Pty Limited, the Lenders, certain Subsidiaries of Multi-Color Corporation, Bank of America, N.A., Citisecurities Limited., Citicorp International Limited, and Citibank, N.A., Sydney Branch (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on November 3, 2017)
4.7	Amendment No. 1, dated as of October 16, 2018 to the Credit Agreement dated October 31, 2017, as amended (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on October 16, 2018)
4.8	Amendment No. 2, dated as of February 23, 2019 to the Credit Agreement, dated October 31, 2017, as amended (incorporated by reference to the Registrant' s Current Report on Form 8-K filed on February 25, 2019)
4.9	Supplemental Indenture governing the 4.875% Senior Notes due 2025, including the form of the 4.875% Note, by and between Multi-Color Corporation and U.S. Bank National Association, as Trustee, dated October 31, 2017 (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on November 3, 2017)
10.1	Sales and Purchase Agreement dated July 16, 2017 by and among Multi-Color Corporation as Purchaser and Constantia Flexibles Germany GmbH, Constantia Flexibles International GmbH, Constantia Flexibles Group GmbH and GPC Holdings B.V., as Sellers (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on July 16, 2017)
	MANAGEMENT CONTRACTS AND COMPENSATION PLANS
10.2	2003 Stock Incentive Plan (incorporated by reference from the Registrant' s proxy materials filed in connection with the 2003 Annual Meeting of Shareholders)
10.3	Amendment to 2003 Stock Incentive Plan dated August 16, 2007 (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on August 17, 2007)
10.4	Amended and Restated Employment Agreement between Multi-Color Corporation and Nigel A. Vinecombe effective as of January 1, 2016 (incorporated by reference from the Registrant' s Quarterly Report on Form 10-Q for the quarter ending December 31, 2015)
10.5	Amendment to 2003 Stock Incentive Plan dated September 16, 2010 (incorporated by reference from the Registrant' s Current Report on Form 8-K filed on September 16, 2010)
10.6	Amended and Restated Employment Agreement between Multi-Color Corporation and Vadis Rodato effective as of January 1, 2016 (incorporated by reference from the Registrant' s Quarterly Report on Form 10-Q for the quarter ending December 31, 2015)
10.7	Employment Agreement between Multi-Color Corporation and David Buse effective as of January 1, 2016 (incorporated by reference from the Registrant' s Quarterly Report on Form 10-Q for the quarter ending December 31, 2015)
10.8	Employment Agreement between Multi-Color Corporation and Sharon Birkett effective as of July 1, 2014 (incorporated by reference from the Registrant' s Quarterly Report on Form 10-Q for the quarter ending June 30, 2014)
10.9	Form of Indemnification Agreement dated February 3, 2015, by and between Multi-Color Corporation and the respective Indemnified Representative (incorporated by reference from the Registrant' s Quarterly Report on Form 10-Q for the quarter ending December 31, 2014)
10.10	Employment Letter dated December 2, 2014 regarding compensation of Tim Lutz (incorporated by reference from the Registrant' s Annual Report on Form 10-K for the fiscal year ending March 31, 2015)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

10.11	Addendum to Employment Letter dated January 20, 2016 regarding compensation of Tim Lutz (incorporated by reference from the Registrant's Annual Report on Form 10-K for the fiscal year ending March 31, 2016)
10.12	Form of Restricted Share Agreement (incorporated by reference from the Registrant's Annual Report on Form 10-K for the fiscal year ending March 31, 2015)
10.13	Form of Restricted Share Unit Agreement (incorporated by reference from the Registrant's Annual Report on Form 10-K for the fiscal year ending March 31, 2015)
10.14	Employment Agreement effective as of November 1, 2017 between Multi-Color Corporation and Michael Julian Henry (incorporated by reference from the Registrant's Current Report on Form 8-K filed on November 3, 2017)
10.15	Service Agreement between Multi-Color Germany Holding GmbH and Dr. Oliver Apel effective as of January 1, 2018 (incorporated by reference from the Registrant's Quarterly Report on Form 10-Q for the quarter ending December 31, 2017)
10.16	Employment Agreement between Multi-Corporation and Michael D. Cook effective as of February 1, 2018 (incorporated by reference from the Registrant's Quarterly Report on Form 10-Q for the quarter ending December 31, 2017)
10.17	Amended and Restated 2012 Stock Incentive Plan effective August 8, 2018 (incorporated by reference from the Registrant's Quarterly Report on Form 10-Q for the quarter ending September 30, 2018)
10.18	Form of Nonqualified Stock Option Agreement
21	Subsidiaries of Multi-Color Corporation
23	Consent of Grant Thornton LLP, Independent Registered Public Accounting Firm
24	Power of Attorney (included as part of signature page)
31.1	Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification by the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification by the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

ITEM 16. FORM 10-K SUMMARY

Not Applicable.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MULTI-COLOR CORPORATION

Dated: May 28, 2019

By: /s/ Michael J. Henry
Michael J. Henry
President and Chief Executive Officer
(Principal Executive Officer)

We, the undersigned directors and officers of Multi-Color Corporation, hereby severally constitute Michael J. Henry and Sharon E. Birkett, and each of them singly, our true and lawful attorneys with full power to them and each of them to sign for us, in our names in the capacities indicated below, any and all amendments to this Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the date indicated.

Name	Capacity	Date
/s/ Michael J. Henry Michael J. Henry	President, Chief Executive Officer and Director (Principal Executive Officer)	May 28, 2019
/s/ Sharon E. Birkett Sharon E. Birkett	Vice President, Chief Financial Officer, Secretary (Principal Financial Officer)	May 28, 2019
/s/ Timothy P. Lutz Timothy P. Lutz	Chief Accounting Officer (Principal Accounting Officer)	May 28, 2019
/s/ Nigel A. Vinecombe Nigel A. Vinecombe	Executive Chairman of the Board of Directors	May 28, 2019
/s/ Alexander Baumgartner Alexander Baumgartner	Director	May 28, 2019
/s/ Ari J. Benacerraf Ari J. Benacerraf	Director	May 28, 2019
/s/ Robert R. Buck Robert R. Buck	Director	May 28, 2019
/s/ Charles B. Connolly Charles B. Connolly	Director	May 28, 2019
/s/ Robert W. Kuhn Robert W. Kuhn	Director	May 28, 2019
/s/ Roland Lienau Roland Lienau	Director	May 28, 2019
/s/ Vadis A. Rodato Vadis A. Rodato	Director	May 28, 2019

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 3.1

AMENDED
ARTICLES OF INCORPORATION
OF
MULTI-COLOR CORPORATION

FIRST: The name of the Corporation shall be Multi-Color Corporation.

SECOND: The place in Ohio where its principal office is to be located is Suite 1140, 205 West Fourth Street, Cincinnati, Hamilton County, Ohio 45202.

THIRD: The purpose for which the Corporation is organized shall be:

> To manufacture, produce, sell, distribute, and otherwise deal in paper and paper products, including labels, and to undertake all business activities incidental to such purpose and to engage in any lawful act or acts for which corporations may be formed under Sections 1701.01 to 1701.98, inclusive, of the Ohio Revised Code as now in effect or hereinafter amended.

FOURTH: The maximum number of shares which the Corporation is authorized to have outstanding is: (i) Ten Million (10,000,000) shares of common stock, without par value (the "Common Shares"); and (ii) One Million (1,000,000) shares of preferred stock, without par value (the "Preferred Shares," and together with the Common Shares, collectively referred to herein as the "Shares").

The holders of the Preferred Shares shall be entitled to receive dividends out of any funds of the Corporation at the time legally available for dividends when and as declared by the Board of Directors of the Corporation (the "Board") at such rate as shall be fixed by the Board before any sum shall be set apart or applied to the redemption or purchase or any dividend shall be declared or paid upon or set apart for any class or series of Common Shares. In the event of any liquidation, dissolution or winding up of the Corporation, the holders of Preferred Shares shall be entitled to receive out of the assets of the Corporation payment of any amount per share as determined by the Board as a liquidation price (including accrued dividends, if any) before any distribution of assets shall be made to the holders of any class or series of Common Shares.

The Board shall have the express authority from time to time to adopt amendments to these Articles of Incorporation with respect to any unissued or treasury Preferred Shares and thereby to fix or change the division of such shares into classes (referred to herein as "series") or series (referred to herein as "subseries") and the designation and authorized number of shares of each series or subseries and to provide for each such series or subseries: dividend or distribution rate; dates of payment of dividends or distributions; dates from which dividends or distributions are cumulative; liquidation price; redemption rights and prices; sinking fund requirements; conversion rights; restrictions on the issuance of shares any class or series; and such other designations, preferences and relative, participating, optional or other special rights, powers and privileges of an qualifications, limitations or restrictions on the rights of holders of shares of any series or subseries as may be determined by the Board. The Board is hereby endowed with the maximum authority

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

permitted by law to establish the express terms of any unissued or treasury Preferred Shares. It is the express intention of the shareholders that if, after the date hereof, the Ohio General Corporation Law is amended to increase the authority of the Board in this respect, the Board shall have such increased authority without further amendment of these Articles of Incorporation.

DIVISION I. EXPRESS TERMS OF SERIES A PREFERRED SHARES. Fifty-two Thousand Five Hundred (52,500) shares of the Preferred Shares shall be designated as a separate series referred to as Series A Preferred Shares (the "Series A Preferred Shares"). The preferences and relative participating, optional and other special rights, and qualifications, limitations and restrictions thereof, of the Series A Preferred Shares are hereby fixed as follows:

Section 1. Dividends

1.1 The holders of outstanding Series A Preferred Shares shall be entitled to receive fully cumulative dividends, when, and as declared by the Board, out of funds legally available therefor and in preference to any dividends payable to holders of Common Shares of the Corporation or of any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series A Preferred Shares, at a rate per annum of Four Dollars and Twenty-five Cents ($4.25), payable quarterly in arrears. The dividend rate is subject to adjustment based upon stock splits, stock dividends or combinations. Each quarterly dividend is payable for a quarterly dividend period. (Hereinafter referred to as a "Quarterly Dividend Period" or "Quarterly Dividend Periods"), which Quarterly Dividend Periods shall commence on January 1, April 1, July 1 and October 1 of each year. Dividends for the Quarterly Dividend Period shall be payable quarterly on the last day of each March, June, September and December commencing on June 30, 1996 and shall be paid to holders of record on such respective dates which, with respect to the initial quarterly dividend payment date, shall not be earlier than the date on which shares of such series are first issued and, with respect to subsequent quarterly dividend payment dates, shall not exceed fifty (50) days preceding such quarterly dividend payment dates, as may be determined by the Board in advance of the payment of the particular dividend. Dividends shall commence to accrue from the date of original issuance of the Series A Preferred Shares. The initial dividend shall be declared and paid only for that portion of the Quarterly Dividend Period for which the Series A Preferred Shares is actually outstanding.

Holders of outstanding Series A Preferred Shares shall not be entitled to any dividends, whether payable in cash, property or Shares, in excess of full cumulative dividends, as provided in the immediately preceding paragraph, on the Series A Preferred Shares.

If at any time, the Corporation pays less than the total amount of dividends then accrued upon the Series A Preferred Shares and any other Shares ranking on a parity as to dividends with the Series A Preferred Shares, dividends declared upon Series A Preferred Shares and such other Shares shall be declared pro rata so that in all cases the amount of dividends declared per share on the Series A Preferred Shares and such other Shares shall bear to each other the same ratio that accumulated dividends per share on the Series A Preferred Shares and such other Shares bear to each other.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

In no event, so long as any Series A Preferred Shares shall remain outstanding, shall the Corporation declare, pay or set aside any dividend on, declare, make or set apart any other distribution of any kind (except distributions in Common Shares or any other series or subseries of capital Shares ranking, as to dividends and liquidation rights, junior to the Series A Preferred Shares (the "Junior Shares")), in respect of, or purchase, redeem or otherwise acquire, the Common Shares or any Junior Shares, under any circumstances, unless, on the date of such declaration, in the case of a dividend, or on the date of such distribution, in the case of a distribution, full cumulative dividends on all outstanding Series A Preferred Shares for all dividend payment periods terminating on or prior to the date of such declaration or distribution shall have been paid or declared and funds set aside for such payment and sufficient funds are set aside for the payment of the dividend for the current dividend payment period, or pro rata portion thereof; provided, however, that nothing hereinabove shall prevent the Corporation from exercising any rights it may have to purchase Common Shares from any employee, consultant or director of the Corporation upon termination of their employment with the Corporation or otherwise.

Section 2. Liquidation Preference

2.1 Liquidation. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Series A Preferred Shares shall be entitled, before any distribution or payment is made upon any share of Common Shares or any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series A Preferred Shares (but after preferential distributions or payments required to be made on any other securities of the Corporation senior to the Series A Preferred Shares) to be paid Fifty Dollars ($50) per Series A Preferred Share out of the assets of the Corporation available for distribution (subject to adjustment for stock splits, stock combinations, stock dividends, reclassifications and similar other events affecting the Series A Preferred Shares) plus any dividends on the Series A Preferred Shares provided for by Section 1 hereof that have been declared by the Board but are unpaid through the date of distribution to the holders of the outstanding Series A Preferred Shares in connection with such liquidation, dissolution or winding up (the "Series A Liquidation Preference"). If upon a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the assets to be distributed among the holders of Series A Preferred Shares (and all holders of other Preferred Shares of the Corporation ranking on parity with the Series A Preferred Shares in the event of a liquidation, dissolution or winding up of the Corporation) shall be insufficient to permit payments in full to the holders of Series A Preferred Shares of the Series A Liquidation Preference, then all assets of the Corporation available for distribution to shareholders after the Corporation has made preferential distributions or payments required to be made on any other securities of the Corporation senior to the Series A Preferred Shares shall be distributed ratably among the holders of Series A Preferred Shares and all holders of other Preferred Shares of the Corporation ranking on parity with the Series A Preferred Shares.

2.2 Other Distributions. Upon any liquidation, dissolution or winding up of the Corporation, immediately after the holders of Series A Preferred Shares and any other series of Preferred Shares shall have been paid in full any Preferred Shares liquidation preferences that they are respectively entitled to, the remaining assets of the Corporation available for distribution shall be distributed to the holders of the Common Shares on a pro rata basis.

2.3 Notice. Written notice of any liquidation, dissolution or winding up and any related distribution, stating the payment date and the place where said payments shall be made, shall be given by mail, postage prepaid, or by telecopy to non-U.S. residents, not less than twenty (20) days prior to the payment date stated therein, to the holders of Series A Preferred Shares, such notice to be addressed to each such holder as its address as shown on the records of the Corporation.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 3. Conversion

3.1 Right to Convert

(a) Subject to Section 3.3 hereof, each share of Series A Preferred Shares shall be convertible, at any time, before a liquidating payment is made to the holder of such Series A Preferred Shares pursuant to Section 2 hereof, at the option of the holder thereof, at the office of the Corporation or any transfer agent for such shares, into the number of fully paid and nonassessable Common Shares provided for below.

(b) Each share of Series A Preferred Shares shall be convertible into such number of fully paid and nonassessable Common Shares as is determined by dividing Fifty Dollars ($50.00) per share by the Series A Conversion Price (as defined below), determined as hereafter provided, in effect at the time of conversion. The initial Series A Conversion Price shall be Five Dollars ($5.00) per share; provided, however that such Conversion Price shall be subject to adjustment as set forth below.

3.2 Mechanics of Conversion. Before any holder of Series A Preferred Shares shall be entitled to convert the same into Common Shares, such holder shall surrender the certificates for the Series A Preferred Shares, duly endorsed, at the office of the Corporation or of any transfer agent for such shares, and shall give written notice by registered or certified mail, postage prepaid, to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for Common Shares are to be issued. (A holder of Series A Preferred Shares may not effect a transfer of shares pursuant to conversion unless all applicable restrictions on transfer are complied with.) The Corporation shall, as soon as practicable, issue and deliver at such office to such holder of Series A Preferred Shares, or to the nominee or nominee of such holder, a certificate or certificates for the number of Common Shares to which such holder shall be entitled as provided above. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the certificate or certificates representing the Series A Preferred Shares being converted, and the person or persons entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Shares as of such date.

3.3 Conversion Price Adjustments. The Series A Conversion Price shall be subject to adjustment from time to time as follows:

(a) If the Corporation shall (i) pay a dividend or make a distribution on its Common Shares in additional Common Shares, (ii) subdivide its outstanding Common Shares into a greater number of shares, (iii) combine its outstanding Common Shares into a lesser number of shares or (iv) issue by reclassification of its Common Shares any shares of capital stock of the Corporation, then, in each such case, the Series A Conversion Price in effect immediately prior to such action shall be adjusted so that the holder of any share of Series A Preferred Shares thereafter surrendered for conversion shall be entitled to receive the number of Common Shares or other capital stock of the Corporation which he or she would have owned or been entitled to receive

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

immediately following such action had such share been converted immediately prior to the occurrence of such event. An adjustment made pursuant to this Subsection (a) shall become effective immediately after the record date, in the case of a dividend or distribution, or immediately after the effective date, in the case of a subdivision, combination or reclassification.

(b) If the Corporation shall, by dividend or otherwise, distribute to all holders of its outstanding Common Shares, in respect of such Common Shares (and not to all holders of Series A Preferred Shares, in respect of such Series A Preferred Shares), shares of capital stock, other than Common Shares, evidences of its indebtedness or assets (including securities and cash, but excluding (i) any regular periodic cash dividends of the Corporation (provided that the Corporation is not then in default in paying holders of the Series A Preferred Shares their fully cumulative preferred dividend), (ii) dividends or distributions payable in Shares for which adjustment is made pursuant to Subsection (a) of this Section 3.3 and (iii) distributions made and contemplated by Section 2.2 hereof), or rights or warrants to subscribe for or purchase securities of the Corporation, then, in each such case, the Series A Conversion Price shall be adjusted so that it shall equal the price determined by multiplying the Series A Conversion Price in effect immediately prior to the record date of such distribution by a fraction, the numerator of which shall be the Current Market Value (as defined below) per share of the Common Shares less the fair market value on such record date, as determined by the Board, whose determination shall be described in the notice of adjustment of Series A Conversion Price given as herein provided, of the portion of the capital Shares or assets or the evidences of indebtedness or assets so distributed to the holder of one share of Common Shares or of such subscription rights or warrants applicable to one share of Common Shares, and the denominator of which shall be such Current Market Value per share of Common Shares. Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Such adjustment shall be made successively whenever such a record date is fixed and in the event such distribution is not so made, the Conversion Price shall be adjusted back to the Conversion Price which would then be in effect if such record date had not been fixed.

(c) If, as a result of an adjustment made pursuant to Subsection (a) of this Section 3.3, the holder of any Series A Preferred Shares thereafter surrendered for conversion shall become entitled to receive any shares of the Corporation other than Common Shares, thereafter the Series A Conversion Price of such other shares so receivable upon conversion of any Series A Preferred Shares shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Shares contained in this Section.

(d) If at any time, the Corporation issues or sells, or is deemed to have issued or sold, or issues any rights, options or convertible securities permitting the acquisition of, any Common Shares for a consideration per share less than the conversion price in effect immediately prior to the time of such issue or sale (unless the provisions of Subsections (a), (b), (c), (h), (i) or (j) hereof shall be applicable, in which event this Subsection (d) shall not apply), the conversion price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying the conversion price in effect immediately prior to such issue or sale times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such issue or sale, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(e) If the Corporation shall issue or sell its Common Shares, for the consideration per share which is below Five Dollars ($5.00) per share (unless the provisions of subsections (a), (b), (c), (d), (h) , (i) or (j) hereof shall be applicable, in which event this Subsection (e) shall not apply), the conversion price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying Five Dollars ($5.00) times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such sale or issue, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

(f) No adjustments shall be made pursuant to this Section 3.3 unless such adjustment would require an increase or decrease of at least one percent (1%) in the number of Common Shares issuable upon the conversion of the Series A Preferred Shares; provided, however, that any adjustments which by reason of this subsection (f) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations shall be made to the nearest one-thousandth (1/1000) of a share.

(g) As used herein, the term "Current Market Value" shall be the last reported sales price or the latest closing bid and ask prices for the Common Shares on any national securities exchange or the Nasdaq National Market. If the Common Shares are not so listed or admitted to trading, the term "Current Market Value" shall be the fair market value on a going concern basis, disregarding any control premiums and minority interest discounts, of the Common Shares as determined by the Board after consideration of (i) published valuations of similar other companies in like industries, (ii) reports or valuations of one (1) or more independent qualified appraisers or investment banking concerns as deemed appropriate and necessary by the Board, (iii) the purchase and sale prices of Common Shares that have been sold by holders thereof in arm' s length transactions with unaffiliated third parties, and (iv) such other information as deemed appropriate by the Board.

(h) An equitable adjustment of the Series A Conversion Price shall be made in the event of any fundamental transaction involving the reclassification or modification of the Common Shares or extraordinary distributions with respect to the Common Shares, whether or not such transaction is specifically mentioned in the foregoing paragraphs.

(i) In the case of any consolidation or merger of the Corporation into another corporation, or in the case of any merger of another corporation into the Corporation, other than a merger with a corporation in which merger the Corporation is the continuing corporation and which does not result in any reclassification, conversion, exchange or cancellation of outstanding Common Shares, or in the case of any lease or transfer to another corporation of all or substantially all of the assets of the Corporation, the holder of each share of the Series A Preferred Shares then outstanding shall have the right thereafter, subject to the terms and conditions of this Section 3.3(i), to convert such Share into the kind and amount of shares and other securities and property receivable upon such consolidation, merger, lease or transfer by a holder of the number of Common Shares into which such share of Series A Preferred Shares might have been converted pursuant to this Section 3.3 immediately prior to such consolidation, merger, lease or transfer; and effective provision shall be made in the Articles of Incorporation or charter of the resulting or surviving corporation or otherwise so that the provisions set forth in this Section 3.3 shall thereafter be applicable, as nearly as practicable, to any such other shares and other securities and property

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

deliverable upon conversion of the Series A Preferred Shares pursuant to this Section 3.3(i) remaining outstanding or other convertible preferred Shares received by the holder in place thereof; and any such resulting or surviving corporation shall expressly assume the obligation to deliver, upon the exercise of the conversion privilege, such shares, securities or property as the holders of the Series A Preferred Shares remaining outstanding, or other convertible preferred Shares received by the holders in place thereof, may be entitled, and to make provisions for the protection of the conversion right as herein provided, and the provisions of this Section 3 shall remain outstanding after such reorganization. In case securities or property other than Common Shares shall be issuable or deliverable upon conversion as aforesaid, then all references in this Section 3.3(i) shall be deemed to apply, so far as appropriate and as nearly as practicable, to such other securities or property. This provision of this Section 3.3(i) shall similarly apply to successive reorganizations, consolidations, mergers, leases or transfers.

(j) The Series A Conversion Price shall not be adjusted as a result of any grant, sale or issuance of any security pursuant to any existing or future employee benefit plan, including but not limited to, any bonus, retirement, pension, profit sharing, savings, Shares option, Shares appreciation, Shares purchase, incentive, deferred compensation or employment plan or agreement.

3.4 Fractional Shares and Certificate as to Adjustments.

(a) In lieu of issuing fractional shares upon a conversion of Series A Preferred Shares, the Corporation shall pay cash equal to the fraction multiplied by the Current Market Value of one (1) Common Share. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of Series A Preferred Shares the holder is at the time converting into Common Shares and the number of Common Shares issuable upon such aggregate conversion.

(b) Upon the occurrence of each adjustment of the Series A Conversion Price pursuant to this Section, the Corporation, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Shares a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based.

3.5 Notice of Record Date, Etc. If the Corporation authorizes payment or other distribution to shareholders of any dividend or other distribution, any right or subscribe for, purchase or otherwise acquire any shares of any series or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Series A Preferred Shares as promptly as possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice specifying the date on which a record is to be taken for the purpose of such dividend, distribution or right, or if a record is not to be taken, the date as of which the holders to be entitled to such dividend, distribution or right is to be determined, and the amount and character of such dividend, distribution, or right. In case (i) the Corporation shall take any other action which would require an adjustment in the Series A Conversion Price pursuant to Section 3.3 hereof; or (ii) there shall be any reorganization or reclassification of the Common Shares, other than a subdivision or combination of the outstanding Common Shares and other than a change in the par value of the Common Shares, or any consolidation or merger to which the

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Corporation is a party or any statutory exchange of securities with another corporation and for which approval of any shareholders of the Corporation is required, or any sale or transfer of all or substantially all of the assets of the Corporation; or (iii) there shall be a voluntary or involuntary liquidation, dissolution or winding up of the Corporation; then in each such case the Corporation shall give to the holders of Series A Preferred Shares, as promptly as possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice stating (i) the date on which a record is to be taken for the purpose of such action or (ii) the date on which such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up is expected to become effective or occur, and the date as of which it is expected that holders of Common Shares of record shall be entitled to exchange their Common Shares for securities, cash or other property deliverable upon such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up.

3.6 Reservation of Common Shares Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued Common Shares, solely for the purpose of effecting the conversion of the Series A Preferred Shares, such number of Common Shares as shall from time to time be sufficient to effect the conversion of all outstanding Series A Preferred Shares. If at any time the number of authorized but unissued Common Shares shall not be sufficient to effect the conversion of all then outstanding Series A Preferred Shares, the Corporation shall take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common Shares to such number of shares as shall be sufficient for such purpose.

3.7 Transfer Taxes, Etc. The Corporation shall pay any and all documentary stamp, issue or transfer taxes, and any similar taxes payable in respect of the issue or delivery of Common Shares upon conversions of Series A Preferred Shares pursuant hereto; provided, however, that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue or delivery of Common Shares in a name other than that of the holder of the Series A P referred Shares to be converted and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

3.8 Notices. Any notice required by the provisions of this Section to be given to the holders of Series A Preferred Shares shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified, and addressed to each holder of record at the address of such holder appearing on the Shares transfer books of the Corporation.

Section 4. Voting Rights

The holders of the Series A Preferred Shares shall not be entitled to vote except as provided in this Section and as otherwise provided by law.

4.1 If at any time the Corporation shall be in default in the payment of dividends on any of the outstanding Series A Preferred Shares in an amount of four (4) full quarterly dividends, whether or not consecutive, the number of directors constituting the Board shall automatically without the necessity of undertaking any other corporate actions be increased by two (2), and the holders of the outstanding Series A Preferred Shares of the Corporation, voting as a separate series, shall be entitled to elect immediately two (2) directors to fill such newly created directorships. The Corporation shall use its best efforts to immediately effectuate the intentions of this provision.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

4.1.1 When all arrearages in dividends with respect to the Series A Preferred Shares then outstanding shall have been paid and dividends thereon for the current quarterly period shall have been paid, (i) the right of holders of the outstanding Preferred Shares to elect directors pursuant to paragraph 4.1 above shall cease, but subject to the same provisions for vesting of such voting rights in the case of any similar future arrearages in dividends; (ii) the term of the directors then in office elected by holders of the outstanding Preferred Shares as a series shall forthwith terminate; and (iii) the number of directors constituting the Board shall be reduced by two (2).

4.1.2 If the Board shall be divided into two (2) or more classes, the directors elected by the holders of the outstanding Preferred Shares shall be distributed among the several classes of directors as nearly equally as possible.

4.2 In addition to the provisions regarding the election of directors set forth in Section 4.1 above, the holders of the Series A Preferred Shares shall have the right, voting separately as a series, to elect one (1) member to the Board so long as (i) at least twenty thousand (20,000) shares of the Series A Preferred Shares remain outstanding or (ii) holders of the Series A Preferred Shares hold at least two hundred thousand (200,000) shares of Common Shares that have been issued upon conversion of the Series A Preferred Shares.

4.3 Whenever the right to elect directors by this Section 4 shall vest, it may be exercised initially either at a special meeting of holders of the outstanding Series A Preferred Shares or at any meeting of shareholders, but thereafter it shall be exercised only at annual shareholders' meetings. A special meeting for the exercise of such right shall be called by the Secretary of the Corporation within ten (10) days after receipt of a written request therefor, signed by the holders of record of at least ten percent (10%) of the then outstanding Series A Preferred Shares; provided, however, no such special meeting shall be held during the ninety (90) day period preceding the date fixed for the annual meeting of shareholders.

4.4 Any director who shall have been elected by holders of the Series A Preferred Shares as a series shall hold office for a term expiring (subject to the earlier termination of the default in dividends) at the next annual meeting of shareholders, and during such term may be removed by such holders for cause at any time, but may be removed without cause by such holders only by the affirmative votes of holders of record of a majority of the then outstanding Series A Preferred Shares given at a special meeting of such Shareholders called for such purpose. Any vacancy created by such removal may also be filled at such special meeting. A meeting for the removal without cause of a director elected by holders of the outstanding Series A Preferred Shares as a series and the filling of the vacancy created thereby shall be called by the Secretary of the Corporation within ten (10) days after receipt of a written request therefor, signed by the holders of record of at least twenty-five percent (25%) of the then outstanding Series A Preferred Shares. Such meeting shall be held at the earliest practicable date thereafter in accordance with the Corporation's Articles of Incorporation, Code of Regulations and applicable state law.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

4.5 Any vacancy caused by the removal for cause or by the death, disability or resignation of a director who shall have been elected by the holders of the outstanding Series A Preferred Shares as a series may be filled only by the holders of the outstanding Series A Preferred Shares at a meeting called for such purpose. Such meeting of the holders of the outstanding Series A Preferred Shares shall be called by the Secretary of the Corporation at the earliest practicable date after any such removal, death, disability or resignation and in any event within ten (10) days after receipt of a written request therefor, signed by the holders of record of at least ten percent (10%) of the then outstanding Series A Preferred Shares.

4.6 If any meeting of the holders of the outstanding Series A Preferred Shares required by this Section 4.6 to be called shall not have been called within ten (10) days after receipt of a written request therefor by the Secretary of the Corporation as provided herein, or within fifteen (15) days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office, the holders of record of at least ten percent (10%) of the then outstanding Series A Preferred Shares may designate in writing one of their number to call such a meeting at the expense of the Corporation, and such meeting may be called by such person so designated upon the notice required for annual meetings of shareholders. Any holder of the outstanding Series A Preferred Shares so designated shall have access to the Shares books of the Corporation for the purpose of causing meetings of shareholders to be called pursuant to these provisions.

4.7 Any meeting of holders of the outstanding Series A Preferred Shares entitled to vote as a series for the election or removal of directors shall be held at the place for the holding of the annual meeting of shareholders of the Corporation. At such meeting, the presence in person or by proxy of holders of a majority of the votes of the then outstanding Series A Preferred Shares shall be required to constitute a quorum; in the absence of a quorum, a majority of the holders present in person or by proxy shall have the power to adjourn the meeting from time to time without notice, other than announcement at the meeting, until a quorum shall be present. In lieu of a meeting of the holders of the Series A Preferred Shares, the holders of the outstanding Series A Preferred Shares may take action by a written consent of a majority of the outstanding Series A Preferred Shares, and such holders may waive all notice requirements hereunder.

4.8 So long as any Series A Preferred Shares are outstanding, the Corporation shall not, in any manner, whether by amendment to its Articles of Incorporation or Code of Regulations, by merger (whether or not the Corporation is the surviving corporation in such merger), by consolidation, or otherwise, without the written consent or the affirmative vote at a meeting called for that purpose of the holders of at least two-thirds (2/3) of the votes of the Series A Preferred Shares then outstanding, voting separately as a series, (i) amend, alter or repeal any of the provisions of the Articles of Incorporation or any resolution or resolutions establishing the Series A Preferred Shares so as to affect adversely the powers, preferences or special rights of such Series A Preferred Shares or (ii) authorize the issuance of, or authorize any obligation or security convertible into or evidencing the right to purchase shares of, any additional series or subseries of Shares ranking senior to the Series A Preferred Shares in the payment of dividends or the distribution of assets.

4.9 Nothing in this Section 4.9 shall be deemed to require any vote or consent of the holders of Series A Preferred Shares in connection with the authorization or issuance of any security ranking on a parity with or junior to the Series A Preferred Shares as to dividends and/or distribution of assets.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 5. Redemption

5.1 The Corporation may not redeem any Series A Preferred Shares until two (2) years from the first date any such shares are issued. Thereafter, the Series A Preferred Shares may be redeemed in whole or in part by the Corporation at its election expressed by resolution of the Board, upon not less than thirty (30) days previous notice to the holders of record of the Series A Preferred Shares to be redeemed, given by mail, upon payment of the amount of any dividends accrued and unpaid thereon to the date fixed for redemption plus a redemption price per Share set forth below:

May 3, 1998 to May 2, 1999	$58.00
May 3, 1999 to May 2, 2000	54.00
May 3, 2000 to May 2, 2001	53.33
May 3, 2001 to May 2, 2002	52.67
May 3, 2002 to May 2, 2003	52.00
May 3, 2003 to May 2, 2004	51.33
May 3, 2004 to May 2, 2005	50.67
May 3, 2005 and thereafter	50.00

5.2 Any notice of redemption mailed to a holder of Series A Preferred Shares at his or her address as the same shall appear on the books of the Corporation shall be conclusively presumed to have been given whether or not the holder receives the notice. Each such notice shall state the redemption date; the redemption price applicable to the shares to be redeemed; the place or places where such shares are to be surrendered; that dividends on shares to be redeemed will cease to accrue on the redemption date; and that shares to be redeemed may be converted at any time prior to the close of business on the business day next preceding the redemption date as hereinafter provided (such notice to state the Conversion Price, if any, at the time applicable). No immaterial defect in any such notice to any holder of Series A Preferred Shares shall affect the validity of the proceedings for the redemption of any other shares of such Series A Preferred Shares.

5.3 From and after the redemption date (unless default shall be made by the Corporation in paying the redemption price of the shares called for redemption, plus all accrued and unpaid dividends thereon), all dividends on the Series A Preferred Shares called for redemption shall cease to accrue and all rights of the holders thereof as shareholders of the Corporation, except the right to receive the redemption price as hereinafter provided, shall cease and terminate. The respective holders of record of the Series A Preferred Shares to be redeemed shall be entitled on and after the redemption date to receive the redemption price at any time upon actual delivery to the Corporation of certificates for the number of shares to be redeemed, duly endorsed in blank or accompanied by proper instruments of assignment and transfer thereof duly endorsed in blank.

5.4 Any Series A Preferred Shares redeemed pursuant to the provisions of this Section 5 shall be retired and given the status of authorized and unissued Preferred Shares, undesignated as to series, subject to reissuance by the Corporation as Preferred Shares of one (1) or more series, as may be determined from time to time by the Board, but such shares shall not be reissued as Series A Preferred Shares.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 6. Other Provisions

6.1 Default. If at any time the Corporation shall have failed to make a required dividend payment, thereafter and until such dividend shall have been paid, (i) the Corporation shall not declare or pay any dividends on or make any distributions with respect to the Common Shares or shares of any other series or subseries of the Corporation' s capital Shares ranking junior as to liquidation rights to the Series A Preferred Shares; and (ii) neither the Corporation nor any subsidiary shall purchase any Common Shares or shares of any other series subseries of the Corporation' s capital Shares ranking junior as to liquidation rights to the Series A Preferred Shares.

6.2 Amendments. So long as any of the Series A Preferred Shares are outstanding, the Corporation will not:

(a) amend, alter or repeal, directly or indirectly whether by merger, consolidation or otherwise, any of the provisions applicable to the Series A Preferred Shares so as to change the dividend payable thereon, the amount payable thereon upon liquidation or any of the other provisions applicable thereto without the affirmative vote or consent of the holders of at least two-thirds (2/3) thereof at the time outstanding, voting as a separate series, given in person or by proxy, either in writing or by resolution adopted at a special meeting called for the purpose; or

(b) create, directly or indirectly, whether by merger, consolidation or otherwise, any other series of Shares ranking senior to or on a parity with the Series A Preferred Shares as to dividends, or upon liquidation, or increase the authorized number of shares of any other series of Shares ranking senior to or on a parity with the Series A Preferred Shares without the affirmative vote or consent, in addition to all other votes or consents required hereby or by the laws of Ohio, of the holders of at least two-thirds (2/3) of the Series A Preferred Shares at the time outstanding voting together as a single series separate from the holders of any other series or subseries of Shares of the Company, given in person or by proxy either in writing or by resolution adopted at a special meeting called for the purpose.

6.3 Purchase Rights. In the event the Corporation, after the date hereof, shall make a public or private sale of its Common Shares or securities exercisable or convertible into Common Shares ("Convertible Securities"), each holder of the outstanding Series A Preferred Shares shall have the right, but not the obligation, to purchase on the same terms and conditions as the other purchasers, an amount of like securities, which when added to the other Common Shares or Convertible Securities owned by the holder, equal that percentage to which the number of Common Shares and Convertible Securities owned by the holder (excluding any securities other than the Series A Preferred Shares and Common Shares issued upon conversion of the Series A Preferred Shares) bears to Three Million Eighty Thousand Seven Hundred Eighty-nine (3,080,789). The rights granted herein to the holder shall not apply to the original issuance of the Corporation' s Series B Convertible Preferred Shares, the conversion of the deferred compensation of John Court into Common Shares and to any grant, sale or issuance of securities pursuant to any existing or future employee benefit plan, including, but not limited, to any bonus, retirement, pension, profit sharing, savings, stock option, stock appreciation, stock purchase, incentive,

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

deferred compensation or employment plan or, agreement. Furthermore, the rights granted hereby may not be exercised by any holder of the Series A Preferred Shares who, in the reasonable judgement of the Corporation is an owner, partner, shareholder proprietor, officer, director, manager, consultant or employee of any entity which engages in any business activity related to the Corporation' s business.

DIVISION II. EXPRESS TERMS OF SERIES B PREFERRED SHARES. Thirteen Thousand Two Hundred Forty-two (13,242) shares of the Preferred Shares shall be designated as Series B Preferred Shares (the "Series B Preferred Shares"). The preferences and relative participating, optional and other special rights and qualifications, limitations and restrictions thereof, of the Series B Preferred Shares are hereby fixed as follows:

Section 1. Dividends

1.1 The holders of outstanding Series B Preferred Shares shall be entitled to receive fully cumulative dividends, when, and as declared by the Board out of funds legally available therefor and in preference to any dividends payable to holders of Common Shares of the Corporation or of any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series B Preferred Shares (but after preferential payments have been made on the Company' s Series A Convertible Preferred Shares), at a rate per annum of Four Dollars and Twenty-five Cents ($4.25), payable quarterly in arrears. The dividend rate is subject to adjustment based upon stock splits, stock dividends or combinations. Each quarterly dividend is payable for a quarterly dividend period. (Hereinafter referred to as a "Quarterly Dividend Period" or "Quarterly Dividend Periods"), which Quarterly Dividend Periods shall commence on January 1, April 1, July 1 and October 1 of each year. Dividends for the Quarterly Dividend Period shall be payable quarterly on the last day of each March, June, September and December commencing on June 30, 1996 and shall be paid to holders of record on such respective dates which, with respect to the initial quarterly dividend payment date, shall not be earlier than the date on which shares of such series are first issued and, with respect to subsequent quarterly dividend payment dates, shall not exceed fifty (50) days preceding such quarterly dividend payment dates, as may be determined by the Board in advance of the payment of the particular dividend. Dividends shall commence to accrue from the date of original issuance of the Series B Preferred Shares. The initial dividend shall be declared and paid only for that portion of the Quarterly Dividend Period for which the Series B Preferred Shares is actually outstanding.

Holders of outstanding Series B Preferred Shares shall not be entitled to any dividends, whether payable in cash, property or Shares, in excess of full cumulative dividends, as provided in the immediately preceding paragraph, on the

Series B Preferred Shares.

If at any time, the Corporation pays less than the total amount of dividends then accrued upon the Series B Preferred Shares and any other Shares ranking on a parity as to dividends with the Series B Preferred Shares, dividends declared upon Series B Preferred Shares and such other Shares shall be declared pro rata so that in all cases the amount of dividends declared per share on the Series B Preferred Shares and such other Shares shall bear to each other the same ratio that accumulated dividends per share on the Series B Preferred Shares and such other Shares bear to each other.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

In no event, so long as any Series B Preferred Shares shall remain outstanding, shall the Corporation declare, pay or set aside any dividend on, declare, make or set apart any other distribution of any kind (except distributions in Common Shares or any other series or subseries of capital Shares ranking, as to dividends and liquidation rights, junior to the Series B Preferred Shares (the "Junior Shares")), in respect of, or purchase, redeem or otherwise acquire, the Common Shares or any Junior Shares, under any circumstances, unless, on the date of such declaration, in the case of a dividend, or on the date of such distribution, in the case of a distribution, full cumulative dividends on all outstanding Series B Preferred Shares for all dividend payment periods terminating on or prior to the date of such declaration or distribution shall have been paid or declared and funds set aside for each payment and sufficient funds are set aside for the payment of the dividend for the current dividend payment period, or pro rata portion thereof; provided, however, that nothing hereinabove shall prevent the Corporation from exercising any rights it may have to purchase Common Shares from any employee, consultant or director of the Corporation upon termination of their employment with the Corporation or otherwise.

Section 2. Liquidation Preference

2.1 Liquidation. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Series B Preferred Shares shall be entitled, before any distribution or payment is made upon any share of Common Shares or any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series B Preferred Shares (but after preferential distributions or payments required to be made on the Company' s Series A Convertible Preferred Shares and any other securities of the Corporation senior to the Series B Preferred Shares) to be paid Forty Dollars ($40.00) per share out of the assets of the Corporation available for distribution (subject to adjustment for stock splits, stock combinations, stock dividends, reclassifications and similar other events affecting the Series B Preferred Shares) plus any dividends on the series B Preferred Shares provided for by Section 1 hereof that have been declared by the Board but are unpaid through the date of distribution to the holders of the outstanding Series B Preferred Shares in connection with such liquidation, dissolution or winding up (the "Series B Liquidation Preference"). If upon a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the assets to be distributed among the holders of Series B Preferred Shares (and all holders of other Preferred Shares of the Corporation ranking on parity with the Series B Preferred Shares in the event of a liquidation, dissolution or winding up of the Corporation) shall be insufficient to permit payment in full to the holders of Series B Preferred Shares of the Series B Liquidation Preference, then all assets of the Corporation available for distribution to shareholders after the Corporation has made preferential distributions or payments required to be made on any other securities of the Corporation senior to the Series B Preferred Shares, shall be distributed ratably among the holders of Series B Preferred Shares and all holders of other Preferred Shares of the Corporation ranking on parity with the Series B Preferred Shares.

2.2 Other Distributions. Upon any liquidation, dissolution or winding up of the Corporation, immediately after the holders of Series B Preferred Shares and any other series of Preferred Shares shall have been paid in full any preferred Shares liquidation preferences that they are respectively entitled to, the remaining assets of the Corporation available for distribution shall be distributed to the holders of the Common Shares on a pro rata basis.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

2.3 Notice. Written notice of any liquidation, dissolution or winding up and any related distribution, stating the payment date and the place where said payments shall be given by mail, postage prepaid, or by telecopy to non-U.S. residents, not less than twenty (20) days prior to the payment date stated herein, to the holders of Series B Preferred Shares, such notice to be addressed to each such holder at its address as shown on the records of the Corporation.

Section 3. Conversion

3.1 Right to Convert

(a) Subject to Section 3.3 hereof, each share of Series B Preferred Shares shall be convertible, at any time before a liquidating payment is made to the holder of such Series B Preferred Shares pursuant to Section 2 hereof, at the option of the holder thereof, at the office of the Corporation or any transfer agent for such shares, into the number of fully paid and nonassessable Common Shares provided for below.

(b) Each share of Series B Preferred Shares shall be convertible into such number of fully paid and nonassessable Common Shares as is determined by dividing Fifty Dollars ($50.00) per share by the Series B Conversion Price (as defined below), determined as hereafter provided, in effect at the time of conversion. The initial Series B Conversion Price shall be Five Dollars ($5.00) per share provided, however, that such Conversion Price shall be subject to adjustment as set forth below.

3.2 Mechanics of Conversion. Before any holder of Series B Preferred Shares shall be entitled to convert the same into Common Shares, such holder shall surrender the certificates for the Series B Preferred Shares, duly endorsed, at the office of the Corporation or of any transfer agent for such shares, and shall give written notice by registered or certified mail, postage prepaid, to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for Common Shares are to be issued. (A holder of Series B Preferred Shares may not effect a transfer of shares pursuant to conversion unless all applicable restrictions on transfer are complied with.) The Corporation shall, as soon an practicable, issue and deliver at such office to such holder of Series B Preferred Shares, or to the nominee or nominee of such holder, a certificate or certificates for the number of Common Shares to which such holder shall be entitled as provided above. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the certificate or certificates representing the Series B Preferred Shares being converted, and the person or persons entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Shares as of such date.

3.3 Conversion Price Adjustments. The Series B Conversion Price shall be subject to adjustment from time to time as follows:

(a) If the Corporation shall (i) pay a dividend or make a distribution on its Common Shares in additional Common Shares, (ii) subdivide its outstanding Common Shares into a greater number of shares, (iii) combine its outstanding Common Shares into a lesser number of

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

shares or (iv) issue by reclassification of its Common Shares any shares of capital stock of the Corporation, then, in each such case, the Series B Conversion Price in effect immediately prior to such action shall be adjusted so that the holder of any share of Series B Preferred Shares thereafter surrendered for conversion shall be entitled to receive the number of Common Shares or other capital stock of the Corporation which he or she would have owned or been entitled to receive immediately following such action had such share been converted immediately prior to the occurrence of such event. An adjustment made pursuant to this Subsection (a) shall become effective immediately after the record date, in the case of a dividend or distribution, or immediately after the effective date, in the case of a subdivision, combination or reclassification.

(b) If the Corporation shall, by dividend or otherwise, distribute to all holders of its outstanding Common Shares, in respect of such Common Shares (and not to all holders of Series B Preferred Shares, in respect of such Series B Preferred Shares), shares of capital stock, other than Common Shares, evidences of its indebtedness or assets (including securities and cash, but excluding (i) any regular periodic cash dividends of the Corporation (provided that the Corporation is not then in default in paying holders of the Series B Preferred Shares their fully cumulative preferred dividend), (ii) dividends or distributions payable in Shares for which adjustment is made pursuant to Subsection (a) of this Section 3.3 and (iii) distributions made as contemplated by Section 2.2 hereof), or rights or warrants to subscribe for or purchase securities of the Corporation, then, in each such case, the Series B Conversion Price shall be adjusted so that it shall equal the price determined by multiplying the Series B Conversion Price in effect immediately prior to the record date of such distribution by a fraction, the numerator of which shall be the Current Market Value (as defined below) per share of the Common Shares less the fair market value on such record date, as determined by the Board, whose determination shall be described in the notice of adjustment of Series B Conversion Price given as herein provided, of the portion of the capital Shares or assets or the evidences of indebtedness or assets so distributed to the holder of one share of Common Shares or of such subscription rights or warrants applicable to one share of Common Shares, and the denominator of which shall be such Current Market Value per share of Common Shares. Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Such adjustment shall be made successively whenever such a record date is fixed; and in the event such distribution is not so made, the Conversion Price shall be adjusted back to the Conversion Price which would then be in effect if such record date had not been fixed.

(c) If, as a result of an adjustment made pursuant to Subsection (a) of this Section 3.3, the holder of any share of Series B Preferred Shares thereafter surrendered for conversion shall become entitled to receive any shares of the Corporation other than Common Shares, thereafter the Series B Conversion Price of such other shares so receivable upon conversion of any Series B Preferred Shares shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Shares contained in this Section.

(d) If at any time, the Corporation issues or sells, or is deemed to have issued or sold, or issues any rights, options or convertible securities permitting the acquisition of, any Common Shares for a consideration per share less than the conversion price in effect immediately prior to the time of such issue or sale (unless the provisions of Subsections (a), (b), (c), (h), (i) or (j) hereof shall be applicable, in which event this Subsection (d) shall not apply), the conversion

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying the conversion price in effect immediately prior to such issue or sale times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such issue or sale, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

(e) If the Corporation shall issue or sell its Common Shares, for the consideration per share which is below Five Dollars ($5.00) per share (unless the provisions of subsections (a), (b), (c), (d), (h) , (i) or (j) hereof shall be applicable, in which event this subsection (e) shall not apply), the conversion price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying Five Dollars ($5.00) times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such sale or issue, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

(f) No adjustments shall be made pursuant to this Section 3.3 unless such adjustment would require an increase or decrease of at least one percent (1%) in the number of Common Shares issuable upon the conversion of the Series B Preferred Shares; provided, however, that any adjustments which by reason of this Subsection (f) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations shall be made to the nearest one-thousandth (1/1000) of a share.

(g) As used herein, the term “Current Market Value” shall be the last reported sales price or latest closing bid and ask prices for the Common Shares on any national securities exchange or the Nasdaq National Market. If the Common Shares are not so listed or admitted to trading, the term “Current Market Value” shall be the fair market value on a going concern basis, disregarding any control premiums and minority interest discounts, of the Common Shares as determined by the Board after consideration of (i) published valuations of similar other companies in like industries, (ii) reports or valuations of one (1) or more independent qualified appraisers or investment banking concerns as deemed appropriate and necessary by the Board, (iii) the purchase and sale prices of Common Shares that have been sold by holders thereof in arm’ s-length transactions with unaffiliated third parties, and (iv) such other information as deemed appropriate by the Board.

(h) An equitable adjustment of the Series B Conversion Price shall be made in the event of any fundamental transaction involving the reclassification or modification of the Common Shares or extraordinary distributions with respect to the Common Shares, whether or not such transaction is specifically mentioned in the foregoing paragraphs.

(i) In the case of any consolidation or merger of the Corporation into another corporation, or in the case of any merger of another corporation into the Corporation, other than a merger with a corporation in which merger the Corporation is the continuing corporation and which does not result in any reclassification, conversion, exchange or cancellation of outstanding Common Shares, or in the case of any lease or transfer to another corporation of all or substantially all of the assets of the Corporation, the holder of each share of the Series B Preferred Shares then outstanding shall have the right thereafter, subject to the terms and conditions of this Section 3.3(i), to convert such Share into the kind and amount of shares and other securities and property

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

receivable upon such consolidation, merger, lease or transfer by a holder of the number of Common Shares into which such share of Series B Preferred Shares might have been converted pursuant to this Section 3.3 immediately prior to such consolidation, merger, lease or transfer and effective provision shall be made in the Articles of Incorporation or charter of the resulting or surviving corporation or otherwise so that the provisions set forth in this Section 3.3 shall thereafter be applicable, as nearly as practicable to any such other shares and other securities and property deliverable upon conversion of the Series B Preferred Shares pursuant to this Section 3.3(i) remaining outstanding or other convertible preferred Shares received by the holders in place thereof; and any such resulting or surviving corporation shall expressly assume the obligation to deliver, upon the exercise of the conversion privilege, such shares, securities or property as the holders of the Series B Preferred Shares remaining outstanding, or other convertible preferred Shares received by the holders in place thereof, may be entitled, and to make provisions for the protection of the conversion right as herein provided, and the provisions of these Articles of Incorporation shall remain outstanding after such reorganization. In case securities or property other than Common Shares shall be issuable or deliverable upon conversion as aforesaid, then all references in this Section 3.3(i) shall be deemed to apply, so far as appropriate and as nearly as practicable, to such other securities or property. This provision of this Section 3.3(i) shall similarly apply to successive reorganizations, consolidations, mergers, leases or transfers.

(j) The Series B Conversion Price shall not be adjusted as a result of any grant, sale or issuance of any security pursuant to any existing or future employee benefit plan, including, but not limited to any bonus, retirement, pension, profit sharing, savings, Shares option, Shares appreciation, Shares purchase, incentive, deferred compensation or employment plan or agreement.

3.4 Fractional Shares and Certificate as to Adjustments.

(a) In lieu of issuing fractional shares upon a conversion of Series B Preferred Shares, the Corporation shall pay cash equal to the fraction multiplied by the then Current Market Value of one (1) Common Share. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of Series B Preferred Shares the holder is at the time converting into Common Shares and the number of Common Shares issuable upon such aggregate conversion.

(b) Upon the occurrence of each adjustment of the Series B Conversion Price pursuant to this Section, the Corporation, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of Series B Preferred Shares a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based.

3.5 Notice of Record Date, Etc. If the Corporation authorizes payment or other distribution to shareholders of any dividend or other distribution, any right or subscribe for, purchase or otherwise acquire any shares of any series or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Series B Preferred Shares as promptly as Possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice specifying the date on which a record is to be taken for the purpose of such dividend, distribution or right, or if a record is not to be taken, the date as

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

of which the holders to be entitled to such dividend, distribution or right is to be determined, and the amount and character of such dividend, distribution, or right. In case (i) the Corporation shall take any other action which would require an adjustment in the Series B Conversion Price pursuant to Section 3.3 hereof; or (ii) there shall be any reorganization or reclassification of the Common Shares, other than a subdivision or combination of the outstanding Common Shares and other than a change in the par value of the Common Shares, or any consolidation or merger to which the Corporation is a party or any statutory exchange of securities with another corporation and for which approval of any shareholders of the Corporation is required, or any sale or transfer of all or substantially all of the assets of the Corporation; or (iii) there shall be a voluntary or involuntary liquidation, dissolution or winding up of the Corporation then in each such case the Corporation shall give to the holders of Series B Preferred Shares, as promptly as possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice stating (i) the date on which a record is to be taken for the purpose of such action or (ii) the date on which such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up is expected to become effective or occur, and the date as of which it is expected that holders of Common Shares of record shall be entitled to exchange their Common Shares for securities, cash or other property deliverable upon such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up.

3.6 Reservation of Common Shares Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued Common Shares, solely for the purpose of effecting the conversion of the Series B Preferred Shares, such number of Common Shares as shall from time to time be sufficient to effect the conversion of all outstanding Series B Preferred Shares. If at any time the number of authorized but unissued Common Shares shall not be sufficient to effect the conversion of all then outstanding Series B Preferred Shares, the Corporation shall take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common Shares to such number of shares as shall be sufficient for such purpose.

3.7 Transfer Taxes, Etc. The Corporation shall pay any and all documentary stamp, issue or transfer taxes, and any similar taxes payable in respect of the issue or delivery of Common Shares upon conversions of Series B Preferred Shares pursuant hereto; provided, however, that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue or delivery of Common Shares in a name other than that of the holder of the Series B Preferred Shares to be converted and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

3.8 Notices. Any notice required by the provisions of this Section to be given to the holders of Series B Preferred Shares shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified, and addressed to each holder of record at the address of such holder appearing on the Shares transfer books of the Corporation.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 4. Voting Rights

The holders of the Series B Preferred Shares shall not be entitled to vote except as provided by law.

Section 5. Redemption

5.1 The Corporation may not redeem any Series B Preferred Shares until two (2) years from the first date any such shares are issued. Thereafter, the Series B Preferred Shares may be redeemed in whole or in part by the Corporation at its election expressed by resolution of the Board, upon not less than thirty (30) days previous notice to the holders of record of the Series B Preferred Shares to be redeemed, given by mail, upon payment of the amount of any dividends accrued and unpaid thereon to the date fixed for redemption plus a redemption price per Share set forth below:

May 3, 1998 to May 2, 1999	$46.40
May 3, 1999 to May 2, 2000	43.20
May 3, 2000 to May 2, 2001	42.66
May 3, 2001 to May 2, 2002	42.14
May 3, 2002 to May 2, 2003	41.60
May 3, 2003 to May 2, 2004	41.06
May 3, 2004 to May 2, 2005	40.54
May 3, 2005 and thereafter	40.00

5.2 Any notice of redemption mailed to a holder of Series B Preferred Shares at his or her address as the same shall appear on the books of the Corporation shall be conclusively presumed to have been given whether or not the holder receives the notice. Each such notice shall state the redemption date; the redemption price applicable to the shares to be redeemed; the place or places where such shares are to be surrendered; that dividends on shares to be redeemed will cease to accrue on the redemption date; and that shares to be redeemed may be converted at any time prior to the close of business on the business day next preceding the redemption date as hereinafter provided (such notice to state the Conversion Price, if any, at the time applicable). No immaterial defect in any such notice to any holder of Series B Preferred Shares shall affect the validity of the proceedings for the redemption of any other such Series B Preferred Shares.

5.3 From and after the redemption date (unless default shall be made by the Corporation in paying the redemption price of the shares called for redemption, plus all accrued and unpaid dividends thereon), all dividends on the Series B Preferred Shares called for redemption shall cease to accrue and all rights of the holders thereof as shareholders of the Corporation, except the right to receive the redemption price as hereinafter provided, shall cease and terminate. The respective holders of record of the Series B Preferred Shares to be redeemed shall be entitled on and after the redemption date to receive the redemption price at any time upon actual delivery to the Corporation of certificates for the number of shares to be redeemed, duly endorsed in blank or accompanied by proper instruments of assignment and transfer thereof duly endorsed in blank.

5.4 Any Series B Preferred Shares redeemed pursuant to the provisions of this Section 5 shall be retired and given the status of authorized and unissued Preferred Shares, undesignated as to series, subject to reissuance by the Corporation as Preferred Shares of one (1) or more series, as may be determined from time to time by the Board, but such shares shall not be reissued as Series B Preferred Shares.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 6. Other Provisions

6.1 Default. If at any time the Corporation shall have failed to make a required dividend payment, thereafter and until such dividend shall have been paid, (i) the Corporation shall not declare or pay any dividends on or make any distributions with respect to the Common Shares or shares of any other series or subseries of the Corporation' s capital Shares ranking junior as to liquidation rights to the Series B Preferred Shares; and (ii) neither the Corporation nor any subsidiary shall purchase any Common Shares or shares of any other series or subseries of the Corporation' s capital Shares ranking junior as to liquidation rights to the Series B Preferred Shares.

6.2 Amendments. So long an any of the Series B Preferred Shares are outstanding, the Corporation will not:

(a) amend, alter or repeal, directly or indirectly, whether by merger, consolidation or otherwise, any of the provisions applicable to the Series B Preferred Shares so as to change the dividend payable thereon, the amount payable thereon upon liquidation or any of the other provisions applicable thereto without the affirmative vote or consent of the holders of at least two-thirds (2/3) thereof at the time outstanding, voting as a separate series, given in person or by proxy, either in writing or by resolution adopted at a special meeting called for the purpose; or

(b) create, directly or indirectly, whether by merger, consolidation or otherwise, any other series of Shares ranking senior to or on a parity with the Series B Preferred Shares as to dividends, or upon liquidation, or increase the authorized number of shares of any other series of Shares ranking senior to or on a parity with the Series B Preferred Shares without the affirmative vote or consent, in addition to all other votes or consents required hereby or by the laws of Ohio, of the holders of at least two-thirds (2/3) of the Series B Preferred Shares at the time outstanding voting together as a single series separate from the holders of any other series or subseries of Shares of the Company, given in person or by proxy, either in writing or by resolution adopted at a special meeting called for the purpose.

DIVISION III. EXPRESS TERMS OF THE COMMON SHARES. The Common Shares shall be subject to the express terms of the Preferred Shares and any series thereof. Each share of Common Shares shall be equal to every other share of Common Shares and the holders thereof shall be entitled to one vote for each share of such shares on all questions presented to the shareholders. To the extent permitted by law, no vote of the holders of Common Shares, as a class, is required in connection with the authorization of shares of any class that are convertible into Common Shares.

FIFTH: With the exception of the rights granted pursuant to Article FOURTH, Division I, Section 6.3 hereof, no holder of any shares of this Corporation shall have any pre-emptive rights to subscribe for or to purchase any shares of this Corporation of any series whether such shares or such series be now or hereafter authorized or to purchase or subscribe for securities convertible into or exchangeable for shares of any series or to which shall be attached or appertained any warrants or rights entitling the holder thereof to purchase or subscribe for shares of any series.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SIXTH: This Corporation, through the Board, shall have the right and power to purchase any of its outstanding shares at such price and upon such terms as may be agreed upon between the Corporation and any selling shareholder.

SEVENTH: No shareholder shall have the right to vote cumulatively in the election of Directors.

EIGHTH: The affirmative vote of shareholders entitled to exercise a majority of the voting power shall be required to amend these Articles of Incorporation, approve mergers and to take any other action which by law must be approved by a specified percentage of all outstanding shares entitled to vote.

NINTH: These Amended Articles of Incorporation supersede the existing Amended Articles of Incorporation of the Corporation.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ATTACHMENT TO CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION OF MULTI-COLOR CORPORATION

Pursuant to ORC § 1701.71, the Fourth Article of the Amended Articles of Incorporation of Multi-Color Corporation ("Corporation") filed with the Ohio Secretary of State on September 13, 1999, shall be amended to read as follows:

FOURTH: The maximum number of shares which the Corporation is authorized to have outstanding is (i) Twenty-Five Million (25,000,000) shares of common stock, without par value (the "Common Shares"); and (ii) One Million (1,000,000) shares of preferred stock, without par value (the "Preferred Shares," and together with the Common Shares, collectively referred to herein as the "Shares").

The holders of the Preferred Shares shall be entitled to receive dividends out of any funds of the Corporation at the time legally available for dividends when and as declared by the Board of Directors of the Corporation (the "Board") at such rate as shall be fixed by the Board before any sum shall be set apart or applied to the redemption or purchase or any dividend shall be declared or paid upon or set apart for any class or series of Common Shares. In the event of any liquidation, dissolution or winding up of the Corporation, the holders of Preferred Shares shall be entitled to receive out of the assets of the Corporation payment of any amount per share as determined by the Board as a liquidation price (including accrued dividends, if any) before any distribution of assets shall be made to the holders of any class or series of Common Shares.

The Board shall have the express authority from time to time to adopt amendments to these Articles of Incorporation with respect to any unissued or treasury Preferred Shares and thereby to fix or change the division of such shares into classes (referred to herein as "series") or series (referred to herein as "subseries") and the designation and authorized number of shares of each series or subseries and to provide for each such series or subseries: dividend or distribution rate; dates of payment of dividends or distributions; dates from which dividends or distributions are cumulative; liquidation price; redemption rights and prices; sinking fund requirements; conversion rights; restrictions on the issuance of shares any class or series; and such other designations, preferences and relative, participating, optional or other special rights, powers and privileges of and qualifications, limitations or restrictions on the rights of holders of shares of any series or subseries as may be determined by the Board. The Board is hereby endowed with the maximum authority permitted by law to establish the express terms of any unissued or treasury Preferred Shares. It is the express intention of the shareholders that if, after the date hereof, the Ohio General Corporation Law is amended to increase the authority of the Board in this respect, the Board shall have such increased authority without further amendment of these Articles of Incorporation.

DIVISION I. EXPRESS TERMS OF SERIES A PREFERRED SHARES. Fifty-two Thousand Five Hundred (52,500) shares of the Preferred Shares shall be designated as a separate series referred to as Series A Preferred Shares (the "Series A Preferred Shares"). The preferences and relative participating, optional and other special rights, and qualifications, limitations and restrictions thereof, of the Series A Preferred Shares are hereby fixed as follows:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 1. Dividends

1.1 The holders of outstanding Series A Preferred Shares shall be entitled to receive fully cumulative dividends, when, and as declared by the Board, out of funds legally available therefor and in preference to any dividends payable to holders of Common Shares of the Corporation or of any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series A Preferred Shares, at a rate per annum of Four Dollars and Twenty-five Cents ($4.25), payable quarterly in arrears. The dividend rate is subject to adjustment based upon stock splits, stock dividends or combinations. Each quarterly dividend is payable for a quarterly dividend period. (Hereinafter referred to as a "Quarterly Dividend Period" or "Quarterly Dividend Periods"), which Quarterly Dividend Periods shall commence on January 1, April 1, July 1 and October 1 of each year. Dividends for the Quarterly Dividend Period shall be payable quarterly on the last day of each March, June, September and December commencing on June 30, 1996 and shall be paid to holders of record on such respective dates which, with respect to the initial quarterly dividend payment date, shall not be earlier than the date on which shares of such series are first issued and, with respect to subsequent quarterly dividend payment dates, shall not exceed fifty (50) days preceding such quarterly dividend payment dates, as may be determined by the Board in advance of the payment of the particular dividend. Dividends shall commence to accrue from the date of original issuance of the Series A Preferred Shares. The initial dividend shall be declared and paid only for that portion of the Quarterly Dividend Period for which the Series A Preferred Shares is actually outstanding.

Holders of outstanding Series A Preferred Shares shall not be entitled to any dividends, whether payable in cash, property or Shares, in excess of full cumulative dividends, as provided in the immediately preceding paragraph, on the Series A Preferred Shares.

If at any time, the Corporation pays less than the total amount of dividends then accrued upon the Series A Preferred Shares and any other Shares ranking on a parity as to dividends with the Series A Preferred Shares, dividends declared upon Series A Preferred Shares and such other Shares shall be declared pro rata so that in all cases the amount of dividends declared per share on the Series A Preferred Shares and such other Shares shall bear to each other the same ratio that accumulated dividends per share on the Series A Preferred Shares and such other Shares bear to each other.

In no event, so long as any Series A Preferred Shares shall remain outstanding, shall the Corporation declare, pay or set aside any dividend on, declare, make or set apart any other distribution of any kind (except distributions in Common Shares or any other series or subseries of capital Shares ranking, as to dividends and liquidation rights, junior to the Series A Preferred Shares (the "Junior Shares")), in respect of, or purchase, redeem or otherwise acquire, the Common Shares or any Junior Shares, under any circumstances, unless, on the date of such declaration, in the case of a dividend, or on the date of such distribution, in the case of a distribution, full cumulative dividends on all outstanding Series A Preferred Shares for all dividend payment periods terminating on or prior to the date of such declaration or distribution shall have been paid or declared and funds set aside for such payment and sufficient funds are set aside for the payment of the dividend for the current dividend payment period, or pro rata portion thereof; provided, however, that nothing hereinabove shall prevent the Corporation from exercising any rights it may have to purchase Common Shares from any employee, consultant or director of the Corporation upon termination of their employment with the Corporation or otherwise.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 2. Liquidation Preference

2.1 *Liquidation*. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Series A Preferred Shares shall be entitled, before any distribution or payment is made upon any share of Common Shares or any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series A Preferred Shares (but after preferential distributions or payments required to be made on any other securities of the Corporation senior to the Series A Preferred Shares) to be paid Fifty Dollars ($50) per Series A Preferred Share out of the assets of the Corporation available for distribution (subject to adjustment for stock splits, stock combinations, stock dividends, reclassifications and similar other events affecting the Series A Preferred Shares) plus any dividends on the Series A Preferred Shares provided for by Section 1 hereof that have been declared by the Board but are unpaid through the date of distribution to the holders of the outstanding Series A Preferred Shares in connection with such liquidation, dissolution or winding up (the "Series A Liquidation Preference"). If upon a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the assets to be distributed among the holders of Series A Preferred Shares (and all holders of other Preferred Shares of the Corporation ranking on parity with the Series A Preferred Shares in the event of a liquidation, dissolution or winding up of the Corporation) shall be insufficient to permit payments in full to the holders of Series A Preferred Shares of the Series A Liquidation Preference, then all assets of the Corporation available for distribution to shareholders after the Corporation has made preferential distributions or payments required to be made on any other securities of the Corporation senior to the Series A Preferred Shares shall be distributed ratably among the holders of Series A Preferred Shares and all holders of other Preferred Shares of the Corporation ranking on parity with the Series A Preferred Shares.

2.2 *Other Distributions*. Upon any liquidation, dissolution or winding up of the Corporation, immediately after the holders of Series A Preferred Shares and any other series of Preferred Shares shall have been paid in full any Preferred Shares liquidation preferences that they are respectively entitled to, the remaining assets of the Corporation available for distribution shall be distributed to the holders of the Common Shares on a pro rata basis.

2.3 *Notice*. Written notice of any liquidation, dissolution or winding up and any related distribution, stating the payment date and the place where said payments shall be made, shall be given by mail, postage prepaid, or by telecopy to non-U.S. residents, not less than twenty (20) days prior to the payment date stated therein, to the holders of Series A Preferred Shares, such notice to be addressed to each such holder as its address as shown on the records of the Corporation.

Section 3. Conversion

3.1 *Right to Convert*.

(a) Subject to Section 3.3 hereof, each share of Series A Preferred Shares shall be convertible, at any time, before a liquidating payment is made to the holder of such Series A Preferred Shares pursuant to Section 2 hereof, at the option of the holder thereof, at the office of the Corporation or any transfer agent for such shares, into the number of fully paid and nonassessable Common Shares provided for below.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(b) Each share of Series A Preferred Shares shall be convertible into such number of fully paid and nonassessable Common Shares as is determined by dividing Fifty Dollars ($50.00) per share by the Series A Conversion Price (as defined below), determined as hereafter provided, in effect at the time of conversion. The initial Series A Conversion Price shall be Five Dollars ($5.00) per share; provided, however that such Conversion Price shall be subject to adjustment as set forth below.

3.2 *Mechanics of Conversion*. Before any holder of Series A Preferred Shares shall be entitled to convert the same into Common Shares, such holder shall surrender the certificates for the Series A Preferred Shares, duly endorsed, at the office of the Corporation or of any transfer agent for such shares, and shall give written notice by registered or certified mail, postage prepaid, to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for Common Shares are to be issued. (A holder of Series A Preferred Shares may not effect a transfer of shares pursuant to conversion unless all applicable restrictions on transfer are complied with.) The Corporation shall, as soon as practicable, issue and deliver at such office to such holder of Series A Preferred Shares, or to the nominee or nominee of such holder, a certificate or certificates for the number of Common Shares to which such holder shall be entitled as provided above. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the certificate or certificates representing the Series A Preferred Shares being converted, and the person or persons entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Shares as of such date.

3.3 *Conversion Price Adjustments*. The Series A Conversion Price shall be subject to adjustment from time to time as follows:

(a) If the Corporation shall (i) pay a dividend or make a distribution on its Common Shares in additional Common Shares, (ii) subdivide its outstanding Common Shares into a greater number of shares, (iii) combine its outstanding Common Shares into a lesser number of shares or (iv) issue by reclassification of its Common Shares any shares of capital stock of the Corporation, then, in each such case, the Series A Conversion Price in effect immediately prior to such action shall be adjusted so that the holder of any share of Series A Preferred Shares thereafter surrendered for conversion shall be entitled to receive the number of Common Shares or other capital stock of the Corporation which he or she would have owned or been entitled to receive immediately following such action had such share been converted immediately prior to the occurrence of such event. An adjustment made pursuant to this Subsection (a) shall become effective immediately after the record date, in the case of a dividend or distribution, or immediately after the effective date, in the case of a subdivision, combination or reclassification.

(b) If the Corporation shall, by dividend or otherwise, distribute to all holders of its outstanding Common Shares, in respect of such Common Shares (and not to all holders of Series A Preferred Shares, in respect of such Series A Preferred Shares), shares of capital stock, other than Common Shares, evidences of its indebtedness or assets (including securities and cash, but excluding (i) any regular periodic cash dividends of the Corporation (provided that the Corporation is not then in default in paying holders of the Series A Preferred Shares their fully cumulative preferred dividend), (ii) dividends or distributions payable in Shares for which adjustment is made pursuant to Subsection (a) of this Section 3.3 and (iii) distributions made and contemplated by Section 2.2 hereof), or rights or warrants to subscribe for or purchase securities of the Corporation, then, in each such case, the Series A Conversion Price shall be adjusted so that it shall equal the price

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

determined by multiplying the Series A Conversion Price in effect immediately prior to the record date of such distribution by a fraction, the numerator of which shall be the Current Market Value (as defined below) per share of the Common Shares less the fair market value on such record date, as determined by the Board, whose determination shall be described in the notice of adjustment of Series A Conversion Price given as herein provided, of the portion of the capital Shares or assets or the evidences of indebtedness or assets so distributed to the holder of one share of Common Shares or of such subscription rights or warrants applicable to one share of Common Shares, and the denominator of which shall be such Current Market Value per share of Common Shares. Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Such adjustment shall be made successively whenever such a record date is fixed and in the event such distribution is not so made, the Conversion Price shall be adjusted back to the Conversion Price which would then be in effect if such record date had not been fixed.

(c) If, as a result of an adjustment made pursuant to Subsection (a) of this Section 3.3, the holder of any Series A Preferred Shares thereafter surrendered for conversion shall become entitled to receive any shares of the Corporation other than Common Shares, thereafter the Series A Conversion Price of such other shares so receivable upon conversion of any Series A Preferred Shares shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Shares contained in this Section.

(d) If at any time, the Corporation issues or sells, or is deemed to have issued or sold, or issues any rights, options or convertible securities permitting the acquisition of, any Common Shares for a consideration per share less than the conversion price in effect immediately prior to the time of such issue or sale (unless the provisions of Subsections (a), (b), (c), (h), (i) or (j) hereof shall be applicable, in which event this Subsection (d) shall not apply), the conversion price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying the conversion price in effect immediately prior to such issue or sale times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such issue or sale, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

(e) If the Corporation shall issue or sell its Common Shares, for the consideration per share which is below Five Dollars ($5.00) per share (unless the provisions of subsections (a), (b), (c), (d), (h), (i) or (j) hereof shall be applicable, in which event this Subsection (e) shall not apply), the conversion price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying Five Dollars ($5.00) times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such sale or issue, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

(f) No adjustments shall be made pursuant to this Section 3.3 unless such adjustment would require an increase or decrease of at least one percent (1%) in the number of Common Shares issuable upon the conversion of the Series A Preferred Shares; provided, however, that any adjustments which by reason of this subsection (f) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations shall be made to the nearest one-thousandth (1/1000) of a share.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(g) As used herein, the term “Current Market Value” shall be the last reported sales price or the latest closing bid and ask prices for the Common Shares on any national securities exchange or the Nasdaq National Market. If the Common Shares are not so listed or admitted to trading, the term “Current Market Value” shall be the fair market value on a going concern basis, disregarding any control premiums and minority interest discounts, of the Common Shares as determined by the Board after consideration of (i) published valuations of similar other companies in like industries, (ii) reports or valuations of one (1) or more independent qualified appraisers or investment banking concerns as deemed appropriate and necessary by the Board, (iii) the purchase and sale prices of Common Shares that have been sold by holders thereof in arm’ s length transactions with unaffiliated third parties, and (iv) such other information as deemed appropriate by the Board.

(h) An equitable adjustment of the Series A Conversion Price shall be made in the event of any fundamental transaction involving the reclassification or modification of the Common Shares or extraordinary distributions with respect to the Common Shares, whether or not such transaction is specifically mentioned in the foregoing paragraphs.

(i) In the case of any consolidation or merger of the Corporation into another corporation, or in the case of any merger of another corporation into the Corporation, other than a merger with a corporation in which merger the Corporation is the continuing corporation and which does not result in any reclassification, conversion, exchange or cancellation of outstanding Common Shares, or in the case of any lease or transfer to another corporation of all or substantially all of the assets of the Corporation, the holder of each share of the Series A Preferred Shares then outstanding shall have the right thereafter, subject to the terms and conditions of this Section 3.3(i), to convert such Share into the kind and amount of shares and other securities and property receivable upon such consolidation, merger, lease or transfer by a holder of the number of Common Shares into which such share of Series A Preferred Shares might have been converted pursuant to this Section 3.3 immediately prior to such consolidation, merger, lease or transfer; and effective provision shall be made in the Articles of Incorporation or charter of the resulting or surviving corporation or otherwise so that the provisions set forth in this Section 3.3 shall thereafter be applicable, as nearly as practicable, to any such other shares and other securities and property deliverable upon conversion of the Series A Preferred Shares pursuant to this Section 3.3(i) remaining outstanding or other convertible preferred Shares received by the holder in place thereof; and any such resulting or surviving corporation shall expressly assume the obligation to deliver, upon the exercise of the conversion privilege, such shares, securities or property as the holders of the Series A Preferred Shares remaining outstanding, or other convertible preferred Shares received by the holders in place thereof, may be entitled, and to make provisions for the protection of the conversion right as herein provided, and the provisions of this Section 3 shall remain outstanding after such reorganization. In case securities or property other than Common Shares shall be issuable or deliverable upon conversion as aforesaid, then all references in this Section 3.3(i) shall be deemed to apply, so far as appropriate and as nearly as practicable, to such other securities or property. This provision of this Section 3.3(i) shall similarly apply to successive reorganizations, consolidations, mergers, leases or transfers.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(j) The Series A Conversion Price shall not be adjusted as a result of any grant, sale or issuance of any security pursuant to any existing or future employee benefit plan, including but not limited to, any bonus, retirement, pension, profit sharing, savings, Shares option, Shares appreciation, Shares purchase, incentive, deferred compensation or employment plan or agreement.

3.4 *Fractional Shares and Certificate as to Adjustments.*

(a) In lieu of issuing fractional shares upon a conversion of Series A Preferred Shares, the Corporation shall pay cash equal to the fraction multiplied by the Current Market Value of one (1) Common Share. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of Series A Preferred Shares the holder is at the time converting into Common Shares and the number of Common Shares issuable upon such aggregate conversion.

(b) Upon the occurrence of each adjustment of the Series A Conversion Price pursuant to this Section, the Corporation, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Shares a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based.

3.5 *Notice of Record Date, Etc*. If the Corporation authorizes payment or other distribution to shareholders of any dividend or other distribution, any right or subscribe for, purchase or otherwise acquire any shares of any series or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Series A Preferred Shares as promptly as possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice specifying the date on which a record is to be taken for the purpose of such dividend, distribution or right, or if a record is not to be taken, the date as of which the holders to be entitled to such dividend, distribution or right is to be determined, and the amount and character of such dividend, distribution, or right. In case (i) the Corporation shall take any other action which would require an adjustment in the Series A Conversion Price pursuant to Section 3.3 hereof; or (ii) there shall be any reorganization or reclassification of the Common Shares, other than a subdivision or combination of the outstanding Common Shares and other than a change in the par value of the Common Shares, or any consolidation or merger to which the Corporation is a party or any statutory exchange of securities with another corporation and for which approval of any shareholders of the Corporation is required, or any sale or transfer of all or substantially all of the assets of the Corporation; or (iii) there shall be a voluntary or involuntary liquidation, dissolution or winding up of the Corporation; then in each such case the Corporation shall give to the holders of Series A Preferred Shares, as promptly as possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice stating (i) the date on which a record is to be taken for the purpose of such action or (ii) the date on which such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up is expected to become effective or occur, and the date as of which it is expected that holders of Common Shares of record shall be entitled to exchange their Common Shares for securities, cash or other property deliverable upon such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

3.6 *Reservation of Common Shares Issuable Upon Conversion*. The Corporation shall at all times reserve and keep available out of its authorized but unissued Common Shares, solely for the purpose of effecting the conversion of the Series A Preferred Shares, such number of Common Shares as shall from time to time be sufficient to effect the conversion of all outstanding Series A Preferred Shares. If at any time the number of authorized but unissued Common Shares shall not be sufficient to effect the conversion of all then outstanding Series A Preferred Shares, the Corporation shall take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common Shares to such number of shares as shall be sufficient for such purpose.

3.7 *Transfer Taxes, Etc*. The Corporation shall pay any and all documentary stamp, issue or transfer taxes, and any similar taxes payable in respect of the issue or delivery of Common Shares upon conversions of Series A Preferred Shares pursuant hereto; provided, however, that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue or delivery of Common Shares in a name other than that of the holder of the Series A Preferred Shares to be converted and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

3.8 *Notices*. Any notice required by the provisions of this Section to be given to the holders of Series A Preferred Shares shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified, and addressed to each holder of record at the address of such holder appearing on the Shares transfer books of the Corporation.

Section 4. Voting Rights

The holders of the Series A Preferred Shares shall not be entitled to vote except as provided in this Section and as otherwise provided by law.

4.1 If at any time the Corporation shall be in default in the payment of dividends on any of the outstanding Series A Preferred Shares in an amount of four (4) full quarterly dividends, whether or not consecutive, the number of directors constituting the Board shall automatically without the necessity of undertaking any other corporate actions be increased by two (2), and the holders of the outstanding Series A Preferred Shares of the Corporation, voting as a separate series, shall be entitled to elect immediately two (2) directors to fill such newly created directorships. The Corporation shall use its best efforts to immediately effectuate the intentions of this provision.

4.1.1 When all arrearages in dividends with respect to the Series A Preferred Shares then outstanding shall have been paid and dividends thereon for the current quarterly period shall have been paid, (i) the right of holders of the outstanding Preferred Shares to elect directors pursuant to paragraph 4.1 above shall cease, but subject to the same provisions for vesting of such voting rights in the case of any similar future arrearages in dividends; (ii) the term of the directors then in office elected by holders of the outstanding Preferred Shares as a series shall forthwith terminate; and (iii) the number of directors constituting the Board shall be reduced by two (2).

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

4.1.2 If the Board shall be divided into two (2) or more classes, the directors elected by the holders of the outstanding Preferred Shares shall be distributed among the several classes of directors as nearly equally as possible.

4.2 In addition to the provisions regarding the election of directors set forth in Section 4.1 above, the holders of the Series A Preferred Shares shall have the right, voting separately as a series, to elect one (1) member to the Board so long as (i) at least twenty thousand (20,000) shares of the Series A Preferred Shares remain outstanding or (ii) holders of the Series A Preferred Shares hold at least two hundred thousand (200,000) shares of Common Shares that have been issued upon conversion of the Series A Preferred Shares.

4.3 Whenever the right to elect directors by this Section 4 shall vest, it may be exercised initially either at a special meeting of holders of the outstanding Series A Preferred Shares or at any meeting of shareholders, but thereafter it shall be exercised only at annual shareholders' meetings. A special meeting for the exercise of such right shall be called by the Secretary of the Corporation within ten (10) days after receipt of a written request therefor, signed by the holders of record of at least ten percent (10%) of the then outstanding Series A Preferred Shares; provided, however, no such special meeting shall be held during the ninety (90) day period preceding the date fixed for the annual meeting of shareholders.

4.4 Any director who shall have been elected by holders of the Series A Preferred Shares as a series shall hold office for a term expiring (subject to the earlier termination of the default in dividends) at the next annual meeting of shareholders, and during such term may be removed by such holders for cause at any time, but may be removed without cause by such holders only by the affirmative votes of holders of record of a majority of the then outstanding Series A Preferred Shares given at a special meeting of such Shareholders called for such purpose. Any vacancy created by such removal may also be filled at such special meeting. A meeting for the removal without cause of a director elected by holders of the outstanding Series A Preferred Shares as a series and the filling of the vacancy created thereby shall be called by the Secretary of the Corporation within ten (10) days after receipt of a written request therefor, signed by the holders of record of at least twenty-five percent (25%) of the then outstanding Series A Preferred Shares. Such meeting shall be held at the earliest practicable date thereafter in accordance with the Corporation's Articles of Incorporation, Code of Regulations and applicable state law.

4.5 Any vacancy caused by the removal for cause or by the death, disability or resignation of a director who shall have been elected by the holders of the outstanding Series A Preferred Shares as a series may be filled only by the holders of the outstanding Series A Preferred Shares at a meeting called for such purpose. Such meeting of the holders of the outstanding Series A Preferred Shares shall be called by the Secretary of the Corporation at the earliest practicable date after any such removal, death, disability or resignation and in any event within ten (10) days after receipt of a written request therefor, signed by the holders of record of at least ten percent (10%) of the then outstanding Series A Preferred Shares.

4.6 If any meeting of the holders of the outstanding Series A Preferred Shares required by this Section 4.6 to be called shall not have been called within ten (10) days after receipt of a written request therefor by the Secretary of the Corporation as provided herein, or within fifteen (15) days after mailing the same within the United States of America by registered mail addressed to the

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Secretary of the Corporation at its principal office, the holders of record of at least ten percent (10%) of the then outstanding Series A Preferred Shares may designate in writing one of their number to call such a meeting at the expense of the Corporation, and such meeting may be called by such person so designated upon the notice required for annual meetings of shareholders. Any holder of the outstanding Series A Preferred Shares so designated shall have access to the Shares books of the Corporation for the purpose of causing meetings of shareholders to be called pursuant to these provisions.

4.7 Any meeting of holders of the outstanding Series A Preferred Shares entitled to vote as a series for the election or removal of directors shall be held at the place for the holding of the annual meeting of shareholders of the Corporation. At such meeting, the presence in person or by proxy of holders of a majority of the votes of the then outstanding Series A Preferred Shares shall be required to constitute a quorum; in the absence of a quorum, a majority of the holders present in person or by proxy shall have the power to adjourn the meeting from time to time without notice, other than announcement at the meeting, until a quorum shall be present. In lieu of a meeting of the holders of the Series A Preferred Shares, the holders of the outstanding Series A Preferred Shares may take action by a written consent of a majority of the outstanding Series A Preferred Shares, and such holders may waive all notice requirements hereunder.

4.8 So long as any Series A Preferred Shares are outstanding, the Corporation shall not, in any manner, whether by amendment to its Articles of Incorporation or Code of Regulations, by merger (whether or not the Corporation is the surviving corporation in such merger), by consolidation, or otherwise, without the written consent or the affirmative vote at a meeting called for that purpose of the holders of at least two-thirds (2/3) of the votes of the Series A Preferred Shares then outstanding, voting separately as a series, (i) amend, alter or repeal any of the provisions of the Articles of Incorporation or any resolution or resolutions establishing the Series A Preferred Shares so as to affect adversely the powers, preferences or special rights of such Series A Preferred Shares or (ii) authorize the issuance of, or authorize any obligation or security convertible into or evidencing the right to purchase shares of, any additional series or subseries of Shares ranking senior to the Series A Preferred Shares in the payment of dividends or the distribution of assets.

4.9 Nothing in this Section 4.9 shall be deemed to require any vote or consent of the holders of Series A Preferred Shares in connection with the authorization or issuance of any security ranking on a parity with or junior to the Series A Preferred Shares as to dividends and/or distribution of assets.

Section 5. Redemption

5.1 The Corporation may not redeem any Series A Preferred Shares until two (2) years from the first date any such shares are issued. Thereafter, the Series A Preferred Shares may be redeemed in whole or in part by the Corporation at its election expressed by resolution of the Board, upon not less than thirty (30) days previous notice to the holders of record of the Series A Preferred Shares to be redeemed, given by mail, upon payment of the amount of any dividends accrued and unpaid thereon to the date fixed for redemption plus a redemption price per Share set forth below:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

May 3, 1998 to May 2, 1999	$58.00
May 3, 1999 to May 2, 2000	54.00
May 3, 2000 to May 2, 2001	53.33
May 3, 2001 to May 2, 2002	52.67
May 3, 2002 to May 2, 2003	52.00
May 3, 2003 to May 2, 2004	51.33
May 3, 2004 to May 2, 2005	50.67
May 3, 2005 and thereafter	50.00

5.2 Any notice of redemption mailed to a holder of Series A Preferred Shares at his or her address as the same shall appear on the books of the Corporation shall be conclusively presumed to have been given whether or not the holder receives the notice. Each such notice shall state the redemption date; the redemption price applicable to the shares to be redeemed; the place or places where such shares are to be surrendered; that dividends on shares to be redeemed will cease to accrue on the redemption date; and that shares to be redeemed may be converted at any time prior to the close of business on the business day next preceding the redemption date as hereinafter provided (such notice to state the Conversion Price, if any, at the time applicable). No immaterial defect in any such notice to any holder of Series A Preferred Shares shall affect the validity of the proceedings for the redemption of any other shares of such Series A Preferred Shares.

5.3 From and after the redemption date (unless default shall be made by the Corporation in paying the redemption price of the shares called for redemption, plus all accrued and unpaid dividends thereon), all dividends on the Series A Preferred Shares called for redemption shall cease to accrue and all rights of the holders thereof as shareholders of the Corporation, except the right to receive the redemption price as hereinafter provided, shall cease and terminate. The respective holders of record of the Series A Preferred Shares to be redeemed shall be entitled on and after the redemption date to receive the redemption price at any time upon actual delivery to the Corporation of certificates for the number of shares to be redeemed, duly endorsed in blank or accompanied by proper instruments of assignment and transfer thereof duly endorsed in blank.

5.4 Any Series A Preferred Shares redeemed pursuant to the provisions of this Section 5 shall be retired and given the status of authorized and unissued Preferred Shares, undesignated as to series, subject to reissuance by the Corporation as Preferred Shares of one (1) or more series, as may be determined from time to time by the Board, but such shares shall not be reissued as Series A Preferred Shares.

Section 6. Other Provisions

6.1 *Default*. If at any time the Corporation shall have failed to make a required dividend payment, thereafter and until such dividend shall have been paid, (i) the Corporation shall not declare or pay any dividends on or make any distributions with respect to the Common Shares or shares of any other series or subseries of the Corporation’ s capital Shares ranking junior as to liquidation rights to the Series A Preferred Shares; and (ii) neither the Corporation nor any subsidiary shall purchase any Common Shares or shares of any other series subseries of the Corporation’ s capital Shares ranking junior as to liquidation rights to the Series A Preferred Shares.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

6.2 *Amendments*. So long as any of the Series A Preferred Shares are outstanding, the Corporation will not:

(a) amend, alter or repeal, directly or indirectly whether by merger, consolidation or otherwise, any of the provisions applicable to the Series A Preferred Shares so as to change the dividend payable thereon, the amount payable thereon upon liquidation or any of the other provisions applicable thereto without the affirmative vote or consent of the holders of at least two-thirds (2/3) thereof at the time outstanding, voting as a separate series, given in person or by proxy, either in writing or by resolution adopted at a special meeting called for the purpose; or

(b) create, directly or indirectly, whether by merger, consolidation or otherwise, any other series of Shares ranking senior to or on a parity with the Series A Preferred Shares as to dividends, or upon liquidation, or increase the authorized number of shares of any other series of Shares ranking senior to or on a parity with the Series A Preferred Shares without the affirmative vote or consent, in addition to all other votes or consents required hereby or by the laws of Ohio, of the holders of at least two-thirds (2/3) of the Series A Preferred Shares at the time outstanding voting together as a single series separate from the holders of any other series or subseries of Shares of the Company, given in person or by proxy either in writing or by resolution adopted at a special meeting called for the purpose.

6.3 *Purchase Rights*. In the event the Corporation, after the date hereof, shall make a public or private sale of its Common Shares or securities exercisable or convertible into Common Shares (“Convertible Securities”), each holder of the outstanding Series A Preferred Shares shall have the right, but not the obligation, to purchase on the same terms and conditions as the other purchasers, an amount of like securities, which when added to the other Common Shares or Convertible Securities owned by the holder, equal that percentage to which the number of Common Shares and Convertible Securities owned by the holder (excluding any securities other than the Series A Preferred Shares and Common Shares issued upon conversion of the Series A Preferred Shares) bears to Three Million Eighty Thousand Seven Hundred Eighty-nine (3,080,789). The rights granted herein to the holder shall not apply to the original issuance of the Corporation’ s Series B Convertible Preferred Shares, the conversion of the deferred compensation of John Court into Common Shares and to any grant, sale or issuance of securities pursuant to any existing or future employee benefit plan, including, but not limited, to any bonus, retirement, pension, profit sharing, savings, stock option, stock appreciation, stock purchase, incentive, deferred compensation or employment plan or, agreement. Furthermore, the rights granted hereby may not be exercised by any holder of the Series A Preferred Shares who, in the reasonable judgment of the Corporation is an owner, partner, shareholder proprietor, officer, director, manager, consultant or employee of any entity which engages in any business activity related to the Corporation’ s business.

DIVISION II. EXPRESS TERMS OF SERIES B PREFERRED SHARES. Thirteen Thousand Two Hundred Forty-two (13,242) shares of the Preferred Shares shall be designated as Series B Preferred Shares (the “Series B Preferred Shares”). The preferences and relative participating, optional and other special rights and qualifications, limitations and restrictions thereof, of the Series B Preferred Shares are hereby fixed as follows:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 1. Dividends

1.1 The holders of outstanding Series B Preferred Shares shall be entitled to receive fully cumulative dividends, when, and as declared by the Board out of funds legally available therefor and in preference to any dividends payable to holders of Common Shares of the Corporation or of any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series B Preferred Shares (but after preferential payments have been made on the Company' s Series A Convertible Preferred Shares), at a rate per annum of Four Dollars and Twenty-five Cents ($4.25), payable quarterly in arrears. The dividend rate is subject to adjustment based upon stock splits, stock dividends or combinations. Each quarterly dividend is payable for a quarterly dividend period. (Hereinafter referred to as a "Quarterly Dividend Period" or "Quarterly Dividend Periods"), which Quarterly Dividend Periods shall commence on January 1, April 1, July 1 and October 1 of each year. Dividends for the Quarterly Dividend Period shall be payable quarterly on the last day of each March, June, September and December commencing on June 30, 1996 and shall be paid to holders of record on such respective dates which, with respect to the initial quarterly dividend payment date, shall not be earlier than the date on which shares of such series are first issued and, with respect to subsequent quarterly dividend payment dates, shall not exceed fifty (50) days preceding such quarterly dividend payment dates, as may be determined by the Board in advance of the payment of the particular dividend. Dividends shall commence to accrue from the date of original issuance of the Series B Preferred Shares. The initial dividend shall be declared and paid only for that portion of the Quarterly Dividend Period for which the Series B Preferred Shares is actually outstanding.

Holders of outstanding Series B Preferred Shares shall not be entitled to any dividends, whether payable in cash, property or Shares, in excess of full cumulative dividends, as provided in the immediately preceding paragraph, on the Series B Preferred Shares.

If at any time, the Corporation pays less than the total amount of dividends then accrued upon the Series B Preferred Shares and any other Shares ranking on a parity as to dividends with the Series B Preferred Shares, dividends declared upon Series B Preferred Shares and such other Shares shall be declared pro rata so that in all cases the amount of dividends declared per share on the Series B Preferred Shares and such other Shares shall bear to each other the same ratio that accumulated dividends per share on the Series B Preferred Shares and such other Shares bear to each other.

In no event, so long as any Series B Preferred Shares shall remain outstanding, shall the Corporation declare, pay or set aside any dividend on, declare, make or set apart any other distribution of any kind (except distributions in Common Shares or any other series or subseries of capital Shares ranking, as to dividends and liquidation rights, junior to the Series B Preferred Shares (the "Junior Shares")), in respect of, or purchase, redeem or otherwise acquire, the Common Shares or any Junior Shares, under any circumstances, unless, on the date of such declaration, in the case of a dividend, or on the date of such distribution, in the case of a distribution, full cumulative dividends on all outstanding Series B Preferred Shares for all dividend payment periods terminating on or prior to the date of such declaration or distribution shall have been paid or declared and funds set aside for each payment and sufficient funds are set aside for the payment of the dividend for the current dividend payment period, or pro rata portion thereof; provided, however, that nothing hereinabove shall prevent the Corporation from exercising any rights it may have to purchase Common Shares from any employee, consultant or director of the Corporation upon termination of their employment with the Corporation or otherwise.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Section 2. Liquidation Preference

2.1 *Liquidation*. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Series B Preferred Shares shall be entitled, before any distribution or payment is made upon any share of Common Shares or any other series or subseries of the Corporation' s capital stock ranking junior as to liquidation rights to the Series B Preferred Shares (but after preferential distributions or payments required to be made on the Company' s Series A Convertible Preferred Shares and any other securities of the Corporation senior to the Series B Preferred Shares) to be paid Forty Dollars ($40.00) per share out of the assets of the Corporation available for distribution (subject to adjustment for stock splits, stock combinations, stock dividends, reclassifications and similar other events affecting the Series B Preferred Shares) plus any dividends on the Series B Preferred Shares provided for by Section 1 hereof that have been declared by the Board but are unpaid through the date of distribution to the holders of the outstanding Series B Preferred Shares in connection with such liquidation, dissolution or winding up (the "Series B Liquidation Preference"). If upon a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the assets to be distributed among the holders of Series B Preferred Shares (and all holders of other Preferred Shares of the Corporation ranking on parity with the Series B Preferred Shares in the event of a liquidation, dissolution or winding up of the Corporation) shall be insufficient to permit payment in full to the holders of Series B Preferred Shares of the Series B Liquidation Preference, then all assets of the Corporation available for distribution to shareholders after the Corporation has made preferential distributions or payments required to be made on any other securities of the Corporation senior to the Series B Preferred Shares, shall be distributed ratably among the holders of Series B Preferred Shares and all holders of other Preferred Shares of the Corporation ranking on parity with the Series B Preferred Shares.

2.2 *Other Distributions*. Upon any liquidation, dissolution or winding up of the Corporation, immediately after the holders of Series B Preferred Shares and any other series of Preferred Shares shall have been paid in full any Preferred Shares liquidation preferences that they are respectively entitled to, the remaining assets of the Corporation available for distribution shall be distributed to the holders of the Common Shares on a pro rata basis.

2.3 *Notice*. Written notice of any liquidation, dissolution or winding up and any related distribution, stating the payment date and the place where said payments shall be given by mail, postage prepaid, or by telecopy to non-U.S. residents, not less than twenty (20) days prior to the payment date stated herein, to the holders of Series B Preferred Shares, such notice to be addressed to each such holder at its address as shown on the records of the Corporation.

Section 3. Conversion

3.1 *Right to Convert.*

(a) Subject to Section 3.3 hereof, each share of Series B Preferred Shares shall be convertible, at any time before a liquidating payment is made to the holder of such Series B Preferred Shares pursuant to Section 2 hereof, at the option of the holder thereof, at the office of the Corporation or any transfer agent for such shares, into the number of fully paid and nonassessable Common Shares provided for below.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(b) Each share of Series B Preferred Shares shall be convertible into such number of fully paid and nonassessable Common Shares as is determined by dividing Fifty Dollars ($50.00) per share by the Series B Conversion Price (as defined below), determined as hereafter provided, in effect at the time of conversion. The initial Series B Conversion Price shall be Five Dollars ($5.00) per share provided, however, that such Conversion Price shall be subject to adjustment as set forth below.

3.2 *Mechanics of Conversion*. Before any holder of Series B Preferred Shares shall be entitled to convert the same into Common Shares, such holder shall surrender the certificates for the Series B Preferred Shares, duly endorsed, at the office of the Corporation or of any transfer agent for such shares, and shall give written notice by registered or certified mail, postage prepaid, to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for Common Shares are to be issued. (A holder of Series B Preferred Shares may not effect a transfer of shares pursuant to conversion unless all applicable restrictions on transfer are complied with.) The Corporation shall, as soon as practicable, issue and deliver at such office to such holder of Series B Preferred Shares, or to the nominee or nominee of such holder, a certificate or certificates for the number of Common Shares to which such holder shall be entitled as provided above. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the certificate or certificates representing the Series B Preferred Shares being converted, and the person or persons entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Shares as of such date.

3.3 *Conversion Price Adjustments*. The Series B Conversion Price shall be subject to adjustment from time to time as follows:

(a) If the Corporation shall (i) pay a dividend or make a distribution on its Common Shares in additional Common Shares, (ii) subdivide its outstanding Common Shares into a greater number of shares, (iii) combine its outstanding Common Shares into a lesser number of shares or (iv) issue by reclassification of its Common Shares any shares of capital stock of the Corporation, then, in each such case, the Series B Conversion Price in effect immediately prior to such action shall be adjusted so that the holder of any share of Series B Preferred Shares thereafter surrendered for conversion shall be entitled to receive the number of Common Shares or other capital stock of the Corporation which he or she would have owned or been entitled to receive immediately following such action had such share been converted immediately prior to the occurrence of such event. An adjustment made pursuant to this Subsection (a) shall become effective immediately after the record date, in the case of a dividend or distribution, or immediately after the effective date, in the case of a subdivision, combination or reclassification.

(b) If the Corporation shall, by dividend or otherwise, distribute to all holders of its outstanding Common Shares, in respect of such Common Shares (and not to all holders of Series B Preferred Shares, in respect of such Series B Preferred Shares), shares of capital stock, other than Common Shares, evidences of its indebtedness or assets (including securities and cash, but excluding (i) any regular periodic cash dividends of the Corporation (provided that the Corporation is not then in default in paying holders of the Series B Preferred Shares their fully cumulative preferred dividend), (ii) dividends or distributions payable in Shares for which adjustment is made pursuant to Subsection (a) of this Section 3.3 and (iii) distributions made as contemplated by Section 2.2

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

hereof), or rights or warrants to subscribe for or purchase securities of the Corporation, then, in each such case, the Series B Conversion Price shall be adjusted so that it shall equal the price determined by multiplying the Series B Conversion Price in effect immediately prior to the record date of such distribution by a fraction, the numerator of which shall be the Current Market Value (as defined below) per share of the Common Shares less the fair market value on such record date, as determined by the Board, whose determination shall be described in the notice of adjustment of Series B Conversion Price given as herein provided, of the portion of the capital Shares or assets or the evidences of indebtedness or assets so distributed to the holder of one share of Common Shares or of such subscription rights or warrants applicable to one share of Common Shares, and the denominator of which shall be such Current Market Value per share of Common Shares. Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution. Such adjustment shall be made successively whenever such a record date is fixed; and in the event such distribution is not so made, the Conversion Price shall be adjusted back to the Conversion Price which would then be in effect if such record date had not been fixed.

(c) If, as a result of an adjustment made pursuant to Subsection (a) of this Section 3.3, the holder of any share of Series B Preferred Shares thereafter surrendered for conversion shall become entitled to receive any shares of the Corporation other than Common Shares, thereafter the Series B Conversion Price of such other shares so receivable upon conversion of any Series B Preferred Shares shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Shares contained in this Section.

(d) If at any time, the Corporation issues or sells, or is deemed to have issued or sold, or issues any rights, options or convertible securities permitting the acquisition of, any Common Shares for a consideration per share less than the conversion price in effect immediately prior to the time of such issue or sale (unless the provisions of Subsections (a), (b), (c), (h), (i) or (j) hereof shall be applicable, in which event this Subsection (d) shall not apply), the conversion price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying the conversion price in effect immediately prior to such issue or sale times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such issue or sale, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

(e) If the Corporation shall issue or sell its Common Shares, for the consideration per share which is below Five Dollars ($5.00) per share (unless the provisions of subsections (a), (b), (c), (d), (h), (i) or (j) hereof shall be applicable, in which event this subsection (e) shall not apply), the conversion price will be recalculated by dividing (i) the sum of (A) the product derived by multiplying Five Dollars ($5.00) times the number of Common Shares outstanding immediately prior to such issue or sale, plus (B) the consideration, if any, received by the Corporation upon such sale or issue, by (ii) the number of Common Shares outstanding immediately after such issue or sale.

(f) No adjustments shall be made pursuant to this Section 3.3 unless such adjustment would require an increase or decrease of at least one percent (1%) in the number of Common Shares issuable upon the conversion of the Series B Preferred Shares; provided, however, that any adjustments which by reason of this Subsection (f) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations shall be made to the nearest one-thousandth (1/1000) of a share.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(g) As used herein, the term “Current Market Value” shall be the last reported sales price or latest closing bid and ask prices for the Common Shares on any national securities exchange or the Nasdaq National Market. If the Common Shares are not so listed or admitted to trading, the term “Current Market Value” shall be the fair market value on a going concern basis, disregarding any control premiums and minority interest discounts, of the Common Shares as determined by the Board after consideration of (i) published valuations of similar other companies in like industries, (ii) reports or valuations of one (1) or more independent qualified appraisers or investment banking concerns as deemed appropriate and necessary by the Board, (iii) the purchase and sale prices of Common Shares that have been sold by holders thereof in arm' s-length transactions with unaffiliated third parties, and (iv) such other information as deemed appropriate by the Board.

(h) An equitable adjustment of the Series B Conversion Price shall be made in the event of any fundamental transaction involving the reclassification or modification of the Common Shares or extraordinary distributions with respect to the Common Shares, whether or not such transaction is specifically mentioned in the foregoing paragraphs.

(i) In the case of any consolidation or merger of the Corporation into another corporation, or in the case of any merger of another corporation into the Corporation, other than a merger with a corporation in which merger the Corporation is the continuing corporation and which does not result in any reclassification, conversion, exchange or cancellation of outstanding Common Shares, or in the case of any lease or transfer to another corporation of all or substantially all of the assets of the Corporation, the holder of each share of the Series B Preferred Shares then outstanding shall have the right thereafter, subject to the terms and conditions of this Section 3.3(i), to convert such Share into the kind and amount of shares and other securities and property receivable upon such consolidation, merger, lease or transfer by a holder of the number of Common Shares into which such share of Series B Preferred Shares might have been converted pursuant to this Section 3.3 immediately prior to such consolidation, merger, lease or transfer and effective provision shall be made in the Articles of Incorporation or charter of the resulting or surviving corporation or otherwise so that the provisions set forth in this Section 3.3 shall thereafter be applicable, as nearly as practicable to any such other shares and other securities and property deliverable upon conversion of the Series B Preferred Shares pursuant to this Section 3.3(i) remaining outstanding or other convertible preferred Shares received by the holders in place thereof; and any such resulting or surviving corporation shall expressly assume the obligation to deliver, upon the exercise of the conversion privilege, such shares, securities or property as the holders of the Series B Preferred Shares remaining outstanding, or other convertible preferred Shares received by the holders in place thereof, may be entitled, and to make provisions for the protection of the conversion right as herein provided, and the provisions of these Articles of Incorporation shall remain outstanding after such reorganization. In case securities or property other than Common Shares shall be issuable or deliverable upon conversion as aforesaid, then all references in this Section 3.3(i) shall be deemed to apply, so far as appropriate and as nearly as practicable, to such other securities or property. This provision of this Section 3.3(i) shall similarly apply to successive reorganizations, consolidations, mergers, leases or transfers.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(j) The Series B Conversion Price shall not be adjusted as a result of any grant, sale or issuance of any security pursuant to any existing or future employee benefit plan, including, but not limited to any bonus, retirement, pension, profit sharing, savings, Shares option, Shares appreciation, Shares purchase, incentive, deferred compensation or employment plan or agreement.

3.4 *Fractional Shares and Certificate as to Adjustments.*

(a) In lieu of issuing fractional shares upon a conversion of Series B Preferred Shares, the Corporation shall pay cash equal to the fraction multiplied by the then Current Market Value of one (1) Common Share. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of Series B Preferred Shares the holder is at the time converting into Common Shares and the number of Common Shares issuable upon such aggregate conversion.

(b) Upon the occurrence of each adjustment of the Series B Conversion Price pursuant to this Section, the Corporation, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of Series B Preferred Shares a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based.

3.5 *Notice of Record Date, Etc.* If the Corporation authorizes payment or other distribution to shareholders of any dividend or other distribution, any right or subscribe for, purchase or otherwise acquire any shares of any series or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Series B Preferred Shares as promptly as Possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice specifying the date on which a record is to be taken for the purpose of such dividend, distribution or right, or if a record is not to be taken, the date as of which the holders to be entitled to such dividend, distribution or right is to be determined, and the amount and character of such dividend, distribution, or right. In case (i) the Corporation shall take any other action which would require an adjustment in the Series B Conversion Price pursuant to Section 3.3 hereof; or (ii) there shall be any reorganization or reclassification of the Common Shares, other than a subdivision or combination of the outstanding Common Shares and other than a change in the par value of the Common Shares, or any consolidation or merger to which the Corporation is a party or any statutory exchange of securities with another corporation and for which approval of any shareholders of the Corporation is required, or any sale or transfer of all or substantially all of the assets of the Corporation; or (iii) there shall be a voluntary or involuntary liquidation, dissolution or winding up of the Corporation then in each such case the Corporation shall give to the holders of Series B Preferred Shares, as promptly as possible, and in each case where possible at least twenty (20) days prior to the applicable date hereinafter specified, a notice stating (i) the date on which a record is to be taken for the purpose of such action or (ii) the date on which such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up is expected to become effective or occur, and the date as of which it is expected that holders of Common Shares of record shall be entitled to exchange their Common Shares for securities, cash or other property deliverable upon such reorganization, reclassification, consolidation, merger, statutory exchange, sale, transfer or liquidation, dissolution or winding up.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

3.6 *Reservation of Common Shares Issuable Upon Conversion.* The Corporation shall at all times reserve and keep available out of its authorized but unissued Common Shares, solely for the purpose of effecting the conversion of the Series B Preferred Shares, such number of Common Shares as shall from time to time be sufficient to effect the conversion of all outstanding Series B Preferred Shares. If at any time the number of authorized but unissued Common Shares shall not be sufficient to effect the conversion of all then outstanding Series B Preferred Shares, the Corporation shall take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common Shares to such number of shares as shall be sufficient for such purpose.

3.7 *Transfer Taxes, Etc*. The Corporation shall pay any and all documentary stamp, issue or transfer taxes, and any similar taxes payable in respect of the issue or delivery of Common Shares upon conversions of Series B Preferred Shares pursuant hereto; provided, however, that the Corporation shall not be required to pay any tax which maybe payable in respect of any transfer involved in the issue or delivery of Common Shares in a name other than that of the holder of the Series B Preferred Shares to be converted and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

3.8 *Notices*. Any notice required by the provisions of this Section to be given to the holders of Series B Preferred Shares shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified, and addressed to each holder of record at the address of such holder appearing on the Shares transfer books of the Corporation.

Section 4. Voting Rights

The holders of the Series B Preferred Shares shall not be entitled to vote except as provided by law.

Section 5. Redemption

5.1 The Corporation may not redeem any Series B Preferred Shares until two (2) years from the first date any such shares are issued. Thereafter, the Series B Preferred Shares may be redeemed in whole or in part by the Corporation at its election expressed by resolution of the Board, upon not less than thirty (30) days previous notice to the holders of record of the Series B Preferred Shares to be redeemed, given by mail, upon payment of the amount of any dividends accrued and unpaid thereon to the date fixed for redemption plus a redemption price per Share set forth below:

May 3, 1998 to May 2, 1999	$46.40
May 3, 1999 to May 2, 2000	43.20
May 3, 2000 to May 2, 2001	42.66
May 3, 2001 to May 2, 2002	42.14
May 3, 2002 to May 2, 2003	41.60
May 3, 2003 to May 2, 2004	41.06
May 3, 2004 to May 2, 2005	40.54
May 3, 2005 and thereafter	40.00

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

5.2 Any notice of redemption mailed to a holder of Series B Preferred Shares at his or her address as the same shall appear on the books of the Corporation shall be conclusively presumed to have been given whether or not the holder receives the notice. Each such notice shall state the redemption date; the redemption price applicable to the shares to be redeemed; the place or places where such shares are to be surrendered; that dividends on shares to be redeemed will cease to accrue on the redemption date; and that shares to be redeemed may be converted at any time prior to the close of business on the business day next preceding the redemption date as hereinafter provided (such notice to state the Conversion Price, if any, at the time applicable). No immaterial defect in any such notice to any holder of Series B Preferred Shares shall affect the validity of the proceedings for the redemption of any other such Series B Preferred Shares.

5.3 From and after the redemption date (unless default shall be made by the Corporation in paying the redemption price of the shares called for redemption, plus all accrued and unpaid dividends thereon), all dividends on the Series B Preferred Shares called for redemption shall cease to accrue and all rights of the holders thereof as shareholders of the Corporation, except the right to receive the redemption price as hereinafter provided, shall cease and terminate. The respective holders of record of the Series B Preferred Shares to be redeemed shall be entitled on and after the redemption date to receive the redemption price at any time upon actual delivery to the Corporation of certificates for the number of shares to be redeemed, duly endorsed in blank or accompanied by proper instruments of assignment and transfer thereof duly endorsed in blank.

5.4 Any Series B Preferred Shares redeemed pursuant to the provisions of this Section 5 shall be retired and given the status of authorized and unissued Preferred Shares, undesignated as to series, subject to reissuance by the Corporation as Preferred Shares of one (1) or more series, as may be determined from time to time by the Board, but such shares shall not be reissued as Series B Preferred Shares.

Section 6. Other Provisions

6.1 *Default*. If at any time the Corporation shall have failed to make a required dividend payment, thereafter and until such dividend shall have been paid, (i) the Corporation shall not declare or pay any dividends on or make any distributions with respect to the Common Shares or shares of any other series or subseries of the Corporation’ s capital Shares ranking junior as to liquidation rights to the Series B Preferred Shares; and (ii) neither the Corporation nor any subsidiary shall purchase any Common Shares or shares of any other series or subseries of the Corporation’ s capital Shares ranking junior as to liquidation rights to the Series B Preferred Shares.

6.2 *Amendments*. So long as any of the Series B Preferred Shares are outstanding, the Corporation will not:

(a) amend, alter or repeal, directly or indirectly, whether by merger, consolidation or otherwise, any of the provisions applicable to the Series B Preferred Shares so as to change the dividend payable thereon, the amount payable thereon upon liquidation or any of the other provisions applicable thereto without the affirmative vote or consent of the holders of at least two-thirds (2/3) thereof at the time outstanding, voting as a separate series, given in person or by proxy, either in writing or by resolution adopted at a special meeting called for the purpose; or

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

(b) create, directly or indirectly, whether by merger, consolidation or otherwise, any other series of Shares ranking senior to or on a parity with the Series B Preferred Shares as to dividends, or upon liquidation, or increase the authorized number of shares of any other series of Shares ranking senior to or on a parity with the Series B Preferred Shares without the affirmative vote or consent, in addition to all other votes or consents required hereby or by the laws of Ohio, of the holders of at least two-thirds (2/3) of the Series B Preferred Shares at the time outstanding voting together as a single series separate from the holders of any other series or subseries of Shares of the Company, given in person or by proxy, either in writing or by resolution adopted at a special meeting called for the purpose.

DIVISION III. EXPRESS TERMS OF THE COMMON SHARES. The Common Shares shall be subject to the express terms of the Preferred Shares and any series thereof. Each share of Common Shares shall be equal to every other share of Common Shares and the holders thereof shall be entitled to one vote for each share of such shares on all questions presented to the shareholders. To the extent permitted by law, no vote of the holders of Common Shares, as a class, is required in connection with the authorization of shares of any class that are convertible into Common Shares.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ATTACHMENT TO
CERTIFICATE OF AMENDMENT OF
MULTI-COLOR CORPORATION

Pursuant to ORC § 1702.38(C), the first paragraph of Article Fourth of the Amended Articles of Incorporation of Multi-Color Corporation ("Corporation") filed with the Ohio Secretary of State on August 16, 2007, shall be amended to read as follows:

ARTICLE FOURTH:

"The maximum number of shares which the Corporation is authorized to have outstanding is: (i) Forty Million (40,000,000) shares of common stock, without par value (the "Common Shares"); and (ii) One Million (1,000,000) shares of preferred stock, without par value (the "Preferred Shares," and together with the Common Shares, collectively referred to herein as the "Shares")."

The following resolution was duly adopted by all of the Board of Directors of the Corporation:

"RESOLVED: that the first paragraph of Article Fourth of the Amended Articles of Incorporation of Corporation filed with the Ohio Secretary of State on August 16,2007 shall be modified and revised in its entirety and shall read as follows:

ARTICLE FOURTH: The maximum number of shares which the Corporation is authorized to have outstanding is: (i) Forty Million (40,000,000) shares of common stock, without par value (the "Common Shares"); and (ii) One Million (1,000,000) shares of preferred stock, without par value (the "Preferred Shares," and together with the Common Shares, collectively referred to herein as the "Shares")."

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 10.18

MULTI-COLOR CORPORATION
NONQUALIFIED STOCK OPTION AGREEMENT

THIS NONQUALIFIED STOCK OPTION AGREEMENT is made and entered into and effective as of , **2017** by and between **MULTI-COLOR CORPORATION** (the "**Company**"), an Ohio corporation, and ("**Optionee**"), an employee of the Company.

RECITALS:

A. The Company' s Board of Directors has adopted the Multi-Color Corporation Amended and Restated 2012 Stock Incentive Plan ("**Plan**") to promote the interests of the Company and its shareholders by encouraging selected officers and key employees to acquire or increase their ownership of the Company' s Common Stock.

B. The Company believes that such investments should provide an incentive for such persons to utilize maximum effort for the continued success and growth of the Company, and enhance the Company' s ability to attract and retain valuable and capable officers and key employees such as Optionee.

C. The Plan was approved at the Company' s Annual Meeting of Shareholders held August 8, 2012.

D. Capitalized terms used but not otherwise defined herein shall have the respective meanings specified in the Plan.

AGREEMENT:

NOW, THEREFORE, the parties hereby agree as follows:

1. GRANT OF OPTION. The Company hereby grants to Optionee the right and option to purchase ("**Option**") all or any part of an aggregate of Common Shares ("**Option Shares**") on the terms and conditions herein set forth, subject to adjustment as provided herein, at a purchase price of **$** per share ("**Option Price**"). The Option Price is considered by the Company and Optionee to be the Fair Market Value of the Common Stock on the date hereof, which is the date on which the Option was granted to Optionee ("**Option Date**"). This Option is intended to be a Non-qualified Stock Option and not an Incentive Stock Option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "**Code**"). The grant of the Option is made in consideration of the services to be rendered by the Optionee to the Company and is subject to the terms and conditions of the Plan.

2. TERM AND TIME OF EXERCISE OF OPTION. This Option shall continue for a term ending 10 years from the Option Date, except as and to the extent such term may be reduced as provided in Sections 1 and 6 hereof ("**Termination Date**").

3. TIME OF EXERCISE OF OPTION. Subject to the other terms and conditions hereof, the right to exercise this Option shall accrue in installments as follows:

3.1 Commencing one year after the Option Date, Optionee may exercise this Option for up to 20% of the number of Option Shares.

3.2 Commencing two years after the Option Date, Optionee may exercise this Option for up to 40% of the Option Shares, less the amount of Option Shares for which Optionee has already exercised this Option.

3.3 Commencing three years after the Option Date, Optionee may exercise this Option for up to 60% of the Option Shares, less the amount of Option Shares for which Optionee has already exercised this Option.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

3.4 Commencing four years after the Option Date, Optionee may exercise this Option for up to 80% of the Option Shares, less the amount of Option Shares for which Optionee has already exercised this Option.

3.5 Commencing five years after the Option Date, Optionee may exercise this Option for 100% of the Option Shares, less the amount of Option Shares for which Optionee has already exercised this Option.

4. CONDITIONS TO EXERCISE OPTION.

4.1 Subject to the provisions of Section 3 hereof, the Option may be exercised by delivery of a written notice of exercise to the Company specifying the number of shares with respect to which this Option is being exercised and any other relevant information the Company may require in the form attached as Exhibit A ("Exercise Notice"). The notice shall be accompanied by full payment of the Option Price. The Option Price shall be paid to the Company at the time of exercise, subject to any applicable rules or regulations adopted by the Committee:

(A) to the extent permitted by applicable law, pursuant to cashless exercise procedures that are approved by the Committee;

(B) through the tender of unrestricted Common Shares owned by the Optionee (or by delivering a certification or attestation of ownership of such Common Shares) valued at their Fair Market Value on the date of exercise;

(C) in cash or its equivalent; or

(D) by any combination of (A), (B), and (C) above.

4.2 As soon as practicable after receipt of such notice and full payment, the Company shall direct the due issuance of the shares. However, such issuance may be postponed by the Company for such period of time as may be required for it with reasonable diligence to comply with any applicable requirements of any federal, state or local law or regulation, or any administrative requirement applicable to the sale, issuance, distribution or delivery of such shares. The Company may require Optionee to furnish the Company with appropriate representations and a written investment letter prior to the exercise of this Option or the issuance of any shares pursuant to this Option.

5. OPTION NOT GENERALLY TRANSFERABLE. During Optionee' s lifetime, this Option shall be exercisable only by Optionee, and neither this Option, nor any right hereunder, shall be transferable except by will or the laws of descent and distribution; provided, however, that Optionee may, subject to the approval of the Committee and subject to any restrictions under Section 16(b) of the Securities Exchange Act of 1934, as amended ("1934 Act"), transfer this Option: (a) to Optionee' s spouse or lineal descendants; (b) to a trust for the exclusive benefit of the spouse or lineal descendants; or (c) pursuant to a qualified domestic relations order as defined in the Code. In the event of any attempt by Optionee to alienate, assign, pledge, hypothecate or otherwise dispose of this Option or any of Optionee' s rights hereunder, except as provided herein, or in the event of any levy or any attachment, execution or similar process upon the rights or interest hereby conferred, the Company may terminate this Option by notice to Optionee and it shall thereupon become null and void.

6. EXERCISE OF OPTION UPON CEASING TO BE AN EMPLOYEE.

6.1 If Optionee' s status as an employee of the Company ("Employee") terminates prior to the Termination Date by voluntary action of the Optionee without the consent of the Company, this Option shall terminate immediately. In addition, if at the time of such voluntary termination by Optionee, Optionee has exercised this Option but the Common Shares have not been issued, the Company may void this Option and its exercise. Any such actions by the Company shall be in addition to any other rights or remedies available to the Company under such circumstances.

6.2 If Optionee violates any terms of any written employment, confidentiality or noncompetition agreement between the Company and Optionee, or if Optionee' s status as an Employee is terminated for Cause, this Option will terminate immediately. In addition, if at the time of such violation or termination for Cause Optionee has exercised this Option but the Common Shares have not been issued, the Company may void this Option and its exercise. Any such actions by the Company shall be in addition to any other rights or remedies available to the Company under such circumstances.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

6.3 If Optionee retires after age 55 through a plan of retirement acceptable to the Company, this Option may be exercised at any time prior to the Termination Date with respect to the number of shares as to which the Option was exercisable on the date of retirement.

6.4 In the event of Optionee' s death or Disability while in the employ of the Company or any Subsidiary, or the Optionee' s death within six months after the termination of Optionee' s employment (other than for Cause), this Option shall terminate upon the earlier to occur of (i) 12 months after the date of Optionee' s death or Disability, or (ii) this Option' s Termination Date. This Option shall be exercisable during such period after the Optionee' s death or Disability with respect to the number of shares as to which the Option was exercisable on the day preceding Optionee' s death or Disability, as the case may be.

6.5 If: (1) Optionee' s employment with the Company or any Subsidiary shall terminate for any reason other than death, Disability, retirement after age 55 through a plan of retirement acceptable to the Company, voluntary action of the Optionee without the consent of the Company or for Cause; and (2) this Option has not been terminated pursuant to Section 6.2, then this Option shall terminate three months after the Optionee' s employment terminates (unless the Optionee dies during such period), or on the Option' s Termination Date, if earlier, and shall be exercisable during such period after termination of employment only with respect to the number of Common Shares which the Optionee was entitled to purchase on the day preceding the termination of Optionee' s employment.

6.6 Notwithstanding anything contained in this Section 6, in no event may this Option be exercised after the Termination Date.

7. ADJUSTMENT TO OPTION SHARES. The number of Option Shares shall be subject to adjustment as provided in the Plan.

8**. OPTION AGREEMENT DOES NOT GRANT EMPLOYMENT RIGHTS.** Neither the Plan, the granting of the Option, nor the exercise of the Option, shall be construed as granting to Optionee any right with respect to continuance of employment with the Company or any Subsidiary. The Company expressly reserves the right to terminate, with or without Cause, Optionee' s employment at any time, except as may otherwise be provided in a written agreement between the Company or any Subsidiary and Optionee.

9**. CHANGE IN CONTROL**. Notwithstanding anything to the contrary in the Plan or in this Agreement, in the case of a Change in Control, this Option shall become fully vested and immediately exercisable.

10. WITHHOLDING. Optionee acknowledges that the Company may be required to withhold certain taxes upon the exercise of this Option. The Company has the right to require Optionee (or Optionee' s transferee pursuant to the terms and conditions hereof and of the Plan) to pay the Company the amount of any taxes which the Company is or will be required to withhold with respect to such exercise before shares are delivered by the Company. Furthermore, the Company may elect to deduct such taxes from any other amounts then payable in cash or in shares or from any other amounts payable at any time thereafter to Optionee. In accordance with the provisions of Section 12 of the Plan, and subject to the discretion of the Company, Optionee may elect to satisfy the tax liability with respect to the exercise of this Option by having the Company withhold shares otherwise issuable upon the exercise of this Option having a Fair Market Value on the date the withholding tax is to be determined equal to the amount required to be withheld under applicable law. Notwithstanding the foregoing, if Optionee is subject to Section 16(b) of the 1934 Act at the time this Option is exercised, such election must satisfy the requirements of Rule 16b-3 under the 1934 Act.

11. MISCELLANEOUS.

11.1 Neither Optionee, nor any person entitled to exercise this Option, shall have any of the rights of a shareholder with respect to the Option Shares, except to the extent that certificate(s) for such shares shall have been issued upon the exercise of this Option as provided herein.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

11.2 This Option shall terminate and become null and void and of no effect after the Termination Date.

11.3 This Option Agreement, and the Option herein granted Optionee, is and shall be in all respects subject to the terms and conditions of the Plan, a copy of which Optionee acknowledges receiving prior to the execution hereof.

11.4 The captions and section headings used herein are for convenience only, shall not be deemed part of this Option Agreement and shall not in any way restrict or modify the context and substance of any section or paragraph hereof. All section references provided for herein shall refer to Sections of this Option Agreement unless the context clearly requires otherwise.

11.5 The Company' s Board of Directors or the Committee shall have the right to resolve all questions which may arise in connection with this Option or its exercise. Any interpretation, determination or other action made or taken by the Board or the Committee shall be final, binding and conclusive.

11.6 This Option Agreement shall be governed by, and construed in accordance with, the laws of the State of Ohio without regard to its conflict of laws rules.

11.7 The exercise of this Option and the issuance and transfer of Common Shares shall be subject to compliance by the Company and Optionee with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company' s Common Shares may be listed. No Common Shares shall be issued pursuant to this Option unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. Optionee understands that the Company is under no obligation to register the Common Shares with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

11.8 Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the Secretary of the Company at the Company' s principal corporate offices. Any notice required to be delivered to Optionee under this Agreement shall be in writing and addressed to Optionee at Optionee' s address as shown in the records of the Company. Either party may designate another address in writing (or by such other method approved by the Company) from time to time.

11.9 This Agreement is subject to the Plan as approved by the Company' s shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

11.10 The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon Optionee and Optionee' s beneficiaries, executors, administrators and the person(s) to whom this Option may be transferred by will or the laws of descent or distribution.

11.11 The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

11.12 The Plan is discretionary and may be amended, cancelled or terminated by the Company at any time, in its discretion. The grant of this Option does not create any contractual right or other right to receive any Options or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of Optionee' s employment with the Company.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

11.13 The Committee has the right to amend, alter, suspend, discontinue or cancel this Option, prospectively or retroactively; provided, that, no such amendment shall adversely affect the Optionee' s material rights under this Agreement without Optionee' s consent.

11.14 The value of this Option is not part of Optionee' s normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

11.15 This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

[Remainder of page intentionally left blank; signature page follows]

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first written above.

MULTI-COLOR CORPORATION

By: ____________________________________

____________________________________ ,
Optionee

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

EXHIBIT A

MULTI-COLOR CORPORATION

AMENDED AND RESTATED 2012 STOCK INCENTIVE PLAN

EXERCISE NOTICE

Multi-Color Corporation
4053 Clough Woods Drive
Batavia, Ohio 45103

Attention: Secretary

1. Exercise of Option. Effective as of today . , the undersigned ("Optionee") hereby elects to purchase shares (the "Shares") of the Common Stock of Multi-Color Corporation (the "Company") under and pursuant to the Amended and Restated 2012 Stock Incentive Plan (the "Plan") and the Stock Option Agreement dated (the "Option Agreement"). The purchase price for the Shares shall be $ per Share, as required by the Option Agreement.

2. Delivery of Payment. Optionee herewith delivers to the Company the full purchase price for the Shares and any required withholding taxes to be paid in connection with the exercise of the Option.

3. Representations of Optionee. Optionee acknowledges that Optionee has received, read and understood the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

4. Rights as Shareholder. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the Shares, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to the Exercised Shares, notwithstanding the exercise of the Option. The Shares so acquired shall be issued to the Optionee as soon as practicable after exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date of issuance, except as provided in the Plan.

5. Tax Consultation. Optionee understands that Optionee may suffer adverse tax consequences as a result of Optionee' s purchase or disposition of the Shares. Optionee represents that Optionee has consulted with any tax consultants Optionee deems advisable in connection with the purchase or disposition of the Shares and that Optionee is not relying on the Company for any tax advice.

6. Entire Agreement; Governing Law. The Plan and Option Agreement are incorporated herein by reference. This Agreement, the Plan and the Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Optionee with respect to the subject matter hereof, and may not be modified adversely to the Optionee' s interest except by means of a writing signed by the Company and Optionee. This Exercise Notice is governed by the internal substantive laws, but not the choice of law rules, of the State of Ohio.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Submitted by:	Accepted by:
OPTIONEE:	MULTI-COLOR CORPORATION
______________________	By: ______________________
Signature	
______________________	______________________
Print Name	Title
Address:	Address:
______________________	4053 Clough Woods Drive
______________________	Batavia, Ohio 45103
	______________________
	Date Received

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 21

SUBSIDIARIES OF MULTI-COLOR CORPORATION

Subsidiary	Jurisdiction of Incorporation	Ownership Percentage
Multi-Color Argentina S.A.	Argentina	100 %
Collotype BSM Labels Pty Ltd	Australia	100 %
Collotype International Holdings Pty Limited	Australia	100 %
Collotype iPack Pty Limited	Australia	100 %
Collotype Labels International Pty Limited	Australia	100 %
Graphix Labels and Packaging Pty Ltd	Australia	100 %
Labelmakers Wine Division Pty Limited	Australia	100 %
Magnus Donners Pty Limited	Australia	100 %
Multi-Color (Barossa) Pty Ltd	Australia	100 %
Multi-Color (Griffith) Pty Ltd	Australia	100 %
Multi-Color (QLD) Pty Ltd	Australia	100 %
Multi-Color (SA) Pty Ltd	Australia	100 %
Multi-Color (WA) Pty Ltd	Australia	100 %
Multi-Color Australia Acquisition Pty Limited	Australia	100 %
Multi-Color Australia Finance Pty Limited	Australia	100 %
Multi-Color Australia Holdings Pty Limited	Australia	100 %
Multi-Color Corporation Australia Pty Ltd	Australia	100 %
MCC Labels Australia Holdings Pty. Ltd.	Australia	100 %
MCC Labels Australia Pty. Ltd.	Australia	100 %
Cunamara Investments Pty Ltd.	Australia	100 %
Multi-Color (Victoria) Pty Ltd	Australia	100 %
Haendler et Natermann Benelux SPRL/BVBA	Belgium	100 %
Verstraete in mould labels N.V.	Belgium	100 %
Multi-Color Montreal Canada Corporation	Canada	100 %
Multi-Color Canada (Quebec) Corporation	Canada	100 %
CM Holdings Ltd.	Cayman	100 %
MCC Investments Chile Ltd	Chile	100 %
Multi-Color Chile S.A.	Chile	100 %
Collotype Labels Chile SA	Chile	100 %
Multi-Color Packaging Printing (Guangzhou) Co., Ltd.	China	100 %
Multi-Color Packaging Materials (Taicang) Co., Ltd	China	100 %
Multi-Color Finance Cyprus Ltd	Cyprus	100 %
MCC Libourne	France	100 %
MCC Lyon France SAS	France	100 %
MCC Montagny France SAS	France	100 %
MCC Port-Sainte-Foy France SAS	France	100 %
MCC Saint-Emilion France SAS	France	100 %
Multi Color France Holding SAS	France	100 %
GEWA France SAS	France	100 %
MCC France F&B	France	100 %
MCC Nantes France SAS	France	100 %
MCC Ablis France SAS	France	100 %
MCC Vittel France SAS	France	100 %

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Multi-Color Germany Holdings GmbH	Germany	100%
GEWA Etiketten GmbH	Germany	100%
Multi-Color Heiligenstadt Germany GmbH	Germany	100%
Multi-Color Hann. Muenden Germany GmbH	Germany	100%
Spear Limited	Great Britain	100%
Multi-Color Cwmbran UK Limited	Great Britain	100%
SGH (No. 2) Ltd.	Great Britain	100%
Spear Group Holdings Ltd.	Great Britain	100%
PT Multi Color Jakarta Indonesia	Indonesia	100%
PT. Pemara Labels Indonesia	Indonesia	100%
HM Investments Limited	Ireland	100%
New Era Packaging Ireland Limited	Ireland	100%
Tandheapley Holdings Limited	Ireland	100%
Collotype Labels Ireland Limited	Ireland	100%
Multi-Color Labels Castlebar Ireland Limited	Ireland	100%
Multi-Color Labels Ireland Limited	Ireland	100%
Multi-Color Labels Roscommon Ireland Limited	Ireland	100%
New Era Packaging Holdings Limited	Ireland	100%
Centro Stampa Holding S.r.l.	Italy	100%
Multi Color Italian Holding S.r.l.	Italy	100%
Multi-Color Italia Piemonte S.r.l.	Italy	100%
Italstereo Resin Labels S.r.l.	Italy	100%
Multi Color–Italia S.p.A.	Italy	100%
TP Kenya Limited	Kenya	100%
Super Box (Malaysia) Sdn Bhd	Malaysia	100%
MCC Labels (Kuala Lumpur) Sdn. Bhd.	Malaysia	100%
MCC Labels (Penang) Sdn. Bhd.	Malaysia	100%
MCC Labels Asia Sdn Bhd	Malaysia	100%
MCC Labels Enterprise (Penang) Sdn. Bhd.	Malaysia	100%
MCC Labels Industries (Kuala Lumpur) Sdn. Bhd	Malaysia	100%
Super Labels Sdn Bhd	Malaysia	100%
Zenith Action Sdn Bhd	Malaysia	100%
Zenith Pioneer (M) Sdn Bhd	Malaysia	100%
MCC Labels (Rawang) Sdn. Bhd.	Malaysia	100%
MCC Labels (Balakong) Sdn Bhd	Malaysia	100%
MCC Shared Service Centre Sdn Bhd	Malaysia	100%
Multi Color Global Label S.A. de C.V.	Mexico	100%
Multi-Color Label Corporation Mexico S.A. de C.V.	Mexico	100%
GPC III Packaging Holdings Mexico, S. de R.L. de C.V.	Mexico	100%
Grafo Regia S. de R.L. de C.V.	Mexico	100%
MCC Mexico 3 Holding B.V.	Netherlands	100%
MCC Mexico 4 Holding B.V.	Netherlands	100%
MCC European Treasury Center B.V.	Netherlands	100%
GPC III B.V.	Netherlands	100%

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Multi-Color (New Zealand) Pty. Limited	New Zealand	100 %
MCC Labels (Manila) Philippines, Inc.	Philippines	100 %
Pemara Labels (Philippines), Inc.	Philippines	100 %
Multi-Color Warsaw Poland S.A.	Poland	100 %
Multi-Color Corporation Cluj Napoca SRL	Romania	100 %
Multi-Color Scotland 1, LP	Scotland	100 %
John Watson (Holdings) Ltd	Scotland	100 %
Labelgraphics (Holdings) Ltd	Scotland	100 %
Labelgraphics (Scotland) Ltd	Scotland	100 %
MCC Scotland Holdings Ltd.	Scotland	100 %
Multi-Color Clydebank Scotland Limited	Scotland	100 %
Multi-Color Glasgow Scotland Limited	Scotland	100 %
Spearsystem Packaging Asia Pte. Ltd.	Singapore	100 %
Pemara Asia Holdings Pte. Ltd.	Singapore	100 %
MCC Label Durban South Africa (Pty) Ltd	South Africa	100 %
MCC Label Paarl South Africa (Pty) Ltd	South Africa	100 %
Spearsystem Packaging (Africa) Proprietary Limited	South Africa	74.9%
Multi-Color Haro Spain, S.L.	Spain	100 %
Haendler & Natermann Iberica S.L.U.	Spain	100 %
Q Label Holding Sarl	Switzerland	100 %
Multi-Color Suisse S.A.	Switzerland	100 %
TP Label Limited	Tanzania	100 %
Multi-Color (Thailand) Co., Ltd.	Thailand	100 %
Multi-Color Daventry England Ltd	United Kingdom	100 %
Multi-Color Stevenage England Limited	United Kingdom	100 %
Multi-Color UK 1 LP	United Kingdom	100 %
Multi-Color UK Holdings 1 LP	United Kingdom	100 %
Multi-Color UK Holdings 2 Limited	United Kingdom	100 %
Cameo Sonoma Limited	USA (California)	100 %
Collotype Labels USA Inc.	USA (California)	100 %
Chilean Label Corp Holdings, LLC	USA (Delaware)	100 %
LabelCorp Holdings, Inc	USA (Delaware)	100 %
LabelCorp International LLC	USA (Delaware)	100 %
M Acquisition, LLC	USA (Delaware)	100 %
Multi-Color Australia, LLC	USA (Delaware)	100 %
Adhesion Intermediate Holdings, Inc.	USA (Delaware)	100 %
MCC-Finance 2 LLC	USA (Delaware)	100 %
MCC-Finance LLC	USA (Delaware)	100 %
LabelCorp Management, Inc.	USA (Delaware)	100 %
LSK Label, LLC	USA (Delaware)	100 %
Asheville Acquisition Corporation LLC	USA (Delaware)	100 %
Industrial Label Corporation	USA (Delaware)	100 %
PSC Acquisition Company, LLC	USA (Delaware)	100 %
York Tape & Label, LLC	USA (Delaware)	100 %

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Multi-Color US Holdings, LLC	USA (Delaware)	100%
Precision Printing and Packaging, Inc.	USA (Delaware)	100%
Verstraete in mould labels USA Inc.	USA (Delaware)	100%
Laser Graphic Systems, Incorporated	USA (Kentucky)	100%
MCC-Norway, LLC	USA (Michigan)	100%
Gardoc, Inc.	USA (New Hampshire)	100%
MCC-Troy, LLC	USA (Ohio)	100%
MCC-Uniflex, LLC	USA (Ohio)	100%
MCC Mexico Holdings 2 LLC	USA (Ohio)	100%
MCC-Mexico Holdings 1 LLC	USA (Ohio)	100%
MCC-Dec Tech, LLC	USA (Ohio)	100%
MCC-Batavia, LLC	USA (Ohio)	100%
MCC-Norwood, LLC	USA (Ohio)	100%
MCC-Wisconsin, LLC	USA (Ohio)	100%
Spear USA, Inc.	USA (Ohio)	100%
Southern Atlantic Label Co., Inc.	USA (Virginia)	100%
Multi-Color Vietnam Company Ltd.	Vietnam	100%

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated May 28, 2019, with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of Multi-Color Corporation on Form 10-K for the year ended March 31, 2019. We consent to the incorporation by reference of said reports in the Registration Statements of Multi-Color Corporation on Form S-3 (File No. 333-222958) and Forms S-8 (File No. 333-183181, File No. 333-145667, File No. 333-137184 and File No. 333-129151).

/s/ GRANT THORNTON LLP

Detroit, Michigan
May 28, 2019

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Michael J. Henry, certify that:

1. I have reviewed this annual report on Form 10-K of Multi-Color Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant' s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and
5. The registrant' s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of registrant' s board of directors (or persons performing the equivalent function):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

Date: May 28, 2019

By: /s/ Michael J. Henry
Michael J. Henry
President and Chief Executive Officer

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Sharon E. Birkett, certify that:

1. I have reviewed this annual report on Form 10-K of Multi-Color Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant' s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and

5. The registrant' s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of registrant' s board of directors (or persons performing the equivalent function):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

Date: May 28, 2019

By: /s/ Sharon E. Birkett
Sharon E. Birkett
Vice President, Chief Financial Officer, Secretary

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 32.1

CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Michael J. Henry, President and Chief Executive Officer of Multi-Color Corporation (the “Company”), certify pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Annual Report on Form 10-K of the Company for the year ended March 31, 2019 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 28, 2019

By: /s/ Michael J. Henry
Michael J. Henry
President and Chief Executive Officer

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Exhibit 32.2

CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Sharon E. Birkett, Vice President, Chief Financial Officer, Secretary of Multi-Color Corporation (the "Company"), certify pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Annual Report on Form 10-K of the Company for the year ended March 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 28, 2019

By: /s/ Sharon E. Birkett

Sharon E. Birkett
Vice President, Chief Financial Officer,
Secretary

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Document and Entity Information - USD ($) $ in Millions	12 Months Ended		
	Mar. 31, 2019	Apr. 30, 2019	Sep. 28, 2018
Document and Entity Information [Abstract]			
Document Type	10-K		
Amendment Flag	false		
Document Period End Date	Mar. 31, 2019		
Document Fiscal Year Focus	2019		
Document Fiscal Period Focus	FY		
Entity Registrant Name	MULTI COLOR Corp		
Entity Central Index Key	0000819220		
Current Fiscal Year End Date	--03-31		
Entity Well-known Seasoned Issuer	Yes		
Entity Voluntary Filers	No		
Entity Current Reporting Status	Yes		
Entity Filer Category	Large Accelerated Filer		
Entity Public Float			$ 874
Trading Symbol	LABL		
Entity Common Stock, Shares Outstanding		20,543,353	
Entity Shell Company	false		
Entity Emerging Growth Company	false		
Entity Small Business	false		

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED STATEMENTS OF OPERATIONS - USD ($) shares in Thousands, $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Income Statement [Abstract]			
Net revenues	$ 1,725,554	$ 1,300,912	$ 923,295
Cost of revenues	1,403,634	1,054,312	726,486
Gross profit	321,920	246,600	196,809
Selling, general and administrative expenses	160,710	129,601	84,922
Facility closure expenses	711	1,419	921
Goodwill Impairment	99,155	0	0
Operating income	61,344	115,580	110,966
Interest expense	75,399	54,027	25,488
Other (income) expense, net	2,280	7,851	(2,735)
Income (loss) before income taxes	(16,335)	53,702	88,213
Income tax expense (benefit)	12,332	(18,195)	26,848
Net income (loss)	(28,667)	71,897	61,365
Less: Net income (loss) attributable to noncontrolling interests	374	(54)	369
Net income (loss) attributable to Multi-Color Corporation	$ (29,041)	$ 71,951	$ 60,996
Weighted average shares and equivalents outstanding:			
Basic	20,468	18,421	16,879
Diluted	20,468	18,583	17,024
Basic earnings (loss) per common share	$ (1.42)	$ 3.91	$ 3.61
Diluted earnings (loss) per common share	(1.42)	3.87	3.58
Dividends per common share	$ 0.20	$ 0.20	$ 0.20

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Statement of Comprehensive Income [Abstract]			
Net income (loss)	$ (28,667)	$ 71,897	$ 61,365
Other comprehensive income (loss):			
Unrealized foreign currency translation gain (loss)	[1] (136,726)	93,892	(25,254)
Unrealized gain (loss) on derivative contracts, net of tax	[2] 29,907	(25,408)	196
Change in minimum pension liability, net of tax	[3] (28)	34	174
Total other comprehensive income (loss)	(106,847)	68,518	(24,884)
Comprehensive income (loss)	(135,514)	140,415	36,481
Less: Comprehensive income (loss) attributable to noncontrolling interests	(1,298)	1,686	157
Comprehensive income (loss) attributable to Multi-Color Corporation	$ (134,216)	$ 138,729	$ 36,324

[1] The amount for the years ended March 31, 2019, 2018 and 2017 includes a tax impact of $262, $(654) and $284, respectively, related to the settlement of foreign currency denominated intercompany loans.

[2] Amounts are net of tax of $(10,026), $10,423 and $(133) for the years ended March 31, 2019, 2018 and 2017, respectively.

[3] Amounts are net of tax of $9, $(21) and $(108) for the years ended March 31, 2019, 2018 and 2017, respectively.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Parenthetical) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Statement of Comprehensive Income [Abstract]			
Unrealized foreign currency translation gain (loss), tax impact related to settlement of foreign currency denominated intercompany loans	$ 262	$ (654)	$ 284
Unrealized gain (loss) on interest rate swaps, tax	10,026	10,423	(133)
Additional minimum pension liability adjustment, tax	$ 9	$ (21)	$ (108)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Current assets:		
Cash and cash equivalents	$ 57,762	$ 67,708
Accounts receivable, net	300,945	306,542
Other receivables	23,845	16,589
Inventories, net	144,235	167,950
Prepaid expenses	29,263	24,926
Other current assets	40,769	17,468
Total current assets	596,819	601,183
Property, plant and equipment, net	528,077	510,002
Goodwill	978,544	1,196,634
Intangible assets, net	538,196	580,233
Other non-current assets	6,755	12,097
Deferred income tax assets	4,081	2,827
Total assets	2,652,472	2,902,976
Current liabilities:		
Current portion of long-term debt	23,059	20,864
Accounts payable	197,899	192,341
Accrued expenses and other liabilities	94,739	114,022
Total current liabilities	315,697	327,227
Long-term debt	1,514,294	1,577,821
Deferred income tax liabilities	160,017	149,950
Other liabilities	33,761	87,605
Total liabilities	2,023,769	2,142,603
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, no par value, 1,000 shares authorized, no shares outstanding	0	0
Common stock, no par value, stated value of $0.10 per share; 40,000 shares authorized, 20,860 and 20,753 shares issued at March 31, 2019 and 2018, respectively	1,411	1,403
Paid-in capital	406,846	402,252
Treasury stock, 317 and 307 shares at cost at March 31, 2019 and 2018, respectively	(12,079)	(11,528)
Retained earnings	355,973	384,671
Accumulated other comprehensive loss	(126,166)	(19,241)
Total stockholders' equity attributable to Multi-Color Corporation	625,985	757,557
Noncontrolling interests	2,718	2,816
Total stockholders' equity	628,703	760,373
Total liabilities and stockholders' equity	$ 2,652,472	$ 2,902,976

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED BALANCE SHEETS (Parenthetical) - $ / shares	Mar. 31, 2019	Mar. 31, 2018
Statement of Financial Position [Abstract]		
Preferred stock, no par value		
Preferred stock, shares authorized	1,000,000	1,000,000
Preferred stock, shares outstanding	0	0
Common stock, no par value		
Common stock, stated value per share	$ 0.10	$ 0.10
Common stock, shares authorized	40,000,000	40,000,000
Common stock, shares issued	20,860,000	20,753,000
Treasury stock, shares	317,000	307,000

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY - USD ($) shares in Thousands, $ in Thousands	Total	Common Stock	Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests
Balance at Mar. 31, 2016	$ 342,632	$ 1,040	$ 150,783	$ (10,556)	$ 258,848	$ (61,123)	$ 3,640
Balance, shares at Mar. 31, 2016		17,111					
Net income (loss)	61,365				60,996		369
Other comprehensive income (loss)	(24,884)					(24,672)	(212)
Acquisitions	62						62
Issuance of common stock	3,352	$ 14	3,338				
Issuance of common stock, shares		136					
Excess tax benefit from stock-based compensation	1,258		1,258				
Restricted stock grant	0						
Restricted stock grant, shares		8					
Restricted stock forfeitures	0						
Restricted stock forfeitures, shares		(1)					
Stock-based compensation	3,042		3,042				
Shares acquired under employee plans	(612)			(612)			
Common stock dividends	(3,383)				(3,383)		
Acquisition of noncontrolling interest	(514)		(22)				(492)
Dividends paid to noncontrolling interests	(498)						(498)
Balance at Mar. 31, 2017	381,820	$ 1,054	158,399	(11,168)	316,461	(85,795)	2,869
Balance, shares at Mar. 31, 2017		17,254					
Net income (loss)	71,897				71,951		(54)
Other comprehensive income (loss)	68,518					66,778	1,740
Constantia Labels acquisition	238,920	$ 338	237,482				1,100
Constantia Labels acquisition, shares		3,383					
Issuance of common stock	2,926	$ 11	2,915				
Issuance of common stock, shares		110					
Restricted stock grant	0						

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Restricted stock grant, shares		9					
Restricted stock forfeitures	0						
Restricted stock forfeitures, shares		(3)					
Stock-based compensation	3,456		3,456				
Shares acquired under employee plans	(360)			(360)			
Common stock dividends	(3,741)				(3,741)		
Sale of Southeast Asian durables business	(2,715)					(231)	(2,484)
Acquisition of noncontrolling interest	(69)					7	(76)
Dividends paid to noncontrolling interests	(279)						(279)
Balance at Mar. 31, 2018	760,373	$ 1,403	402,252	(11,528)	384,671	(19,241)	2,816
Balance, shares at Mar. 31, 2018		20,753					
Net income (loss)	(28,667)				(29,041)		374
Topic 606 transition adjustment	2,701				2,701		
ASU 2018-02 reclassification of stranded tax effects					1,750	(1,750)	
Other comprehensive income (loss)	(106,847)					(105,175)	(1,672)
Constantia Labels acquisition	1,200						1,200
Issuance of common stock	2,104	$ 8	2,096				
Issuance of common stock, shares		76					
Restricted stock grant	0						
Restricted stock grant, shares		19					
Conversion of restricted share units	0						
Conversion of restricted share units, shares		12					
Stock-based compensation	2,498		2,498				
Shares acquired under employee plans	(551)			(551)			
Common stock dividends	(4,108)				(4,108)		
Balance at Mar. 31, 2019	$ 628,703	$ 1,411	$ 406,846	$ (12,079)	$ 355,973	$ (126,166)	$ 2,718
Balance, shares at Mar. 31, 2019		20,860					

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

CONSOLIDATED STATEMENTS OF CASH FLOWS - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ (28,667)	$ 71,897	$ 61,365
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	60,474	46,913	33,480
Amortization of intangible assets	43,618	26,009	14,425
Goodwill impairment	99,155	0	0
Loss on sale of Southeast Asian durables business		512	
Loss on write-off of deferred financing fees	186	660	
Impairment loss on fixed assets related to facility closures	309		
Amortization of deferred financing costs	5,085	3,174	1,665
Loss on benefit plans related to facility closures		55	133
Gain on previously held equity interests			(690)
Net (gain) loss on disposal of property, plant and equipment	178	1,150	(230)
Net (gain) loss on derivative contracts	(976)	4,018	103
Stock-based compensation expense	2,498	3,456	3,042
Excess tax benefit from stock-based compensation			(1,258)
Deferred income taxes, net	(10,294)	(39,289)	(2,938)
Changes in assets and liabilities, net of acquisitions:			
Accounts receivable	(3,829)	(35,410)	(7,457)
Inventories	(9,106)	(3,072)	(1,999)
Prepaid expenses and other assets	(18,020)	(12,069)	1,067
Accounts payable	24,344	(9,892)	171
Accrued expenses and other liabilities	(5,516)	(1,205)	6,331
Net cash provided by operating activities	159,439	56,907	107,210
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(81,898)	(60,105)	(46,146)
Investment in acquisitions, net of cash acquired		(1,024,644)	(28,839)
Net proceeds from sale of Southeast Asian durables business		3,620	
Proceeds from sale of property, plant and equipment	3,266	798	1,350
Net cash used in investing activities	(78,632)	(1,080,331)	(73,635)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowings under revolving lines of credit	348,719	478,519	265,746
Payments under revolving lines of credit	(398,452)	(618,804)	(292,797)
Borrowings of long-term debt		1,250,000	2,156
Repayments of long-term debt	(22,699)	(10,808)	(6,572)
Payment of acquisition related deferred payments	(8,343)	(10,697)	(1,784)
Buyout of non-controlling interest			(514)
Proceeds from issuance of common stock	1,556	2,572	2,742
Excess tax benefit from stock-based compensation			1,258

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt issuance costs	(10)	(26,669)	
Dividends paid	(4,106)	(4,024)	(3,876)
Net cash provided by (used in) financing activities	(83,335)	1,060,089	(33,641)
Effect of foreign exchange rate changes on cash	(7,418)	5,814	(2,414)
Net increase (decrease) in cash and cash equivalents	(9,946)	42,479	(2,480)
Cash and cash equivalents, beginning of year	67,708	25,229	27,709
Cash and cash equivalents, end of year	$ 57,762	$ 67,708	$ 25,229

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

THE COMPANY	12 Months Ended Mar. 31, 2019
Accounting Policies [Abstract]	
THE COMPANY	**(1) THE COMPANY** Multi-Color Corporation (Multi-Color, MCC, we, us, our or the Company), headquartered near Cincinnati, Ohio, is a leader in global label solutio the world’s most prominent brands including leading producers of home & personal care, wine & spirits, food & beverage, healthcare and special MCC serves international brand owners in the North American, Latin American, EMEA (Europe, Middle East and Africa) and Asia Pacific regior range of the latest label technologies in Pressure Sensitive, Cut and Stack, In-Mold, Shrink Sleeve, Heat Transfer, Roll Fed, and Aluminum Label

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	12 Months Ended
	Mar. 31, 2019
Accounting Policies [Abstract]	
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

References to 2019, 2018 and 2017 are for the fiscal years ended March 31, 2019, 2018 and 2017, respectively. The consolidated financial statem
been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and include the account
wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. Certain prior year balances have been r
current year classifications.

As of March 31, 2019, the Company's operations were conducted through the Consumer Product Goods, Wine & Spirits and Food & Beverage op
are aggregated into one reportable segment in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codif
"Segment Reporting." The metrics used by management to assess the performance of the Company's operating segments include revenue trends,
operating margin. The Company's operating segments have historically had similar economic characteristics and are expected to have similar eco
long-term financial performance in future periods.

Use of Estimates in Financial Statements

In preparing financial statements in conformity with U.S. GAAP, management makes estimates and assumptions that affect the reported amounts
disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses du
Actual results could differ from those estimates.

Business Combinations

The Company allocates the purchase price of its acquisitions to the assets acquired and liabilities assumed based upon their respective fair values
Company utilizes management estimates and an independent third-party valuation firm to assist in determining these fair values. The excess of th
estimated fair value of the net assets is recorded as goodwill. Goodwill is adjusted for any changes to acquisition date fair value amounts made wi
period. Acquisition-related transaction costs are recognized separately from the business combination and expensed as incurred.

Revenue Recognition

On April 1, 2018, we adopted Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all re
provides revised guidance for revenue recognition. The standard's core principle is that an entity should recognize the revenue for transfer of pro
customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The sta
process to recognize revenue and requires more judgment and estimates within the revenue recognition process than required under previous U.S.
identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price, and alloca
each separate performance obligation. See Note 3 for discussion of our accounting policies under the revised guidance.

Cost of Revenues

Cost of revenues primarily consists of direct materials and supplies consumed in the manufacture of product, as well as manufacturing labor, depr
overhead expense necessary to acquire and convert the purchased materials and supplies into finished product. Cost of revenues also includes inbo
to distribute products to customers.

Selling, General and Administrative Expenses

Selling, general and administrative expenses (SG&A) primarily consist of sales and marketing costs, corporate and divisional administrative and c
depreciation and amortization expense related to non-manufacturing assets. Advertising costs are charged to expense as incurred and were minima

Research and Development Costs

Our product development group focuses on research and development, product commercialization and technical service support. The group inclu
and field engineers who are responsible for developing and commercializing innovative label and application solutions. Technical service personn
and manufacturers in improving container and label performance. The services provided by this group differentiate us from many of our competi
for the most challenging projects.

Research and development costs are charged to expense as incurred and were $8,065, $5,834 and $5,274 in 2019, 2018 and 2017, respectively.

Cash and Cash Equivalents

The Company records all highly liquid short-term investments with maturities of three months or less as cash equivalents. At March 31, 2019 and
cash in foreign bank accounts of $56,914 and $66,061, respectively. Outstanding checks of $15,272 and $2,280 were included in accounts payabl
2018, respectively.

Accounts Receivable

Our customers are primarily major consumer product, food & beverage, wine & spirits and container companies. Accounts receivable consist of a
customers in connection with our normal business activities and are carried at sales value less allowance for doubtful accounts. The allowance fo
established to reflect the expected losses of accounts receivable based on past collection history, age, account payment status compared to invoice
specific individual risks identified. The delinquency of a receivable account is determined based on these factors. The Company does not accrue i
receivable.

Supply Chain Financing and Factoring

The Company has entered into supply chain financing agreements with certain customers and factoring arrangements with certain banks. The rec
are sold without recourse to the customers' banks and are accounted for as sales of accounts receivable. Losses on the sale of these receivables ar
general and administrative expenses in the consolidated statements of operations, and losses of $1,964, $1,325 and $561 were recorded during 20
respectively.

Inventories

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Inventories are valued at the lower of cost or net realizable value and substantially all are maintained using the FIFO (first-in, first-out) or specific
Excess and obsolete inventory allowances are generally established based on inventory age.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation.

Depreciation expense, which includes the amortization of assets recorded under capital leases, is calculated using the straight-line method over the
the assets, or the remaining terms of the leases, as follows:

Buildings	20-39 years
Building improvements	15 years
Machinery and equipment	3-15 years
Computers	3-5 years
Furniture and fixtures	5-10 years

Goodwill and Other Acquired Intangible Assets

Impairment reviews comparing fair value to carrying value are highly judgmental and involve the use of significant estimates and assumptions, w
there is potential impairment and the amount of any impairment charge recorded. Fair value assessments involve estimates of discounted cash flo
discount rates and long-term assumptions regarding future sales and margin trends, market conditions, cash flow and multiples of revenue and ear
taxes, depreciation and amortization ("EBITDA"). Actual results may differ from these estimates. Fair value measurements used in the impairmen
intangible assets are Level 3 measurements. See further information about our policy for fair value measurements within this section below. See f
regarding our impairment tests in Note 8.

Goodwill. Goodwill is not amortized and is tested for impairment annually. Impairment is also tested when events or changes in circumstances inc
carrying values may be greater than the fair values.

Goodwill has been assigned to reporting units for purposes of impairment testing. The reporting units are the Company's divisions. The Company
factors to determine if it is more likely than not that the fair value of a reporting unit is less than the carrying value and whether it is necessary to p
goodwill impairment test. The impairment test compares the fair value of the reporting unit to the carrying value. The market and income approac
and 75%, respectively, based on judgement of the comparability of recent transactions and the risks inherent in estimating future cash flows.

Intangible Assets. Intangible assets with definite useful lives are amortized over periods of up to 21 years based on a number of assumptions inclu
economic benefit and utilization. Intangible assets are tested for impairment when events or changes in circumstances indicate that the assets' carr
than their fair values. We test for impairment by comparing (i) estimates of undiscounted future cash flows, before interest charges, included in ou
carrying values of the related assets. Tests are performed over asset groups at the lowest level of identifiable cash flows.

Impairment of Long-Lived Assets

We review long-lived assets for impairment when events or changes in circumstances indicate that assets might be impaired and the related carryi
recoverable. Changes in market conditions and/or losses of a production line could have a material impact on the consolidated statements of opera
of whether impairment exists involves various estimates and assumptions, including the determination of the undiscounted cash flows estimated t
assets involved in the review. The cash flow estimates are based upon our historical experience, adjusted to reflect estimated future market and op
Measurement of an impairment loss requires a determination of fair value. We base our estimates of fair values on quoted market prices when ava
appraisals as appropriate and industry trends or other market knowledge. Tests are performed over asset groups at the lowest level of identifiable c

Income Taxes

The Company is subject to income taxes in the United States and numerous foreign jurisdictions. Income taxes are recorded based on the current y
refundable. Deferred income taxes are recognized at the enacted tax rates for the expected future tax consequences related to temporary difference
reported for income tax purposes and financial reporting purposes as well as any tax attributes. Deferred income taxes are not provided for the und
subsidiaries operating outside of the U.S. that have been permanently reinvested in foreign operations.

We regularly review our deferred income tax balances for each jurisdiction to estimate whether these deferred income tax balances are more likely
based on the information currently available. Projected future taxable income is based on forecasted results and assumptions as to the jurisdiction
be earned. The timing of reversals of any existing temporary differences is based on our methods of accounting for income taxes and current tax l
deferred tax balances are more likely than not to be realized, a valuation allowance is established to reduce the carrying values of any deferred tax
circumstances indicate that realization becomes more likely than not.

The Company establishes reserves for income tax related uncertainties based on estimates of whether it is more likely than not that the tax uncerta
upon challenge by the appropriate tax authorities. Provisions for and changes to these reserves and any related net interest and penalties are incluc
in the consolidated statements of operations. Significant judgment is required when evaluating our tax provisions and determining our provision f
regularly review our tax positions and we adjust the reserves as circumstances change.

Earnings per Common Share

Basic earnings per common share (EPS) is computed by dividing net income (loss) attributable to Multi-Color Corporation by the weighted avera
shares outstanding during the period. Diluted EPS is computed by dividing net income (loss) attributable to Multi-Color Corporation by the sum o
number of common shares outstanding during the period plus, if dilutive, potential common shares outstanding during the period. Potential comm
during the period consist of restricted shares and the incremental common shares issuable upon the exercise of stock options and are reflected in d
of the treasury stock method.

Derivative Financial Instruments

The Company accounts for derivative financial instruments by recognizing derivative instruments as either assets or liabilities in the consolidated
and recognizing the resulting gains or losses as adjustments to the consolidated statements of operations or accumulated other comprehensive inco
does not hold or issue derivative financial instruments for trading or speculative purposes.

For derivative instruments that hedge the exposure to variability in expected future cash flows that are designated and qualify as cash flow hedges
derivative instrument is reported as a component of AOCI in stockholders' equity and reclassified into earnings in the same period or periods duri
transaction affects earnings. To receive hedge accounting treatment, cash flow hedges must be highly effective in offsetting changes to expected f
transactions.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

For derivative instruments that hedge the exposure to changes in the fair value of an asset or a liability and that are designated and qualify as fair
gain or loss on the derivative instrument as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in
period.

For derivative instruments that hedge the exposure to changes in foreign currency exchange rates used for translation of the net investment in a fo
are designated as a net investment hedge, the net gain or loss on the derivative instrument is reported in AOCI as part of the foreign currency tran

Derivatives that do not qualify as hedges are adjusted to fair value through earnings in the current period.

Fair Value Measurements

The carrying value of financial instruments approximates fair value.

The Company defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction betwee
measurement date. To increase consistency and comparability in fair value measurements, the Company uses a three-level hierarchy that prioritiz
inputs. The three levels are:

Level 1 – Quoted market prices in active markets for identical assets and liabilities
Level 2 – Observable inputs other than quoted market prices in active markets for identical assets and liabilities
Level 3 – Unobservable inputs

The determination of where an asset or liability falls in the hierarchy requires significant judgment.

Fair value measurements of nonfinancial assets and nonfinancial liabilities are primarily used in goodwill, other intangible assets and long-lived a
the valuation of acquired intangibles and in the valuation of assets held for sale. The Company tests goodwill for impairment annually, as of the la
fiscal year. Impairment is also tested when events or changes in circumstances indicate that the assets' carrying values may be greater than the fai
intangible assets are typically valued using Level 3 inputs.

Foreign Exchange

The functional currency of each of the Company's subsidiaries is generally the currency of the country in which the subsidiary operates or the U.S
liabilities of foreign operations are translated using period end exchange rates, and revenues and expenses are translated using average exchange r
Translation (gains) and losses are reported in accumulated other comprehensive loss as a component of stockholders' equity and were $136,726, $
during 2019, 2018 and 2017, respectively. Transaction gains and (losses) are reported in other income and expense in the consolidated statements
$149, $3,899 and $(533) during 2019, 2018 and 2017, respectively.

New Accounting Pronouncements

On April 1, 2018, we adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all related amendments, which provides
revenue recognition. We adopted this guidance using the modified retrospective transition method, which means that periods beginning in fiscal 2
guidance while prior periods continue to be reported under previous guidance. See Note 3.

In February 2018, the FASB issued ASU 2018-02, "Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income (To
the reclassification of stranded tax effects resulting from the Tax Cuts and Jobs Act (the "Tax Act") from accumulated other comprehensive incon
earnings. This new guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years, which
fiscal year beginning April 1, 2019. Early adoption is permitted, and the update must be applied either at the beginning of the period of adoption
period in which the effects of the Tax Act related to items remaining in AOCI are recognized. The Company elected to early adopt this update in
2019. As part of this adoption, the Company elected to reclassify $1,750 of stranded income tax effects of the Tax Act from AOCI to retained ear
the second quarter of fiscal 2019.

In January 2017, the FASB issued ASU 2017-04, "Intangibles-Goodwill and Other," which simplifies the accounting for goodwill impairment. T
of the goodwill impairment test, which requires a hypothetical purchase price allocation. Goodwill impairment will now be the amount by which
value exceeds its fair value, not to exceed the carrying amount of goodwill. This update is effective for any annual or interim goodwill impairmen
beginning after December 15, 2019, which for the Company is any annual or interim goodwill impairment tests performed after April 1, 2020. Ea
for any impairment tests performed after January 1, 2017. The Company elected to early adopt this update in the fourth quarter of fiscal 2019. Un
Company recognized goodwill impairment charges of $99,155 during the fourth quarter of fiscal 2019. See Note 8.

In January 2017, the FASB issued ASU 2017-01, "Business Combinations," which revises the definition of a business. The FASB's new framewo
evaluating whether a set (integrated set of assets and activities) should be accounted for as an acquisition of a business or a group of assets. The f
screen to determine if substantially all of the fair value of the gross assets acquired is concentrated in a single asset or group of similar assets. If th
not a business. This update was effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, which
fiscal year beginning April 1, 2018. The Company adopted this update effective April 1, 2018, and its adoption did not have an impact on the Co
financial statements.

In August 2016, the FASB issued ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments," which addresses eight specific ca
objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statemen
specific issues addressed include debt prepayment or debt extinguishment costs, contingent consideration payments made after a business combi
identifiable cash flows and application of the predominance principle. This update was effective for fiscal years beginning after December 15, 20
within those fiscal years, which for the Company was the fiscal year beginning April 1, 2018. The Company adopted this update effective April 1
not have an impact on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases," which requires that lessees recognize almost all leases on the balance sheet as right-
liabilities. For income statement purposes, leases will be classified as either finance leases or operating leases. This update is effective for annual
December 15, 2018, including interim periods within those fiscal years, which for the Company is the fiscal year beginning April 1, 2019.

We will adopt the standard using the modified retrospective method which will be applied to leases that exist or are entered into on or after April
will not adjust our comparative period financial information or make the new required lease disclosures for periods before the effective date. The
utilize the package of practical expedients that allows entities to 1) not reassess whether any expired or existing contracts are or contain leases, 2)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

classification of lease contracts as of the date of adoption, and 3) not reassess initial direct costs for any existing leases. The Company is in the fin
existing lease portfolio and is continuing to assess and quantify the amount of right-of-use assets and lease liabilities that will be included on its b
2019, with an estimated amount of $125,000.

The Company is in the process of implementing a new lease accounting and administration software solution to manage and account for leases un
is updating certain of its business processes and internal controls to meet the reporting and disclosure requirements of the new standard. We believ
will have a material impact on our consolidated balance sheet due to the recognition of right-of-use assets and liabilities for our operating leases, b
have a material impact on our statements of operations or cash flows. The ASU will also require disclosures to allow financial statement users to b
amount, timing and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements, providing a
about the amounts recorded in the financial statements.

No other new accounting pronouncement issued or effective during the fiscal year had or is expected to have a material impact on the consolidate

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

REVENUE RECOGNITION

12 Months Ended Mar. 31, 2019

Revenue from Contract with Customer [Abstract]

REVENUE RECOGNITION

(3) Revenue Recognition

On April 1, 2018, we adopted ASU 2014-09, “Revenue from Contracts with Customers (Topic 606)” and all related amendments, which provides revenue recognition. The standard’s core principle is that an entity should recognize the revenue for transfer of promised goods or services to cust reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard defines a five-step proc and requires more judgment and estimates within the revenue recognition process than required under previous U.S. GAAP, including identifying in the contract, estimating the amount of variable consideration to include in the transaction price, and allocating the transaction price to each sepa obligation.

We adopted the standard by applying the modified retrospective method to all contracts that were not completed as of the adoption date. The aggr modifications to those contracts was reflected in identifying the satisfied and unsatisfied performance obligations, determining the transaction pric to the satisfied and unsatisfied performance obligations as of the adoption date. Accordingly, the comparative statements of operations and compa not been restated.

Adjustments due to ASU 2014-09 were as follows:

	Balance at March 31, 2018	Adjustments
Assets:		
Accounts receivable, net	$ 306,542	$ 253
Inventories, net	167,950	(18,286)
Other current assets	17,468	21,657
Liabilities and Stockholders’ Equity:		
Accrued expenses and other liabilities	$ 114,022	$ (215)
Deferred income tax liabilities	149,950	1,125
Accumulated other comprehensive loss	(19,241)	13
Retained earnings	384,671	2,701

Revenue is generated through the sale of products created to meet the packaging needs of our customers, culminating in a single performance obli with no alternate use, and revenue is recorded in an amount that reflects the net consideration that we expect to receive. Prices for our products ar rates with customers and do not include financing components or noncash consideration. The amount of consideration we receive and revenue we certain customers and is impacted by incentives, including rebates, which are generally tied to achievement of certain sales volume levels.

We recognize revenue when obligations under the terms of a contract with our customer are satisfied, in an amount that reflects the consideration exchange for the product. Depending on the terms of the agreement with the customer, we recognize revenue either at a point-in-time (at shipmen agreed upon terms) or over-time when the Company has an enforceable right to payment for performance completed to date.

We believe the costs incurred method is the best method to recognize our over-time revenue as costs incurred are proportionate to progress achiev performance obligations.

The Company also has bill and hold arrangements with certain customers. For these arrangements, control over the product is transferred when th physical transfer to the customer, as we have a present right to payment, the customer can direct the use of the product (i.e., request shipment to it has passed to the customer. Revenue is recognized at the time the product is produced and we have transferred control to the customer.

Payment terms typically range from 30-90 days, based upon agreed upon terms with the customer.

Taxes assessed by a governmental authority that we collect from our customers that are both imposed on and concurrent with our revenue produci tax, value-added tax, and excise taxes) are excluded from revenue. Shipping and handling costs incurred after control of the product is transferred treated as fulfillment costs and not a separate performance obligation.

MCC records contract assets when revenue is recognized but we have not yet invoiced the customer. This occurs when costs are incurred for the p over-time customers but the associated revenues have not been billed to the customer or when prepress costs related to fulfillment and completion the associated revenues for those labels have not been billed to the customer. Contract liabilities are recorded for expected shipping and handling recognized from over-time customers, billings to customers for prepress items to be utilized in the fulfilment and completion of labels that have n the production process, and arrangements where MCC has billed the customer but has not yet shipped the labels and the transaction does not meet hold revenue recognition.

	Balance sheet location	March 31, 2019
Contract assets	Other current assets	**$ 29,143**
Contract liabilities	Accrued expenses and other liabilities	**(10,654)**
Net contract assets and liabilities		**$ 18,489**

MCC recognized revenues of $10,760 during fiscal year 2019, that were included in contract liabilities as of March 31, 2018.

We elected the practical expedient to disregard the possible existence of a significant financing component related to payment on contracts as part 2014-09, as we expect that customers will pay for the products within one year. Additionally, as all contracts are expected to have an original dura elected the practical expedient to exclude disclosure of information regarding the aggregate amount and future timing of performance obligations partially satisfied as of the end of the reporting period.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

The following table summarizes the March 31, 2019 consolidated statements of operations and consolidated balance sheet as if ASU 2014-09 had
adjustment required upon adoption of ASU 2014-09.

	Fiscal Year ended March 31, 2019		
	As Reported	Adjustments	Prev
Condensed Consolidated Statement of Income:			
Net revenues	$ 1,725,554	$ 3,349	$
Cost of revenues	1,403,634	2,713	
Gross profit	321,920	636	
Selling, general and administrative expenses	160,710	67	
Operating income	61,344	569	
Income tax benefit	12,332	206	
Net income (loss)	(28,667)	363	

	As of March 31, 2019		
	As Reported	Adjustments	Prev
Condensed Consolidated Balance Sheet:			
Assets:			
Accounts receivable, net	$ 300,945	$ (169)	$
Inventories, net	144,235	15,494	
Other current assets	40,769	(18,230)	
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	$ 94,739	$ 347	$
Deferred income tax liabilities	160,017	(919)	
Accumulated other comprehensive loss	(126,166)	5	
Retained earnings	355,973	(2,338)	

The following table presents our net revenues disaggregated by region and timing of revenue recognition for the fiscal year ended March 31, 2019

	Fiscal Year ended March 31,	
	Point-in-time	Over
North America	$ 550,851	$ 22
Europe	672,349	
Asia Pacific and Africa	246,657	
South America	24,663	
Total	$ 1,494,520	$ 23

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACQUISITIONS	12 Months Ended Mar. 31, 2019

Business Combinations [Abstract]

Acquisitions

(4) ACQUISITIONS

Constantia Labels Summary

On October 31, 2017, the Company completed its acquisition pursuant to the Sale and Purchase Agreement (as amended) with Constantia Flexibl
Constantia Flexibles International GmbH, Constantia Flexibles Group GmbH and GPC Holdings B.V. (collectively, "Constantia Flexibles"), acqu
Division of Constantia Flexibles ("Constantia Labels"). Constantia Labels, headquartered in Vienna, Austria, is a leader in label solutions serving
consumer packaging goods industries. Constantia Labels has approximately 2,800 employees globally and 24 production plants across 14 countri
across Europe, Asia and North America. The acquisition included a 75% controlling interest in certain label operations in South Africa.

The Company believes the combination of Constantia Labels' food & beverage business with Multi-Color's existing platforms, particularly in ho
wine & spirits and emerging position in healthcare, will create a company with significant scale and geographic, end-market, customer and produ
additional growth opportunities. The results of Constantia Labels' operations were included in the Company's consolidated financial statements b
2017.

The purchase price for Constantia Labels consisted of the following:

Cash from proceeds of borrowings	$1,048,656
MCC common stock issued	237,820
Deferred payments	3,901
Contingent consideration	9,026
Purchase price, before cash acquired	1,299,403
Net cash acquired	(11,234)
Total purchase price	$1,288,169

The Company issued 3,383 shares of its common stock to Constantia Flexibles as part of the consideration for the purchase of Constantia Labels.
Agreement provides for restrictions on the transfer of the shares issued to Constantia Flexibles and certain registration rights with respect to the sh
shares issued of $237,820 was calculated using the Company share price of $82.70, which was the closing price on October 31, 2017, discounted
lack of liquidity.

The cash portion of the purchase price was funded through the 4.875% Senior Notes due 2025 and funds from the Credit Agreement (see Note 9).
included deferred payments with a total fair value of $3,901, estimated as of the acquisition date, of which $807 was paid during the three months
the remaining to be paid out approximately 90 days after December 31, 2018, 2019 and 2020. In addition, the purchase price includes future perfo
with a total fair value of $9,026, estimated as of the acquisition date. The future value of the earnouts is dependent upon whether the Verstraete in
(Verstraete) business, which was acquired in conjunction with the Constantia Labels' acquisition, meets or exceeds certain agreed upon EBITA (e
taxes, and amortization) metrics over the three to five-year period following the acquisition. The earnouts have a minimum future payout of zero,
of the future payout is based on the amount of EBITA growth achieved relative to calendar 2017. The earnouts may be paid out approximately 90
2020, 2021 or 2022. Net cash acquired includes $49,725 of cash acquired less $38,491 of assumed bank debt and capital leases. The Company sp
expenses related to the Constantia Labels acquisition. These expenses were recorded in selling, general and administrative expenses in the consoli
operations as follows: $18 in the third quarter of fiscal 2017, $744 in the first quarter of fiscal 2018, $3,545 in the second quarter of fiscal 2018, $
of fiscal 2018, $632 in the fourth quarter of fiscal 2018, $1,246 in the first quarter of fiscal 2019 and a credit of $(105) in the second quarter of fis

Purchase Price Allocation and Other Items

Based on fair value estimates, the purchase price for Constantia Labels has been allocated to individual assets acquired and liabilities assumed as

	Constantia Labels
Assets Acquired:	
Net cash acquired	$ 11,234
Accounts receivable	117,248
Inventories	82,472
Property, plant and equipment	250,479
Intangible assets	432,400
Goodwill	673,561
Other assets	13,747
Total assets acquired	1,581,141
Liabilities Assumed:	
Accounts payable	93,812
Accrued income taxes payable	4,401
Accrued expenses and other liabilities	41,378
Deferred tax liabilities	139,847
Total liabilities assumed	279,438
Net assets acquired	1,301,703
Noncontrolling interests	(2,300)
Net assets acquired attributable to Multi-Color Corporation	$ 1,299,403

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

The liabilities assumed in the Constantia Labels acquisition included a contingent liability of $9,671, estimated as of the acquisition date based on
estimate. The contingent liability, payable to the pre-Constantia Flexibles owners of the respective entities, was based on future earnings of certai
fourth quarter of fiscal 2018, $7,523 of the contingent liability was paid. The remaining contingent liability was paid during the three months end

The fair value of the noncontrolling interests for Constantia Labels was estimated based on market valuations performed by an independent third
of: (i) an income approach based on expected future discounted cash flows; and (ii) an asset approach. During fiscal 2019, the Company increase
noncontrolling interests for Constantia Labels by $1,200.

During fiscal 2019, goodwill decreased by $33,772 related to measurement period adjustments for the Constantia Labels acquisition. The measur
primarily consisted of increases of $33,607 and $22,400 related to the valuation of property, plant and equipment and intangible assets, respective
and $4,846 related to the valuation of net cash acquired (primarily due to the valuation of capital leases) and inventories, respectively. In addition
tax liabilities increased by $11,195 and accrued income taxes decreased by $3,574 due to completion of the final valuation of current and deferre
liabilities.

During fiscal 2019, we recognized a $(4,055) credit to depreciation expense and $911 of amortization expense that would have been recognized i
adjustments to provisional amounts were recognized as of the Constantia Labels' acquisition date of October 31, 2017.

During the fourth quarter of fiscal 2018, goodwill decreased by $8,912 due to finalization of the purchase price and increased by $4,083 related t
adjustments for the Constantia Labels acquisition. The measurement period adjustments primarily consisted of a $1,768 and $5,311 decrease in th
and other assets, respectively, and a $1,601 increase in the valuation of accrued and other liabilities, partially offset by a $4,765 decrease in the va
deferred tax liabilities.

The fair value of identifiable intangible assets acquired and their estimated useful lives are as follows:

	Constantia Label	
	Fair Value	Usefu
Customer relationships	$407,300	19
Technology	20,700	4
Trade name	4,400	4
Total identifiable intangible assets	$432,400	

Identifiable intangible assets are amortized over their useful lives based upon a number of assumptions including the estimated period of economi
The weighted-average amortization period for identifiable intangible assets acquired in the Constantia Labels acquisition is 18 years.

The goodwill for Constantia Labels is attributable to combining Constantia Labels' food & beverage business with Multi-Color's existing platfor
personal care and wine & spirits and emerging position in healthcare, thereby creating additional growth opportunities for both businesses utilizin
footprint and the acquired workforce. Goodwill arising from the Constantia Labels acquisition is not deductible for income tax purposes.

The accounts receivable acquired as part of the Constantia Labels acquisition had a fair value of $117,248 at the acquisition date. The gross contr
receivables prior to any adjustments was $119,883 and the estimated contractual cash flows that are not expected to be collected are $2,635.

Pro Forma Information

The following table provides the unaudited pro forma results of operations for the year ended March 31, 2018 and 2017 as if Constantia Labels h
beginning of fiscal year 2017. However, pro forma results do not include any anticipated synergies from the combination of the companies, and a
necessarily indicative of the results that would have occurred if the acquisition had occurred on the date indicated or that may result in the future.

	2018	2
Net revenues	$1,718,924	$1,58
Net income attributable to Multi-Color	87,147	7
Diluted earnings per share	4.24	

The following is a reconciliation of actual net revenues and net income attributable to Multi-Color Corporation to unaudited pro forma net revenu

	2018		2017
	Net revenues	Net income attributable to Multi-Color	Net revenues
Multi-Color Corporation actual results	$ 1,300,912	$ 71,951	$ 923,295
Constantia Labels actual results (1)	418,012	23,426	664,795
Pro forma adjustments	—	(8,230)	—
Pro forma results	$ 1,718,924	$ 87,147	$ 1,588,090

(1) Constantia Labels actual results include the seven months pre-acquisition in fiscal 2018 and 12 months in fiscal 2017. Constantia L
months post-acquisition in fiscal 2018 are included in the Multi-Color Corporation actual results.

The following table identifies the unaudited pro forma adjustments:

	2018	2
Constantia Labels financing costs	$ 9,689	$ 1
Acquisition transaction costs	16,220	
Incremental depreciation and amortization costs	(8,468)	(1
Incremental interest costs	(29,368)	(5
Tax effect of adjustments	3,697	1

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Pro forma adjustments	$ (8,230)	$(3-

Other Acquisition Activity

On October 11, 2017, the Company acquired 100% of TP Label Limited, the labels business of Tanzania Printers Limited (Tanzania Printers), and (collectively, "TP Label"), which is located in Dar es Salaam, Tanzania with a sales and distribution center located in Nairobi, Kenya, for $15,929 $397. The purchase price included $9,557, which was retained by MCC at closing and was used to repay the indebtedness of TP Label Limited an the three months ended March 31, 2018. The purchase price also included an indemnification holdback of $1,593 to fund certain potential obligat respect to the transaction, which was deferred for one year and paid during the three months ended December 31, 2018. TP Label is primarily a pr and stack label business, serving customers in the food and beverage market.

On August 3, 2017, the Company acquired 100% of GEWA Etiketten GmbH (GEWA), including the remaining 2.4% of the common shares of GI plus net debt assumed of $5,228. Upon closing, $2,185 of the purchase price was deposited into an escrow account and was released to the seller anniversary of the closing date in accordance with the purchase agreement. The escrow amount was to fund certain potential indemnification obli respect to the transaction. GEWA is located in Bingen am Rhein, Germany and specializes in producing pressure sensitive labels for the wine and

On January 3, 2017, the Company acquired 100% of Graphix Labels and Packaging Pty Ltd. (Graphix) for $17,261. The purchase price included $1,631 that was paid in the three months ended March 31, 2019. Graphix is located in Melbourne, Victoria, Australia and specializes in producing beverage and wine & spirits markets.

In January 2017, the Company acquired an additional 67.6% of the common shares of Gironde Imprimerie Publicité (GIP) for $2,084 plus net deb purchase price included a deferred payment of $208 that was paid during the three months ended March 31, 2018. The Company acquired 30% o acquisition in fiscal 2016. Immediately prior to obtaining a controlling interest in GIP, the Company recognized a gain of $690 as a result of re-m to its fair value of $771 based on the most recent share activity. In August 2017, the Company acquired the remaining 2.4% of the common shares with the GEWA acquisition (see above). GIP is located in the Bordeaux region of France and specializes in producing labels for the wine & spirits

On July 6, 2016, the Company acquired 100% of Industria Litografica Alessandrina S.r.l. (I.L.A.) for $6,301 plus net debt assumed of $3,547. Th $819 that is deferred for three years after the closing date. I.L.A. is located in the Piedmont region of Italy and specializes in production of premiu glue labels primarily for the wine & spirits market and also services the food industry.

On July 1, 2016, the Company acquired 100% of Italstereo Resin Labels S.r.l. (Italstereo) for $3,342 less net cash acquired of $181. The purchase payment of $201 that was paid in the three months ended September 30, 2017 and a deferred payment of $133 that was paid in the three months e Italstereo is located near Lucca, Italy and specializes in producing pressure sensitive adhesive resin coated labels, seals and emblems.

The results of operations of the acquisitions described above within this "Other Acquisition Activity" section have been included in the consolida since the respective dates of acquisition and have been determined to be immaterial for purposes of additional disclosure.

Sale of Southeast Asian durables business

On July 3, 2017, the Company sold its 60% controlling interest in its Southeast Asian durables business to its minority shareholders for $3,620 in Company recognized a loss of $512 on the sale of the business, which was recognized in other expense in the consolidated statements of operation

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACCOUNTS RECEIVABLE ALLOWANCE

12 Months Ended Mar. 31, 2019

Receivables [Abstract]

ACCOUNTS RECEIVABLE ALLOWANCE

(5) ACCOUNTS RECEIVABLE ALLOWANCE

The Company's customers are primarily producers of home & personal care, wine & spirits, food & beverage, healthcare and specialty consumer receivable consist of amounts due from customers in connection with our normal business activities and are carried at sales value less allowance f allowance for doubtful accounts is established to reflect the expected losses of accounts receivable based on past collection history, age, account p invoice payment terms and specific individual risks identified. The following table summarizes the activity in the allowance for doubtful accounts

	2019	2018
Balance at beginning of year	**$2,704**	$2,273
Provision	**312**	319
Accounts written-off	**(281)**	(62
Foreign exchange	**(137)**	174
Balance at end of year	**$2,598**	$2,704

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

INVENTORIES	12 Months Ended Mar. 31, 2019
Inventory Disclosure [Abstract]	
INVENTORIES	(6) INVENTORIES

(6) INVENTORIES

The Company’s inventories as of March 31 consisted of the following:

	2019	2
Finished goods	**$ 60,493**	$ 8
Work-in-process	**21,010**	2
Raw materials	**62,732**	6
Total inventories, net	**$144,235**	$16

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

PROPERTY, PLANT AND EQUIPMENT	12 Months Ended Mar. 31, 2019

Property, Plant and Equipment [Abstract]

PROPERTY, PLANT AND EQUIPMENT

(7) PROPERTY, PLANT AND EQUIPMENT

The Company’s property, plant and equipment as of March 31 consisted of the following:

	2019	20
Land	**$ 19,095**	$ 1
Buildings, building improvements and leasehold improvements	**123,517**	11
Machinery and equipment	**603,882**	53
Furniture, fixtures, computer equipment and software	**42,049**	5
Construction in progress	**24,313**	3
Property, plant and equipment, gross	**812,856**	74
Accumulated depreciation	**(284,779)**	(23
Property, plant and equipment, net	**$ 528,077**	$ 51

Total depreciation expense for 2019, 2018 and 2017 was $60,474, $46,913 and $33,480, respectively.

As a result of our decision to close certain manufacturing facilities during fiscal 2019 and 2018, the Company determined that it was more likely t
assets at these facilities would be sold or otherwise disposed of significantly before the end of their estimated useful lives.

As a result of the decision to close our manufacturing facility located in Cowansville, Canada, during fiscal 2019, non-cash fixed asset impairmen
recorded to adjust the carrying value of certain machinery and equipment to their estimated fair value, less costs to sell, which were determined ba
price.

As a result of the decision to consolidate our manufacturing facility located in Merignac, France into our existing facility in Libourne, France duri
fixed asset impairment charges of $125 were recorded, primarily to write off land and building improvements that were not transferred to Libourn

As a result of the decision to close our manufacturing facility located in Dormans, France, during fiscal 2018, non-cash fixed asset impairment ch
recorded, to adjust the carrying value of the land and building held for sale at the Dormans facility to their estimated fair value, less cost to sell, w
based on a quoted market price. The land and building at the Dormans facility were sold during fiscal 2018.

These asset impairment charges were recorded in facility closure expenses in the consolidated statements of operations. See Note 21 for further in
closures.

In addition, the Company performed impairment testing on long-lived assets at certain manufacturing locations during fiscal 2019 and 2018 due t
impairment indicators. The estimated undiscounted future cash flows associated with the long-lived assets were greater than their carrying values,
impairment was present in either of these two years.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

GOODWILL AND INTANGIBLE ASSETS	12 Months Ended
	Mar. 31, 2019
Goodwill and Intangible Assets Disclosure [Abstract]	
GOODWILL AND INTANGIBLE ASSETS	

(8) GOODWILL AND INTANGIBLE ASSETS

The changes in the Company's goodwill consisted of the following:

	2019	20
Balance at beginning of year		
Goodwill, gross	**$1,210,179**	$ 424
Accumulated impairment losses	**(13,545)**	(12
Goodwill, net	**1,196,634**	412
Activity during the year		
Acquisitions	**—**	72
Adjustments to prior year acquisitions	**(34,478)**	
Currency translation	**(84,457)**	63
Impairment	**(99,155)**	
Sale of Southeast Asian durables business	**—**	
Balance at end of year		
Goodwill, gross	**1,089,010**	1,210
Accumulated impairment losses	**(110,466)**	(13
Goodwill, net	**$ 978,544**	$1,196

See Note 4 for further information regarding acquisitions.

In conjunction with our annual impairment tests as of January 31, 2019 and January 31, 2018, the Company performed quantitative assessments f
units. The impairment tests compare the fair value of each reporting unit to its carrying value. We estimated the fair value of each reporting unit u
market approach based on multiples of revenue and EBITDA from recent comparable transactions and other market data; and (ii) an income appro
future cash flows discounted at rates ranging between 8.5% to 13.0% in 2019 and 8.5% to 11.5% in 2018. The discount rate reflects the risk assoc
reporting unit, including the industry and geographies in which they operate. In fiscal 2019, the market and income approaches were weighted 25
based on judgment of the comparability of the recent transactions and the risks inherent in estimating future cash flows. We considered recent eco
as well as risk in executing our current plans from the perspective of a hypothetical buyer in estimating expected future cash flows in the income a

For most of our reporting units, the impairment test did not indicate impairment as the estimated fair value of the reporting units exceeded the car
our reporting units, In-Mold Labels Food & Beverage and Europe Food & Beverage, both of which were acquired in fiscal 2018 as part of the Co
the carrying amounts exceeded the estimated fair value of the reporting units.

During the fourth quarter of fiscal 2019, the Company adopted ASC 2017-14, which removes step 2 of the goodwill impairment test. Goodwill im
amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. See Note 2 for further de
the carrying value over the fair value for IML Food & Beverage and Europe Food & Beverage of $85,109 and $14,046, respectively, were recorde
impairment charges during the fourth quarter of fiscal 2019 and resulted in a reduction in goodwill. The impairment charges were a result of chan
future growth as part of our fourth quarter long-term strategic planning process.

Significant assumptions used to estimate the fair value of our reporting units include estimates of future cash flows, discount rates and multiples o
These assumptions are typically not considered individually because assumptions used to select one variable should also be considered when sele
however, sensitivity of the overall fair value assessment to each significant variable was also considered.

No events or changes in circumstances occurred in 2019 and 2018 that required goodwill impairment testing in between annual tests.

The Company's intangible assets as of March 31 consisted of the following:

	2019			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount
Customer relationships	**$ 641,385**	**$ (119,821)**	**$521,564**	$ 648,273
Technologies	**21,540**	**(8,512)**	**13,028**	21,721
Trademarks and trade names	**4,372**	**(1,635)**	**2,737**	99
Non-compete agreements	**3,824**	**(2,957)**	**867**	3,880
Total	**$ 671,121**	**$ (132,925)**	**$538,196**	$ 673,973

The intangible assets were established in connection with completed acquisitions. They are amortized, using the straight-line method, over their e
on a number of assumptions including customer attrition rates, percentage of revenue attributable to technologies, royalty rates and projected futu
weighted-average amortization period for the intangible assets acquired in fiscal 2018 is 18 years. There were no acquisitions in fiscal 2019. Total
intangible assets for 2019, 2018 and 2017 was $43,618, $26,009 and $14,425, respectively.

The estimated useful lives for each intangible asset class are as follows:

Customer relationships	9 to 21 years
Technologies	1 to 8 years
Trademarks and trade names	1 to 4 years
Non-compete agreements	2 to 7 years

The annual estimated amortization expense for future years is as follows:

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Fiscal 2020	$ 42,079
Fiscal 2021	41,635
Fiscal 2022	40,326
Fiscal 2023	37,300
Fiscal 2024	34,183
Thereafter	342,673
Total	$538,196

The Company performed impairment testing on long-lived assets, including intangibles, at certain manufacturing locations during fiscal 2019 and
of impairment indicators. The estimated undiscounted future cash flows associated with the long-lived assets were greater than their carrying valu
impairment was present in either of these two years related to intangible assets.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

DEBT	12 Months Ended Mar. 31, 2019

Debt Disclosure [Abstract]

Debt

(9) DEBT

The components of the Company's debt as of March 31 consisted of the following:

	2019			20	
	Principal	Unamortized Debt Issuance Costs	Debt Less Unamortized Debt Issuance Costs	Principal	Unamor Debt Issu Cost
6.125% Senior Notes (1)	**$ 250,000**	**$ (2,473)**	**$ 247,527**	$ 250,000	$ (3,
4.875% Senior Notes (1)	**600,000**	**(8,420)**	**591,580**	600,000	(9,
Credit Agreement					
Term Loan A Facility (2)	**135,625**	**(3,125)**	**132,500**	148,125	(3,
Term Loan B Facility (3)	**493,750**	**(5,165)**	**488,585**	498,750	(6,
U.S. Revolving Credit Facility (4) (5)	**—**	**—**	**—**	56,945	(5,
Australian Revolving Sub-Facility (4)	**35,977**	**(473)**	**35,504**	33,033	(
Capital leases	**36,255**	**—**	**36,255**	36,288	
Other subsidiary debt	**5,402**	**—**	**5,402**	4,714	
Total debt	**1,557,009**	**(19,656)**	**1,537,353**	1,627,855	(29,
Less current portion of debt	**(23,059)**	**—**	**(23,059)**	(20,864)	
Total long-term debt	**$ 1,533,950**	**$ (19,656)**	**$ 1,514,294**	$ 1,606,991	$ (29,

(1) The 6.125% Senior Notes are due on December 1, 2022. The 4.875% Senior Notes are due on November 1, 2025.
(2) The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan A Facility. The princ the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October
(3) The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan B Facility. The princ the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October
(4) Borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility mature on October 31, 2022.
(5) Unamortized debt issuance costs related to the U.S. Revolving Credit Facility were reclassified to prepaid expenses and other long-term as balance sheet as of March 31, 2019, as there are no borrowings outstanding on the U.S. Revolving Credit Facility as of March 31, 2019.

The carrying value of debt under the Credit Agreement approximates fair value. The fair value of the Senior Notes is based on observable inputs, prices (Level 2). The fair values of the 4.875% Senior Notes and 6.125% Senior Notes were approximately $616,500 and $257,188, respectively, fair values of the 4.875% Senior Notes and 6.125% Senior Notes were approximately $564,000 and $258,750, respectively, as of March 31, 2018

The following is a schedule of future annual principal payments as of March 31, 2019:

	Debt	Capital Leases
Fiscal 2020	$ 18,509	$ 4,550
Fiscal 2021	17,331	3,999
Fiscal 2022	22,005	3,107
Fiscal 2023	389,158	2,925
Fiscal 2024	5,000	2,635
Thereafter	1,068,751	19,039
Total	$ 1,520,754	$ 36,255

Senior Secured Credit Facility

In conjunction with the Constantia Labels acquisition, effective October 31, 2017 the Company entered into a credit agreement (the "Credit Agre lenders. The Credit Agreement replaced the Company's previous credit agreement and consists of (i) a senior secured first lien term loan A facilit Facility") in an aggregate initial principal amount of $150,000 with a five year maturity, (ii) a senior secured first lien term loan B facility (the "Te aggregate initial principal amount of $500,000 with a seven year maturity, and (iii) a senior secured first lien revolving credit facility (the "Revolv aggregate principal amount up to $400,000, comprised of a $360,000 U.S. revolving credit facility (the "U.S. Revolving Credit Facility") and a $4 equivalent Australian sub-facility (the "Australian Revolving Sub-Facility"), each with a five year maturity.

On October 16, 2018, the Company amended the terms of the Term Loan B Facility upon entering into Amendment No. 1 to the Credit Agreemen applicable margin payable on LIBOR indexed loans thereunder from 225 bps to 200 bps.

The Credit Agreement contains customary mandatory and optional prepayment provisions and customary events of default. The Credit Agreemen Term Loan B Facility and U.S. Revolving Credit Facility (together, the "U.S. facilities") are guaranteed by substantially all of the Company's dire owned domestic subsidiaries, and such guarantors pledged substantially all their assets as collateral to secure the U.S. facilities. The Australian Re secured by substantially all of the assets of the Australian borrower and its direct and indirect subsidiaries.

The Credit Agreement can be used for working capital, capital expenditures and other corporate purposes and to fund permitted acquisitions (as d Agreement). Loans under the Credit Agreement bear interest at variable rates plus a margin, based on the Company's consolidated secured net lev

The weighted average interest rates on the Company's borrowings are as follows:

	March 31, 2019	March 31,
Term Loan A Facility	**4.50%**	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Term Loan B Facility	**4.50%**
U.S. Revolving Credit Facility	—
Australian Revolving Sub-Facility	**3.85%**

The Credit Agreement contains customary representations and warranties as well as customary negative and affirmative covenants, which require
the following financial covenants at the end of each quarter: (i) the consolidated secured net leverage ratio as of the last day of any fiscal quarter o
exceed 4.50 to 1.00 for the fiscal quarters ended during the period of March 31, 2017 through, and including June 30, 2019 and (ii) the consolidat
ratio as of the last day of any fiscal quarter of the Company shall not exceed 4.25 to 1.00 for the fiscal quarters ended during the period of Septem
thereafter.

The Credit Agreement, the indenture governing the 4.875% Senior Notes (the "4.875% Senior Notes Indenture") and the indenture governing the
"6.125% Senior Notes Indenture") and together with the 4.875% Senior Notes Indenture, (the "Indentures") limit the Company's ability to incur a
Additional covenants contained in the Credit Agreement and the Indentures, among other things, restrict the ability of the Company to dispose of
obligations, make restricted payments, create liens, make equity or debt investments, change the business conducted by the Company and its subs
certain transactions with affiliates. Under the Credit Agreement and the Indentures, certain changes in control of the Company could result in the
Default. In addition, the Credit Agreement limits the ability of the Company to modify terms of the Indentures. As of March 31, 2019, the Compa
the covenants in the Credit Agreement and the Indentures.

Available borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility were $354,241 and $4,023, respectively, at
Company also has various other uncommitted lines of credit available at March 31, 2019 in the aggregate amount of $23,625.

4.875% Senior Notes

The $600,000 aggregate principal amount of 4.875% Senior Notes due 2025 (the "4.875% Senior Notes") were issued in October 2017 to fund th
Labels. The 4.875% Senior Notes are unsecured senior obligations of the Company. Interest is payable on the 4.875% Senior Notes on May 1st an
year beginning May 1, 2018 until the maturity date of November 1, 2025. The Company's obligations under the 4.875% Senior Notes are guarant
Company's existing direct and indirect wholly-owned domestic subsidiaries.

6.125% Senior Notes

The $250,000 aggregate principal amount of 6.125% Senior Notes due 2022 (the "6.125% Senior Notes") were issued in November 2014. The 6.
unsecured senior obligations of the Company. Interest is payable on the 6.125% Senior Notes on June 1st and December 1st of each year beginnin
maturity date of December 1, 2022. The Company's obligations under the 6.125% Senior Notes are guaranteed by certain of the Company's exist
wholly-owned domestic subsidiaries.

Debt Issuance Costs

In conjunction with Amendment No. 1 to the Credit Agreement, the Company paid $730 in third-party fees of which $720 related to a debt modif
to selling, general and administrative expenses during the third quarter of fiscal 2019. The remaining $10 in third-party fees related to new lenders
and were deferred. In addition, $185 of existing unamortized debt issuance costs related to lenders exiting the Term Loan B were written-off to in
extinguishment of debt. The remaining unamortized debt issuance costs related to a debt modification and, along with the new deferred costs, are
remaining term of the Term Loan B Facility.

In conjunction with the issuance of the Credit Agreement, the Company incurred $16,331 in debt issuance costs, which are being deferred and am
the Term A Loan Facility, Term Loan B Facility and Revolving Credit Facility, except for the portion written-off in conjunction with Amendment
terminating the Company's prior credit agreement, $660 in unamortized debt issuance costs related to a debt extinguishment were written-off to in
three months ended December 31, 2017. The remaining unamortized fees under the prior credit agreement related to a debt modification and are b
term of the Revolving Credit Facility.

The Company incurred $10,338 in debt issuance costs associated with the issuance of the 4.875% Senior Notes, which are being deferred and amo
4.875% Senior Notes.

The Company recorded $5,085, $3,174 and $1,665 in interest expense in 2019, 2018 and 2017, respectively, in the consolidated statements of ope
deferred financing costs.

The Company incurred $4,587 in commitment fees related to a senior unsecured bridge facility (the "Bridge Facility"), which were written off to
expiration of the availability of the Bridge Facility in 2018.

Capital Leases

The present value of the net minimum payments on the capitalized leases as of March 31 is as follows:

	2019	2
Total minimum lease payments	**$44,688**	$ 4
Less amount representing interest	**(8,433)**	(1
Present value of net minimum lease payments	**36,255**	3
Current portion	**(4,550)**	(
Capitalized lease obligations, less current portion	**$31,705**	$ 3

Included in the consolidated balance sheet as of March 31, 2019 under property, plant and equipment are cost and accumulated depreciation relate
$42,710 and $6,336, respectively. Included in the consolidated balance sheet as of March 31, 2018 under property, plant and equipment are cost a
depreciation related to capitalized leases of $49,640 and $9,841, respectively. The capitalized leases carry interest rates from 0.97% to 12.25% an
to fiscal 2032.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

RISK MANAGEMENT ACTIVITIES AND FINANCIAL INSTRUMENTS	12 Months Ended
	Mar. 31, 2019

Derivative Instruments and Hedging Activities Disclosure [Abstract]

Risk Management Activities and Financial Instruments

(10) RISK MANAGEMENT ACTIVITIES AND FINANCIAL INSTRUMENTS

The Company is exposed to market risks, both directly and indirectly, such as currency fluctuations and interest rate movement. To the extent the appropriate, derivative instruments and hedging activities are used as a risk management tool to mitigate the potential impact of certain risks, prin exchange risk and interest rate risk.

The Company uses various types of derivative instruments including, but not limited to, forward contracts and swaps. The Company formally ass documents as a hedge of an underlying exposure each qualifying derivative instrument that will be accounted for as an accounting hedge at incept Company assesses, both at inception and at least quarterly thereafter, whether the financial instruments used in the hedging transactions are effect either the fair values or cash flows of the underlying exposures.

Interest Rate Risk Management

The Company uses interest rate swap agreements (the "Swaps") to minimize its exposure to interest rate fluctuations on variable rate debt borrow exchange of fixed and variable rate interest payments and do not represent an actual exchange of the underlying notional amounts between the tw

The Company had three forward starting non-amortizing Swaps with a total notional amount of $125,000 to convert variable rate debt to fixed rat effective October 2012 and expired in August 2016. The Swaps resulted in interest payments based on an average fixed rate of 1.396% plus the ap requirements in the previous credit agreement.

In conjunction with entering into the previous credit agreement on November 21, 2014 (see Note 9), the Company de-designated the Swaps as a c cumulative loss on the Swaps recorded in accumulated other comprehensive income (AOCI) at the time of de-designation was reclassified into in periods during which the originally hedged transactions affected earnings, as these transactions were still probable of occurring. Subsequent to No in the fair value of the de-designated Swaps were immediately recognized in interest expense.

In conjunction with entering into the Credit Agreement (see Note 9), the Company entered into two spot non-amortizing Swaps with a total notion convert variable rate debt to fixed rate debt. These Swaps became effective October 2017, expired in October 2018, and resulted in interest payme applicable margin per the requirements in the Credit Agreement. The Company also entered into two forward starting non-amortizing Swaps with $300,000 to convert variable rate debt to fixed rate debt. These Swaps became effective in October 2018, will expire in October 2022, and result i 2.1345% plus the applicable margin per the requirements in the Credit Agreement. In addition, the Company entered into a forward starting non-a total notional amount of $100,000 to convert variable rate debt to fixed rate debt. This Swap will become effective in May 2019, will expire in Oc in interest payments of 2.8060% plus the applicable margin per the requirements of the Credit Agreement.

Upon inception, the Swaps were designated as cash flow hedges under ASU 2017-12, with gains and losses, net of tax, measured on an ongoing b accumulated other comprehensive income (loss).

Foreign Currency Risk Management

Foreign currency exchange risk arises from our international operations as well as from transactions with customers or suppliers denominated in c U.S. Dollar. The functional currency of each of the Company's subsidiaries is generally the currency of the country in which the subsidiary opera times, the Company uses foreign currency forward contracts to minimize the impact of fluctuations in currency exchange rates.

The Company periodically enters into foreign currency forward contracts to fix the purchase price of foreign currency denominated firm commitm forward contracts are designated as fair value hedges and changes in the fair value of the contracts are recorded in other income and expense in th of operations in the same period during which the related hedged items affect the consolidated statements of operations. In addition, the Company short-term foreign currency forward contracts to fix the U.S. Dollar value of certain intercompany loan payments, which typically settle in the fol 2019 and 2018, these forward contracts were not designated as hedging instruments; therefore, changes in the fair value of the contracts were imm other income and expense in the consolidated statements of operations.

In June 2018, the Company began entering into foreign exchange forward contracts to fix the purchase price in U.S. Dollars of foreign currency d These forward contracts are designated as cash flow hedges with gains and losses, net of tax, measured on an ongoing basis, recorded in AOCI.

Net Investment Hedging

In September 2017, as a means of managing foreign currency risk related to our significant operations in Europe, the Company executed four fixe swaps, in which the Company will pay Euros and receive U.S. Dollars with a combined notional amount of €400,000, which mature in Novembe convert U.S. Dollar denominated debt to Euro denominated debt. The Company designated €205,000 of swap notional as a net investment hedge investment in our European operations under ASU 2017-12 and applied the spot method to these hedges. Changes in fair value of the derivative in designated and qualified as hedges of net investments in foreign operations were recognized in AOCI to offset changes in the values of the net inv

The remaining €195,000 of swap notional was not designated as an accounting hedge in September 2017. Therefore, changes in fair value of the c recognized in other income and expense in the consolidated statements of operations. Subsequently, in November 2017, the Company formally de €195,000 of swap notional as a net investment hedge under ASU 2017-12, bringing the total designated notional value to €400,000. Effective Nov accounting was applied to the newly designated swap notional of €195,000.

Disclosures about Derivative Instruments

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

All of the Company's derivative assets and liabilities measured at fair value are classified as Level 2 within the fair value hierarchy. The Company
of its derivatives based on valuation models which project future cash flows and discount the future amounts to a present value using market base
including interest rate curves, foreign currency rates, futures and basis point spreads, as applicable. The fair values of qualifying and non-qualifyi
hedging transactions as of March 31, 2019 and 2018 are as follows:

Derivatives Designated as Hedging Instruments	Balance Sheet Location	Fair V
		2019
Assets:		
Cross currency swaps (Net investment hedges)	Other current assets	$5,127
Interest rate swaps (Cash flow hedges)	Other current assets	743
Foreign exchange forward contracts (Fair value hedges)	Other current assets	—
Foreign exchange forward contracts (Cash flow hedges)	Other current assets	5
Interest rate swaps (Cash flow hedges)	Other long-term assets	—
Liabilities:		
Interest rate swaps (Cash flow hedges)	Other current liabilities	$ 377
Foreign exchange forward contracts (Fair value hedges)	Other current liabilities	234
Foreign exchange forward contracts (Cash flow hedges)	Other current liabilities	345
Cross currency swaps (Net investment hedges)	Other long-term liabilities	1,563
Interest rate swaps (Cash flow hedges)	Other long-term liabilities	2,353

Derivatives Not Designated as Hedging Instruments	Balance Sheet Location	Fa
		2019
Assets:		
Foreign exchange forward contracts	Other current assets	$ 26
Liabilities:		
Foreign exchange forward contracts	Other current liabilities	$ 30

The amounts of gains and (losses) recognized in AOCI net of reclassifications into earnings, during the twelve months ended March 31, 2019 and

Derivatives Designated as Hedging Instruments	2019	2
Cross currency swaps (Net investment hedges) (1)	$36,545	$(2
Interest rate swaps (Cash flow hedges)	(6,111)	
Foreign exchange forward contracts	(527)	

(1) The net gain of $36,545 recognized in OCI on the cross currency swaps in a net investment hedge as of March 31, 2019 is comprised of an
of $4,833 and an undiscounted spot gain of $43,480, net of tax of $(11,768).

The amounts of gains and (losses) reclassified from AOCI into earnings for the twelve months ended March 31, 2019 and 2018 are as fo

Derivatives Designated as Hedging Instruments	2019	
Cross currency swaps (1)	$5,226	$
Interest rate swaps (2)	674	
Foreign exchange forward contracts (2)	(588)	

(1) The Company had a $5,226 excluded component gain in AOCI which was recognized into income during the twelve months ended March
(2) During the next 12 months, $26 of gains included in the March 31, 2019 AOCI balance are expected to be reclassified into interest expense

The amounts of gains and (losses) included in earnings from qualifying and non-qualifying financial instruments used in hedging transactions for
March 31, 2019 and 2018 are as follows:

Derivatives Not Designated as Hedging Instruments	Statement of Income Location	2019
Foreign currency contract-Constantia purchase price	Other income (expense), net	$ —
Foreign currency contracts-Other	Other income (expense), net	6,161
Gain (loss) on underlying hedged items	Other income (expense), net	(5,340)
Cross currency swaps	Interest expense	976

Derivatives Designated as Hedging Instruments	Statement of Income Location	2019
Foreign exchange forward contracts (Fair value hedges)	Other income (expense), net	$ (46)
Gain on underlying hedged items	Other income (expense), net	46

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACCRUED EXPENSES AND OTHER LIABILITIES	12 Months Ended Mar. 31, 2019
Payables and Accruals [Abstract]	
ACCRUED EXPENSES AND OTHER LIABILITIES	**(11) ACCRUED EXPENSES AND OTHER LIABILITIES** The Company’s accrued expenses and other liabilities as of March 31 consisted of the following:

	2019	2
Accrued payroll and benefits	**$41,441**	$ 4
Accrued income taxes	**6,632**	1
Professional fees	**4,534**	
Accrued taxes other than income taxes	**1,671**	
Accrued interest	**13,746**	1
Customer rebates	**3,750**	
Exit and disposal costs related to facility closures	**210**	
Deferred payments	**1,881**	
Deferred revenue	**10,654**	1
Derivative liabilities	**986**	
Other	**9,234**	
Total accrued expenses and other liabilities	**$94,739**	$11

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

EMPLOYEE BENEFIT PLANS	12 Months Ended Mar. 31, 2019
Retirement Benefits [Abstract]	
EMPLOYEE BENEFIT PLANS	

(12) EMPLOYEE BENEFIT PLANS

The Company maintains a 401K retirement savings plan (Plan) for U.S. employees who meet certain service requirements. The Plan provides for
eligible U.S. employees up to a specified maximum percentage of gross pay. At the discretion of the Company's Board of Directors, the Company
specified matching percentage of the employee contributions. The Company also makes contributions to various retirement savings plans for Aus
required by law equal to 9% of gross pay and to other voluntary and involuntary defined contribution plans in Scotland, China, Malaysia and othe
U.S. Company contributions to these retirement savings plans were $10,194, $7,217 and $5,189 in 2019, 2018 and 2017, respectively.

The Company sponsors several pension plans, including our pension plan for certain former U.S. employees as well as other subsidiary pension p
U.S. pension plan is a single employer defined benefit pension plan (Pension Plan), which covers eligible union employees at our former Norway
hired prior to July 14, 1998. The Pension Plan provides benefits based on a flat payment formula and years of credited service at a normal retirem
are actuarially reduced for early retirement. The Company recorded $10, $56 and $145 of net periodic benefit cost in 2019, 2018 and 2017, respe

The Company used a March 31 measurement date (the fiscal year end) for the Pension Plan in 2019 and 2018. The Pension Plan's benefit obligati
as of March 31, 2019 and 2018, respectively. The fair value of the Pension Plan's assets was $632 and $498 as of March 31, 2019 and 2018, respe
2019 and 2018, the Pension Plan's unfunded obligation was $439 and $510, respectively.

Non-U.S. Plans

Certain subsidiaries outside the U.S. sponsor defined benefit postretirement plans that cover eligible regular employees. The Company deposits fu
investments to fund these plans in addition to providing reserves for these plans. Benefits under the defined benefit plans are typically based on y
employee's compensation. The range of assumptions that are used for the non-U.S. defined benefit plans reflect the different economic environme
countries. These defined benefit plans are recorded based upon local accounting standards and are immaterial to the Company's financial position

The Company's largest defined benefit postretirement plan outside the U.S. covers eligible employees at our Münden, Germany plant (Münden P
recorded $18 and $47 of net periodic benefit cost in 2019 and 2018, respectively. The Münden Plan's benefit obligation, plan assets and unfunded
2019 were $3,028, $2,958 and $70, respectively. The Münden Plan's benefit obligation, plan assets and unfunded obligation as of March 31, 2018
$38, respectively.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

INCOME TAXES

Income Tax Disclosure [Abstract]

Income Taxes

12 Months Ended Mar. 31, 2019

(13) INCOME TAXES

Earnings before income taxes were as follows:

	2019	2018
U.S.	$ 29,964	$ 6,848
Foreign	(46,299)	46,854
Total	$(16,335)	$53,702

The provision (benefit) for income taxes as of March 31 includes the following components:

	2019	2018
Current:		
Federal	$ 420	$ 2,783
State and local	2,306	611
Foreign	15,069	20,641
Total Current	17,795	24,035
Deferred:		
Federal	2,438	(18,406)
State and local	(1,764)	70
Foreign	(6,137)	(23,894)
Total Deferred	(5,463)	(42,230)
Total	$12,332	$ (18,195)

The following is a reconciliation between the U.S. statutory federal income tax rate and the effective tax rate:

	2019	2018
U.S. federal statutory rate	21.0%	31.5%
State and local income taxes, net of federal income tax benefit	(1.9)%	0.4%
Section 199 deduction	—	—
Foreign derived intangible income deduction	4.8%	—
International rate differential	45.1%	(5.1)%
Unrecognized tax benefits	19.4%	0.6%
Foreign permanent differences	3.3%	(1.1)%
Non-deductible transaction costs	(8.3)%	4.2%
Valuation allowances	(3.6)%	2.0%
U.S. Repatriation Tax	3.2%	5.7%
Goodwill impairment	(176.6)%	—
Share-based Compensation	1.4%	(2.5)%
Tax Rate Changes	18.0%	(70.8)%
U.S. Research & Development Credit	6.6%	-1.5%
Other foreign taxes	(6.9)%	1.6%
Other	(1.0)%	1.1%
Effective tax rate	(75.5)%	(33.9)%

During the fourth quarter of the Company’s fiscal year ended March 31, 2019, a goodwill impairment was recorded on various entities for which
permitted. See Note 8 for additional details.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the “Tax
significantly revises the future ongoing U.S. corporate income tax by, among other things, lowering U.S. corporate income tax rates and impleme
system. As the Company has a March 31 fiscal year-end, the lower corporate income tax rate was phased in, resulting in a U.S. statutory federal r
Company’s fiscal year ending March 31, 2018, and 21% for subsequent fiscal years. The Tax Act eliminates the domestic manufacturing deducti
transitional impacts to the Company, including a one-time repatriation tax on deemed repatriation of historical earnings of foreign subsidiaries. In
the U.S. corporate tax rate caused the Company to adjust the U.S. deferred tax assets and liabilities to the lower federal base rate of 21%.

As of March 31, 2018, the Company recorded a discrete net tax benefit of $18,268 as a result of the Tax Act, comprised of an estimated repatriati
of $3,075 and an estimated net deferred tax benefit due to the rate change of $21,343. During the year ended March 31, 2019, the Company reco
benefit of $383, comprised of adjustments to the IRC 965 transition tax resulting in a net tax benefit of $528, net deferred tax benefit due to the ra
tax charge of $967 related to a change in the Company’s indefinite reinvestment assertion. The Company’s provisional accounting for the impact
complete in the quarter ended December 31, 2018.

The majority of the Company’s earnings from foreign subsidiaries are considered permanently reinvested. The repatriation tax resulted in certain
U.S. earnings being included in the U.S. federal and state 2017 taxable income. As a result of the Tax Act, the Company analyzed its global work
and the potential tax liabilities that would be incurred if certain non-U.S. subsidiaries made distributions, which include local country withholding
state taxation. At March 31, 2019, $1,189 of deferred tax was recorded for certain undistributed earnings of non-U.S. subsidiaries. Historically, n
provided for any portion of the remaining undistributed earnings of the Company’s subsidiaries since these earnings have been, and will continue

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

reinvested in these subsidiaries. For many reasons, including the number of legal entities and jurisdictions involved, the complexity of the Compa
the complexity of tax laws in the relevant jurisdictions and the impact of projections of income for future years to any calculations, the Company
practicable to estimate, within any reasonable range, the amount of additional taxes which may be payable upon the distribution of earnings.

On December 25, 2017, a Belgian tax reform bill was signed into law. The bill revises the future ongoing Belgian corporate income tax by, amon
Belgian corporate income tax rates and implementing a group consolidation system. The reduction of the Belgian corporate income tax rate cause
deferred tax assets and liabilities to the newly enacted tax rates. For year ended March 31, 2018, the Company recognized a net deferred tax bene
rate change. As of March 31, 2019, the Company recognized an additional net deferred tax benefit of $2,268 due to the rate change.

Effective April 1, 2017, the Company adopted ASU 2016-09, "Improvements to Employee Share-Based Payment Accounting." As part of the ado
recognizes excess tax benefits or detriments for share-based payments as a reduction of or add-back to income tax expense. For the year ended M
March 31, 2019, the Company recognized $1,462 and $227, respectively, as discrete benefits in income tax expense related to share-based compe
of share-based payment exercise patterns, the Company will not know all the potential impacts of the update until the end of each period.

Effective April 1, 2018, the Tax Act subjects a U.S. parent to current tax on its "global intangible low-taxed income" ("GILTI"). The Company do
a GILTI liability in fiscal year 2019, however, to the extent that expense is incurred under the GILTI provisions, the Company will treat it as a co
expense in the period incurred.

Effective April 1, 2018, the Company adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all related amendments
guidance for revenue recognition. The standard was adopted by applying the modified retrospective method and all applicable deferred tax impac
adjustment to retained earnings on the date of adoption.

The net deferred tax components as of March 31 consisted of the following:

	2019	20
Deferred tax liabilities:		
Book basis over tax basis of fixed assets	**$ (58,169)**	$ (4
Book basis over tax basis of intangible assets	**(128,273)**	(13
Interest rate swap	**(406)**	
Deferred financing costs	**(16)**	
Other	**(5,766)**	(
Total deferred tax liabilities	**(192,630)**	(18
Deferred tax assets:		
Inventory reserves	**2,165**	
Interest expense carryforwards	**10,674**	
Inventory capitalization	**343**	
Allowance for doubtful accounts	**201**	
Stock based compensation expense	**1,307**	
Minimum pension liability	**524**	
Loss carry forward amounts	**35,771**	2
Credit carry forward amounts	**963**	
Interest rate swaps	**—**	
State basis over tax basis of fixed assets	**1,554**	
Non-deductible accruals and other	**8,491**	1
Deferred compensation	**234**	
Lease obligations	**6,169**	
Gross deferred tax asset	**68,396**	5
Valuation allowance	**(31,702)**	(1
Net deferred tax asset	**36,694**	3
Net deferred tax liability	**$ (155,936)**	$ (14

As of March 31, 2019, Multi-Color had tax-effected federal, state, and foreign operating loss carryforwards of $0, $1,516, and $34,255 respective
Multi-Color had tax-effected federal, state and foreign operating loss carryforwards of $1,014, $1,922, and $22,174, respectively. The state operat
expire between fiscal 2020 and fiscal 2039. The foreign operating loss carryforwards include $18,552 with no expiration date; the remainder will
and fiscal 2039.

As of March 31, 2019 and 2018, Multi-Color had valuation allowances of $31,702 and $16,870, respectively. As of March 31, 2019 and 2018, $3
respectively, of the valuation allowances are related to certain deferred tax assets in foreign jurisdictions due to the uncertainty of the realization o
those assets. The increase in the valuation allowance during the year is primarily caused by adjustments to the opening balance sheet deferred tax
recording the Constantia acquisition.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferre
realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which tho
become deductible. Management considers the scheduled reversal of deferred tax liabilities and projected future taxable income in making this as
reporting date, the Company considers both negative and positive evidence that impacts the assessment of the realization of deferred tax assets.

The benefits of tax positions are not recorded unless it is more likely than not the tax position would be sustained upon challenge by the appropria
benefits that are more likely than not to be sustained are measured at the largest amount of benefit that is cumulatively greater than a 50% likeliho

As of March 31, 2019 and 2018, the Company had liabilities of $5,846 and $7,038, respectively, recorded for unrecognized tax benefits for U.S. f
tax jurisdictions. During the years ended March 31, 2019 and 2018, the Company recognized an income tax benefit of $1,672 and expense of $12
and penalties in the consolidated statements of operations. The liability for the gross amount of interest and penalties at March 31, 2019 and 2018
respectively. The liability for unrecognized tax benefits is classified in other noncurrent liabilities on the consolidated balance sheets for the portio

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

payment of cash is not anticipated within one year of the balance sheet date. During the year ended March 31, 2019, the Company released $5,25
interest and penalties, related to uncertain tax positions for which the statutes of limitations have lapsed or there was a reduction in the tax positio
The Company believes that it is reasonably possible that $2,068 of unrecognized tax benefits as of March 31, 2019 could be released within the n
of statute of limitations and settlements of certain foreign and domestic income tax matters. The unrecognized tax benefits that, if recognized, wo
effective tax rate are $5,453.

A summary of the activity for the Company's unrecognized tax benefits as of March 31 is as follows:

	2019
Beginning balance	**$ 7,038**
Additions based on tax positions related to the current year	**616**
Additions of tax positions of prior years	**1,870**
Settlements	**(146)**
Reductions of tax positions of prior years	**(233)**
Lapse of applicable statutes of limitations	**(3,059)**
Currency translation	**(240)**
Ending balance	**$ 5,846**

The Company files income tax returns in the U.S. federal jurisdiction, various foreign jurisdictions and various state and local jurisdictions where
generally range from three to four years. At March 31, 2019, the Company is no longer subject to U.S. federal examinations by tax authorities for
The Company is no longer subject to state and local examinations by tax authorities for years before fiscal 2015. In foreign jurisdictions, the Com
to examinations by tax authorities for years before fiscal 1999.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

MAJOR CUSTOMERS	12 Months Ended Mar. 31, 2019
Risks and Uncertainties [Abstract]	
MAJOR CUSTOMERS	**(14) MAJOR CUSTOMERS** During 2019, 2018 and 2017, sales to major customers (those exceeding 10% of the Company's net revenues in one or more of the periods presen 14% and 17%, respectively, of the Company's consolidated net revenues. All of these sales were made to The Procter & Gamble Company. In addition, accounts receivable balances from The Procter & Gamble Company approximated 2% and 3% of the Company's total accounts recei 2019 and 2018, respectively. The loss or substantial reduction of the business of this major customer could have a material adverse impact on the operations and cash flows. As a result of a recent procurement savings initiative conducted by our major customer, this customer has diversified its supply of certain label pr Company in North America. We have provided pricing concessions to retain volume but also expect volume from this customer will be reduced. softer revenues for fiscal 2019 and are expected to continue throughout fiscal 2020. The Company believes that it remains a significant supplier o North America and that the Company's global footprint and the Company's high quality and innovative products will provide the Company the op relationship with this customer in new products and regions. We expect to offset these developments by continuing to focus on organic growth an opportunities. We believe the Company's operating margins will enhance over the longer term as we historically achieved through continued pren and efficiency gains. However, the loss or continued reduction of business of our major customer could have a material adverse impact on our res flow.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

EARNINGS PER COMMON SHARE	12 Months Ended Mar. 31, 2019
Earnings Per Share [Abstract]	
EARNINGS PER COMMON SHARE	**(15) EARNINGS PER COMMON SHARE** The following is a reconciliation of the number of shares used in the basic EPS and diluted EPS computations: (see table below) The Company excluded 386, 94 and 172 shares in the fiscal years ended March 31, 2019, 2018 and 2017, respectively, from the computation of d shares would have an anti-dilutive effect.

	2019		2018	
	Shares	**Per Share Amount**	Shares	Per Ar
Basic EPS	**20,468**	**$ (1.42)**	18,421	$
Effect of dilutive securities	—	—	162	
Diluted EPS	**20,468**	**$ (1.42)**	18,583	$

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

STOCK-BASED COMPENSATION	12 Months Ended Mar. 31, 2019
Disclosure of Compensation Related Costs, Share-based Payments [Abstract]	
STOCK-BASED COMPENSATION	

(16) STOCK-BASED COMPENSATION

The Company maintains incentive plans which authorize the issuance of stock-based compensation including stock options, restricted stock and re
officers, key employees and non-employee directors. New shares are issued upon exercise of stock options or vesting of restricted stock or restrict
March 31, 2019, 894 shares of common stock remained reserved for future issuance under the 2012 Stock Incentive Plan, 2003 Stock Incentive Pl
Director Equity Compensation Plan.

The Company measures compensation costs related to stock-based transactions at the grant date, based on the fair value of the award, and recogni
the requisite service period.

For the year ended March 31, 2019, the Company recorded pre-tax compensation expense for stock-based incentive awards of $2,498 which incre
administrative expenses by $1,685 and cost of revenues by $813 and had an associated tax benefit of $475.

For the year ended March 31, 2018, the Company recorded pre-tax compensation expense for stock-based incentive awards of $3,456 which incre
administrative expenses by $2,489 and cost of revenues by $967 and had an associated tax benefit of $898.

For the year ended March 31, 2017, the Company recorded pre-tax compensation expense for stock-based incentive awards of $3,042 which incre
administrative expenses by $2,064 and cost of revenues by $978 and had an associated tax benefit of $943.

Stock Options

Stock options granted under the plans enable the holder to purchase common stock at an exercise price not less than the market value on the date o
more than ten years after the date of grant. The applicable options vest ratably over a five year period. The Company calculates the value of each o
estimated on the grant date, using the Black-Scholes model and the following weighted average assumptions:

	2019	2018
Expected life (years)	**5.6**	5.7
Risk-free interest rate	**2.8%**	1.8%
Expected volatility	**29.5%**	32.4%
Dividend yield	**0.3%**	0.3%

The Company estimated volatility based on the historical volatility of its common stock. The risk-free interest rate is based on the U.S. Treasury y
with the expected life of the options in effect at the time of the grant. The dividend yield assumption is based on the Company's history and expec
The expected life of the options represents the weighted-average period the stock options are expected to remain outstanding and is based on revie
behavior of option grants with similar vesting periods. The Company uses an estimated forfeiture rate based on historical data. The forfeitures are
grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

A summary of the changes in the options outstanding for years ended March 31, 2019, 2018 and 2017 is shown below:

	Options	Weighted Average Exercise Price	Weighted Avera Remaining Lif (Years)
Outstanding at March 31, 2016	600	$ 34.50	
Granted	32	$ 61.62	
Exercised	(136)	$ 24.52	
Forfeited	(25)	$ 41.66	
Outstanding at March 31, 2017	471	$ 38.84	
Granted	119	$ 85.38	
Exercised	(110)	$ 26.60	
Forfeited	(14)	$ 57.10	
Outstanding at March 31, 2018	466	$ 53.10	
Granted	**45**	**$ 70.77**	
Exercised	**(76)**	**$ 27.80**	
Forfeited	**(18)**	**$ 64.86**	
Outstanding at March 31, 2019	**417**	**$ 59.09**	**6**
Exercisable at March 31, 2019	**203**	**$ 45.86**	**5**
Exercisable at March 31, 2018	186	$ 33.72	5

As of March 31, 2019, the total compensation cost related to nonvested options not yet recognized and the weighted-average period over which it
recognized is $3,474 and 2.9 years, respectively.

The weighted average grant-date fair value of options granted during the year ended March 31, 2019, 2018 and 2017 was $22.67, $27.98 and $22
received from options exercised during the year ended March 31, 2019 was $1,556. The total grant-date fair value of options vested during the ye
2018 and 2017 was $2,162, $1,800 and $2,062, respectively.

Restricted Stock

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Restricted stock grants under the plans typically vest over a three to five year period. The cost of these awards is determined using the fair value c
stock on the date of the grant and is recognized on a straight-line basis over the period the restrictions lapse. A summary of the changes in restricte
ended March 31, 2019, 2018 and 2017 is shown below:

	Restricted Shares	Weighted A Grant D Fair Va
Non-vested restricted shares at March 31, 2016	25	$
Granted	8	$
Vested	(15)	$
Forfeited	(1)	$
Non-vested restricted shares at March 31, 2017	17	$
Granted	9	$
Vested	(10)	$
Forfeited	(3)	$
Non-vested restricted shares at March 31, 2018	13	$
Granted	**19**	**$**
Vested	**(7)**	**$**
Forfeited	—	**$**
Non-vested restricted shares at March 31, 2019	**25**	**$**

As of March 31, 2019, the total compensation cost related to non-vested restricted shares not yet recognized and the weighted-average period ove
recognized was $1,204 and 2.0 years. The total grant-date fair value of restricted shares vested during the year ended March 31, 2019, 2018 and 2
$720, respectively.

Restricted Share Units

Restricted share units (RSUs) granted under the plans vest over a three-year period, and the number of RSUs that will vest is based on the Compa
of a certain performance target. Based on the extent to which the performance condition is met, it is possible for none of the RSUs to vest or for a
to vest. The cost of these awards is determined using the fair value of the Company's common stock on the date of grant and is recognized over th
based on the Company's estimate of the probable outcome of the performance condition. We evaluate our estimate quarterly, and the expense is ad
our estimate of the probable outcome. A summary of the changes in restricted share units for the years ended March 31, 2019, 2018 and 2017 are

	RSUs	Weighted A Grant D Fair Va
Non-vested RSUs at March 31, 2016	42	$
Granted	35	$
Forfeited	(18)	$
Non-vested RSUs at March 31, 2017	59	$
Granted	19	$
Vested	(12)	$
Forfeited	(30)	$
Non-vested RSUs at March 31, 2018	36	$
Granted	**46**	**$**
Vested	**(10)**	**$**
Forfeited	**(12)**	**$**
Non-vested RSUs at March 31, 2019	**60**	**$**

As of March 31, 2019, the total compensation cost related to non-vested RSUs not yet recognized was $739 based upon the Company's estimate o
the performance condition. The weighted-average period over which it is expected to be recognized was 2.2 years.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

GEOGRAPHIC INFORMATION	12 Months Ended Mar. 31, 2019
Text Block [Abstract]	
GEOGRAPHIC INFORMATION	

(17) GEOGRAPHIC INFORMATION

During fiscal 2018, we acquired GEWA, TP Label, Constantia Labels and began producing labels from our start-up in Auckland, New Zealand. D
acquired Italstereo, I.L.A., Graphix and GIP. All of these acquisitions expanded the Company's geographic presence. See Note 4 for further infor
acquisitions. The Company now manufactures labels in the North American, Latin American, EMEA (Europe, Middle East and Africa) and Asia
revenues, based on the geographic area from which the product is shipped, for the years ended March 31 and long-lived assets by geographic area
follows:

	2019	2018
Net revenues:		
United States	**$ 660,275**	$ 584,458
Belgium	**152,242**	67,035
Germany	**132,973**	62,184
Other International	**780,064**	587,235
Total	**$1,725,554**	$1,300,912

	2019	20
Long-lived assets:		
United States	**$ 584,274**	$ 64
Belgium (1)	**408,171**	(
Germany	**252,533**	87
Other International	**806,594**	77
Total	**$2,051,572**	$2,29

(1) We allocate goodwill to our foreign and domestic locations. In fiscal 2018, negative goodwill associated with the acquisition of Constantia
our plant in Belgium, as the final goodwill allocation was not complete.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

COMMITMENTS AND CONTINGENCIES	12 Months Ended Mar. 31, 2019
Commitments and Contingencies Disclosure [Abstract]	
Commitments and Contingencies	

(18) COMMITMENTS AND CONTINGENCIES

Operating Lease Agreements

The Company has various equipment, office and facility operating leases. Leases expire on various dates through March 2032 and some of the lea
requiring escalating rent payments. Rent expense during 2019, 2018 and 2017 was $24,380, $17,953 and $12,767, respectively.

The annual future minimum rental obligations as of March 31, 2019 are as follows:

Fiscal 2020	$22,595
Fiscal 2021	19,569
Fiscal 2022	17,297
Fiscal 2023	13,168
Fiscal 2024	7,585
Thereafter	15,877
Total	$96,091

Purchase Obligations

The Company has entered into purchase agreements for various raw materials, uniforms, supplies, utilities, other services and property, plant and
purchase obligations are $36,414 at March 31, 2019.

Litigation

The Company is subject to various legal claims and contingencies that arise out of the normal course of business, including claims related to com
product liability, health and safety, taxes, environmental matters, employee matters and other matters. Litigation is subject to numerous uncertaint
individual claims and contingencies is not predictable. It is possible that some legal matters for which reserves have or have not been established
unfavorable outcome for the Company and any such unfavorable outcome could be of a material nature or have a material adverse effect on our fi
of operations and cash flows. See Note 23 for additional litigation discussion.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SUPPLEMENTAL CASH FLOW DISCLOSURES	12 Months Ended Mar. 31, 2019
Supplemental Cash Flow Elements [Abstract]	
Supplemental Cash Flow Disclosures	**(19) SUPPLEMENTAL CASH FLOW DISCLOSURES** Supplemental disclosures with respect to cash flow information and non-cash investing and financing activities are as follows:

	2019	2018
Supplemental Disclosures of Cash Flow Information:		
Interest paid	**$ 81,613**	$ 32,844
Income taxes paid, net of refunds	**28,514**	30,305
Supplemental Disclosures of Non-Cash Activities:		
Additional minimum pension liability	**$ 37**	$ (55)
Capital expenditures incurred but not yet paid	**5,958**	9,958
Capital lease obligations incurred	**1,882**	—
Change in derivative contract fair value - asset position	**(4,397)**	10,298
Change in derivative contract fair value - liability position	**45,434**	(50,336)
Business combinations accounted for as a purchase:		
Assets acquired (excluding cash)	**$ 16,233**	$1,612,925
Liabilities assumed	**(15,033)**	(335,648)
Liabilities for contingent / deferred payments	**—**	(13,713)
MCC common stock issued	**—**	(237,820)
Noncontrolling interest	**(1,200)**	(1,100)
Net cash paid	**$ —**	$1,024,644

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACCUMULATED OTHER COMPREHENSIVE LOSS	12 Months Ended Mar. 31, 2019
Equity [Abstract]	
ACCUMULATED OTHER COMPREHENSIVE LOSS	**(20) ACCUMULATED OTHER COMPREHENSIVE LOSS**

(20) ACCUMULATED OTHER COMPREHENSIVE LOSS

The changes in the Company's accumulated other comprehensive loss by component consisted of the following:

	Foreign currency items	Gains and (losses) on derivative contracts	Defined benefit pension items
Balance at March 31, 2017	$ (85,593)	$ —	$ (202)
OCI before reclassifications (1)	91,928	(22,635)	3
Amounts reclassified from AOCI	—	(2,773)	31
Net current period OCI	91,928	(25,408)	34
Balance at March 31, 2018	6,335	(25,408)	(168)
OCI before reclassifications (2)	**(135,054)**	**33,894**	**(32)**
Amounts reclassified from AOCI	**—**	**(3,987)**	**4**
Net current period OCI	**(135,054)**	**29,907**	**(28)**
ASU 2018-02 reclassifications of stranded tax effects	**(244)**	**(1,506)**	**—**
Balance at March 31, 2019	**$ (128,963)**	**$ 2,993**	**$ (196)**

(1) Net of tax of $9,063 and $(1) for derivative contracts and defined benefit pension items, respectively.
(2) Net of tax of $(11,351) and $11 for derivative contracts and defined benefit pension items, respectively.

Reclassifications out of accumulated other comprehensive loss consisted of the following:

	2019
Gains and losses on cash flow hedges:	
Cross currency swaps (1)	**$(5,226)**
Interest rate swaps (1)	**(674)**
Foreign exchange forward contracts (2)	**588**
Tax	**1,325**
Net of tax	**(3,987)**
Defined benefit pension items:	
Amortization of net actuarial losses (3)	**6**
Settlement and curtailments (3)	**—**
Tax	**(2)**
Net of tax	**4**
Total reclassifications, net of tax	**$(3,983)**

(1) Reclassified from AOCI into interest expense in the consolidated statements of operations. See Note 10.
(2) Reclassified from AOCI into cost of revenues in the consolidated statements of operations. See Note 10.
(3) Reclassified from AOCI into facility closure expenses in the consolidated statements of operations. These components are included
periodic pension cost. See Note 12.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

FACILITY CLOSURES

	12 Months Ended
	Mar. 31, 2019

Restructuring and Related Activities [Abstract]

FACILITY CLOSURES

(21) FACILITY CLOSURES

Cowansville, Canada

During the three months ended March 31, 2019, the Company announced plans to close our manufacturing facility located in Cowansville, Canad
facility as of March 31, 2019, and the closure is expected to be substantially completed during the first quarter of fiscal 2020.

Below is a summary of the exit and disposal costs related to the closure of the Cowansville facility:

	Total costs expected to be incurred	Total costs incurred 2019	C
Severance and other termination benefits	$ 150	$ 111	$
Other associated costs	—	—	

Below is a reconciliation of the beginning and ending liability balances related to the exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid
Severance and other termination benefits	$ —	111	(54)

As a result of the decision to close our Cowansville facility, the Company determined that it was more likely than not that certain fixed assets at th
would be sold or otherwise disposed of significantly before the end of their estimated useful lives. During fiscal 2019, non-cash impairment charg
to adjust the carrying value of certain machinery and equipment to their estimated fair value, less costs to sell, which were determined based upon
addition, the Company recorded a net gain on the sale of property, plant and equipment of $55 related to assets at the Cowansville facility and wro
that will be disposed of as a result of the closure. These items were recorded in facility closure expenses in the consolidated statements of operatio

The cumulative costs incurred in conjunction with the closure as of March 31, 2019 are $483, which were recorded in facility closure expenses in
statements of operations in fiscal 2019.

Melbourne, Australia

During the three months ended June 30, 2018, the Company announced plans to consolidate our manufacturing facility located in Melbourne, Aus
facility in Notting Hill, Australia. The transition was substantially completed during the second quarter of fiscal 2019 except for restoring the faci
condition, which is expected to be completed during the first quarter of fiscal 2020.

Below is a summary of the total contractual termination benefits and exit and disposal costs related to the closure of the Melbourne facility:

	Total costs expected to be incurred	Total costs incurred 2019	C
Severance and other termination benefits	$ 170	$ 170	$
Other associated costs	700-900	612	

Other associated costs primarily consist of costs to dismantle, transport and reassemble manufacturing equipment that was moved from Melbourn
prepare the Notting Hill facility for installation of the new equipment and costs to restore the facility to its original leased condition.

Below is a reconciliation of the beginning and ending liability balances related to the contractual termination benefits and exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid
Severance and other termination benefits	$ —	170	(170)
Other associated costs	$ —	612	(459)

The cumulative costs incurred in conjunction with the closure are $782, which were recorded in integration expenses within selling, general and a
the consolidated statements of operations in fiscal 2019.

Merignac, France

During the three months ended September 30, 2017, the Company announced plans to consolidate our manufacturing facility located in Merignac
facility in Libourne, France. The transition was substantially completed in the third quarter of fiscal 2018.

Below is a summary of the total contractual termination benefits and exit and disposal costs related to the closure of the Merignac facility:

	Total costs expected to be incurred	Total costs incurred	
		2019	2018
Severance and other termination benefits	$ 663	$ (40)	$ 703
Other associated costs	566-750	220	347

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved to other manu
ongoing costs related to the leased facility until expiration or early termination of the related lease agreement.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Below is a reconciliation of the beginning and ending liability balances related to the contractual termination benefits and exit and disposal costs:

	Balance at March 31, 2018		Amounts Expensed	Amounts Paid
Severance and other termination benefits	$	457	(40)	(417)
Other associated costs	$	—	220	(220)

As a result of the decision to close our Merignac facility, the Company determined that it was more likely than not that certain fixed assets at the M sold or otherwise disposed of significantly before the end of their estimated useful lives. During fiscal 2018, non-cash impairment charges of $12 were recorded to write off land and building improvements that will not be transferred to Libourne and will be abandoned. In addition, the Compa the sale of property, plant and equipment of $48 and $42 related to assets in Merignac that were not transferred to Libourne and were sold or aban and 2018, respectively. In fiscal 2018, the Company reversed $102 in accrued pension related to employees that were terminated in conjunction w items were recorded in facility closure expenses in the consolidated statements of operations.

The cumulative costs incurred in conjunction with the closure as of March 31, 2019 are $1,343, which were recorded in facility closure expenses statements of operations, $228 and $1,115 in fiscal 2019 and 2018, respectively.

Dormans, France

During the three months ended June 30, 2017, the Company announced plans to close our manufacturing facility located in Dormans, France. Pro ceased during the first quarter of fiscal 2018, and closure activities were substantially completed during the fourth quarter of fiscal 2018.

Below is a summary of the exit and disposal costs related to the closure of the Dormans facility:

	2018
Severance and other termination benefits	$106
Other associated costs	23

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved to other manu

During fiscal 2018, the Company recorded non-cash impairment charges of $25 to adjust the carrying value of the land and building held for sale their estimated fair value, less costs to sell, which were determined based on a quoted market price. The land and building at the Dormans facility 2018. During fiscal 2018, the Company recorded a net loss on the disposal of property, plant and equipment of $59 related to assets in Dormans th other facilities and were sold or abandoned. In addition, the Company wrote-off $47 in raw materials that were not transferred to other facilities. T in facility closure expenses in the consolidated statements of operations.

The cumulative costs incurred in conjunction with the closure as of March 31, 2019 are $260, which were recorded in facility closure expenses in statements of operations in fiscal 2018.

Sonoma, California

On January 19, 2016, the Company announced plans to consolidate our manufacturing facility located in Sonoma, California, into our existing fac The transition was substantially completed in the third quarter of fiscal 2017.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Sonoma facility, which closure expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$ 6
Other associated costs	91

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved from Sonoma

During fiscal 2017, the Company recorded a net gain on the sale of property, plant and equipment of $185 related to assets in Sonoma that were n were sold. In addition, the Company wrote-off $140 in property, plant and equipment that was not transferred to Napa and was abandoned in fisca recorded in facility closure expenses in the consolidated statements of operations.

Glasgow, Scotland

During the three months ended March 31, 2016, the Company began the process to consolidate our two manufacturing facilities located in Glasgo facility. The transition was substantially completed in the fourth quarter of fiscal 2017.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the consolidation of the Glasgow facilities, which were expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$100
Other associated costs	539

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved in order to co manufacturing facilities located in Glasgow into one facility.

During fiscal 2017, the Company recorded a net gain on the sale of property, plant and equipment of $377 related to assets that were not transferr Glasgow facility to other locations and were sold, which was recorded in facility closure expenses in the consolidated statements of operations.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Greensboro, North Carolina

On October 5, 2015, the Company announced plans to consolidate our manufacturing facility located in Greensboro, North Carolina into other No
The transition was substantially completed in the fourth quarter of fiscal 2016.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Greensboro facility, which were recor
expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$ (22)
Contract termination costs	(66)
Other associated costs	207

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved from the Gre
North American facilities and costs to return the facility to its original leased condition.

Dublin, Ireland

During the three months ended December 31, 2015, the Company began the process to consolidate our manufacturing facility located in Dublin, I
facility in Drogheda, Ireland (near Dublin). The consolidation was substantially completed in the first quarter of fiscal 2017.

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Dublin facility, which were recorded i
in the consolidated statements of operations:

	2017
Severance and other termination benefits	$ 102
Contract termination costs	177
Other associated costs	76

Other associated costs primarily consisted of costs to dismantle, transport and reassemble manufacturing equipment that was moved from Dublin
relocate employees.

Norway, Michigan and Watertown, Wisconsin

During fiscal 2015, the Company decided to close our manufacturing facilities located in Norway, Michigan and Watertown, Wisconsin. Due to a
transitioned the Norway and Watertown business to other North American facilities. During fiscal 2018 and 2017, the Company recorded settlem
$133, respectively, related to the defined benefit pension plan that covers eligible former union employees of the Norway plant who were hired pr
costs were recorded in facility closure expenses in the consolidated statements of operations.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

QUARTERLY DATA	12 Months Ended Mar. 31, 2019
Quarterly Financial Information Disclosure [Abstract]	
QUARTERLY DATA	**(22) QUARTERLY DATA (UNAUDITED)**

Earnings per share amounts are computed independently each quarter. As a result, the sum of each quarter's per share amount may not equal the t the respective year.

Fiscal 2019	Quarter		
	First	Second	Th
Net revenues	**$456,131**	**$434,913**	**$397**
Gross profit	**88,010**	**86,785**	**65**
Net income (loss)	**18,092**	**23,805**	**11**
Net income (loss) attributable to Multi-Color Corporation	**18,139**	**23,755**	**11**
Basic earnings (loss) per share	**$ 0.89**	**$ 1.16**	**$**
Diluted earnings (loss) per share	**0.88**	**1.16**	

Fiscal 2019 results include $711 ($507 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac, France and Co expenses were recorded as follows:

	Qu	
	First	Second
Facility closure expenses	**$ 27**	**$ 114**

Fiscal 2018	Quarter		
	First	Second	Th
Net revenues	$242,440	$256,034	$352
Gross profit	49,457	51,774	57
Net income	14,142	15,190	20
Net income attributable to Multi-Color Corporation	14,106	15,190	20
Basic earnings per share	$ 0.83	$ 0.89	$
Diluted earnings per share	0.82	0.88	

Fiscal 2018 results include $1,419 ($945 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac and Dormans Michigan. These expenses were recorded as follows:

	Qu	
	First	Second
Facility closure expenses	$ 34	$ 95

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SUBSEQUENT EVENTS	12 Months Ended Mar. 31, 2019
Subsequent Events [Abstract]	
SUBSEQUENT EVENTS	**(23) SUBSEQUENT EVENTS** On February 24, 2019, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with W/S Packaging Holdings, In ("Parent"), and Monarch Merger Corporation, an Ohio corporation and a wholly-owned subsidiary of Parent ("Sub"). The Merger Agreement pro with and into the Company, on the terms and subject to the conditions set forth in the Merger Agreement (the "Merger"), with the Company conti corporation in the Merger. As a result of the Merger, the Company will become a wholly-owned subsidiary of Parent. On April 5, 2019, the Comp Securities and Exchange Commission a definitive proxy statement (the "Proxy Statement") with respect to the Company's special meeting of the May 16, 2019 in connection with the Merger. At the special meeting of the shareholders, the Company received approval of the proposal to adopt approval of the proposal to approve, on a non-binding advisory basis, the compensation that may be paid or become payable to the Company's na is based on or otherwise relates to the Merger. On April 29, 2019, the Company was served with a complaint in an action captioned Eric Sabatini, Individually And On Behalf of All Others Sim Derivatively On Behalf of Multi-Color Corporation v. Nigel A. Vinecombe, Michael J. Henry, Vadis A. Rodato, Alex Baumgartner, Ari J. Benace Charles B. Connolly, Robert W. Kuhn, Ronald Lienau and Multi-Color Corporation (the "Sabatini Complaint") relating to the Merger Agreement The Sabatini Complaint was filed in the Hamilton County Court of Common Pleas in the State of Ohio and alleges, among other things, that the i breached their fiduciary duties to Company shareholders by failing to secure adequate merger consideration and failing to disclose material inforn Statement. The lawsuit asserts claims on behalf of a putative class of Company shareholders as well as derivatively on behalf of the Company. Ar Sabatini Complaint seeks to enjoin the consummation of the Merger (or alternatively, rescission of the Merger in the event the defendants are able as damages, costs and attorneys' and experts' fees.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Policies)	12 Months Ended
	Mar. 31, 2019
Accounting Policies [Abstract]	
Basis of Presentation	**Basis of Presentation** References to 2019, 2018 and 2017 are for the fiscal years ended March 31, 2019, 2018 and 2017, respectively. The consolidated financial statem been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and include the account wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. Certain prior year balances have been r current year classifications. As of March 31, 2019, the Company's operations were conducted through the Consumer Product Goods, Wine & Spirits and Food & Beverage op are aggregated into one reportable segment in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codif "Segment Reporting." The metrics used by management to assess the performance of the Company's operating segments include revenue trends, operating margin. The Company's operating segments have historically had similar economic characteristics and are expected to have similar eco long-term financial performance in future periods.
Use of Estimates in Financial Statements	**Use of Estimates in Financial Statements** In preparing financial statements in conformity with U.S. GAAP, management makes estimates and assumptions that affect the reported amounts disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses du Actual results could differ from those estimates.
Business Combinations	**Business Combinations** The Company allocates the purchase price of its acquisitions to the assets acquired and liabilities assumed based upon their respective fair values Company utilizes management estimates and an independent third-party valuation firm to assist in determining these fair values. The excess of th estimated fair value of the net assets is recorded as goodwill. Goodwill is adjusted for any changes to acquisition date fair value amounts made w period. Acquisition-related transaction costs are recognized separately from the business combination and expensed as incurred.
Revenue Recognition	**Revenue Recognition** On April 1, 2018, we adopted Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all re provides revised guidance for revenue recognition. The standard's core principle is that an entity should recognize the revenue for transfer of pro customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The sta process to recognize revenue and requires more judgment and estimates within the revenue recognition process than required under previous U.S. identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price, and alloca each separate performance obligation. See Note 3 for discussion of our accounting policies under the revised guidance.
Cost of Revenues	**Cost of Revenues** Cost of revenues primarily consists of direct materials and supplies consumed in the manufacture of product, as well as manufacturing labor, dep overhead expense necessary to acquire and convert the purchased materials and supplies into finished product. Cost of revenues also includes inb to distribute products to customers.
Selling, General and Administrative Expenses	**Selling, General and Administrative Expenses** Selling, general and administrative expenses (SG&A) primarily consist of sales and marketing costs, corporate and divisional administrative and depreciation and amortization expense related to non-manufacturing assets. Advertising costs are charged to expense as incurred and were minim
Research and Development Costs	**Research and Development Costs** Our product development group focuses on research and development, product commercialization and technical service support. The group inclu and field engineers who are responsible for developing and commercializing innovative label and application solutions. Technical service person and manufacturers in improving container and label performance. The services provided by this group differentiate us from many of our competi for the most challenging projects. Research and development costs are charged to expense as incurred and were $8,065, $5,834 and $5,274 in 2019, 2018 and 2017, respectively.
Cash and Cash Equivalents	**Cash and Cash Equivalents** The Company records all highly liquid short-term investments with maturities of three months or less as cash equivalents. At March 31, 2019 and cash in foreign bank accounts of $56,914 and $66,061, respectively. Outstanding checks of $15,272 and $2,280 were included in accounts payabl 2018, respectively.
Accounts Receivable	**Accounts Receivable** Our customers are primarily major consumer product, food & beverage, wine & spirits and container companies. Accounts receivable consist of a customers in connection with our normal business activities and are carried at sales value less allowance for doubtful accounts. The allowance fo established to reflect the expected losses of accounts receivable based on past collection history, age, account payment status compared to invoic specific individual risks identified. The delinquency of a receivable account is determined based on these factors. The Company does not accrue i receivable.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Supply Chain Financing and Factoring

Supply Chain Financing and Factoring

The Company has entered into supply chain financing agreements with certain customers and factoring arrangements with certain banks. The rece
are sold without recourse to the customers' banks and are accounted for as sales of accounts receivable. Losses on the sale of these receivables are
general and administrative expenses in the consolidated statements of operations, and losses of $1,964, $1,325 and $561 were recorded during 20
respectively.

Inventories

Inventories

Inventories are valued at the lower of cost or net realizable value and substantially all are maintained using the FIFO (first-in, first-out) or specific
Excess and obsolete inventory allowances are generally established based on inventory age.

Property, Plant and Equipment

Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation.

Depreciation expense, which includes the amortization of assets recorded under capital leases, is calculated using the straight-line method over the
the assets, or the remaining terms of the leases, as follows:

Buildings	20-39 years
Building improvements	15 years
Machinery and equipment	3-15 years
Computers	3-5 years
Furniture and fixtures	5-10 years

Goodwill and Other Acquired Intangible Assets

Goodwill and Other Acquired Intangible Assets

Impairment reviews comparing fair value to carrying value are highly judgmental and involve the use of significant estimates and assumptions, w
there is potential impairment and the amount of any impairment charge recorded. Fair value assessments involve estimates of discounted cash flo
discount rates and long-term assumptions regarding future sales and margin trends, market conditions, cash flow and multiples of revenue and ear
taxes, depreciation and amortization ("EBITDA"). Actual results may differ from these estimates. Fair value measurements used in the impairmen
intangible assets are Level 3 measurements. See further information about our policy for fair value measurements within this section below. See f
regarding our impairment tests in Note 8.

Goodwill. Goodwill is not amortized and is tested for impairment annually. Impairment is also tested when events or changes in circumstances in
carrying values may be greater than the fair values.

Goodwill has been assigned to reporting units for purposes of impairment testing. The reporting units are the Company's divisions. The Company
factors to determine if it is more likely than not that the fair value of a reporting unit is less than the carrying value and whether it is necessary to p
goodwill impairment test. The impairment test compares the fair value of the reporting unit to the carrying value. The market and income approac
and 75%, respectively, based on judgement of the comparability of recent transactions and the risks inherent in estimating future cash flows.

Intangible Assets. Intangible assets with definite useful lives are amortized over periods of up to 21 years based on a number of assumptions inclu
economic benefit and utilization. Intangible assets are tested for impairment when events or changes in circumstances indicate that the assets' car
than their fair values. We test for impairment by comparing (i) estimates of undiscounted future cash flows, before interest charges, included in ou
carrying values of the related assets. Tests are performed over asset groups at the lowest level of identifiable cash flows.

Impairment of Long-Lived Assets

Impairment of Long-Lived Assets

We review long-lived assets for impairment when events or changes in circumstances indicate that assets might be impaired and the related carryi
recoverable. Changes in market conditions and/or losses of a production line could have a material impact on the consolidated statements of opera
of whether impairment exists involves various estimates and assumptions, including the determination of the undiscounted cash flows estimated t
assets involved in the review. The cash flow estimates are based upon our historical experience, adjusted to reflect estimated future market and op
Measurement of an impairment loss requires a determination of fair value. We base our estimates of fair values on quoted market prices when ava
appraisals as appropriate and industry trends or other market knowledge. Tests are performed over asset groups at the lowest level of identifiable c

Income Taxes

Income Taxes

The Company is subject to income taxes in the United States and numerous foreign jurisdictions. Income taxes are recorded based on the current y
refundable. Deferred income taxes are recognized at the enacted tax rates for the expected future tax consequences related to temporary difference
reported for income tax purposes and financial reporting purposes as well as any tax attributes. Deferred income taxes are not provided for the und
subsidiaries operating outside of the U.S. that have been permanently reinvested in foreign operations.

We regularly review our deferred income tax balances for each jurisdiction to estimate whether these deferred income tax balances are more likely
based on the information currently available. Projected future taxable income is based on forecasted results and assumptions as to the jurisdiction
be earned. The timing of reversals of any existing temporary differences is based on our methods of accounting for income taxes and current tax l
deferred tax balances are more likely than not to be realized, a valuation allowance is established to reduce the carrying values of any deferred tax
circumstances indicate that realization becomes more likely than not.

The Company establishes reserves for income tax related uncertainties based on estimates of whether it is more likely than not that the tax uncerta
upon challenge by the appropriate tax authorities. Provisions for and changes to these reserves and any related net interest and penalties are includ
in the consolidated statements of operations. Significant judgment is required when evaluating our tax provisions and determining our provision f
regularly review our tax positions and we adjust the reserves as circumstances change.

Earnings per Common Share

Earnings per Common Share

Basic earnings per common share (EPS) is computed by dividing net income (loss) attributable to Multi-Color Corporation by the weighted avera
shares outstanding during the period. Diluted EPS is computed by dividing net income (loss) attributable to Multi-Color Corporation by the sum o
number of common shares outstanding during the period plus, if dilutive, potential common shares outstanding during the period. Potential comm
during the period consist of restricted shares and the incremental common shares issuable upon the exercise of stock options and are reflected in d
of the treasury stock method.

Derivative Financial Instruments

Derivative Financial Instruments

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

The Company accounts for derivative financial instruments by recognizing derivative instruments as either assets or liabilities in the consolidated
and recognizing the resulting gains or losses as adjustments to the consolidated statements of operations or accumulated other comprehensive inco
does not hold or issue derivative financial instruments for trading or speculative purposes.

For derivative instruments that hedge the exposure to variability in expected future cash flows that are designated and qualify as cash flow hedges
derivative instrument is reported as a component of AOCI in stockholders' equity and reclassified into earnings in the same period or periods duri
transaction affects earnings. To receive hedge accounting treatment, cash flow hedges must be highly effective in offsetting changes to expected f
transactions.

For derivative instruments that hedge the exposure to changes in the fair value of an asset or a liability and that are designated and qualify as fair v
gain or loss on the derivative instrument as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in e
period.

For derivative instruments that hedge the exposure to changes in foreign currency exchange rates used for translation of the net investment in a fo
are designated as a net investment hedge, the net gain or loss on the derivative instrument is reported in AOCI as part of the foreign currency tran

Derivatives that do not qualify as hedges are adjusted to fair value through earnings in the current period.

Fair Value Measurements

Fair Value Measurements

The carrying value of financial instruments approximates fair value.

The Company defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction betweer
measurement date. To increase consistency and comparability in fair value measurements, the Company uses a three-level hierarchy that prioritize
inputs. The three levels are:

Level 1 – Quoted market prices in active markets for identical assets and liabilities
Level 2 – Observable inputs other than quoted market prices in active markets for identical assets and liabilities
Level 3 – Unobservable inputs

The determination of where an asset or liability falls in the hierarchy requires significant judgment.

Fair value measurements of nonfinancial assets and nonfinancial liabilities are primarily used in goodwill, other intangible assets and long-lived a
the valuation of acquired intangibles and in the valuation of assets held for sale. The Company tests goodwill for impairment annually, as of the la
fiscal year. Impairment is also tested when events or changes in circumstances indicate that the assets' carrying values may be greater than the fai
intangible assets are typically valued using Level 3 inputs.

Foreign Exchange

Foreign Exchange

The functional currency of each of the Company's subsidiaries is generally the currency of the country in which the subsidiary operates or the U.S
liabilities of foreign operations are translated using period end exchange rates, and revenues and expenses are translated using average exchange r
Translation (gains) and losses are reported in accumulated other comprehensive loss as a component of stockholders' equity and were $136,726, $
during 2019, 2018 and 2017, respectively. Transaction gains and (losses) are reported in other income and expense in the consolidated statements
$149, $3,899 and $(533) during 2019, 2018 and 2017, respectively.

New Accounting Pronouncements

New Accounting Pronouncements

On April 1, 2018, we adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all related amendments, which provides
revenue recognition. We adopted this guidance using the modified retrospective transition method, which means that periods beginning in fiscal 2
guidance while prior periods continue to be reported under previous guidance. See Note 3.

In February 2018, the FASB issued ASU 2018-02, "Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income (Top
the reclassification of stranded tax effects resulting from the Tax Cuts and Jobs Act (the "Tax Act") from accumulated other comprehensive incom
earnings. This new guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years, which i
fiscal year beginning April 1, 2019. Early adoption is permitted, and the update must be applied either at the beginning of the period of adoption o
period in which the effects of the Tax Act related to items remaining in AOCI are recognized. The Company elected to early adopt this update in t
2019. As part of this adoption, the Company elected to reclassify $1,750 of stranded income tax effects of the Tax Act from AOCI to retained earn
the second quarter of fiscal 2019.

In January 2017, the FASB issued ASU 2017-04, "Intangibles-Goodwill and Other," which simplifies the accounting for goodwill impairment. Th
of the goodwill impairment test, which requires a hypothetical purchase price allocation. Goodwill impairment will now be the amount by which a
value exceeds its fair value, not to exceed the carrying amount of goodwill. This update is effective for any annual or interim goodwill impairmen
beginning after December 15, 2019, which for the Company is any annual or interim goodwill impairment tests performed after April 1, 2020. Ea
for any impairment tests performed after January 1, 2017. The Company elected to early adopt this update in the fourth quarter of fiscal 2019. Un
Company recognized goodwill impairment charges of $99,155 during the fourth quarter of fiscal 2019. See Note 8.

In January 2017, the FASB issued ASU 2017-01, "Business Combinations," which revises the definition of a business. The FASB's new framewo
evaluating whether a set (integrated set of assets and activities) should be accounted for as an acquisition of a business or a group of assets. The fr
screen to determine if substantially all of the fair value of the gross assets acquired is concentrated in a single asset or group of similar assets. If th
not a business. This update was effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, which
fiscal year beginning April 1, 2018. The Company adopted this update effective April 1, 2018, and its adoption did not have an impact on the Com
financial statements.

In August 2016, the FASB issued ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments," which addresses eight specific ca
objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statemen
specific issues addressed include debt prepayment or debt extinguishment costs, contingent consideration payments made after a business combin
identifiable cash flows and application of the predominance principle. This update was effective for fiscal years beginning after December 15, 20

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

within those fiscal years, which for the Company was the fiscal year beginning April 1, 2018. The Company adopted this update effective April 1
not have an impact on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases," which requires that lessees recognize almost all leases on the balance sheet as right-o
liabilities. For income statement purposes, leases will be classified as either finance leases or operating leases. This update is effective for annual
December 15, 2018, including interim periods within those fiscal years, which for the Company is the fiscal year beginning April 1, 2019.

We will adopt the standard using the modified retrospective method which will be applied to leases that exist or are entered into on or after April
will not adjust our comparative period financial information or make the new required lease disclosures for periods before the effective date. The
utilize the package of practical expedients that allows entities to 1) not reassess whether any expired or existing contracts are or contain leases, 2)
classification of lease contracts as of the date of adoption, and 3) not reassess initial direct costs for any existing leases. The Company is in the fir
existing lease portfolio and is continuing to assess and quantify the amount of right-of-use assets and lease liabilities that will be included on its b
2019, with an estimated amount of $125,000.

The Company is in the process of implementing a new lease accounting and administration software solution to manage and account for leases un
is updating certain of its business processes and internal controls to meet the reporting and disclosure requirements of the new standard. We believ
will have a material impact on our consolidated balance sheet due to the recognition of right-of-use assets and liabilities for our operating leases, l
have a material impact on our statements of operations or cash flows. The ASU will also require disclosures to allow financial statement users to l
amount, timing and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements, providing a
about the amounts recorded in the financial statements.

No other new accounting pronouncement issued or effective during the fiscal year had or is expected to have a material impact on the consolidate

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Tables)	12 Months Ended
	Mar. 31, 2019
Accounting Policies [Abstract]	
Property, Plant and Equipment, Estimated Useful Lives	Depreciation expense, which includes the amortization of assets recorded under capital leases, is calculated using the straight-line method over th the assets, or the remaining terms of the leases, as follows:

Buildings	20-39 years
Building improvements	15 years
Machinery and equipment	3-15 years
Computers	3-5 years
Furniture and fixtures	5-10 years

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

REVENUE RECOGNITION (Tables)	12 Months Ended Mar. 31, 2019

Summary of Condensed Consolidated Statement of Income and Condensed Consolidated Balance sheet as If ASU 2014-09 Has Not Been Adopted and Adjustment Required Upon Adoption of ASU 2014-09

The following table summarizes the March 31, 2019 consolidated statements of operations and consolidated balance sheet as if ASU 2014-09 had adjustment required upon adoption of ASU 2014-09.

	Fiscal Year ended March 31, 2019		
	As Reported	Adjustments	Prev
Condensed Consolidated Statement of Income:			
Net revenues	$ 1,725,554	$ 3,349	$
Cost of revenues	1,403,634	2,713	
Gross profit	321,920	636	
Selling, general and administrative expenses	160,710	67	
Operating income	61,344	569	
Income tax benefit	12,332	206	
Net income (loss)	(28,667)	363	

	As of March 31, 2019		
	As Reported	Adjustments	Prev
Condensed Consolidated Balance Sheet:			
Assets:			
Accounts receivable, net	$ 300,945	$ (169)	$
Inventories, net	144,235	15,494	
Other current assets	40,769	(18,230)	
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	$ 94,739	$ 347	$
Deferred income tax liabilities	160,017	(919)	
Accumulated other comprehensive loss	(126,166)	5	
Retained earnings	355,973	(2,338)	

Summary of Net Contract Assets and Liabilities

	Balance sheet location	March 31, 2019
Contract assets	Other current assets	$ 29,143
Contract liabilities	Accrued expenses and other liabilities	(10,654)
Net contract assets and liabilities		$ 18,489

Summary of Net Revenues Disaggregated by Region and Timing of Revenue Recognition

The following table presents our net revenues disaggregated by region and timing of revenue recognition for the fiscal year ended March 31, 2019

	Fiscal Year ended March 31,	
	Point-in-time	Over
North America	$ 550,851	$ 22
Europe	672,349	
Asia Pacific and Africa	246,657	
South America	24,663	
Total	$ 1,494,520	$ 23

Accounting Standards Update 2014-09

Summary of Condensed Consolidated Statement of Income and Condensed Consolidated Balance sheet as If ASU 2014-09 Has Not Been Adopted and Adjustment Required Upon Adoption of ASU 2014-09

Adjustments due to ASU 2014-09 were as follows:

	Balance at March 31, 2018	Adjustments
Assets:		
Accounts receivable, net	$ 306,542	$ 253
Inventories, net	167,950	(18,286)
Other current assets	17,468	21,657
Liabilities and Stockholders' Equity:		
Accrued expenses and other liabilities	$ 114,022	$ (215)
Deferred income tax liabilities	149,950	1,125
Accumulated other comprehensive loss	(19,241)	13
Retained earnings	384,671	2,701

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACQUISITIONS (Tables)

12 Months Ended Mar. 31, 2019

Purchase Price Allocation

Based on fair value estimates, the purchase price for Constantia Labels has been allocated to individual assets acquired and liabilities assumed as

	Constantia Labels
Assets Acquired:	
Net cash acquired	$ 11,234
Accounts receivable	117,248
Inventories	82,472
Property, plant and equipment	250,479
Intangible assets	432,400
Goodwill	673,561
Other assets	13,747
Total assets acquired	1,581,141
Liabilities Assumed:	
Accounts payable	93,812
Accrued income taxes payable	4,401
Accrued expenses and other liabilities	41,378
Deferred tax liabilities	139,847
Total liabilities assumed	279,438
Net assets acquired	1,301,703
Noncontrolling interests	(2,300)
Net assets acquired attributable to Multi-Color Corporation	$ 1,299,403

Fair Value of Identifiable Intangible Assets Acquired and Estimated Useful Lives

The fair value of identifiable intangible assets acquired and their estimated useful lives are as follows:

	Constantia Label	
	Fair Value	Usefu
Customer relationships	$407,300	19
Technology	20,700	4
Trade name	4,400	4
Total identifiable intangible assets	$432,400	

Schedule of Pro Forma Information

The following table provides the unaudited pro forma results of operations for the year ended March 31, 2018 and 2017 as if Constantia Labels ha beginning of fiscal year 2017. However, pro forma results do not include any anticipated synergies from the combination of the companies, and ac necessarily indicative of the results that would have occurred if the acquisition had occurred on the date indicated or that may result in the future.

	2018	20
Net revenues	$1,718,924	$1,58
Net income attributable to Multi-Color	87,147	7
Diluted earnings per share	4.24	

Reconciliation of Actual Net Revenues and Net Income Attributable to Multi-Color Corporation to Pro Forma Net Revenues and Net Income

The following is a reconciliation of actual net revenues and net income attributable to Multi-Color Corporation to unaudited pro forma net revenu

	2018		2017
	Net revenues	Net income attributable to Multi-Color	Net revenues
Multi-Color Corporation actual results	$ 1,300,912	$ 71,951	$ 923,295
Constantia Labels actual results (1)	418,012	23,426	664,795
Pro forma adjustments	—	(8,230)	—
Pro forma results	$ 1,718,924	$ 87,147	$ 1,588,090

(1) Constantia Labels actual results include the seven months pre-acquisition in fiscal 2018 and 12 months in fiscal 2017. Constantia L months post-acquisition in fiscal 2018 are included in the Multi-Color Corporation actual results.

Pro Forma Adjustments

The following table identifies the unaudited pro forma adjustments:

	2018	2
Constantia Labels financing costs	$ 9,689	$ 1
Acquisition transaction costs	16,220	
Incremental depreciation and amortization costs	(8,468)	(1
Incremental interest costs	(29,368)	(5
Tax effect of adjustments	3,697	1
Pro forma adjustments	$ (8,230)	$(3

Constantia Labels Purchase Price

The purchase price for Constantia Labels consisted of the following:

Cash from proceeds of borrowings	$1,048,656

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

MCC common stock issued	237,820
Deferred payments	3,901
Contingent consideration	9,026
Purchase price, before cash acquired	1,299,403
Net cash acquired	(11,234)
Total purchase price	$1,288,169

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACCOUNTS RECEIVABLE ALLOWANCE (Tables)	12 Months Ended Mar. 31, 2019
Receivables [Abstract]	
Summary of Activity in Allowance for Doubtful Accounts	The following table summarizes the activity in the allowance for doubtful accounts:

	2019	2018
Balance at beginning of year	**$2,704**	$2,273
Provision	**312**	319
Accounts written-off	**(281)**	(62
Foreign exchange	**(137)**	174
Balance at end of year	**$2,598**	$2,704

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

INVENTORIES (Tables)	12 Months Ended Mar. 31, 2019
Inventory Disclosure [Abstract]	
Schedule of Inventories	The Company's inventories as of March 31 consisted of the following:

	2019	2
Finished goods	**$ 60,493**	$ 8
Work-in-process	**21,010**	2
Raw materials	**62,732**	6
Total inventories, net	**$144,235**	$16

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

PROPERTY, PLANT AND EQUIPMENT (Tables)	12 Months Ended Mar. 31, 2019
Property, Plant and Equipment [Abstract]	
Schedule of Property, Plant and Equipment	The Company’s property, plant and equipment as of March 31 consisted of the following:

	2019	20
Land	**$ 19,095**	$ 1
Buildings, building improvements and leasehold improvements	**123,517**	11
Machinery and equipment	**603,882**	53
Furniture, fixtures, computer equipment and software	**42,049**	5
Construction in progress	**24,313**	3
Property, plant and equipment, gross	**812,856**	74
Accumulated depreciation	**(284,779)**	(23
Property, plant and equipment, net	**$ 528,077**	$ 51

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

GOODWILL AND INTANGIBLE ASSETS (Tables)	12 Months Ended
	Mar. 31, 2019

Goodwill and Intangible Assets Disclosure [Abstract]

Goodwill

The changes in the Company’s goodwill consisted of the following:

	2019	20
Balance at beginning of year		
Goodwill, gross	**$1,210,179**	$ 424
Accumulated impairment losses	**(13,545)**	(12
Goodwill, net	**1,196,634**	412
Activity during the year		
Acquisitions	**—**	72
Adjustments to prior year acquisitions	**(34,478)**	
Currency translation	**(84,457)**	6
Impairment	**(99,155)**	
Sale of Southeast Asian durables business	**—**	
Balance at end of year		
Goodwill, gross	**1,089,010**	1,210
Accumulated impairment losses	**(110,466)**	(1
Goodwill, net	**$ 978,544**	$1,196

Intangible Assets

The Company’s intangible assets as of March 31 consisted of the following:

	2019			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount
Customer relationships	**$ 641,385**	**$ (119,821)**	**$521,564**	$ 648,273
Technologies	**21,540**	**(8,512)**	**13,028**	21,721
Trademarks and trade names	**4,372**	**(1,635)**	**2,737**	99
Non-compete agreements	**3,824**	**(2,957)**	**867**	3,880
Total	**$ 671,121**	**$ (132,925)**	**$538,196**	$ 673,973

Estimated Useful Lives for Each Intangible Asset Class

The estimated useful lives for each intangible asset class are as follows:

Customer relationships	9 to 21 years
Technologies	1 to 8 years
Trademarks and trade names	1 to 4 years
Non-compete agreements	2 to 7 years

Annual Estimated Amortization Expense for Future Years

The annual estimated amortization expense for future years is as follows:

Fiscal 2020	$ 42,079
Fiscal 2021	41,635
Fiscal 2022	40,326
Fiscal 2023	37,300
Fiscal 2024	34,183
Thereafter	342,673
Total	$538,196

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

DEBT (Tables)	12 Months Ended Mar. 31, 2019

Debt Disclosure [Abstract]

Components of Debt

The components of the Company’s debt as of March 31 consisted of the following:

	2019			20	
	Principal	Unamortized Debt Issuance Costs	Debt Less Unamortized Debt Issuance Costs	Principal	Unamort Debt Issu Cost
6.125% Senior Notes (1)	$ 250,000	$ (2,473)	$ 247,527	$ 250,000	$ (3,
4.875% Senior Notes (1)	600,000	(8,420)	591,580	600,000	(9,
Credit Agreement					
Term Loan A Facility (2)	135,625	(3,125)	132,500	148,125	(3,
Term Loan B Facility (3)	493,750	(5,165)	488,585	498,750	(6,
U.S. Revolving Credit Facility (4) (5)	—	—	—	56,945	(5,
Australian Revolving Sub-Facility (4)	35,977	(473)	35,504	33,033	(
Capital leases	36,255	—	36,255	36,288	
Other subsidiary debt	5,402	—	5,402	4,714	
Total debt	1,557,009	(19,656)	1,537,353	1,627,855	(29,
Less current portion of debt	(23,059)	—	(23,059)	(20,864)	
Total long-term debt	$ 1,533,950	$ (19,656)	$ 1,514,294	$ 1,606,991	$ (29,

(1) The 6.125% Senior Notes are due on December 1, 2022. The 4.875% Senior Notes are due on November 1, 2025.
(2) The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan A Facility. The princ the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October
(3) The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan B Facility. The princ the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October
(4) Borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility mature on October 31, 2022.
(5) Unamortized debt issuance costs related to the U.S. Revolving Credit Facility were reclassified to prepaid expenses and other long-term as balance sheet as of March 31, 2019, as there are no borrowings outstanding on the U.S. Revolving Credit Facility as of March 31, 2019.

Schedule of Future Annual Principal Payments

The following is a schedule of future annual principal payments as of March 31, 2019:

	Debt	Capital Leases
Fiscal 2020	$ 18,509	$ 4,550
Fiscal 2021	17,331	3,999
Fiscal 2022	22,005	3,107
Fiscal 2023	389,158	2,925
Fiscal 2024	5,000	2,635
Thereafter	1,068,751	19,039
Total	$ 1,520,754	$ 36,255

Schedule of Weighted Average Interest Rates

The weighted average interest rates on the Company’s borrowings are as follows:

	March 31, 2019	March 31,
Term Loan A Facility	4.50%	
Term Loan B Facility	4.50%	
U.S. Revolving Credit Facility	—	
Australian Revolving Sub-Facility	3.85%	

Net Minimum Payments on Capitalized Leases

The present value of the net minimum payments on the capitalized leases as of March 31 is as follows:

	2019	2
Total minimum lease payments	$44,688	$ 4
Less amount representing interest	(8,433)	(1
Present value of net minimum lease payments	36,255	3
Current portion	(4,550)	(
Capitalized lease obligations, less current portion	$31,705	$ 3

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

RISK MANAGEMENT ACTIVITIES AND FINANCIAL INSTRUMENTS (Tables)	12 Months Ended
	Mar. 31, 2019
Derivative Instruments and Hedging Activities Disclosure [Abstract]	
Summary of Fair Value of Qualifying and Non-qualifying Instruments Used in Hedging Transactions	

Derivatives Designated as Hedging Instruments	Balance Sheet Location	Fair V
		2019
Assets:		
Cross currency swaps (Net investment hedges)	Other current assets	$5,127
Interest rate swaps (Cash flow hedges)	Other current assets	743
Foreign exchange forward contracts (Fair value hedges)	Other current assets	—
Foreign exchange forward contracts (Cash flow hedges)	Other current assets	5
Interest rate swaps (Cash flow hedges)	Other long-term assets	—
Liabilities:		
Interest rate swaps (Cash flow hedges)	Other current liabilities	$ 377
Foreign exchange forward contracts (Fair value hedges)	Other current liabilities	234
Foreign exchange forward contracts (Cash flow hedges)	Other current liabilities	345
Cross currency swaps (Net investment hedges)	Other long-term liabilities	1,563
Interest rate swaps (Cash flow hedges)	Other long-term liabilities	2,353

Derivatives Not Designated as Hedging Instruments	Balance Sheet Location	Fa
		2019
Assets:		
Foreign exchange forward contracts	Other current assets	$ 26
Liabilities:		
Foreign exchange forward contracts	Other current liabilities	$ 30

Amounts of Gains and (Losses) Recognized in AOCI Net of Reclassifications Into Earnings

The amounts of gains and (losses) recognized in AOCI net of reclassifications into earnings, during the twelve months ended March 31, 2019 and

Derivatives Designated as Hedging Instruments	2019	2
Cross currency swaps (Net investment hedges) (1)	$36,545	$(2
Interest rate swaps (Cash flow hedges)	(6,111)	
Foreign exchange forward contracts	(527)	

(1) The net gain of $36,545 recognized in OCI on the cross currency swaps in a net investment hedge as of March 31, 2019 is comprised of an of $4,833 and an undiscounted spot gain of $43,480, net of tax of $(11,768).

Amounts of Gains and (Losses) Reclassified from AOCI into Earnings

The amounts of gains and (losses) reclassified from AOCI into earnings for the twelve months ended March 31, 2019 and 2018 are as fo

Derivatives Designated as Hedging Instruments	2019	
Cross currency swaps (1)	$5,226	$
Interest rate swaps (2)	674	
Foreign exchange forward contracts (2)	(588)	

(1) The Company had a $5,226 excluded component gain in AOCI which was recognized into income during the twelve months ended March

(2) During the next 12 months, $26 of gains included in the March 31, 2019 AOCI balance are expected to be reclassified into interest expense

Amounts of Gains and (Losses) Included in Earnings from Qualifying and Non-qualifying Financial Instruments Used in Hedging Transactions

The amounts of gains and (losses) included in earnings from qualifying and non-qualifying financial instruments used in hedging transactions for March 31, 2019 and 2018 are as follows:

Derivatives Not Designated as Hedging Instruments	Statement of Income Location	2019
Foreign currency contract-Constantia purchase price	Other income (expense), net	$ —
Foreign currency contracts-Other	Other income (expense), net	6,161
Gain (loss) on underlying hedged items	Other income (expense), net	(5,340)
Cross currency swaps	Interest expense	976

Derivatives Designated as Hedging Instruments	Statement of Income Location	2019
Foreign exchange forward contracts (Fair value hedges)	Other income (expense), net	$ (46)
Gain on underlying hedged items	Other income (expense), net	46

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACCRUED EXPENSES AND OTHER LIABILITIES (Tables)	12 Months Ended
	Mar. 31, 2019
Payables and Accruals [Abstract]	
Summary of Accrued Expenses and Other Liabilities	The Company’s accrued expenses and other liabilities as of March 31 consisted of the following:

	2019	2
Accrued payroll and benefits	**$41,441**	$ 4
Accrued income taxes	**6,632**	1
Professional fees	**4,534**	
Accrued taxes other than income taxes	**1,671**	
Accrued interest	**13,746**	1
Customer rebates	**3,750**	
Exit and disposal costs related to facility closures	**210**	
Deferred payments	**1,881**	
Deferred revenue	**10,654**	1
Derivative liabilities	**986**	
Other	**9,234**	
Total accrued expenses and other liabilities	**$94,739**	$11

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

INCOME TAXES (Tables)

	12 Months Ended Mar. 31, 2019

Income Tax Disclosure [Abstract]

Schedule of Earnings before Income Taxes

Earnings before income taxes were as follows:

	2019	2018
U.S.	**$ 29,964**	$ 6,848
Foreign	**(46,299)**	46,854
Total	**$(16,335)**	$53,702

Schedule of Provision (Benefit) for Income Taxes

The provision (benefit) for income taxes as of March 31 includes the following components:

	2019	2018
Current:		
Federal	**$ 420**	$ 2,783
State and local	**2,306**	611
Foreign	**15,069**	20,641
Total Current	**17,795**	24,035
Deferred:		
Federal	**2,438**	(18,406)
State and local	**(1,764)**	70
Foreign	**(6,137)**	(23,894)
Total Deferred	**(5,463)**	(42,230)
Total	**$12,332**	$ (18,195)

Schedule of Reconciliation between U.S. Statutory Federal Income Tax Rate and Effective Tax Rate

The following is a reconciliation between the U.S. statutory federal income tax rate and the effective tax rate:

	2019	2018
U.S. federal statutory rate	**21.0%**	31.5%
State and local income taxes, net of federal income tax benefit	**(1.9)%**	0.4%
Section 199 deduction	**—**	—
Foreign derived intangible income deduction	**4.8%**	—
International rate differential	**45.1%**	(5.1)%
Unrecognized tax benefits	**19.4%**	0.6%
Foreign permanent differences	**3.3%**	(1.1)%
Non-deductible transaction costs	**(8.3)%**	4.2%
Valuation allowances	**(3.6)%**	2.0%
U.S. Repatriation Tax	**3.2%**	5.7%
Goodwill impairment	**(176.6)%**	—
Share-based Compensation	**1.4%**	(2.5)%
Tax Rate Changes	**18.0%**	(70.8)%
U.S. Research & Development Credit	**6.6%**	-1.5%
Other foreign taxes	**(6.9)%**	1.6%
Other	**(1.0)%**	1.1%
Effective tax rate	**(75.5)%**	(33.9)%

Schedule of Net Deferred Tax Components

	2019	20
Deferred tax liabilities:		
Book basis over tax basis of fixed assets	**$ (58,169)**	$ (4
Book basis over tax basis of intangible assets	**(128,273)**	(13
Interest rate swap	**(406)**	
Deferred financing costs	**(16)**	
Other	**(5,766)**	(
Total deferred tax liabilities	**(192,630)**	(18
Deferred tax assets:		
Inventory reserves	**2,165**	
Interest expense carryforwards	**10,674**	
Inventory capitalization	**343**	
Allowance for doubtful accounts	**201**	
Stock based compensation expense	**1,307**	
Minimum pension liability	**524**	
Loss carry forward amounts	**35,771**	2
Credit carry forward amounts	**963**	
Interest rate swaps	**—**	
State basis over tax basis of fixed assets	**1,554**	
Non-deductible accruals and other	**8,491**	1
Deferred compensation	**234**	
Lease obligations	**6,169**	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Gross deferred tax asset	68,396	5
Valuation allowance	(31,702)	(1
Net deferred tax asset	36,694	3
Net deferred tax liability	**$ (155,936)**	$ (14

Summary of Activity for Company's Unrecognized Tax Benefits

A summary of the activity for the Company’s unrecognized tax benefits as of March 31 is as follows:

	2019	
Beginning balance	$ 7,038	$
Additions based on tax positions related to the current year	616	
Additions of tax positions of prior years	1,870	
Settlements	(146)	(
Reductions of tax positions of prior years	(233)	
Lapse of applicable statutes of limitations	(3,059)	
Currency translation	(240)	
Ending balance	$ 5,846	$

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

EARNINGS PER COMMON SHARE (Tables)	12 Months Ended Mar. 31, 2019
Earnings Per Share [Abstract]	
Reconciliation of Number of Shares Used in Basic and Diluted Earnings Per Share Computations	The following is a reconciliation of the number of shares used in the basic EPS and diluted EPS computations:

	2019		2018	
	Shares	**Per Share Amount**	Shares	Per Am
Basic EPS	**20,468**	**$ (1.42)**	18,421	$
Effect of dilutive securities	—	—	162	
Diluted EPS	**20,468**	**$ (1.42)**	18,583	$

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

STOCK-BASED COMPENSATION (Tables)	12 Months Ended Mar. 31, 2019
Disclosure of Compensation Related Costs, Share-based Payments [Abstract]	
Weighted Average Assumptions	The Company calculates the value of each employee stock option, estimated on the grant date, using the Black-Scholes m following weighted average assumptions:

	2019	2018
Expected life (years)	**5.6**	5.7
Risk-free interest rate	**2.8%**	1.8%
Expected volatility	**29.5%**	32.4%
Dividend yield	**0.3%**	0.3%

Summary of Changes in Options Outstanding

A summary of the changes in the options outstanding for years ended March 31, 2019, 2018 and 2017 is shown below:

	Options		Weighted Average Exercise Price	Weighted Avera Remaining Lif (Years)
Outstanding at March 31, 2016	600	$	34.50	
Granted	32	$	61.62	
Exercised	(136)	$	24.52	
Forfeited	(25)	$	41.66	
Outstanding at March 31, 2017	471	$	38.84	
Granted	119	$	85.38	
Exercised	(110)	$	26.60	
Forfeited	(14)	$	57.10	
Outstanding at March 31, 2018	466	$	53.10	
Granted	**45**	**$**	**70.77**	
Exercised	**(76)**	**$**	**27.80**	
Forfeited	**(18)**	**$**	**64.86**	
Outstanding at March 31, 2019	**417**	**$**	**59.09**	**6**
Exercisable at March 31, 2019	**203**	**$**	**45.86**	**5**
Exercisable at March 31, 2018	186	$	33.72	5

Summary of Changes in Restricted Shares

A summary of the changes in restricted shares for the year ended March 31, 2019, 2018 and 2017 is shown below:

	Restricted Shares	Weighted A Grant D Fair Va
Non-vested restricted shares at March 31, 2016	25	$
Granted	8	$
Vested	(15)	$
Forfeited	(1)	$
Non-vested restricted shares at March 31, 2017	17	$
Granted	9	$
Vested	(10)	$
Forfeited	(3)	$
Non-vested restricted shares at March 31, 2018	13	$
Granted	**19**	**$**
Vested	**(7)**	**$**
Forfeited	**—**	**$**
Non-vested restricted shares at March 31, 2019	**25**	**$**

Summary of Changes in Restricted Share Units

A summary of the changes in restricted share units for the years ended March 31, 2019, 2018 and 2017 are shown below:

	RSUs	Weighted A Grant D Fair Va
Non-vested RSUs at March 31, 2016	42	$
Granted	35	$
Forfeited	(18)	$
Non-vested RSUs at March 31, 2017	59	$
Granted	19	$
Vested	(12)	$
Forfeited	(30)	$
Non-vested RSUs at March 31, 2018	36	$
Granted	**46**	**$**
Vested	**(10)**	**$**
Forfeited	**(12)**	**$**
Non-vested RSUs at March 31, 2019	**60**	**$**

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

GEOGRAPHIC INFORMATION (Tables)	12 Months Ended Mar. 31, 2019
Text Block [Abstract]	
Summary of Net Revenues and Long-lived Assets Based on Geographic Area	Net revenues, based on the geographic area from which the product is shipped, for the years ended March 31 and long-liv geographic area as of March 31 are as follows:

	2019	2018
Net revenues:		
United States	**$ 660,275**	$ 584,458
Belgium	**152,242**	67,035
Germany	**132,973**	62,184
Other International	**780,064**	587,235
Total	**$1,725,554**	$1,300,912

	2019	20
Long-lived assets:		
United States	**$ 584,274**	$ 64
Belgium (1)	**408,171**	(
Germany	**252,533**	87
Other International	**806,594**	77
Total	**$2,051,572**	$2,29

(1) We allocate goodwill to our foreign and domestic locations. In fiscal 2018, negative goodwill associated with the acquisition of Constantia our plant in Belgium, as the final goodwill allocation was not complete.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

COMMITMENTS AND CONTINGENCIES (Tables)	12 Months Ended Mar. 31, 2019
Commitments and Contingencies Disclosure [Abstract]	
Summary of Annual Future Minimum Rental Obligations	The annual future minimum rental obligations as of March 31, 2019 are as follows:

Fiscal 2020	$22,595
Fiscal 2021	19,569
Fiscal 2022	17,297
Fiscal 2023	13,168
Fiscal 2024	7,585
Thereafter	15,877
Total	$96,091

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

SUPPLEMENTAL CASH FLOW DISCLOSURES (Tables)

	12 Months Ended
	Mar. 31, 2019

Supplemental Cash Flow Elements [Abstract]

Supplemental Disclosures of Cash Flow Information and Non-Cash Activities

Supplemental disclosures with respect to cash flow information and non-cash investing and financing activities are as follows:

	2019	2018
Supplemental Disclosures of Cash Flow Information:		
Interest paid	**$ 81,613**	$ 32,844
Income taxes paid, net of refunds	**28,514**	30,305
Supplemental Disclosures of Non-Cash Activities:		
Additional minimum pension liability	**$ 37**	$ (55)
Capital expenditures incurred but not yet paid	**5,958**	9,958
Capital lease obligations incurred	**1,882**	—
Change in derivative contract fair value - asset position	**(4,397)**	10,298
Change in derivative contract fair value - liability position	**45,434**	(50,336)
Business combinations accounted for as a purchase:		
Assets acquired (excluding cash)	**$ 16,233**	$1,612,925
Liabilities assumed	**(15,033)**	(335,648)
Liabilities for contingent / deferred payments	**—**	(13,713)
MCC common stock issued	**—**	(237,820)
Noncontrolling interest	**(1,200)**	(1,100)
Net cash paid	**$ —**	$1,024,644

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

ACCUMULATED OTHER COMPREHENSIVE LOSS (Tables)

12 Months Ended

Mar. 31, 2019

Equity [Abstract]

Schedule of Changes in Accumulated Other Comprehensive Loss by Component

The changes in the Company’s accumulated other comprehensive loss by component consisted of the following:

	Foreign currency items	Gains and (losses) on derivative contracts	Defined benefit pension items
Balance at March 31, 2017	$ (85,593)	$ —	$ (202)
OCI before reclassifications (1)	91,928	(22,635)	3
Amounts reclassified from AOCI	—	(2,773)	31
Net current period OCI	91,928	(25,408)	34
Balance at March 31, 2018	6,335	(25,408)	(168)
OCI before reclassifications (2)	**(135,054)**	**33,894**	**(32)**
Amounts reclassified from AOCI	**—**	**(3,987)**	**4**
Net current period OCI	**(135,054)**	**29,907**	**(28)**
ASU 2018-02 reclassifications of stranded tax effects	**(244)**	**(1,506)**	**—**
Balance at March 31, 2019	**$ (128,963)**	**$ 2,993**	**$ (196)**

(1) Net of tax of $9,063 and $(1) for derivative contracts and defined benefit pension items, respectively.

(2) Net of tax of $(11,351) and $11 for derivative contracts and defined benefit pension items, respectively.

Schedule of (Gains) and Losses Reclassified from AOCI

Reclassifications out of accumulated other comprehensive loss consisted of the following:

	2019	2
Gains and losses on cash flow hedges:		
Cross currency swaps (1)	**$(5,226)**	$(
Interest rate swaps (1)	**(674)**	
Foreign exchange forward contracts (2)	**588**	
Tax	**1,325**	
Net of tax	**(3,987)**	(
Defined benefit pension items:		
Amortization of net actuarial losses (3)	**6**	
Settlement and curtailments (3)	**—**	
Tax	**(2)**	
Net of tax	**4**	
Total reclassifications, net of tax	**$(3,983)**	$(

(1) Reclassified from AOCI into interest expense in the consolidated statements of operations. See Note 10.

(2) Reclassified from AOCI into cost of revenues in the consolidated statements of operations. See Note 10.

(3) Reclassified from AOCI into facility closure expenses in the consolidated statements of operations. These components are included periodic pension cost. See Note 12.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

FACILITY CLOSURES (Tables)	12 Months Ended Mar. 31, 2019
Cowansville Canada	
Summary of Exit and Disposal Costs Related to Closure	Below is a summary of the exit and disposal costs related to the closure of the Cowansville facility:

	Total costs expected to be incurred	Total costs incurred 2019
Severance and other termination benefits	$ 150	$ 111
Other associated costs	—	—

Reconciliation of the Beginning and Ending Liability Balances Related to the Contractual Termination Benefits and Exit and Disposal Costs	Below is a reconciliation of the beginning and ending liability balances related to the exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid
Severance and other termination benefits	$ —	111	(54)

Melbourne Australia	
Summary of Exit and Disposal Costs Related to Closure	Below is a summary of the total contractual termination benefits and exit and disposal costs related to the closure of the Melbourne facility:

	Total costs expected to be incurred	Total costs incurred 2019
Severance and other termination benefits	$ 170	$ 170
Other associated costs	700-900	612

Reconciliation of the Beginning and Ending Liability Balances Related to the Contractual Termination Benefits and Exit and Disposal Costs	Below is a reconciliation of the beginning and ending liability balances related to the contractual termination benefits and exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid
Severance and other termination benefits	$ —	170	(170)
Other associated costs	$ —	612	(459)

Merignac France	
Summary of Exit and Disposal Costs Related to Closure	Below is a summary of the total contractual termination benefits and exit and disposal costs related to the closure of the Merignac facility:

	Total costs expected to be incurred	Total costs incurred 2019	Total costs incurred 2018
Severance and other termination benefits	$ 663	$ (40)	$ 703
Other associated costs	566-750	220	347

Reconciliation of the Beginning and Ending Liability Balances Related to the Contractual Termination Benefits and Exit and Disposal Costs	Below is a reconciliation of the beginning and ending liability balances related to the contractual termination benefits and exit and disposal costs:

	Balance at March 31, 2018	Amounts Expensed	Amounts Paid
Severance and other termination benefits	$ 457	(40)	(417)
Other associated costs	$ —	220	(220)

Dormans France	
Summary of Exit and Disposal Costs Related to Closure	Below is a summary of the exit and disposal costs related to the closure of the Dormans facility:

	2018
Severance and other termination benefits	$106
Other associated costs	23

Sonoma California	
Summary of Exit and Disposal Costs Related to Closure	During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Sonoma facility, which closure expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$ 6
Other associated costs	91

Glasgow Scotland	
Summary of Exit and Disposal Costs Related to Closure	During fiscal 2017, the Company incurred the following exit and disposal costs related to the consolidation of the Glasgow facilities, which were expenses in the consolidated statements of operations:

	2017

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Severance and other termination benefits	$100
Other associated costs	539

Greensboro North Carolina

Summary of Exit and Disposal Costs Related to Closure

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Greensboro facility, which were recor
expenses in the consolidated statements of operations:

	2017
Severance and other termination benefits	$ (22)
Contract termination costs	(66)
Other associated costs	207

Dublin Ireland

Summary of Exit and Disposal Costs Related to Closure

During fiscal 2017, the Company incurred the following exit and disposal costs related to the closure of the Dublin facility, which were recorded i
in the consolidated statements of operations:

	2017
Severance and other termination benefits	$ 102
Contract termination costs	177
Other associated costs	76

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

QUARTERLY DATA (Tables)

12 Months Ended Mar. 31, 2019

Quarterly Financial Information Disclosure [Abstract]

Quarterly Financial Information

Earnings per share amounts are computed independently each quarter. As a result, the sum of each quarter's per share amount may not equal the t the respective year.

Fiscal 2019	Quarter		
	First	Second	Th
Net revenues	$456,131	$434,913	$397
Gross profit	88,010	86,785	65
Net income (loss)	18,092	23,805	11
Net income (loss) attributable to Multi-Color Corporation	18,139	23,755	11
Basic earnings (loss) per share	$ 0.89	$ 1.16	$
Diluted earnings (loss) per share	0.88	1.16	

Fiscal 2019 results include $711 ($507 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac, France and Co expenses were recorded as follows:

	Qu	
	First	Second
Facility closure expenses	$ 27	$ 114

Fiscal 2018	Quarter		
	First	Second	Th
Net revenues	$242,440	$256,034	$352
Gross profit	49,457	51,774	57
Net income	14,142	15,190	20
Net income attributable to Multi-Color Corporation	14,106	15,190	20
Basic earnings per share	$ 0.83	$ 0.89	$
Diluted earnings per share	0.82	0.88	

Fiscal 2018 results include $1,419 ($945 after-tax) in costs related to the closure of our manufacturing facilities located in Merignac and Dormans Michigan. These expenses were recorded as follows:

	Qu	
	First	Second
Facility closure expenses	$ 34	$ 95

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Summary of Significant Accounting Policies - Additional Information (Detail) $ in Thousands	12 Months Ended			
	Mar. 31, 2019 USD ($) Segment	Mar. 31, 2018 USD ($)	Mar. 31, 2017 USD ($)	Apr. 01, 2019 USD ($)
Number of reportable segment | Segment	1			
Research and development cost	$ 8,065	$ 5,834	$ 5,274	
Cash in foreign bank accounts	57,762	67,708		
Unrealized foreign currency translation loss	[1] (136,726)	93,892	(25,254)	
Transaction gains and (losses) reported in other income and expense	149	3,899	(533)	
Goodwill, Impairment Loss	$ 99,155	0	0	
Valuation, Market Approach [Member]				
Weighting of Valuation Technique	25.00%			
Valuation, Income Approach [Member]				
Weighting of Valuation Technique	75.00%			
Accounting Standards Update 2016-02 [Member]				
Operating Lease, Right-of-Use Asset				$ 125,000
Operating Lease, Liability				$ 125,000
Accumulated Other Comprehensive Loss				
ASU 2018-02 reclassification of stranded tax effects	$ (1,750)			
Selling, General and Administrative Expenses				
Losses on sale of receivables	(1,964)	(1,325)	$ (561)	
Accounts Payable				
Outstanding checks	15,272	2,280		
Foreign Bank Accounts				
Cash in foreign bank accounts	$ 56,914	$ 66,061		
Maximum				
Finite-Lived intangible asset, useful life	21 years			

[1] The amount for the years ended March 31, 2019, 2018 and 2017 includes a tax impact of $262, $(654) and $284, respectively, related to the settlement of foreign currency denominated intercompany loans.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Summary of Significant Accounting Policies - Property, Plant and Equipment, Estimated Useful Lives (Detail)	12 Months Ended
	Mar. 31, 2019
Building improvements	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	15 years
Maximum | Building	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	39 years
Maximum | Machinery and equipment	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	15 years
Maximum | Computer	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	5 years
Maximum | Furniture and fixtures	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	10 years
Minimum | Building	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	20 years
Minimum | Machinery and equipment	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	3 years
Minimum | Computer	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	3 years
Minimum | Furniture and fixtures	
Property, Plant and Equipment [Line Items]	
Estimated useful life of assets	5 years

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Revenue Recognition - Additional Information (Detail) $ in Thousands	12 Months Ended
	Mar. 31, 2019 USD ($)
Other Revenues [Line Items]	
Contract with customer, liability, revenue recognized	$ 10,760
Minimum | Accounting Standards Update 2014-09	
Other Revenues [Line Items]	
Customer payment terms	30 days
Maximum | Accounting Standards Update 2014-09	
Other Revenues [Line Items]	
Customer payment terms	90 days

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Revenue Recognition - Summary of Changes on Consolidated Balance Sheet due to Adoption of ASU 2014-09 (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Apr. 01, 2018	Mar. 31, 2018
Assets:			
Accounts receivable, net	$ 300,945		$ 306,542
Inventories, net	144,235		167,950
Other current assets	40,769		17,468
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	94,739		114,022
Deferred income tax liabilities	160,017		149,950
Accumulated other comprehensive loss	(126,166)		(19,241)
Retained earnings	355,973		$ 384,671
Accounting Standards Update 2014-09			
Assets:			
Accounts receivable, net		$ 306,795	
Inventories, net		149,664	
Other current assets		39,125	
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities		113,807	
Deferred income tax liabilities		151,075	
Accumulated other comprehensive loss		(19,228)	
Retained earnings		387,372	
Adjustments | Accounting Standards Update 2014-09			
Assets:			
Accounts receivable, net	(169)	253	
Inventories, net	15,494	(18,286)	
Other current assets	(18,230)	21,657	
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	347	(215)	
Deferred income tax liabilities	(919)	1,125	
Accumulated other comprehensive loss	5	13	
Retained earnings	$ (2,338)	$ 2,701	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Revenue Recognition - Summary of Net Contract Assets and Liabilities (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Apr. 01, 2018
Revenue, Initial Application Period Cumulative Effect Transition [Line Items]		
Net contract assets and liabilities	$ 18,489	$ 19,251
Other current assets		
Revenue, Initial Application Period Cumulative Effect Transition [Line Items]		
Contract assets	29,143	31,001
Accrued Expenses and Other Liabilities		
Revenue, Initial Application Period Cumulative Effect Transition [Line Items]		
Contract liabilities	$ (10,654)	$ (11,750)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Revenue Recognition - Summary of Condensed Consolidated Statement of Income as if ASU 2014-09 Has Not Been Adopted and Adjustment Required Upon Adoption of ASU 2014-09 (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Revenue, Initial Application Period Cumulative Effect Transition [Line Items]											
Net revenues	$ 437,506	$ 397,004	$ 434,913	$ 456,131	$ 449,739	$ 352,699	$ 256,034	$ 242,440	$ 1,725,554	$ 1,300,912	$ 923,295
Cost of revenues									1,403,634	1,054,312	726,486
Gross profit	81,744	65,381	86,785	88,010	88,067	57,302	51,774	49,457	321,920	246,600	196,809
Selling, general and administrative expenses									160,710	129,601	84,922
Operating income									61,344	115,580	110,966
Income tax benefit									12,332	(18,195)	26,848
Net income (loss)	$ (82,039)	$ 11,475	$ 23,805	$ 18,092	$ 22,054	$ 20,511	$ 15,190	$ 14,142	(28,667)	$ 71,897	$ 61,365
Accounting Standards Update 2014-09 | Adjustments											
Revenue, Initial Application Period Cumulative Effect Transition [Line Items]											
Net revenues									3,349		
Cost of revenues									2,713		
Gross profit									636		
Selling, general and administrative expenses									67		
Operating income									569		
Income tax benefit									206		
Net income (loss)									363		
Accounting Standards Update 2014-09 | Calculated under Revenue Guidance in Effect before Topic 606											
Revenue, Initial Application Period Cumulative Effect Transition [Line Items]											
Net revenues									1,728,903		
Cost of revenues									1,406,347		
Gross profit									322,556		
Selling, general and administrative expenses									160,777		
Operating income									61,913		
Income tax benefit									12,538		
Net income (loss)									$ (28,304)		

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Revenue Recognition - Summary of Condensed Consolidated Balance sheet as if ASU 2014-09 Has Not Been Adopted and Adjustment Required Upon Adoption of ASU 2014-09 (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Apr. 01, 2018	Mar. 31, 2018
Assets:			
Accounts receivable, net	$ 300,945		$ 306,542
Inventories, net	144,235		167,950
Other current assets	40,769		17,468
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	94,739		114,022
Deferred income tax liabilities	160,017		149,950
Accumulated other comprehensive loss	(126,166)		(19,241)
Retained earnings	355,973		$ 384,671
Accounting Standards Update 2014-09			
Assets:			
Accounts receivable, net		$ 306,795	
Inventories, net		149,664	
Other current assets		39,125	
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities		113,807	
Deferred income tax liabilities		151,075	
Accumulated other comprehensive loss		(19,228)	
Retained earnings		387,372	
Accounting Standards Update 2014-09 | Calculated under Revenue Guidance in Effect before Topic 606			
Assets:			
Accounts receivable, net	300,776		
Inventories, net	159,729		
Other current assets	22,539		
Liabilities and Stockholders' Equity:			
Accrued expenses and other liabilities	95,086		
Deferred income tax liabilities	159,098		
Accumulated other comprehensive loss	(126,161)		
Retained earnings	353,635		
Accounting Standards Update 2014-09 | Adjustments			
Assets:			
Accounts receivable, net	(169)	253	
Inventories, net	15,494	(18,286)	
Other current assets	(18,230)	21,657	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Liabilities and Stockholders' Equity:		
Accrued expenses and other liabilities	347	(215)
Deferred income tax liabilities	(919)	1,125
Accumulated other comprehensive loss	5	13
Retained earnings	$ (2,338)	$ 2,701

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Revenue Recognition - Summary of Net Revenues Disaggregated by Region and Timing of Revenue Recognition (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Disaggregation of Revenue [Line Items]											
Net revenues	$ 437,506	$ 397,004	$ 434,913	$ 456,131	$ 449,739	$ 352,699	$ 256,034	$ 242,440	$ 1,725,554	$ 1,300,912	$ 923,295
Point-in-time											
Disaggregation of Revenue [Line Items]											
Net revenues									1,494,520		
Point-in-time | North America											
Disaggregation of Revenue [Line Items]											
Net revenues									550,851		
Point-in-time | Europe											
Disaggregation of Revenue [Line Items]											
Net revenues									672,349		
Point-in-time | Asia Pacific and Africa											
Disaggregation of Revenue [Line Items]											
Net revenues									246,657		
Point-in-time | South America											
Disaggregation of Revenue [Line Items]											
Net revenues									24,663		
Over-time											
Disaggregation of Revenue [Line Items]											
Net revenues									231,034		
Over-time | North America											
Disaggregation of Revenue [Line Items]											
Net revenues									224,380		
Over-time | Europe											
Disaggregation of Revenue [Line Items]											
Net revenues									3,970		
Over-time | Asia Pacific and Africa											
Disaggregation of Revenue [Line Items]											
Net revenues									2,684		
Over-time | South America											

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Disaggregation of Revenue [Line Items]	
Net revenues	$ 0

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Acquisitions - Additional Information (Detail)	Oct. 31, 2017 USD ($) Employee Plant Country $ / shares shares	Oct. 11, 2017 USD ($)	Aug. 03, 2017 USD ($)	Jul. 03, 2017 USD ($)	Jan. 03, 2017 USD ($)	Jul. 06, 2016 USD ($)	Jul. 01, 2016 USD ($)	3 Months Ended Mar. 31, 2019	3 Months Ended Sep. 30, 2018 USD ($)	3 Months Ended Jun. 30, 2018 USD ($)	3 Months Ended Mar. 31, 2018 USD ($)	3 Months Ended Dec. 31, 2017 USD ($)	3 Months Ended Sep. 30, 2017 USD ($)	3 Months Ended Jun. 30, 2017 USD ($)	3 Months Ended Dec. 31, 2016 USD ($)	12 Months Ended Mar. 31, 2019 USD ($)	12 Months Ended Mar. 31, 2018 USD ($)	12 Months Ended Mar. 31, 2017 USD ($)	12 Months Ended Mar. 31, 2016 USD ($)	Jan. 31, 2017 USD ($)
Business Acquisition [Line Items]																				
Increased noncontrolling interest																		$ 62,000		
Goodwill, period increase (decrease)																$ (34,478,000)	$ (359,000)			
Accounts receivable acquired, fair value	$ 117,248,000																			
Percentage Of Controlling Interest Sold				60.00%																
Proceeds from Sales of Business, Affiliate and Productive Assets				$ 3,620,000													3,620,000			
Gain (Loss) on Disposition of Business				$ 512,000													(512,000)			
Senior Notes | 4.875% Notes, due November 1, 2025																				
Business Acquisition [Line Items]																				
Debt instrument, interest rate								4.875%								4.875%				
Gironde Imprimerie Publicite																				
Business Acquisition [Line Items]																				
Equity interest acquired																				67.60%
Deferred payment																				$ 208,000
Net debt assumed																				862,000
Purchase price, before debt assumed																				$ 2,084,000
Constantia Labels																				
Business Acquisition [Line Items]																				
Equity interest acquired	100.00%																			
Number of employees | Employee	2,800																			
Number of plants | Plant	24																			
Number of countries operated | Country	14																			
Number of shared issued for acquisition | shares	3,383,000																			
Fair value of the shares issued	$ 237,820,000																			
Price per share | $ / shares	$ 82.70																			
Deferred payment	$ 3,901,000									$ 807,000										
Deferred payment period	90 days																			
Future performance based earnout included in purchase price	$ 9,026,000																			
Future performance based earnouts future payout, minimum	$ 0																			
Future performance based earnouts future payout period, maximum	90 days																			
Cash acquired, allocated to purchase price	$ 49,725,000																			
Bank debt assumed	38,491,000																			
Acquisition expenses	17,379,000																			
Liabilities assumed, contingent liability	$ 9,671,000																			
Contingent liability paid											$ 7,523,000									
Increased noncontrolling interest									$ 1,200,000											
Goodwill, period increase (decrease)											4,083,000					$ (33,772,000)				
Goodwill, increase/decrease due to preliminary valuation of property plant and equipment																33,607,000				
Goodwill, increase/decrease due to preliminary valuation of intangible assets																22,400,000				
Goodwill, increase/decrease due to preliminary valuation of deferred tax liabilities																11,195,000				
Goodwill, increase/decrease due to preliminary valuation of capital leases																(4,881,000)				
Credit to depreciation expense related to acquisition																(4,055,000)				
Amortization expense related to acquisition																911,000				
Goodwill, decrease due to preliminary valuation of other assets											5,311,000									
Goodwill, increase/decrease due to valuation of accrued expenses																(3,574,000)				
Goodwill, decrease due to preliminary valuation of inventory											1,768,000					$ (4,846,000)				

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Weighted-average amortization period for identifiable intangible assets acquired	18 years														
Accounts receivable acquired, fair value	$ 117,248,000														
The gross contractual value of receivables	119,883,000														
Estimated contractual cash flows not expected to be collected	2,635,000														
Purchase price, before cash acquired	1,048,656,000														
Total purchase price	$ 1,288,169,000														
Goodwill, increase due to valuation of related current and deferred tax assets and liabilities								4,765,000							
Goodwill, increase due to valuation of accrued and other liabilities														$ 1,601,000	
Decrease In Purchase Price Before Cash Acquired								8,912,000							
Constantia Labels | Selling, General and Administrative Expenses															
Business Acquisition [Line Items]															
Acquisition expenses							$ 1,246,000	$ 632,000	$ 11,299,000	$ 3,545,000	$ 744,000	$ 18,000			
Credit of acquisition expenses						(105,000)									
Constantia Labels | South Africa															
Business Acquisition [Line Items]															
Equity interest acquired	75.00%														
Constantia Labels | Senior Notes | 4.875% Notes, due November 1, 2025															
Business Acquisition [Line Items]															
Debt instrument, interest rate	4.875%								4.875%						
Tanzania Printers															
Business Acquisition [Line Items]															
Equity interest acquired		100.00%													
Deferred payment period														1 year	
Cash acquired, allocated to purchase price		$ 397,000													
Date of acquisition													Oct. 11, 2017		
Purchase price, before cash acquired		15,929,000													
Net debt assumed		9,557,000													
Indemnification Asset		$ 1,593,000													
GEWA Etiketten GmbH															
Business Acquisition [Line Items]															
Equity interest acquired			100.00%												
Date of acquisition													Aug. 03, 2017		
Net debt assumed			$ 5,228,000												
Total purchase price			21,846,000												
Amount held in escrow account			$ 2,185,000												
Period for releasing escrow deposit			18 months												
GEWA Etiketten GmbH | Gironde Imprimerie Publicite															
Business Acquisition [Line Items]															
Minority interest, percentage			2.40%												
Graphix Labels and Packaging Pty Ltd															
Business Acquisition [Line Items]															
Equity interest acquired				100.00%											
Deferred payment				$ 1,631,000											
Deferred payment period					3 months										
Date of acquisition													Jan. 03, 2017		
Total purchase price				$ 17,261,000											
Barat Group | Gironde Imprimerie Publicite															
Business Acquisition [Line Items]															
Minority interest, percentage															30.00%
Fair value of equity interest															$ 771,000

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Gain recognized as a result of re-measuring the fair value of equity interest						$ 690,000
Industria Litografica Alessandrina S.r.l.						
Business Acquisition [Line Items]						
Equity interest acquired	100.00%					
Deferred payment	$ 819,000					
Deferred payment period	3 years					
Date of acquisition					Jul. 06, 2016	
Net debt assumed	$ 3,547,000					
Purchase price, before debt assumed	$ 6,301,000					
Italstereo Resin Labels S.r.l.						
Business Acquisition [Line Items]						
Equity interest acquired		100.00%				
Cash acquired, allocated to purchase price		$ 181,000				
Date of acquisition					Jul. 01, 2016	
Purchase price, before cash acquired		$ 3,342,000	$ 133,000	$ 201,000		

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Acquisitions - Purchase Price (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Oct. 31, 2017	Mar. 31, 2018	Jun. 30, 2018
Business Acquisition [Line Items]			
MCC common stock issued		$ 237,820	
Net cash acquired	$ (11,234)		
Constantia Labels			
Business Acquisition [Line Items]			
Cash from proceeds of borrowings	1,048,656		
MCC common stock issued	237,820		
Deferred payments	3,901		$ 807
Contingent consideration	9,026		
Purchase price, before cash acquired	1,299,403		
Net cash acquired	(11,234)		
Total purchase price	$ 1,288,169		

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Acquisitions - Purchase Price Allocation (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018	Oct. 31, 2017	Mar. 31, 2017
Assets Acquired:				
Net cash acquired			$ 11,234	
Accounts receivable			117,248	
Inventories			82,472	
Property, plant and equipment			250,479	
Intangible assets			432,400	
Goodwill	$ 978,544	$ 1,196,634	673,561	$ 412,550
Other assets			13,747	
Total assets acquired			1,581,141	
Liabilities Assumed:				
Accounts payable			93,812	
Accrued income taxes payable			4,401	
Accrued expenses and other liabilities			41,378	
Deferred tax liabilities			139,847	
Total liabilities assumed			279,438	
Net assets acquired			1,301,703	
Noncontrolling interests	$ (1,200)	$ (1,100)	(2,300)	$ (62)
Net assets acquired attributable to Multi-Color Corporation			$ 1,299,403	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Acquisitions - Fair Value of Identifiable Intangible Assets Acquired and Estimated Useful Lives (Detail) $ in Thousands	Oct. 31, 2017 USD ($)
Acquired Finite-Lived Intangible Assets [Line Items]	
Fair Value	$ 432,400
Constantia Labels	
Acquired Finite-Lived Intangible Assets [Line Items]	
Fair Value	$ 432,400
Useful Lives	18 years
Constantia Labels | Customer Relationships	
Acquired Finite-Lived Intangible Assets [Line Items]	
Fair Value	$ 407,300
Useful Lives	19 years
Constantia Labels | Technology	
Acquired Finite-Lived Intangible Assets [Line Items]	
Fair Value	$ 20,700
Useful Lives	4 years
Constantia Labels | Trade Name	
Acquired Finite-Lived Intangible Assets [Line Items]	
Fair Value	$ 4,400
Useful Lives	4 years

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Acquisitions - Schedule of Pro Forma Information (Detail) - USD ($) $ / shares in Units, $ in Thousands	12 Months Ended	
	Mar. 31, 2018	Mar. 31, 2017
Business Combinations [Abstract]		
Net revenues	$ 1,718,924	$ 1,588,090
Net income attributable to Multi-Color	$ 87,147	$ 78,768
Diluted earnings per share	$ 4.24	$ 3.86

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Acquisitions - Reconciliation of Actual Net Revenues and Net Income Attributable to Multi-Color Corporation to Pro Forma Net Revenues and Net Income (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Business Acquisition, Pro Forma Information [Line Items]											
Multi-Color Corporation actual results, Net Income	$ (82,221)	$ 11,286	$ 23,755	$ 18,139	$ 22,123	$ 20,532	$ 15,190	$ 14,106	$ (29,041)	$ 71,951	$ 60,996
Pro forma adjustments, Net Income										(8,230)	(34,337)
Pro forma results, Net Income										87,147	78,768
Multi-Color Corporation actual results, Net Revenues	$ 437,506	$ 397,004	$ 434,913	$ 456,131	$ 449,739	$ 352,699	$ 256,034	$ 242,440	$ 1,725,554	1,300,912	923,295
Pro forma results, Net Revenues										1,718,924	1,588,090
Constantia Labels											
Business Acquisition, Pro Forma Information [Line Items]											
Constantia Labels actual results, Net Income [1]										23,426	52,109
Constantia Labels actual results, Net Revenues [1]										$ 418,012	$ 664,795

[1] Constantia Labels actual results include the seven months pre-acquisition in fiscal 2018 and 12 months in fiscal 2017. Constantia Labels results for the five months post-acquisition in fiscal 2018 are included in the Multi-Color Corporation actual results.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Acquisitions - Pro Forma Adjustments (Detail) - USD ($) $ in Thousands	12 Months Ended	
	Mar. 31, 2018	Mar. 31, 2017
Business Acquisition, Pro Forma Information, Nonrecurring Adjustment [Line Items]		
Pro forma adjustments	$ (8,230)	$ (34,337)
Financing Costs | Constantia Labels		
Business Acquisition, Pro Forma Information, Nonrecurring Adjustment [Line Items]		
Pro forma adjustments	9,689	15,524
Acquisition Transaction Costs		
Business Acquisition, Pro Forma Information, Nonrecurring Adjustment [Line Items]		
Pro forma adjustments	16,220	18
Incremental Depreciation and Amortization Costs		
Business Acquisition, Pro Forma Information, Nonrecurring Adjustment [Line Items]		
Pro forma adjustments	(8,468)	(14,667)
Incremental Interest Costs		
Business Acquisition, Pro Forma Information, Nonrecurring Adjustment [Line Items]		
Pro forma adjustments	(29,368)	(50,639)
Tax Effect of Adjustments		
Business Acquisition, Pro Forma Information, Nonrecurring Adjustment [Line Items]		
Pro forma adjustments	$ 3,697	$ 15,427

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Accounts Receivable Allowance - Summary of Activity in Allowance for Doubtful Accounts (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Receivables [Abstract]			
Balance at beginning of year	$ 2,704	$ 2,273	$ 2,497
Provision	312	319	234
Accounts written-off	(281)	(62)	(384)
Foreign exchange	(137)	174	(74)
Balance at end of year	$ 2,598	$ 2,704	$ 2,273

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Inventories - Schedule of Inventories (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Inventory Disclosure [Abstract]		
Finished goods	$ 60,493	$ 80,845
Work-in-process	21,010	21,156
Raw materials	62,732	65,949
Total inventories, net	$ 144,235	$ 167,950

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Property, Plant and Equipment - Additional Information (Detail) - USD ($)	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Property, Plant and Equipment [Line Items]			
Depreciation expense	$ 60,474,000	$ 46,913,000	$ 33,480,000
Impairment loss on fixed assets	0	0	
Merignac France | Facility closure expenses			
Property, Plant and Equipment [Line Items]			
Facility closure expenses related to impairment loss on fixed assets		125,000	
Impairment of Long Lived Assets to be Disposed of Related to Facility Closures		125,000	
Dublin Ireland | Facility closure expenses			
Property, Plant and Equipment [Line Items]			
Facility closure expenses related to impairment loss on fixed assets		25,000	
Impairment of Long Lived Assets to be Disposed of Related to Facility Closures		$ 25,000	
Cowansville Canada | Facility closure expenses			
Property, Plant and Equipment [Line Items]			
Facility closure expenses related to impairment loss on fixed assets	309,000		
Impairment of Long Lived Assets to be Disposed of Related to Facility Closures	$ 309,000		

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Property, Plant and Equipment - Schedule of Property, Plant and Equipment (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Property, Plant and Equipment [Line Items]		
Property, plant and equipment, gross	$ 812,856	$ 745,982
Accumulated depreciation	(284,779)	(235,980)
Property, plant and equipment, net	528,077	510,002
Land		
Property, Plant and Equipment [Line Items]		
Property, plant and equipment, gross	19,095	13,766
Buildings, building improvements and leasehold improvements		
Property, Plant and Equipment [Line Items]		
Property, plant and equipment, gross	123,517	114,790
Machinery and equipment		
Property, Plant and Equipment [Line Items]		
Property, plant and equipment, gross	603,882	535,142
Furniture, fixtures, computer equipment and software		
Property, Plant and Equipment [Line Items]		
Property, plant and equipment, gross	42,049	50,779
Construction in progress		
Property, Plant and Equipment [Line Items]		
Property, plant and equipment, gross	$ 24,313	$ 31,505

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Goodwill and Intangible Assets - Additional Information (Detail) - USD ($)		12 Months Ended		
	Oct. 31, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Schedule Of Goodwill And Intangible Assets [Line Items]				
Amortization expense of intangible assets		$ 43,618,000	$ 26,009,000	$ 14,425,000
Impairment charges		$ 0	$ 0	
Constantia Labels [Member]				
Schedule Of Goodwill And Intangible Assets [Line Items]				
Weighted-average amortization period for identifiable intangible assets acquired	18 years			
Valuation, Market Approach [Member]				
Schedule Of Goodwill And Intangible Assets [Line Items]				
Weighting Of Valuation Technique		25.00%		
Valuation, Income Approach [Member]				
Schedule Of Goodwill And Intangible Assets [Line Items]				
Weighting Of Valuation Technique		75.00%		
IML FoodAnd Beverage [Member]				
Schedule Of Goodwill And Intangible Assets [Line Items]				
Reporting Unit, Amount of Fair Value in Excess of Carrying Amount		$ 85,109,000		
Europe FoodAnd Beverage [Member]				
Schedule Of Goodwill And Intangible Assets [Line Items]				
Reporting Unit, Amount of Fair Value in Excess of Carrying Amount		$ 14,046,000		
Minimum				
Schedule Of Goodwill And Intangible Assets [Line Items]				
Goodwill Impairment Discounted At Rates		8.50%	8.50%	
Maximum				
Schedule Of Goodwill And Intangible Assets [Line Items]				
Goodwill Impairment Discounted At Rates		13.00%	11.50%	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Goodwill and Intangible Assets - Goodwill (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Goodwill [Roll Forward]			
Goodwill, gross, Beginning balance	$ 1,210,179	$ 424,941	
Accumulated impairment losses, Beginning balance	(13,545)	(12,391)	
Goodwill, net, Beginning balance	1,196,634	412,550	
Acquisitions	0	721,874	
Adjustments to prior year acquisitions	(34,478)	(359)	
Currency translation	(84,457)	63,096	
Impairment	99,155	0	$ 0
Sale of Southeast Asian durables business	0	(527)	
Goodwill, gross, Ending Balance	1,089,010	1,210,179	424,941
Accumulated impairment losses, Ending balance	(110,466)	(13,545)	(12,391)
Goodwill, net, Ending balance	$ 978,544	$ 1,196,634	$ 412,550

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Goodwill and Intangible Assets - Intangible Assets (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Finite-Lived Intangible Assets [Line Items]		
Gross Carrying Amount	$ 671,121	$ 673,973
Accumulated Amortization	(132,925)	(93,740)
Net Carrying Amount	538,196	580,233
Customer Relationships		
Finite-Lived Intangible Assets [Line Items]		
Gross Carrying Amount	641,385	648,273
Accumulated Amortization	(119,821)	(87,560)
Net Carrying Amount	521,564	560,713
Technologies		
Finite-Lived Intangible Assets [Line Items]		
Gross Carrying Amount	21,540	21,721
Accumulated Amortization	(8,512)	(3,586)
Net Carrying Amount	13,028	18,135
Trademarks and trade names		
Finite-Lived Intangible Assets [Line Items]		
Gross Carrying Amount	4,372	99
Accumulated Amortization	(1,635)	(66)
Net Carrying Amount	2,737	33
Non-compete Agreements		
Finite-Lived Intangible Assets [Line Items]		
Gross Carrying Amount	3,824	3,880
Accumulated Amortization	(2,957)	(2,528)
Net Carrying Amount	$ 867	$ 1,352

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Goodwill and Intangible Assets - Estimated Useful Lives for Each Intangible Asset Class (Detail)	12 Months Ended Mar. 31, 2019
Maximum	
Intangible Assets, Useful Life	21 years
Customer relationships | Minimum	
Intangible Assets, Useful Life	9 years
Customer relationships | Maximum	
Intangible Assets, Useful Life	21 years
Technologies | Minimum	
Intangible Assets, Useful Life	1 year
Technologies | Maximum	
Intangible Assets, Useful Life	8 years
Trademarks and trade names | Minimum	
Intangible Assets, Useful Life	1 year
Trademarks and trade names | Maximum	
Intangible Assets, Useful Life	4 years
Non-compete agreements | Minimum	
Intangible Assets, Useful Life	2 years
Non-compete agreements | Maximum	
Intangible Assets, Useful Life	7 years

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Goodwill and Intangible Assets - Annual Estimated Amortization Expense for Future Years (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Finite-Lived Intangible Assets, Net, Amortization Expense, Fiscal Year Maturity [Abstract]		
Fiscal 2020	$ 42,079	
Fiscal 2021	41,635	
Fiscal 2022	40,326	
Fiscal 2023	37,300	
Fiscal 2024	34,183	
Thereafter	342,673	
Total	$ 538,196	$ 580,233

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt - Additional Information (Detail) - USD ($)		3 Months Ended		12 Months Ended					
	Oct. 31, 2017	Dec. 31, 2018	Dec. 31, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017	Sep. 30, 2019	Jun. 30, 2019	Nov. 30, 2014
Debt Instrument [Line Items]									
Unamortized debt issuance costs			$ 660,000	$ 19,656,000	$ 29,170,000				
Interest expense to amortize deferred financing costs			$ 16,331,000	5,085,000	3,174,000	$ 1,665,000			
Third party fees		$ 730,000							
Deferred fees		10,000							
Deferred Debt Issuance costs		185,000		186,000	660,000				
Property, plant and equipment capital leases				42,710,000	49,640,000				
Accumulated depreciation related to capital leases				$ 6,336,000	9,841,000				
Expensed Third Party Fees Modification		$ 720,000							
Senior Unsecured Bridge Facility									
Debt Instrument [Line Items]									
Commitment fees					4,587,000				
Credit Agreement | Revolving Credit Facility | Scenario Forecast									
Debt Instrument [Line Items]									
Maximum consolidated secured net leverage ratio							425.00%	450.00%	
Credit Agreement | Revolving Credit Facility | Constantia Labels									
Debt Instrument [Line Items]									
Aggregate commitment amount	$ 400,000,000								
Maturity period	5 years								
Credit Agreement | Term Loan A Facility, mature October 31, 2022									
Debt Instrument [Line Items]									
Debt instrument, maturity date				Oct. 31, 2022					
Unamortized debt issuance costs [1]				$ 3,125,000	3,996,000				
Credit Agreement | Term Loan A Facility, mature October 31, 2022 | Constantia Labels									

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt Instrument [Line Items]				
Aggregate commitment amount		$ 150,000,000		
Maturity period		5 years		
Credit Agreement | Term Loan B Facility, mature October 31, 2024				
Debt Instrument [Line Items]				
Debt instrument, maturity date			Oct. 31, 2024	
Unamortized debt issuance costs	[2]		$ 5,165,000	6,280,000
Credit Agreement | Term Loan B Facility, mature October 31, 2024 | Constantia Labels				
Debt Instrument [Line Items]				
Aggregate commitment amount		$ 500,000,000		
Maturity period		7 years		
Credit Agreement | U.S. Revolving Credit Facility				
Debt Instrument [Line Items]				
Available borrowings			$ 354,241,000	
Debt instrument, maturity date			Oct. 31, 2022	
Unamortized debt issuance costs	[3],[4]		$ 0	5,442,000
Credit Agreement | U.S. Revolving Credit Facility | Constantia Labels				
Debt Instrument [Line Items]				
Aggregate commitment amount		$ 360,000,000		
Credit Agreement | Australian Revolving Sub-Facility				
Debt Instrument [Line Items]				
Available borrowings			$ 4,023,000	
Debt instrument, maturity date			Oct. 31, 2022	
Unamortized debt issuance costs	[3]		$ 473,000	605,000
Credit Agreement | Australian Revolving Sub-Facility | Constantia Labels				
Debt Instrument [Line Items]				

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Aggregate commitment amount		40,000,000			
Credit Agreement | Various Uncommitted Lines of Credit					
Debt Instrument [Line Items]					
Available borrowings				23,625,000	
Senior Notes | 4.875% Notes, due November 1, 2025					
Debt Instrument [Line Items]					
Fair value of Notes				$ 616,500,000	564,000,000
Debt instrument, interest rate				4.875%	
Aggregate principal amount		600,000,000			
Debt instrument, interest payment description				Interest is payable on the 4.875% Senior Notes on May 1st and November 1st of each year beginning May 1, 2018 until the maturity date of November 1, 2025.	
Debt instrument, maturity date				Nov. 01, 2025	
Debt issuance costs		$ 10,338,000			
Unamortized debt issuance costs	[5]			$ 8,420,000	9,699,000
Senior Notes | 4.875% Notes, due November 1, 2025 | Constantia Labels					
Debt Instrument [Line Items]					
Debt instrument, interest rate		4.875%	4.875%		
Debt instrument, maturity date		Nov. 01, 2025			
Senior Notes | 6.125% Notes, due December 1, 2022					
Debt Instrument [Line Items]					
Fair value of Notes				$ 257,188,000	258,750,000

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt instrument, interest rate		6.125%		
Debt instrument, maturity date		Dec. 01, 2022		
Unamortized debt issuance costs	[5]	$ 2,473,000	$ 3,148,000	
Senior Notes | 6.125% Notes, due December 1, 2022 | Constantia Labels				
Debt Instrument [Line Items]				
Debt instrument, interest rate		6.125%		
Aggregate principal amount				$ 250,000,000
Debt instrument, interest payment description		Interest is payable on the 6.125% Senior Notes on June 1st and December 1st of each year beginning June 1, 2015 until the maturity date of December 1, 2022.		
Debt instrument, maturity date		Dec. 01, 2022		
Minimum				
Debt Instrument [Line Items]				
Capital lease, interest rates		0.97%		
Maximum				
Debt Instrument [Line Items]				
Capital lease, interest rates		12.25%		

[1] The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan A Facility. The principal payments are due on the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October 31, 2022.

[2] The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan B Facility. The principal payments are due on the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October 31, 2024.

[3] Borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility mature on October 31, 2022.

[4] Unamortized debt issuance costs related to the U.S. Revolving Credit Facility were reclassified to prepaid expenses and other long-term assets in the consolidated balance sheet as of March 31, 2019, as there are no borrowings outstanding on the U.S. Revolving Credit Facility as of March 31, 2019.

[5] The 6.125% Senior Notes are due on December 1, 2022. The 4.875% Senior Notes are due on November 1, 2025.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt - Components of Debt (Detail) - USD ($) $ in Thousands		Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2017
Debt Instrument [Line Items]				
Principal		$ 1,557,009	$ 1,627,855	
Unamortized Debt Issuance Costs		(19,656)	(29,170)	$ (660)
Less current portion of debt		(23,059)	(20,864)	
Debt Less Unamortized Debt Issuance Costs		1,537,353	1,598,685	
Total long-term debt, Principal		1,533,950	1,606,991	
Less current portion of debt, Debt Less Unamortized Debt Issuance Costs		(23,059)	(20,864)	
Total long-term debt, Debt Less Unamortized Debt Issuance Costs		1,514,294	1,577,821	
Credit Agreement | Term Loan A Facility, mature October 31, 2022				
Debt Instrument [Line Items]				
Principal	[1]	135,625	148,125	
Unamortized Debt Issuance Costs	[1]	(3,125)	(3,996)	
Debt Less Unamortized Debt Issuance Costs	[1]	132,500	144,129	
Credit Agreement | Term Loan B Facility, mature October 31, 2024				
Debt Instrument [Line Items]				
Principal	[2]	493,750	498,750	
Unamortized Debt Issuance Costs	[2]	(5,165)	(6,280)	
Debt Less Unamortized Debt Issuance Costs	[2]	488,585	492,470	
Credit Agreement | U.S. Revolving Credit Facility				
Debt Instrument [Line Items]				
Principal	[3],[4]	0	56,945	
Unamortized Debt Issuance Costs	[3],[4]	0	(5,442)	
Debt Less Unamortized Debt Issuance Costs	[3],[4]	0	51,503	
Credit Agreement | Australian Revolving Sub-Facility				
Debt Instrument [Line Items]				
Principal	[3]	35,977	33,033	
Unamortized Debt Issuance Costs	[3]	(473)	(605)	
Debt Less Unamortized Debt Issuance Costs	[3]	35,504	32,428	
Senior Notes | 6.125% Notes, due December 1, 2022				
Debt Instrument [Line Items]				
Principal	[5]	250,000	250,000	
Unamortized Debt Issuance Costs	[5]	(2,473)	(3,148)	
Debt Less Unamortized Debt Issuance Costs	[5]	247,527	246,852	
Senior Notes | 4.875% Notes, due November 1, 2025				
Debt Instrument [Line Items]				

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Principal	[5]	600,000	600,000
Unamortized Debt Issuance Costs	[5]	(8,420)	(9,699)
Debt Less Unamortized Debt Issuance Costs	[5]	591,580	590,301
Capital Leases			
Debt Instrument [Line Items]			
Principal		36,255	36,288
Unamortized Debt Issuance Costs		0	
Debt Less Unamortized Debt Issuance Costs		36,255	36,288
Other Subsidiary Debt			
Debt Instrument [Line Items]			
Principal		5,402	4,714
Unamortized Debt Issuance Costs		0	
Debt Less Unamortized Debt Issuance Costs		$ 5,402	$ 4,714

[1] The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan A Facility. The principal payments are due on the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October 31, 2022.

[2] The Company is required to make mandatory principal payments on the outstanding borrowings under the Term Loan B Facility. The principal payments are due on the last day of March, June, September and December of each year, commencing on March 31, 2018 through the maturity date of October 31, 2024.

[3] Borrowings under the U.S. Revolving Credit Facility and Australian Revolving Sub-Facility mature on October 31, 2022.

[4] Unamortized debt issuance costs related to the U.S. Revolving Credit Facility were reclassified to prepaid expenses and other long-term assets in the consolidated balance sheet as of March 31, 2019, as there are no borrowings outstanding on the U.S. Revolving Credit Facility as of March 31, 2019.

[5] The 6.125% Senior Notes are due on December 1, 2022. The 4.875% Senior Notes are due on November 1, 2025.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt - Components of Debt (Parenthetical) (Detail)	12 Months Ended Mar. 31, 2019
6.125% Notes, due December 1, 2022 | Senior Notes	
Debt Instrument [Line Items]	
Debt instrument, interest rate	6.125%
Debt instrument, maturity date	Dec. 01, 2022
4.875% Notes, due November 1, 2025 | Senior Notes	
Debt Instrument [Line Items]	
Debt instrument, interest rate	4.875%
Debt instrument, maturity date	Nov. 01, 2025
Term Loan A Facility, mature October 31, 2022 | Credit Agreement	
Debt Instrument [Line Items]	
Debt instrument, maturity date	Oct. 31, 2022
Term Loan B Facility, mature October 31, 2024 | Credit Agreement	
Debt Instrument [Line Items]	
Debt instrument, maturity date	Oct. 31, 2024
U.S. Revolving Credit Facility | Credit Agreement	
Debt Instrument [Line Items]	
Debt instrument, maturity date	Oct. 31, 2022
Australian Revolving Sub-Facility | Credit Agreement	
Debt Instrument [Line Items]	
Debt instrument, maturity date	Oct. 31, 2022

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt - Schedule of Future Annual Principal Payments (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Debt Instrument [Line Items]		
Fiscal 2020	$ 23,059	
Fiscal 2021	21,330	
Fiscal 2022	25,112	
Fiscal 2023	392,083	
Fiscal 2024	7,635	
Thereafter	1,087,790	
Total	1,557,009	$ 1,627,855
Debt		
Debt Instrument [Line Items]		
Fiscal 2020	18,509	
Fiscal 2021	17,331	
Fiscal 2022	22,005	
Fiscal 2023	389,158	
Fiscal 2024	5,000	
Thereafter	1,068,751	
Total	1,520,754	
Capital Leases		
Debt Instrument [Line Items]		
Fiscal 2020	4,550	
Fiscal 2021	3,999	
Fiscal 2022	3,107	
Fiscal 2023	2,925	
Fiscal 2024	2,635	
Thereafter	19,039	
Total	$ 36,255	$ 36,288

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt - Schedule of Weighted Average Interest Rates (Detail) - Credit Agreement	Mar. 31, 2019	Mar. 31, 2018
Term Loan A Facility, mature October 31, 2022		
Debt Instrument [Line Items]		
Weighted average interest rates	4.50%	4.13%
Term Loan B Facility, mature October 31, 2024		
Debt Instrument [Line Items]		
Weighted average interest rates	4.50%	4.13%
U.S. Revolving Credit Facility		
Debt Instrument [Line Items]		
Weighted average interest rates		4.42%
Australian Revolving Sub-Facility		
Debt Instrument [Line Items]		
Weighted average interest rates	3.85%	4.13%

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Debt - Net Minimum Payments on Capitalized Leases (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Capital Leases, Future Minimum Payments, Net Present Value [Abstract]		
Total minimum lease payments	$ 44,688	$ 49,521
Less amount representing interest	(8,433)	(13,233)
Present value of net minimum lease payments	36,255	36,288
Current portion	(4,550)	(4,191)
Capitalized lease obligations, less current portion	$ 31,705	$ 32,097

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Risk Management Activities and Financial Instruments - Additional Information (Detail) € in Thousands, $ in Thousands	1 Months Ended Sep. 30, 2017 EUR (€) Derivative	12 Months Ended Mar. 31, 2019 USD ($) Derivative	Nov. 30, 2017 EUR (€)
Credit Agreement			
Derivative [Line Items]			
Number of derivative instruments | Derivative		2	
Notional amount | $		$ 300,000	
Effective date of swaps		2018-10	
Swap expiration date		2022-10	
Fixed interest rate on swaps		2.1345%	
Interest Rate Swaps			
Derivative [Line Items]			
Number of derivative instruments | Derivative		3	
Notional amount | $		$ 125,000	
Effective date of swaps		2012-10	
Swap expiration date		2016-08	
Fixed interest rate on swaps		1.396%	
Cross Currency Swaps			
Derivative [Line Items]			
Number of derivative instruments | Derivative	4		
Notional amount | €	€ 400,000		
Maturity date	2025-11		
Cross Currency Swaps | Net Investment Hedges			
Derivative [Line Items]			
Notional amount | €			€ 400,000
Cross Currency Swaps | Derivatives not designated as hedging instruments			
Derivative [Line Items]			
Notional amount | €	€ 195,000		
Cross Currency Swaps | Derivatives designated as hedging instruments | Net Investment Hedges			
Derivative [Line Items]			
Notional amount | €	€ 205,000		€ 195,000
Interest Rate Swap Agreements | Credit Agreement			
Derivative [Line Items]			
Number of derivative instruments | Derivative		2	
Notional amount | $		$ 300,000	
Effective date of swaps		2017-10	
Swap expiration date		2018-10	
Fixed interest rate on swaps		1.5625%	
May Two Thousand Nineteen Swap Agreement | Credit Agreement			

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Derivative [Line Items]	
Notional amount | $	$ 100,000
Effective date of swaps	2019-05
Swap expiration date	2022-10
Fixed interest rate on swaps	2.806%

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Risk Management Activities and Financial Instruments - Summary of Fair Value of Qualifying and Non-qualifying Instruments Used in Hedging Transactions (Detail) - Fair Value Inputs Level 2 - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Derivatives designated as hedging instruments | Net Investment Hedges | Cross Currency Swaps | Other current assets		
Derivatives, Fair Value [Line Items]		
Derivative assets	$ 5,127	$ 4,295
Derivatives designated as hedging instruments | Net Investment Hedges | Cross Currency Swaps | Other long-term liabilities		
Derivatives, Fair Value [Line Items]		
Derivative Liabilities	1,563	50,019
Derivatives designated as hedging instruments | Cash Flow Hedges | Interest Rate Swaps | Other current assets		
Derivatives, Fair Value [Line Items]		
Derivative assets	743	920
Derivatives designated as hedging instruments | Cash Flow Hedges | Interest Rate Swaps | Other long-term assets		
Derivatives, Fair Value [Line Items]		
Derivative assets		4,956
Derivatives designated as hedging instruments | Cash Flow Hedges | Interest Rate Swaps | Other current liabilities		
Derivatives, Fair Value [Line Items]		
Derivative Liabilities	377	
Derivatives designated as hedging instruments | Cash Flow Hedges | Interest Rate Swaps | Other long-term liabilities		
Derivatives, Fair Value [Line Items]		
Derivative Liabilities	2,353	
Derivatives designated as hedging instruments | Cash Flow Hedges | Foreign Currency Forward Contracts | Other current assets		
Derivatives, Fair Value [Line Items]		
Derivative assets	5	0
Derivatives designated as hedging instruments | Cash Flow Hedges | Foreign Currency Forward Contracts | Other current liabilities		
Derivatives, Fair Value [Line Items]		
Derivative Liabilities	345	
Derivatives designated as hedging instruments | Fair Value Hedges | Foreign Currency Forward Contracts | Other current assets		
Derivatives, Fair Value [Line Items]		
Derivative assets		127

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Derivatives designated as hedging instruments | Fair Value Hedges | Foreign Currency Forward Contracts | Other current liabilities		
Derivatives, Fair Value [Line Items]		
Derivative Liabilities	234	190
Derivatives not designated as hedging instruments | Foreign Currency Forward Contracts | Other current assets		
Derivatives, Fair Value [Line Items]		
Derivative assets	26	
Derivatives not designated as hedging instruments | Foreign Currency Forward Contracts | Other current liabilities		
Derivatives, Fair Value [Line Items]		
Derivative Liabilities	$ 30	$ 127

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Risk Management Activities and Financial Instruments - Amounts of Gains and (Losses) Recognized in AOCI Net of Reclassifications Into Earnings (Detail) - Derivatives designated as hedging instruments - USD ($) $ in Thousands	12 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
Cross Currency Swaps | Net Investment Hedges		
Derivative Instruments, Gain (Loss) [Line Items]		
Derivative instruments, amounts of gains and (losses) recognized in AOCI net of reclassifications into earnings	$ 36,545	
Cross Currency Swaps | Net Investment Hedges | Other Comprehensive Income		
Derivative Instruments, Gain (Loss) [Line Items]		
Derivative instruments, amounts of gains and (losses) recognized in AOCI net of reclassifications into earnings	[1] 36,545	$ (29,667)
Interest Rate Swaps | Cash Flow Hedges		
Derivative Instruments, Gain (Loss) [Line Items]		
Derivative instruments, amounts of gains and (losses) recognized in AOCI net of reclassifications into earnings	(6,111)	$ 4,259
Foreign Exchange Forward | Other Comprehensive Income		
Derivative Instruments, Gain (Loss) [Line Items]		
Derivative instruments, amounts of gains and (losses) recognized in AOCI net of reclassifications into earnings	$ (527)	

[1] The net gain of $36,545 recognized in OCI on the cross currency swaps in a net investment hedge as of March 31, 2019 is comprised of an excluded component gain of $4,833 and an undiscounted spot gain of $43,480, net of tax of $(11,768).

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Risk Management Activities and Financial Instruments - Amounts of Gains and (Losses) Recognized in AOCI Net of Reclassifications Into Earnings (Parenthetical) (Detail) $ in Thousands	12 Months Ended Mar. 31, 2019 USD ($)
Derivative Instruments, Gain (Loss) [Line Items]	
Derivative instruments, excluded component gain (loss)	$ (11,768,000)
Cross Currency Swaps | Net Investment Hedges | Derivatives designated as hedging instruments	
Derivative Instruments, Gain (Loss) [Line Items]	
Derivative instruments, excluded component gain (loss)	4,833
Derivative instruments, amount of gain (loss) recognized in AOCI	36,545
Cross Currency Spot Swaps | Net Investment Hedges | Derivatives designated as hedging instruments	
Derivative Instruments, Gain (Loss) [Line Items]	
Derivative instruments, amount of gain (loss) recognized in AOCI	$ 43,480

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Risk Management Activities and Financial Instruments - Amounts of Gains and (Losses) Reclassified from AOCI into Earnings (Detail) - Cash Flow Hedging - USD ($) $ in Thousands		12 Months Ended	
		Mar. 31, 2019	Mar. 31, 2018
Cross Currency Swaps			
Derivative Instruments, Gain (Loss) [Line Items]			
Derivative instruments, amounts of gains and (losses) reclassified from AOCI into earnings	[1]	$ 5,226	$ 4,234
Interest Rate Swaps			
Derivative Instruments, Gain (Loss) [Line Items]			
Derivative instruments, amounts of gains and (losses) reclassified from AOCI into earnings	[2]	674	$ (101)
Foreign exchange forward contracts			
Derivative Instruments, Gain (Loss) [Line Items]			
Derivative instruments, amounts of gains and (losses) reclassified from AOCI into earnings	[2]	$ (588)	

[1] The Company had a $5,226 excluded component gain in AOCI which was recognized into income during the twelve months ended March 31, 2019.

[2] During the next 12 months, $26 of gains included in the March 31, 2019 AOCI balance are expected to be reclassified into interest expense.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Risk Management Activities and Financial Instruments - Amounts of Gains and (Losses) Reclassified from AOCI into Earnings (Parenthetical) (Detail) - Cash Flow Hedging $ in Thousands	12 Months Ended Mar. 31, 2019 USD ($)
Cross Currency Swaps	
Derivative Instruments, Gain (Loss) [Line Items]	
Excluded component gain in AOCI which was recognized into income	$ 5,226
Interest Rate Swaps | Interest expense	
Derivative Instruments, Gain (Loss) [Line Items]	
Derivative instruments, gains and (losses) expected to be reclassified from AOCI into interest expense	$ 26

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Risk Management Activities and Financial Instruments - Amounts of Gains and (Losses) Included in Earnings from Qualifying and Non-qualifying Financial Instruments used in Hedging Transactions (Detail) - USD ($) $ in Thousands	12 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
Other income (expense), net | Derivatives not designated as hedging instruments		
Derivative Instruments, Gain (Loss) [Line Items]		
Gain (loss) on underlying hedged items	$ (5,340)	$ 6,510
Other income (expense), net | Derivatives not designated as hedging instruments | Foreign Currency Forward Contracts		
Derivative Instruments, Gain (Loss) [Line Items]		
Gain (loss) on derivatives	6,161	(7,198)
Other income (expense), net | Derivatives not designated as hedging instruments | Foreign Currency Forward Contracts | Constantia Labels		
Derivative Instruments, Gain (Loss) [Line Items]		
Gain (loss) on derivatives		8,109
Other income (expense), net | Derivatives designated as hedging instruments		
Derivative Instruments, Gain (Loss) [Line Items]		
Gain (loss) on underlying hedged items	46	245
Other income (expense), net | Derivatives designated as hedging instruments | Foreign Currency Forward Contracts | Fair Value Hedges		
Derivative Instruments, Gain (Loss) [Line Items]		
Gain (loss) on derivatives	(46)	(245)
Interest expense | Derivatives not designated as hedging instruments | Cross Currency Swaps		
Derivative Instruments, Gain (Loss) [Line Items]		
Gain (loss) on derivatives	$ 976	$ (4,018)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Accrued Expenses and Other Liabilities - Summary of Accrued Expenses and Other Liabilities (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Accrued Liabilities and Other Liabilities [Abstract]		
Accrued payroll and benefits	$ 41,441	$ 45,418
Accrued income taxes	6,632	13,838
Professional fees	4,534	1,965
Accrued taxes other than income taxes	1,671	4,682
Accrued interest	13,746	16,480
Customer rebates	3,750	2,578
Exit and disposal costs related to facility closures	210	457
Deferred payments	1,881	9,735
Deferred revenue	10,654	11,887
Derivative liabilities	986	317
Other	9,234	6,665
Total accrued expenses and other liabilities	$ 94,739	$ 114,022

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Employee Benefit Plans - Additional Information (Detail) $ in Thousands	12 Months Ended		
	Mar. 31, 2019 USD ($) Age	Mar. 31, 2018 USD ($)	Mar. 31, 2017 USD ($)
Defined Benefit Plan Disclosure [Line Items]			
Contributions to retirement savings plan	$ 10,194	$ 7,217	$ 5,189
Australian Employees Retirement Savings Plan			
Defined Benefit Plan Disclosure [Line Items]			
Percentage of contributions to retirement savings plan	9.00%		
Munden Plan [Member]			
Defined Benefit Plan Disclosure [Line Items]			
Net periodic benefit cost	$ 18	47	
Pension Plan			
Defined Benefit Plan Disclosure [Line Items]			
Normal retirement age | Age	65		
Benefits paid	$ 1,071	1,008	
Plan assets	632	498	
Unfunded obligation	439	510	
Non-U.S. Plans			
Defined Benefit Plan Disclosure [Line Items]			
Net periodic benefit cost	10	56	$ 145
Benefits paid	3,028	3,075	
Plan assets	2,958	3,037	
Unfunded obligation	$ 70	$ 38	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Income Taxes - Schedule of Earnings before Income Taxes (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Income (Loss) from Continuing Operations before Equity Method Investments, Income Taxes, Noncontrolling Interest [Abstract]			
U.S.	$ 29,964	$ 6,848	$ 65,113
Foreign	(46,299)	46,854	23,100
Income (loss) before income taxes	$ (16,335)	$ 53,702	$ 88,213

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Income Taxes - Schedule of Provision (Benefit) for Income Taxes (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Current:			
Federal	$ 420	$ 2,783	$ 16,889
State and local	2,306	611	2,498
Foreign	15,069	20,641	9,298
Total Current	17,795	24,035	28,685
Deferred:			
Federal	2,438	(18,406)	987
State and local	(1,764)	70	(147)
Foreign	(6,137)	(23,894)	(2,677)
Total Deferred	(5,463)	(42,230)	(1,837)
Total	$ 12,332	$ (18,195)	$ 26,848

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Income Taxes - Schedule of Reconciliation between U.S. Statutory Federal Income Tax Rate and Effective Tax Rate (Detail)	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Effective Income Tax Rate Reconciliation, Percent [Abstract]			
U.S. federal statutory rate	21.00%	31.50%	35.00%
State and local income taxes, net of federal income tax benefit	(1.90%)	0.40%	1.70%
Section 199 deduction			(1.80%)
Foreign derived intangible income deduction	4.80%		
International rate differential	45.10%	(5.10%)	(3.30%)
Unrecognized tax benefits	19.40%	0.60%	(0.90%)
Foreign permanent differences	3.30%	(1.10%)	(2.10%)
Non-deductible transaction costs	(8.30%)	4.20%	0.20%
Valuation allowances	(3.60%)	2.00%	1.20%
U.S. Repatriation Tax	3.20%	5.70%	
Goodwill impairment	(176.60%)		
Share-based Compensation	1.40%	(2.50%)	
Tax Rate Changes	18.00%	(70.80%)	
U.S. Research & Development Credit	6.60%	(1.50%)	(0.80%)
Other foreign taxes	(6.90%)	1.60%	0.80%
Other	(1.00%)	1.10%	0.40%
Effective tax rate	(75.50%)	(33.90%)	30.40%

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Income Taxes - Additional Information (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Income Tax Contingency [Line Items]			
Statutory federal tax rate	21.00%	31.50%	35.00%
Tax Cuts and Jobs Act of 2017, Incomplete Accounting, Provisional Income Tax Expense (Benefit)	$ 383	$ 18,268	
Estimated repatriation tax charge		3,075	
Provisional valuation allowance on certain interest expense carryforwards		21,343	
Repatriation Tax Payable Period	8 years		
Net deferred tax benefit due to rate change	$ (5,463)	(42,230)	$ (1,837)
Excess tax benefit from stock-based compensation			1,258
Federal operating loss carryforwards	18,552	1,014	
State operating loss carryforwards	1,516	1,922	
Foreign operating loss carryforwards	34,255	22,174	
Valuation allowance	31,702	16,870	
Liabilities for unrecognized tax benefits	5,846	7,038	$ 5,665
Interest and penalties recognized to income tax expense	1,672	120	
Liability for interest and penalties	1,408	2,641	
Unrecognized Tax Benefits Reductions Resulting From Lapse Of Applicable Statute Of Limitations Including Interest And Penalties	5,251		
Reasonably possible unrecognized tax benefits within next 12 months	2,068		
Amount of unrecognized tax benefits that would favorably impact effective tax rate	5,453		
Deferred tax for undistributed earnings of non-U.S. subsidiaries	1,189		
Deferred Tax Benefit Rate Change [Member]			
Income Tax Contingency [Line Items]			
Tax Cuts and Jobs Act of 2017, Incomplete Accounting, Provisional Income Tax Expense (Benefit)	822		
Administration of the Treasury, Belgium			
Income Tax Contingency [Line Items]			
Net deferred tax benefit due to rate change	2,268	15,164	
Accounting Standards Update 2016-09			
Income Tax Contingency [Line Items]			
Excess tax benefit from stock-based compensation	227	1,462	
Adjustments to the IRC 965 Transition Tax [Member]			
Income Tax Contingency [Line Items]			
Tax Cuts and Jobs Act of 2017, Incomplete Accounting, Provisional Income Tax Expense (Benefit)	528		
Adjustments Due to Change in Indefinite Reinvestment Assertion [Member]			
Income Tax Contingency [Line Items]			
Tax Cuts and Jobs Act of 2017, Incomplete Accounting, Provisional Income Tax Expense (Benefit)	967		
Business Combinations			

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Income Tax Contingency [Line Items]		
Federal operating loss carryforwards	$ 0	
Minimum		
Income Tax Contingency [Line Items]		
Statutes Of Limitation Range	3 years	
Maximum		
Income Tax Contingency [Line Items]		
Statutes Of Limitation Range	4 years	
Foreign Tax Authority		
Income Tax Contingency [Line Items]		
Valuation allowance	$ 31,247	$ 16,454
Foreign Tax Authority | Earliest Tax Year		
Income Tax Contingency [Line Items]		
Year before which the Company is no longer subject to income tax examination	1999	
Foreign Tax Authority | Minimum		
Income Tax Contingency [Line Items]		
Expiration of operating loss carryforwards	Mar. 31, 2021	
Foreign Tax Authority | Maximum		
Income Tax Contingency [Line Items]		
Expiration of operating loss carryforwards	Mar. 31, 2038	
Domestic Tax Authority		
Income Tax Contingency [Line Items]		
Expiration of operating loss carryforwards	Mar. 31, 2037	
Domestic Tax Authority | Earliest Tax Year		
Income Tax Contingency [Line Items]		
Year before which the Company is no longer subject to income tax examination	2016	
State and Local Jurisdiction | Earliest Tax Year		
Income Tax Contingency [Line Items]		
Year before which the Company is no longer subject to income tax examination	2015	
State and Local Jurisdiction | Minimum		
Income Tax Contingency [Line Items]		
Expiration of operating loss carryforwards	Mar. 31, 2020	
State and Local Jurisdiction | Maximum		
Income Tax Contingency [Line Items]		
Expiration of operating loss carryforwards	Mar. 31, 2038	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Income Taxes - Schedule of Net Deferred Tax Components (Detail) - USD ($) $ in Thousands	Mar. 31, 2019	Mar. 31, 2018
Deferred tax liabilities:		
Book basis over tax basis of fixed assets	$ (58,169)	$ (44,717)
Book basis over tax basis of intangible assets	(128,273)	(135,432)
Interest rate swap	(406)	
Deferred financing costs	(16)	(297)
Other	(5,766)	(6,370)
Total deferred tax liabilities	(192,630)	(186,816)
Deferred tax assets:		
Inventory reserves	2,165	925
Interest expense carryforwards	10,674	
Inventory capitalization	343	809
Allowance for doubtful accounts	201	242
Stock based compensation expense	1,307	1,305
Minimum pension liability	524	546
Loss carry forward amounts	35,771	25,110
Credit carry forward amounts	963	2,007
Interest rate swaps		9,306
State basis over tax basis of fixed assets	1,554	667
Non-deductible accruals and other	8,491	10,148
Deferred compensation	234	699
Lease obligations	6,169	4,799
Gross deferred tax asset	68,396	56,563
Valuation allowance	(31,702)	(16,870)
Net deferred tax asset	36,694	39,693
Net deferred tax liability	$ (155,936)	$ (147,123)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Income Taxes - Summary of Activity for Company's Unrecognized Tax Benefits (Detail) - USD ($) $ in Thousands	12 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
Income Tax Disclosure [Abstract]		
Beginning balance	$ 7,038	$ 5,665
Additions based on tax positions related to the current year	616	1,843
Additions of tax positions of prior years	1,870	833
Settlements	(146)	(1,358)
Reductions of tax positions of prior years	(233)	(44)
Lapse of applicable statutes of limitations	(3,059)	(345)
Currency translation	(240)	444
Ending balance	$ 5,846	$ 7,038

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Major Customers - Additional Information (Detail) - Customer Concentration Risk - Procter And Gamble Company	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Sales Revenue, Net			
Concentration Risk [Line Items]			
Percentage from major customers	10.00%	14.00%	17.00%
Accounts Receivable			
Concentration Risk [Line Items]			
Percentage from major customers	2.00%	3.00%	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Earnings Per Common Share - Additional Information (Detail) - shares shares in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Earnings Per Share [Abstract]			
Anti-dilutive shares	386	94	172

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Earnings Per Common Share - Reconciliation of Number of Shares Used in Basic and Diluted Earnings Per Share Computations (Detail) - $ / shares shares in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Earnings Per Share [Abstract]											
Basic EPS, Shares									20,468	18,421	16,879
Effect of dilutive securities, Shares									0	162	145
Diluted EPS, Share									20,468	18,583	17,024
Basic EPS, Per Share Amount	$ (4.01)	$ 0.55	$ 1.16	$ 0.89	$ 1.08	$ 1.06	$ 0.89	$ 0.83	$ (1.42)	$ 3.91	$ 3.61
Effect of dilutive securities, Per Share Amount									0	(0.04)	(0.03)
Diluted EPS, Per Share Amount	$ (4.01)	$ 0.55	$ 1.16	$ 0.88	$ 1.08	$ 1.06	$ 0.88	$ 0.82	$ (1.42)	$ 3.87	$ 3.58

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Stock-Based Compensation - Additional Information (Detail) - USD ($) $ / shares in Units, shares in Thousands, $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Shares of common stock remained reserved for future issuance	894		
Stock-based incentive awards, associated tax benefit	$ 475	$ 898	$ 943
Cash received from options exercised	1,556	2,572	2,742
Selling, General and Administrative Expenses			
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Pre-tax compensation expense	1,685	2,489	2,064
Cost of revenues			
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Pre-tax compensation expense	813	967	978
Stock Compensation Plan			
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Pre-tax compensation expense	$ 2,498	$ 3,456	$ 3,042
Stock Options			
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Vesting period	5 years		
Nonvested options, compensation cost not yet recognized	$ 3,474		
Nonvested stock options, weighted average period	2 years 10 months 24 days		
Weighted average grant-date fair value of options granted	$ 22.67	$ 27.98	$ 22.72
Cash received from options exercised	$ 1,556		
Grant-date fair value of options vested	$ 2,162	$ 1,800	$ 2,062
Stock Options | Maximum			
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Stock options, expiration period	10 years		
Restricted Stock			
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Nonvested stock options, weighted average period	2 years		
Nonvested restricted shares, compensation cost not yet recognized	$ 1,204		
Grant-date fair value of restricted shares vested	$ 472	$ 665	$ 720
Restricted Stock | Minimum			
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Vesting period	3 years
Restricted Stock | Maximum	
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]	
Vesting period	5 years
Restricted Stock Units (RSUs)	
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]	
Vesting period	3 years
Nonvested stock options, weighted average period	2 years 2 months 12 days
Nonvested restricted shares, compensation cost not yet recognized	$ 739

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Stock-Based Compensation - Weighted Average Assumptions (Detail)	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Share-based Compensation Arrangement by Share-based Payment Award, Fair Value Assumptions and Methodology [Abstract]			
Expected life (years)	5 years 7 months 6 days	5 years 8 months 12 days	5 years 9 months 18 days
Risk-free interest rate	2.80%	1.80%	1.20%
Expected volatility	29.50%	32.40%	38.90%
Dividend yield	0.30%	0.30%	0.30%

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Stock-Based Compensation - Summary of Changes in Options Outstanding (Detail) - USD ($) $ / shares in Units, shares in Thousands, $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Disclosure of Compensation Related Costs, Share-based Payments [Abstract]			
Options Outstanding, Beginning Balance	466	471	600
Options, Granted	45	119	32
Options, Exercised	(76)	(110)	(136)
Options, Forfeited	(18)	(14)	(25)
Options Outstanding, Ending Balance	417	466	471
Options Exercisable, Ending Balance	203	186	
Weighted Average Exercise Price, Outstanding, Beginning Balance	$ 53.10	$ 38.84	$ 34.50
Weighted Average Exercise Price, Granted	70.77	85.38	61.62
Weighted Average Exercise Price, Exercised	27.80	26.60	24.52
Weighted Average Exercise Price, Forfeited	64.86	57.10	41.66
Weighted Average Exercise Price, Outstanding, Ending Balance	59.09	53.10	$ 38.84
Weighted Average Exercise Price, Exercisable, Ending Balance	$ 45.86	$ 33.72	
Weighted Average Remaining Life (Years), Outstanding, Ending Balance	6 years 4 months 24 days		
Weighted Average Remaining Life (Years), Exercisable, Ending Balance	5 years	5 years	
Aggregate Intrinsic Value, Exercised	$ 2,403	$ 5,990	$ 5,664
Aggregate Intrinsic Value, Outstanding, Ending Balance	2,693		
Aggregate Intrinsic Value, Exercisable, Ending Balance	$ 2,498	$ 6,024	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Stock-Based Compensation - Summary of Changes in Restricted Shares (Detail) - Restricted Stock - $ / shares shares in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Shares, Beginning Balance	13	17	25
Shares, Granted	19	9	8
Shares, Vested	(7)	(10)	(15)
Shares, Forfeited	0	(3)	(1)
Shares, Ending Balance	25	13	17
Weighted Average Grant Date Fair Value, Beginning Balance	$ 76.17	$ 62.72	$ 55.99
Weighted Average Grant Date Fair Value, Granted	64.72	85.17	64.50
Weighted Average Grant Date Fair Value, Vested	72.88	63.46	51.67
Weighted Average Grant Date Fair Value, Forfeited	0	72.47	64.05
Weighted Average Grant Date Fair Value, Ending Balance	$ 68.32	$ 76.17	$ 62.72

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Stock-Based Compensation - Summary of Changes in Restricted Share Units (Detail) - Restricted Stock Units (RSUs) - $ / shares	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Share-based Compensation Arrangement by Share-based Payment Award [Line Items]			
Shares, Beginning Balance	36,000	59,000	42,000
Shares, Granted	46,000	19,000	35,000
Shares, Forfeited	(12,000)	(30,000)	(18,000)
Vested	(10,000)	(12,000)	
Shares, Ending Balance	60,000	36,000	59,000
Weighted Average Grant Date Fair Value, Beginning Balance	$ 70.73	$ 62.80	$ 64.05
Weighted Average Grant Date Fair Value, Granted	66.62	85.90	61.19
Weighted Average Grant Date Fair Value, Forfeited	$ 61.19	$ 67.51	62.59
Vested	61,190	64,050	
Weighted Average Grant Date Fair Value, Ending Balance	$ 71.09	$ 70.73	$ 62.80

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Geographic Information - Summary of Net Revenues and Long-lived Assets Based on Geographic Area (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Revenues from External Customers and Long-Lived Assets [Line Items]											
Net revenues	$ 437,506	$ 397,004	$ 434,913	$ 456,131	$ 449,739	$ 352,699	$ 256,034	$ 242,440	$ 1,725,554	$ 1,300,912	$ 923,295
Long-lived assets	2,051,572				2,298,966				2,051,572	2,298,966	
United States											
Revenues from External Customers and Long-Lived Assets [Line Items]											
Net revenues									660,275	584,458	511,551
Long-lived assets	584,274				649,413				584,274	649,413	
Belgium											
Revenues from External Customers and Long-Lived Assets [Line Items]											
Net revenues									152,242	67,035	
Long-lived assets	[1] 408,171				(7,455)				408,171	(7,455)	
Germany											
Revenues from External Customers and Long-Lived Assets [Line Items]											
Net revenues									132,973	62,184	
Long-lived assets	252,533				878,106				252,533	878,106	
Other International											
Revenues from External Customers and Long-Lived Assets [Line Items]											
Net revenues									780,064	587,235	$ 411,744
Long-lived assets	$ 806,594				$ 778,902				$ 806,594	$ 778,902	

[1] We allocate goodwill to our foreign and domestic locations. In fiscal 2018, negative goodwill associated with the acquisition of Constantia Labels was allocated to our plant in Belgium, as the final goodwill allocation was not complete.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Commitments and Contingencies - Additional Information (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Commitments and Contingencies Disclosure [Abstract]			
Lease expiration period	2032-03	2032-03	
Operating leases rent expense	$ 24,380	$ 17,953	$ 12,767
Total estimated purchase obligations	$ 36,414		

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Commitments and Contingencies - Summary of Annual Future Minimum Rental Obligations (Detail) $ in Thousands	Mar. 31, 2019 USD ($)
Commitments and Contingencies Disclosure [Abstract]	
Fiscal 2020	$ 22,595
Fiscal 2021	19,569
Fiscal 2022	17,297
Fiscal 2023	13,168
Fiscal 2024	7,585
Thereafter	15,877
Total	$ 96,091

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Supplemental Cash Flow Disclosures - Supplemental Disclosures of Cash Flow Information and Non-Cash Activities (Detail) - USD ($) $ in Thousands	12 Months Ended			
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017	Oct. 31, 2017
Supplemental Disclosures of Cash Flow Information:				
Interest paid	$ 81,613	$ 32,844	$ 23,672	
Income taxes paid, net of refunds	28,514	30,305	21,143	
Supplemental Disclosures of Non-Cash Activities:				
Additional minimum pension liability	37	(55)	(282)	
Capital expenditures incurred but not yet paid	5,958	9,958	3,323	
Capital lease obligations incurred	1,882		864	
Change in derivative contract fair value - asset position	(4,397)	10,298		
Change in derivative contract fair value - liability position	45,434	(50,336)	225	
Business combinations accounted for as a purchase:				
Assets acquired (excluding cash)	16,233	1,612,925	45,328	
Liabilities assumed	(15,033)	(335,648)	(16,669)	
Liabilities for contingent / deferred payments		(13,713)	242	
MCC common stock issued		(237,820)		
Noncontrolling interest	$ (1,200)	(1,100)	(62)	$ (2,300)
Net cash paid		$ 1,024,644	$ 28,839	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Accumulated Other Comprehensive Loss - Schedule of Changes in Accumulated Other Comprehensive Loss by Component (Detail) - USD ($) $ in Thousands	12 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
Accumulated Other Comprehensive Income (Loss) [Line Items]		
Beginning balance	$ 757,557	
Ending balance	625,985	$ 757,557
Foreign currency items		
Accumulated Other Comprehensive Income (Loss) [Line Items]		
Beginning balance	6,335	(85,593)
OCI before reclassifications	(135,054)	91,928
Total other comprehensive income (loss)	(135,054)	91,928
ASU 2018-02 reclassifications of stranded tax effects	(244)	
Ending balance	(128,963)	6,335
Gains and (losses) on derivative contracts		
Accumulated Other Comprehensive Income (Loss) [Line Items]		
Beginning balance	(25,408)	
OCI before reclassifications	33,894	(22,635)
Amounts reclassified from AOCI	3,987	(2,773)
Total other comprehensive income (loss)	29,907	(25,408)
ASU 2018-02 reclassifications of stranded tax effects	(1,506)	
Ending balance	2,993	(25,408)
Defined benefit pension items		
Accumulated Other Comprehensive Income (Loss) [Line Items]		
Beginning balance	(168)	(202)
OCI before reclassifications	(32)	3
Amounts reclassified from AOCI	4	31
Total other comprehensive income (loss)	(28)	34
Ending balance	(196)	(168)
Accumulated Other Comprehensive Loss		
Accumulated Other Comprehensive Income (Loss) [Line Items]		
Beginning balance	(19,241)	(85,795)
OCI before reclassifications	(101,192)	69,296
Amounts reclassified from AOCI	(3,983)	(2,742)
Total other comprehensive income (loss)	(105,175)	66,554
ASU 2018-02 reclassifications of stranded tax effects	(1,750)	
Ending balance	$ (126,166)	$ (19,241)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Accumulated Other Comprehensive Loss - Schedule of Changes in Accumulated Other Comprehensive Loss by Component (Parenthetical) (Detail) - USD ($) $ in Thousands	12 Months Ended	
	Mar. 31, 2019	Mar. 31, 2018
Gains and (losses) on derivative contracts		
Accumulated Other Comprehensive Income (Loss) [Line Items]		
Gains and losses on defined benefit pension and postretirement, tax	$ (11,351)	$ 9,063
Defined benefit pension items		
Accumulated Other Comprehensive Income (Loss) [Line Items]		
Gains and losses on defined benefit pension and postretirement, tax	$ 11	$ (1)

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Accumulated Other Comprehensive Loss - Reclassifications out of Accumulated Other Comprehensive Loss (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]											
Income tax (expense) benefit									$ (12,332)	$ 18,195	$ (26,848)
Net income (loss) attributable to Multi-Color Corporation	$ (82,221)	$ 11,286	$ 23,755	$ 18,139	$ 22,123	$ 20,532	$ 15,190	$ 14,106	(29,041)	71,951	$ 60,996
Gains and (losses) on derivative contracts											
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]											
Amounts reclassified from AOCI									(3,987)	2,773	
Defined benefit pension items											
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]											
Amounts reclassified from AOCI									(4)	(31)	
Gains and (losses) reclassified from AOCI											
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]											
Net income (loss) attributable to Multi-Color Corporation									(3,983)	(2,742)	
Gains and (losses) reclassified from AOCI | Gains and (losses) on derivative contracts											
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]											
Amounts reclassified from AOCI, tax									1,325	1,360	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Gains and (losses) reclassified from AOCI | Gains and (losses) on derivative contracts | Cross Currency Swaps			
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]			
Amounts reclassified from AOCI, before tax	[1]	(5,226)	(4,234)
Gains and (losses) reclassified from AOCI | Gains and (losses) on derivative contracts | Interest Rate Swaps			
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]			
Amounts reclassified from AOCI, before tax	[1]	(674)	101
Gains and (losses) reclassified from AOCI | Gains and (losses) on derivative contracts | Foreign exchange forward contracts			
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]			
Amounts reclassified from AOCI, before tax	[2]	588	
Gains and (losses) reclassified from AOCI | Defined benefit pension items			
Reclassification Adjustment out of Accumulated Other Comprehensive Income [Line Items]			
Amortization of net actuarial losses	[3]	6	7
Settlement and curtailments	[3]		44
Income tax (expense) benefit		(2)	(20)
Net income (loss) attributable to Multi-Color Corporation		$ 4	$ 31

[1] Reclassified from AOCI into interest expense in the consolidated statements of operations. See Note 10.
[2] Reclassified from AOCI into cost of revenues in the consolidated statements of operations. See Note 10.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

[3] Reclassified from AOCI into facility closure expenses in the consolidated statements of operations. These components are included in the computation of net periodic pension cost. See Note 12.

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Facility Closures - Summary of Exit and Disposal Costs Related to Closure (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Restructuring Cost and Reserve [Line Items]											
Total costs incurred	$ 510	$ 60	$ 114	$ 27	$ 529	$ 761	$ 95	$ 34	$ 711	$ 1,419	
Cowansville Canada | Severance and other termination benefits											
Restructuring Cost and Reserve [Line Items]											
Total costs expected to be incurred	150								150		
Total costs incurred									111		
Cumulative costs incurred	111								111		
Melbourne Australia | Severance and other termination benefits											
Restructuring Cost and Reserve [Line Items]											
Total costs expected to be incurred	170								170		
Total costs incurred									170		
Cumulative costs incurred	170								170		
Melbourne Australia | Other associated costs											
Restructuring Cost and Reserve [Line Items]											
Total costs incurred									612		
Cumulative costs incurred	612								612		
Melbourne Australia | Other associated costs | Maximum [Member]											
Restructuring Cost and Reserve [Line Items]											
Total costs expected to be incurred	900								900		
Melbourne Australia | Other associated costs | Minimum [Member]											
Restructuring Cost and Reserve [Line Items]											
Total costs expected to be incurred	700								700		

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Merignac France | Severance and other termination benefits					
Restructuring Cost and Reserve [Line Items]					
Total costs expected to be incurred	663		663		
Total costs incurred			(40)	703	
Cumulative costs incurred	663		663		
Merignac France | Other associated costs					
Restructuring Cost and Reserve [Line Items]					
Total costs incurred			220	347	
Cumulative costs incurred	567		567		
Merignac France | Other associated costs | Maximum [Member]					
Restructuring Cost and Reserve [Line Items]					
Total costs expected to be incurred	750		750		
Merignac France | Other associated costs | Minimum [Member]					
Restructuring Cost and Reserve [Line Items]					
Total costs expected to be incurred	$ 566		$ 566		
Dormans France | Severance and other termination benefits					
Restructuring Cost and Reserve [Line Items]					
Total costs expected to be incurred		106		106	
Dormans France | Other associated costs					
Restructuring Cost and Reserve [Line Items]					
Total costs expected to be incurred		$ 23		$ 23	
Sonoma California | Severance and other termination benefits					
Restructuring Cost and Reserve [Line Items]					
Total costs expected to be incurred					$ 6

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Sonoma California | Other associated costs	
Restructuring Cost and Reserve [Line Items]	
Total costs expected to be incurred	91
Glasgow Scotland | Severance and other termination benefits	
Restructuring Cost and Reserve [Line Items]	
Total costs expected to be incurred	100
Glasgow Scotland | Other associated costs	
Restructuring Cost and Reserve [Line Items]	
Total costs expected to be incurred	539
Greensboro North Carolina | Severance and other termination benefits	
Restructuring Cost and Reserve [Line Items]	
Total costs incurred	(22)
Greensboro North Carolina | Contract termination costs	
Restructuring Cost and Reserve [Line Items]	
Total costs incurred	(66)
Greensboro North Carolina | Other associated costs	
Restructuring Cost and Reserve [Line Items]	
Total costs incurred	207
Dublin Ireland | Severance and other termination benefits	
Restructuring Cost and Reserve [Line Items]	
Total costs expected to be incurred	102
Dublin Ireland | Contract termination costs	
Restructuring Cost and Reserve [Line Items]	
Total costs expected to be incurred	177

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Dublin Ireland | Other associated costs	
Restructuring Cost and Reserve [Line Items]	
Total costs expected to be incurred	$ 76

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Facility Closures - Reconciliation of Beginning and Ending Liability Balances Related to Exit and Disposal Costs (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended	
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018
Restructuring Cost and Reserve [Line Items]										
Amounts Expensed	$ 510	$ 60	$ 114	$ 27	$ 529	$ 761	$ 95	$ 34	$ 711	$ 1,419
Cowansville Canada | Severance and other termination benefits										
Restructuring Cost and Reserve [Line Items]										
Amounts Expensed									111	
Amounts Paid									(54)	
Ending balance	57								57	
Melbourne Australia | Severance and other termination benefits										
Restructuring Cost and Reserve [Line Items]										
Amounts Expensed									170	
Amounts Paid									(170)	
Melbourne Australia | Other associated costs										
Restructuring Cost and Reserve [Line Items]										
Amounts Expensed									612	
Amounts Paid									(459)	
Ending balance	$ 153								153	
Merignac France | Severance and other termination benefits										
Restructuring Cost and Reserve [Line Items]										
Beginning balance				$ 457					457	
Amounts Expensed									(40)	703
Amounts Paid									(417)	
Ending balance					$ 457					457
Merignac France | Other associated costs										
Restructuring Cost and Reserve [Line Items]										
Amounts Expensed									220	$ 347
Amounts Paid									$ (220)	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Facility Closures - Additional Information (Detail) - USD ($) $ in Thousands	12 Months Ended		
	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Restructuring Cost and Reserve [Line Items]			
Facility Closure Expenses	$ 711	$ 1,419	$ 921
Defined benefit pension plan, settlement expense		44	133
Cowansville Canada			
Restructuring Cost and Reserve [Line Items]			
Gain (loss) on sale of property, plant and equipment	55		
Cumulative costs	483		
Write-off of inventory	118		
Cowansville Canada | Facility closure expenses			
Restructuring Cost and Reserve [Line Items]			
Facility closure expenses related to impairment loss on fixed assets	309		
Melbourne Australia			
Restructuring Cost and Reserve [Line Items]			
Cumulative costs	782		
Merignac France			
Restructuring Cost and Reserve [Line Items]			
Gain (loss) on sale of property, plant and equipment	(48)	(42)	
Reversed accrued pension related to employees		102	
Cumulative costs	1,343		
Facility Closure Expenses	228	1,115	
Merignac France | Facility closure expenses			
Restructuring Cost and Reserve [Line Items]			
Facility closure expenses related to impairment loss on fixed assets		125	
Dormans France			
Restructuring Cost and Reserve [Line Items]			
Gain (loss) on sale of property, plant and equipment		(59)	
Cumulative costs	$ 260		
Write-off of inventory		47	
Dormans France | Facility closure expenses			
Restructuring Cost and Reserve [Line Items]			
Facility closure expenses related to impairment loss on fixed assets		$ 25	
Sonoma California			
Restructuring Cost and Reserve [Line Items]			
Gain (loss) on sale of property, plant and equipment			185
Write-off of property, plant and equipment			140
Glasgow Scotland			
Restructuring Cost and Reserve [Line Items]			
Gain (loss) on sale of property, plant and equipment			$ 377

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Quarterly Data - Additional Information (Detail) - USD ($) $ in Thousands	3 Months Ended								12 Months Ended	
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018
Quarterly Financial Information Disclosure [Abstract]										
Facility closure expenses	$ 510	$ 60	$ 114	$ 27	$ 529	$ 761	$ 95	$ 34	$ 711	$ 1,419
Facility closure expenses, after-tax									$ 507	$ 945

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document

Quarterly Data - Quarterly Financial Information (Detail) - USD ($) $ / shares in Units, $ in Thousands	3 Months Ended								12 Months Ended		
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2019	Mar. 31, 2018	Mar. 31, 2017
Quarterly Financial Information Disclosure [Abstract]											
Net revenues	$ 437,506	$ 397,004	$ 434,913	$ 456,131	$ 449,739	$ 352,699	$ 256,034	$ 242,440	$ 1,725,554	$ 1,300,912	$ 923,295
Gross profit	81,744	65,381	86,785	88,010	88,067	57,302	51,774	49,457	321,920	246,600	196,809
Net income (loss)	(82,039)	11,475	23,805	18,092	22,054	20,511	15,190	14,142	(28,667)	71,897	61,365
Net income (loss) attributable to Multi-Color Corporation	$ (82,221)	$ 11,286	$ 23,755	$ 18,139	$ 22,123	$ 20,532	$ 15,190	$ 14,106	$ (29,041)	$ 71,951	$ 60,996
Basic earnings (loss) per share	$ (4.01)	$ 0.55	$ 1.16	$ 0.89	$ 1.08	$ 1.06	$ 0.89	$ 0.83	$ (1.42)	$ 3.91	$ 3.61
Diluted earnings (loss) per share	$ (4.01)	$ 0.55	$ 1.16	$ 0.88	$ 1.08	$ 1.06	$ 0.88	$ 0.82	$ (1.42)	$ 3.87	$ 3.58
Facility closure expenses	$ 510	$ 60	$ 114	$ 27	$ 529	$ 761	$ 95	$ 34	$ 711	$ 1,419	

Copyright © 2019 www.secdatabase.com. All Rights Reserved.
Please Consider the Environment Before Printing This Document