

# First Quarter 2019 Review

Aptar 



Stephan Tanda, CEO | Bob Kuhn, CFO | May 1, 2019 @ 8 a.m. Central Time

# Forward Looking Statements & Non-GAAP Financial Measures

**This presentation includes forward-looking statements. Forward-looking statements are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and are based on management's beliefs and assumptions in light of information currently available to management. Accordingly, the Company's actual results may differ materially from those expressed or implied in such forward-looking statements due to known or unknown risks and uncertainties that exist in the Company's operations and business environment, including, among other factors, those described in documents filed by the Company with the Securities and Exchange Commission, specifically its Form 10-Ks and 10-Qs. The Company does not assume any obligation to update, amend or clarify such statements to reflect new events, information or circumstances after the date of this presentation.**

**During the course of this presentation, certain non-GAAP financial information will be presented.**

**A reconciliation of those numbers to GAAP financial measures is available on the company's website at [www.aptar.com](http://www.aptar.com) on the Investor's page (click on Events & Presentations / Presentations).**

# Agenda

- **Introduction**
- **Products and Technologies**
- **First Quarter 2019 Results**
- **Second Quarter 2019 Outlook**
- **Key Takeaways**

# Innovation – Products and Technologies



## Recent Aptar Launches

Bidose Nasal Spray Device  
(North America)

Skin Care Dispensing Pen with Magnetic Applicator  
(Asia)

Flip-lid Closure with SimpliSqueeze Valve and Built-in Tamper Evident Pull Ring  
(North America)

Sport Closure for Bottled Water with Electrolytes  
(Latin America)

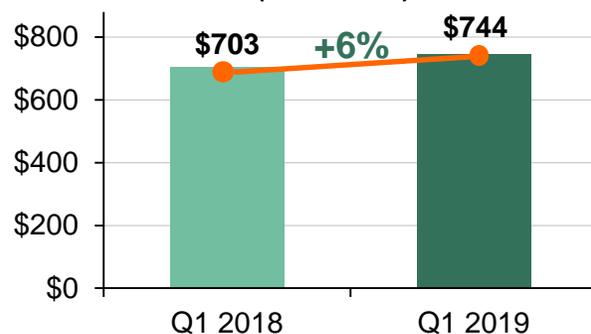
Closure for Home Care Restaged Product  
(North America)

# First Quarter 2019 Results

Prior year's adjusted EPS would have been approximately \$0.03 lower had our current tax rate been applied (vs the 27% effective tax rate on adjusted EPS)

## Reported Q1 Sales

(in millions \$)

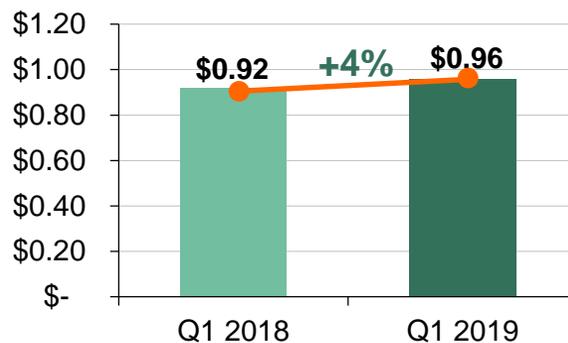


**+7%**  
Core Sales  
Growth\*

**-7%**  
Currency  
Effects

**+6%**  
Acquisitions

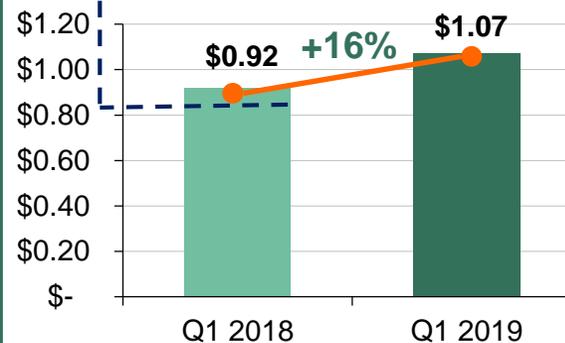
## Reported Q1 EPS



**27%**  
Q1 2018  
Reported  
Effective Tax  
Rate

**30%**  
Q1 2019  
Reported  
Effective Tax  
Rate

## Adjusted Q1 EPS\*



**27%**  
Q1 2018  
Effective Tax  
Rate Adjusted  
Earnings\*

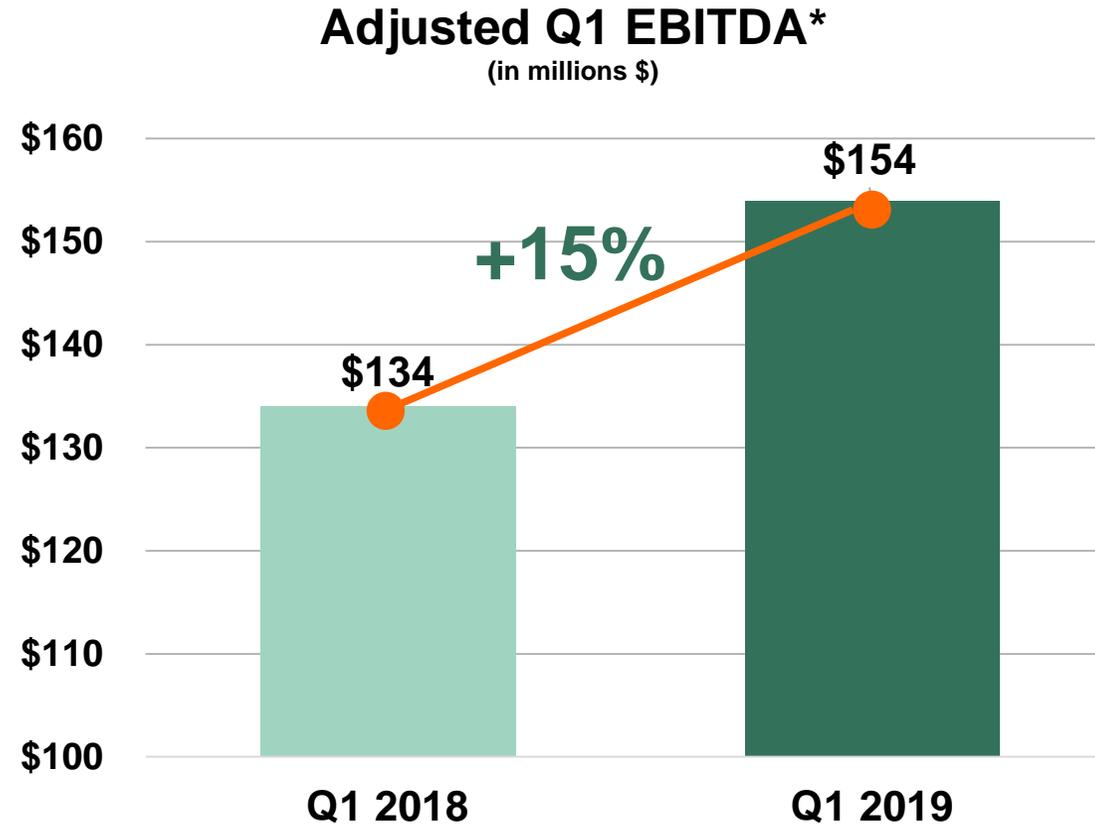
**30%**  
Q1 2019  
Effective Tax  
Rate Adjusted  
Earnings\*

## Q1 Highlights

- Core sales growth in all three business segments
- Pharma segment had an exceptionally strong quarter with broad-based demand across our portfolio of innovative drug delivery devices
- Beauty + Home saw increased demand from the beauty market with particularly strong demand for our fragrance pumps
- Food + Beverage had a good quarter with strong demand for our dispensing closures, which was partially offset by lower custom tooling sales
- Profitability improved over the prior year due to the mix of business, benefits from our business transformation and positive effects of a decline in resin cost

\* See accompanying slide titled: Forward Looking Statements & Non-GAAP Financial Measures.

# Adjusted EBITDA



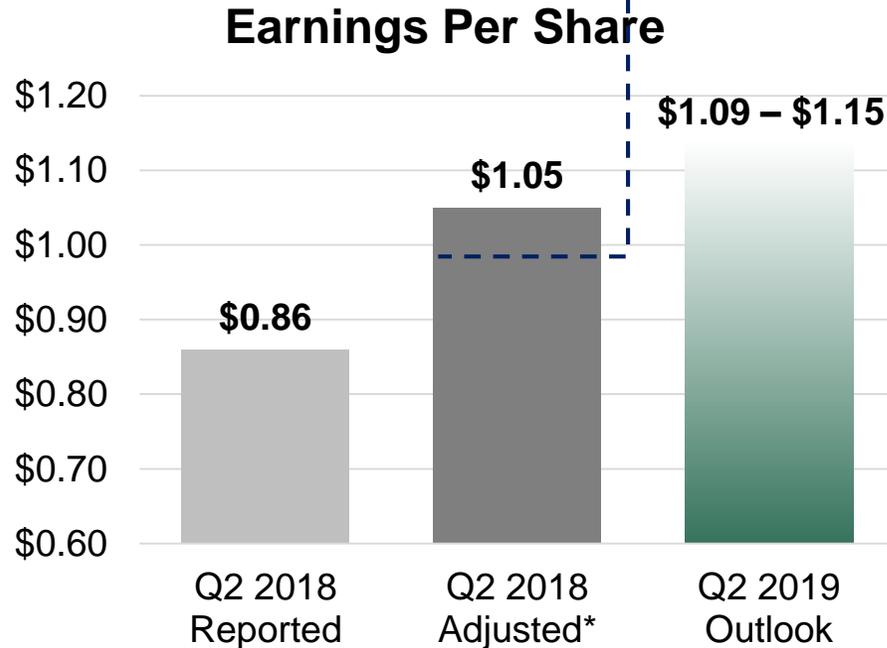
**Adjustments:**

- 2018: Restructuring initiatives of \$5.9 mil
- 2019: Restructuring initiatives of \$9.5 mil

\* See accompanying slide titled: *Forward Looking Statements & Non-GAAP Financial Measures.*

# Outlook

Prior year's adjusted EPS would have been approximately \$0.06 lower had our current guidance tax rate range been applied (vs the 26% effective tax rate on adjusted EPS)



**29-31%**

Q2 expected tax rate range (prior year Q2 Adj. EPS effective tax rate = 26%)

Guidance Fx Euro Rate = 1.12

## Outlook Highlights

- Anticipate continued positive product sales growth across most of our markets
- Level of custom tooling sales reported in Q2 2018 is not expected to repeat
- Capital expenditures estimated range for 2019 is \$230 - \$250 million
- Depreciation & amortization estimate for 2019 is \$195 - \$200 million

\* See accompanying slide titled: Forward Looking Statements & Non-GAAP Financial Measures.

# Presentation Key Takeaways

- Positive start to the year with core sales growth across all three segments
- Improved profitability over the prior year due to the mix of business, benefits from our business transformation and positive effects of a decline in resin cost
- Our dispensing systems continue to revolutionize both specialty and ordinary products into experiences that people around the world actively enjoy and upon which many rely
- Board authorized the repurchase of up to \$350 million of the Company's common stock and increased the quarterly cash dividend by 6% to \$0.36
- Q2 Outlook: Core product sales growth expected across most of our markets although we expect a lower level of custom tooling sales compared to the prior year