
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2004

Commission File Number 001-08524

MYERS INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

OHIO

(State or other jurisdiction of
incorporation or organization)

34-0778636

(IRS Employer Identification Number)

1293 S. Main Street, Akron, Ohio

(Address of Principal Executive Offices)

44301

(Zip Code)

(330) 253-5592

(Telephone Number)

Securities Registered Pursuant to
Section 12(b) of the Act:

Common Stock, Without Par Value

(Title of Class)

Name of Each Exchange
on which registered:

New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

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 the filing requirements for at least the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes No

State the aggregate market value of the voting and non-voting common equity stock held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity as of the last business day of the registrant's most recently completed second fiscal quarter, being as of June 30, 2004: \$381,983,989. Indicate the number of shares outstanding of registrant's common stock as of January 31, 2005: 34,661,245 Shares of Common Stock, without par value.

DOCUMENTS INCORPORATED BY REFERENCE

- (1) Portions of Registrant's Notice of 2005 Annual Meeting and Proxy Statement, dated March 18, 2005, in Part III (Items 10, 11, 12 and 13)

CROSS REFERENCE SHEET PURSUANT TO FORM 10-K GENERAL INSTRUCTION G(4)

<u>Part/Item</u>	<u>Form 10-K Heading</u>	<u>Reference Material</u>
III/10	Directors and Executive Officers of the Registrant	Proxy Statement(1) pages 4 through 9 and page 10
III/11	Executive Compensation	Proxy Statement pages 10 through 13
III/12	Security Ownership of Certain Beneficial Owners and Management	Proxy Statement pages 4 through 6, page 14 and page 20

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- (1) Registrant's Notice of 2005 Annual Meeting of Shareholders and Proxy Statement

Forward-Looking Statements Disclosure

Statements contained in this report concerning the Company's goals, strategies, and expectations for business and financial results may be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based on current indicators and expectations. Whenever a statement is made that is not a statement of historical fact (indicated by words such as "believes," "expects," "anticipates," and other similar expressions), readers must remember that the Company's expectations may not be correct, even though the Company believes they are reasonable. Myers Industries does not guarantee that the transactions and events described will happen as described (or that they will happen at all)

Investors and others should read this report with the understanding that actual future results may be materially different from those which are anticipated. Many of the factors that will determine these results are beyond the Company's ability to control or predict. Readers are cautioned not to put undue reliance on any forward-looking statement. Myers Industries does not intend, and undertakes no obligation, to update these forward-looking statements.

Risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the applicable statements include, but are not limited to:

- (1) Fluctuations in product demand and market acceptance
- (2) Uncertainties associated with the general economic conditions in our domestic and international markets
- (3) Foreign currency risks
- (4) Interest rate fluctuations
- (5) Increased competition in our markets
- (6) Changes in seasonality
- (7) Our ability to make successful acquisitions
- (8) Difficulties in manufacturing operations
- (9) Our degree of leverage and uncertainties associated with servicing our debt
- (10) Raw material availability
- (11) Fluctuations in raw material costs
- (12) Changes in laws or regulations and approvals and decisions of courts, regulators, and governmental bodies

PART I

ITEM 1. Business

(a) General Development of Business

Myers Industries, Inc. is an international manufacturer of polymer products for industrial, agricultural, automotive, commercial, and consumer markets. We are an international leader in reusable plastic containers and North America's leading manufacturer of plastic horticultural pots, trays, and flower planters. Other principal product lines include plastic storage and organization containers, plastic storage tanks, plastic and rubber OEM parts, rubber tire repair products, and custom plastic and rubber products.

The Company is also the largest wholesale distributor of tools, equipment, and supplies for the tire, wheel, and undervehicle service industry in the United States. Our distribution products range from tire balancers and alignment systems to valve caps and other consumable service supplies.

Myers Industries serves customers around the world, and the Company's products and related services provide a wide range of performance benefits to customers in diverse niche markets. Benefits include: increasing productivity, lowering material handling costs, improving product quality, reducing labor costs, shortening assembly times, eliminating solid waste, and increasing profitability.

Founded in Akron, Ohio, in 1933, what is today Myers Industries grew from the vision of two brothers, Louis and Meyer Myers, and a partnership based on a \$620 loan, some tire repair merchandise, and a used truck. The business was named "Myers Tire Supply" and it serviced tire dealers and retreaders by distributing tools and supplies needed to grow their businesses. The Company expanded into manufacturing operations in the post-war 1940's and was renamed Myers Industries, Inc. in 1963. Since then, the Company has grown from a small storefront to an international manufacturing and distribution business.

Still headquartered in Akron, Ohio, Myers Industries encompasses: 31 manufacturing facilities in North America and Europe, 39 domestic and five international distribution branches, more than 20,000 products, and more than 5,300 employees. The Company went public in 1971, and the stock is traded today on the New York Stock Exchange under the symbol MYE.

Myers Industries' business strategy is based on a focused approach for long-term growth: 1) Concentrate on markets where our products and expertise create profit opportunities for our customers and ourselves; 2) Achieve leadership in key product areas through breadth of offering, consistent quality, and superior customer service; 3) Drive internal growth with new products, line extensions, and new technology; 4) Leverage brand equity and capabilities to increase business with existing customers and cultivate new ones; 5) Acquire complementary businesses with potential for long-term growth; and 6) Respond to opportunities that present themselves and work to protect that which has been gained.

(b) Financial Information About Segments

The response to this section of Item 1 is contained in the Industry Segments footnote of the Notes to Consolidated Financial Statements under Item 8 of this report.

(c) Description of Business

The Company conducts its business activities in five segments, including four manufacturing and one related to distribution. The four manufacturing segments consist of: Material Handling — North America; Material Handling — Europe; Automotive and Custom; and Lawn and Garden. For the fiscal year ended December 31, 2004, the percentage contribution from each segment to the Company's total net sales of \$803.1 million was: Material Handling — North America, 24 percent; Material Handling — Europe, 20 percent; Automotive and Custom, 21 percent; Lawn and Garden, 14 percent and Distribution 21 percent.

In our manufacturing segments, we design, manufacture, and market a variety of plastic and rubber products. These range from plastic reusable material handling containers and small parts storage bins to plastic

horticultural pots and hanging baskets, decorative planters, plastic and rubber OEM parts, tire repair materials, and custom plastic and rubber products.

Our Distribution Segment is engaged in the distribution of tools, equipment, and supplies used for tire, wheel, and automotive underbody repair on passenger, heavy truck, and off-road vehicles.

Our Manufacturing Segments

In our manufacturing segments, we engineer, produce and sell more than 12,000 products. We have 24 manufacturing facilities in the United States, six in Western Europe and one in Canada. Our manufactured plastic and rubber products are sold nationally and internationally by a direct sales force and through independent sales representatives.

Key Manufactured Product Areas

- Plastic Reusable Material Handling Containers and Pallets
- Plastic Storage and Organization Products
- Plastic and Metal Material Handling Carts
- Plastic Horticultural Pots, Trays and Hanging Baskets
- Decorative Resin Flower Planters
- Plastic Storage Tanks
- Rubber and Plastic Original Equipment and Replacement Parts
- Tire Repair and Retreading Products
- Custom Plastic and Rubber Products

Product Brands

- Akro-Mils
- Allibert-Buckhorn
- Ameri-Kart
- Buckhorn
- Buckhorn Rubber
- Dillen
- Listo
- Michigan Rubber
- Patch Rubber
- Pro Cal
- raaco
- WEK

Manufacturing Capabilities

- Product Design and Engineering
- Prototyping and Testing
- Materials Formulation
- Plastic and Rubber Injection Molding
- Structural Foam Molding
- Rotational Molding
- Vacuum Forming
- Winding Extrusion
- Blow Molding
- Compression and Transfer Molding
- Rubber Compounding, Calendaring and Extrusion
- Rubber-to-Metal Bonding
- Rubber-to-Plastic Bonding
- Metal Forming
- Powder Coating

Representative Markets

- Agriculture
- Automotive
- Commercial
- Consumer
- Food Processing and Distribution
- General Manufacturing/Industrial
- Healthcare
- Horticulture
- Off-Road Construction/Agriculture Vehicle
- Recreational Marine
- Recreational Vehicle
- Road Construction
- Tire Repair/Retread
- Telecommunications
- Transportation/Heavy Truck
- Waste Collection
- Water Piping/Water Control

Material Handling — North America & Europe Segments Overview

Myers Industries' largest product area is plastic reusable material handling containers and pallets for markets such as automotive, appliance, general manufacturing, distribution, agriculture, retail, and food processing. In closed loop supply chains, reusable containers and pallets replace single-use cardboard boxes and easily damaged wooden pallets to help customers lower operating costs by improving product protection, reducing freight costs, and eliminating solid waste and disposal costs. The product selection, manufacturing processes, markets, and applications are similar for both the North American and European segments of our business, and we are one of few manufacturers positioned to supply reusable packaging/material handling product solutions to customers worldwide.

Injection molding produces hand-held containers and totes in a wide range of sizes and styles. These products stack and nest for efficient space usage and are versatile and strong enough to haul more than 100 lbs. of metal parts or protect delicate fruit against costly damage while in transit from harvesting to processing.

The injection-structural foam molding process produces bulk containers that perform heavy-duty tasks, whether distributing seed products, carrying large automotive components, or shipping liquids across long distances. These containers range in size from footprints of 32 inches by 30 inches to 70 inches by 48 inches; heights up to 65 inches; and weight capacity up to 3,000 pounds. Bulk containers are compatible with forklifts and pallet jacks for easy handling. Many of the containers collapse to a third of their size for space-saving stacking, storage, and return transport. Myers manufactures the most comprehensive range of collapsible and rigid bulk transport containers in the worldwide material handling industry.

We use a wide range of molding processes to make distribution pallets in sizes and styles to fit most any transport need. Many pallets interwork with our hand-held containers and totes to create a completely reusable system for efficient space utilization in plants and warehouses, as well as cubing of truck trailers, to help customers reduce storage and freight costs. Other pallets are produced for specialty shipping applications, such as drum pallets for chemical and liquid transport.

In addition to standard material handling products, we utilize our extensive design and manufacturing capabilities for turnkey production of custom material handling products: container inserts and protective dunnage, transport trays, modified or new container and pallet combinations, and other transport packaging items tailored to customers' unique applications.

Customers rely on the productivity and profitability benefits delivered through the innovation, broad selection, quality, and interworking of our reusable material handling products. For example, in automotive plants across North America and Europe, our containers and pallets are reused hundreds of times to move

products as small as fasteners or as large as sidewall components from suppliers directly to assembly areas, protecting the products and reducing the scrap rate. Our attached lid containers and pallets are used by many retail businesses such as Wal-Mart® and Staples® to receive their various products: the containers are used in regional distribution centers to organize inventory, sort orders, and are then combined with pallets to transport products directly to stores.

Our containers bring multiple cost-saving benefits to customers in agriculture, food processing, and distribution markets. Growers of strawberries, asparagus, and other fruits and vegetables use our harvesting and shipping containers to protect their delicate products in transit from the field to processing centers to the produce sections of grocery stores around the world. Hundreds of thousands of our bulk SeedBoxes are used by Pioneer Hi-Bred International® and related seed and feed distributors to efficiently transport and dispense up to 2,500 lbs. of corn and soybean seed. The unique SeedBox container can be emptied in as little as 30 seconds, then broken down for return shipping and refilling — eliminating the traditional seed bags and the environmental impact of burning bags in the fields. Manufacturers of tomato paste in the U.S. employ our Citadel™ bulk container to move processed tomato products across the country in railcars. The smooth-sided, impact-resistant container replaces wooden crates and steel containers that can cause product damage and contamination. The Citadel carries up to 3,000 lbs./300 gallons of product, stacks five high when fully loaded, and is designed for long-term indoor or outdoor storage of loads. Poultry delivered to KFC® restaurants and many grocery stores across the U.S. comes in a reusable, spill-proof container that we pioneered; the container protects the chicken during transport and is more sanitary than cardboard boxes.

While markets and applications for our material handling products in Europe are similar to those in North America, some unique applications arise: harvesting, shipping, and processing grapes for the French wine industry; improving efficiency of mail sorting and transport with custom-made totes for the Spanish postal service; and creating custom crates for the fishing industry in France and the U.K. Throughout the worldwide material handling industry, we are known for leading the market in innovation of new products and for our custom design expertise to create effective solutions that meet customers' total packaging and transport needs.

In Europe, we also make plastic bulk tanks for storage and transport of solid and liquid materials. These tanks are produced using both winding extrusion and rotational molding. The extruded tanks — created using a helical winding process to form seamless, durable, and corrosion-resistant plastic tanks — are available in capacities from 500 to 70,000 liters. These are primarily used to replace costly stainless steel tanks for high-volume storage in industries such as chemical and water treatment. For agriculture, plastics, and food markets, our roto-molded tanks are commonly used as intermediate bulk containers, transporting material from one location to another, or as a temporary storage vessel; these uses are often “returnable” applications, in which the tanks can be reused for multiple round trips in a closed loop system.

In a related material handling product mix, industrial and commercial markets find storage and organization solutions with our plastic storage bins and metal racking systems, used for applications such as creating assembly line workstations, organizing medical supplies, and creating retail displays. Our transport cart line provides an extensive range of plastic, metal, and wood material handling carts, dollies, worktables, and other items. These products are available through industrial supply catalogers, including W.W. Grainger® and C&H®, and many other industrial and material handling distributors.

We also compete in the storage and organization niche of the consumer market by adapting solutions for industry to home and office settings. We are not a major player in the overall consumer market, nor do we seek to be. Our small line of niche products includes popular KeepBox® containers, which help consumers organize everything from holiday decorations to school supplies. Portable organizers and stackable cabinets provide efficient storage for small items and accessories in the home workshop or at the office. Hobbyists and craftspeople use our popular CraftDesign™ products for organizing scrapbook, sewing, and art supplies. Our niche consumer products are sold by leading retailers such as Target® and others across the U.S. and, to a lesser extent, Europe.

Automotive and Custom Segment Overview

With our complementary manufacturing capabilities, we serve diverse niche markets and customers in this segment with an array of engineered plastic and rubber original equipment and replacement parts, tire repair materials, and custom products. Our unique combination of product design, molding, and finishing expertise supports customers' needs for efficient, single sourcing of parts and turnkey custom product development. In addition to our plastics molding capabilities, this segment employs a full range of rubber molding processes: injection molding; compression and transfer molding; compounding, calendaring, and extrusion; blow molding; rubber-to-metal bonding; and rubber-to-plastic bonding. Additional capabilities include custom rubber formulation, mixing, and testing.

We work closely with manufacturers of passenger cars and trucks to create rubber, plastic, and combination components and assemblies for numerous vehicle platforms. Our expertise allows us "guest engineering" status with many of the world's leading automakers and suppliers. Our molding and assembly capabilities provide a diversified product mix including air induction hoses, HVAC units, noise vibration dampers, grommets, bushings, tubing assemblies, seals, and gaskets.

Makers of recreational vehicles (RV) and watercraft utilize our design knowledge and production capabilities for an assortment of products. Rotationally-molded plastic water, waste handling, and fuel tanks are created and assembled to fit the precise space constraints within RV and marine vehicle designs. We employ both vacuum forming and rotational molding to make plastic trim and interior parts for RV's, as well as helm consoles and seat frames for watercraft. In addition, our rubber seals are used in several marine motor styles to protect transmission compartments against water.

For manufacturers of heavy trucks and construction and agriculture equipment, our engineered, molded rubber air intake hoses, hood latches, boots, bellows, bushings, and other products perform under the harshest conditions — whether under the hood or on the vehicle's body, over-the-road or off-road. As one example of our market strength, we provide air intake hoses in more than 200 standard fittings for the majority of Class 6 and 8 trucks. Our expertise in co-extrusion blow molding with three-dimensional capabilities allows us to create single-piece, complex parts with both rigid and flexible features and extreme angles, to meet the needs of vehicle designs. As engines for trucks and other heavy equipment are redesigned for changing environmental regulations, we are in a strong position to engineer and mold new products to our customers' precise specifications.

Specialized manufacturing expertise, including rubber-to-metal bonding, enables us to create a range of specific-performance custom rubber products used in marine vehicles and lawn maintenance equipment. We use the same process to manufacture parts for the water control industry, such as main valves for fire hydrants and mechanical joint gaskets for water supply lines in residential and commercial construction.

Our manufacturing of rubber products started more than 50 years ago, as we began making tire patches. Today, we manufacture the most comprehensive line of tire repair and retreading products on which service professionals rely for safe repairs to passenger, truck, and off-road tires. To service the more than 280 million damaged tires that occur each year, we make all the materials and products customers need to perform safe and profitable tire repairs: the plug that fills a puncture, the cement that seats the plug, the tire innerliner patch, and the final sealing compound. We maintain a strong position in the tire repair and retread markets through a broad product line-up and sales through our Distribution Segment. New product innovation also plays a key part. Recent developments include high-strength repair patches reinforced with aramid fiber to simplify repair of tires found on earthmovers, dump trucks, and other Con/Ag equipment. Aramid fiber is a material used in products such as bullet-resistant body armor and other products subject to extreme conditions. When infused with rubber in a tire repair unit, the result is a flexible, extremely durable patch that is easier to install and work with on large tires.

We apply our rubber calendaring and compounding expertise to create a diverse portfolio of products outside of the tire repair market, such as reflective marking tapes for the road repair and construction industry. Our rubber-based tape and symbols provide the durability and brightness that road construction professionals

demand to replace paint for marking roadways, intersections, and hazardous areas. The tape stock is easier to apply, more reflective, and longer lasting than paint. It is available in both temporary and permanent grades.

We also work with customers to develop custom rubber and calendared rubber sheet stock, which is used as the base for products in aerospace, industrial, sports, and other markets. The telecommunications industry splices cables with our specialty tapes. In the mining industry, our custom rubber materials are used to create linings for material handling conveyor systems. Another custom sheet stock is used as the base material to produce the world's top-selling line of golf grips, Golf Pride®.

Other custom products touch a wide range of markets and applications, such as plastic elevated toilet seats and tub rails for the healthcare market; plastic parts designed to replace high-cost steel components in commercial cooling towers; and structural wood for outdoor building applications, formed by molding heavy-duty plastic in and around an engineered wood core.

Lawn and Garden Segment Overview

We serve the needs of the entire North American plant grower market — everything from large, 80-plus acre greenhouse operations to small and medium-sized regional growers, retail garden centers such as Home Depot®, and nationally-branded growers and programs such as Proven Winners® and Scott's Miracle-Gro®. Our products, available both direct and through a network of leading horticultural distributors, include the industry's most extensive range of injection-molded and vacuum-formed pots, hanging baskets, flats and carry trays, plug trays, nursery containers, propagation sheets and flats, and specialty pots. Products are designed to meet the changing needs of the professional grower, including increased automation in growing operations and emphasis on retail branding programs. We hold the reputation for constant product innovation, supported by services such as graphic design, color offset printing, and adhesive labeling on pots to help growers brand their plant material and improve sell-through at retail. Unique products like our picturePot™ graphic containers add to our leadership role in the marketplace. These custom-made pots are printed with plant photos and graphics in vivid detail and color, and then serve as packaging for plants to create vibrant point-of-sale materials.

Our decorative resin planters feature intricate molding details in metallic, weathered stone, and textured styles with unique finishes that capture the retailer's attention and the consumer's imagination. Products include a diverse offering of molded square and round planters, window boxes, urns, and hanging baskets for indoor and outdoor usage. Consistent new product development is key to success in the retail garden center and mass merchandiser channels. Proprietary molding and finishing processes, along with creative designs, deliver the unique look in the decorative planter category that sets our planters apart from the competition in stores such as Wal-Mart®, Kmart®, and Home Depot®.

Plastic and Rubber Raw Materials

The Company's manufacturing segments are dependent upon outside suppliers for raw materials, principally polyethylene, polypropylene, and polystyrene plastic resins, and synthetic and natural rubber. We believe that the loss of any one supplier or group of suppliers would not have a materially adverse effect on our business, since in most instances identical or similar materials are readily obtainable from other suppliers.

Our Distribution Segment

In the Distribution Segment, Myers is the largest distributor and one-stop-shop for tire, wheel, and undervehicle service tools, equipment, and supplies in the United States. Independent tire dealers, mass merchandisers, commercial auto and truck fleets, tire retreaders, and general repair facilities rely on our broad product selection, rapid availability, and personal service to grow their businesses and become more productive and profitable.

We buy and sell nearly 10,000 different items — everything that professionals need to service passenger, truck, and off-road tires and wheels.

Key Distribution Products

- Tire Valves and Accessories
- Tire Changing and Balancing Equipment
- Lifts and Alignment Equipment
- Service Equipment and Hand Tools
- Tire Repair/Retread Equipment and Supplies
- Brake, Transmission and Allied Service Equipment and Supplies

Product Brand

- Myers Tire Supply

Capabilities

- Broad Sales Coverage
- Local Sales and Inventory
- International Distribution
- Personalized Service
- National Accounts Service
- Customer Product Training
- New Products “Speed to Market”

Representative Markets

- Retail Tire Dealers
- Truck Tire Dealers
- Auto Dealers
- Commercial Auto and Truck Fleets
- General Repair/Service Facilities
- Tire Retreaders
- Government Agencies

Within the continental United States, we provide widespread distribution and sales coverage from 39 branches positioned in major metropolitan areas. Each branch operates as a profit center and is staffed by a branch manager, sales, office, warehouse, and delivery personnel. Internationally, we have three wholly owned warehouse distributors located in Canada and Central America. Sales personnel from our Akron, Ohio, headquarters cover the Far East, Middle East, South Pacific, and South American territories.

We buy products from top suppliers to ensure quality is delivered to our customers. Each of the brand-name products we sell is associated with superior performance in its respective area. Some of these include: Chicago Pneumatic air tools; Hennessy tire changing, balancing, and alignment equipment; Corghi tire changers and balancers; Ingersoll-Rand air service equipment; John Bean Co. tire balancing and changing equipment; our own Patch Rubber brand tire patches, cements, and repair supplies; and Rotary lifts and related equipment.

An essential element of our success in the Distribution Segment is our nearly 170 sales representatives, who deliver personalized service on a local level. Customers rely on Myers’ sales representatives to introduce the latest tools and technologies and provide training in new product features and applications. Representatives also teach the proper use of diagnostic equipment and present on-site workshops demonstrating industry-approved techniques for tire repair and underbody service.

While the needs and composition of our distribution markets constantly change, we adapt and deliver the new products and services that are crucial to customers’ success. The new product pipeline is driven by innovations from auto and tire manufacturers, which in turn prompts Myers and its partner-suppliers to develop new equipment, supplies, and service techniques to keep cars and trucks moving down the road with confidence.

Competition — Manufacturing & Distribution Segments

Competition in the manufacturing segments is substantial and varied in form and size from manufacturers of similar products and of other products which can be substituted for those produced by the Company. With its focus on niche markets, the Company maintains strong brand presence and market positions in the fragmented sectors of the markets it serves. The Company does not command substantial, overall market presence in the broad market sectors.

Competition in the Distribution Segment is generally from smaller local and regional businesses. Within the overall tire, wheel, and undervehicle service market, Myers is the largest distributor of tools, equipment, and supplies for tire service, repair, and retread.

Employees

As of December 31, 2004 the Company had a total of 5,333 full-time and part-time employees. Of these employees, 4,658 were engaged in the manufacturing segments, 583 were employed in the distribution segment and 93 were employed at the Company's corporate offices. As of December 31, 2004 the Company had 4,117 employees in the U.S. of which 222 were members of unions. In certain countries in which the Company operates union membership is not known due to confidentiality laws. The Company believes it has a good relationship with its union employees.

(d) Financial Information About Geographic Areas

The response to this section of Item 1 is contained in the Industry Segments footnote of the Notes to Consolidated Financial Statements under Item 8 of this report.

(e) Available Information

Filings with the SEC. As a public company, we regularly file reports and proxy statements with the Securities and Exchange Commission. These reports are required by the Securities Exchange Act of 1934 and include:

- * annual reports on Form 10-K (such as this report);
- * quarterly reports on Form 10-Q;
- * current reports on Form 8-K;
- * proxy statements on Schedule 14A.

Anyone may read and copy any of the materials we file with the SEC at the SEC's Public Reference Room at 450 Fifth Street, Washington DC, 20549; information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC maintains an internet site that contains our reports, proxy and information statements, and our other SEC filings; the address of that site is <http://www.sec.gov>.

Also, we make our SEC filings available on our own internet site as soon as reasonably practicable after we have filed with the SEC. Our internet address is <http://www.myersind.com>.

The information on our website is not incorporated by reference into this annual report on Form 10-K.

Corporate Governance. We have a Code of Business Conduct for our employees and members of our Board of Directors. A copy of the code is posted on our website. If we amend or grant any waivers of the code that are applicable to our directors or our executive officers — which we do not anticipate doing — we have committed that we will post these amendments or waivers on our website under "Corporate Governance."

Our website also contains additional information about our corporate governance policies, including the charters of our standing board committees. Any of these items are available in print to any shareholder who requests them. Requests should be sent to Corporate Secretary, Myers Industries, Inc., 1293 S. Main Street, Akron, Ohio 44301.

ITEM 2. Properties

The following table sets forth by segment certain information with respect to properties owned by the Registrant:

<u>Location</u>	Distribution		<u>Use</u>
	<u>Approximate Floor Space (Square Feet)</u>	<u>Approximate Land Area (Acres)</u>	
Akron, Ohio	129,000	8	Executive offices and warehousing
Akron, Ohio	60,000	5	Warehousing
Akron, Ohio	31,000	2	Warehousing
Pomona, California	17,700	1	Sales and distribution
Englewood, Colorado	9,500	1	Sales and distribution
San Antonio, Texas	4,500	1	Sales and distribution
Phoenix, Arizona	8,200	1	Sales and distribution
Akron, Ohio	8,000	1	Leased to non-affiliated party
Houston, Texas	7,900	1	Sales and distribution
Indianapolis, Indiana	7,800	2	Sales and distribution
Cincinnati, Ohio	7,500	1	Sales and distribution
York, Pennsylvania	7,400	3	Sales and distribution
Atlanta, Georgia	7,000	1	Sales and distribution
Minneapolis, Minnesota	5,500	1	Sales and distribution
Charlotte, North Carolina	5,100	1	Sales and distribution
Syracuse, New York	4,800	1	Sales and distribution
Franklin Park, Illinois	4,400	1	Sales and distribution
Manufacturing			
Gaillon, France	500,000	23	Manufacturing and distribution
Nykobing, Falster Denmark	227,000	68	Manufacturing and distribution
Springfield, Missouri	227,000	19	Manufacturing and distribution
Dawson Springs, Kentucky	209,000	36	Manufacturing and distribution
Wadsworth, Ohio	197,000	23	Manufacturing and distribution
Hannibal, Missouri	196,000	10	Manufacturing and distribution
Sparks, Nevada	185,000	11	Manufacturing and distribution
Bluffton, Indiana	175,000	17	Manufacturing and distribution
Roanoke Rapids, N. Carolina	172,000	20	Manufacturing and distribution
Cadillac, Michigan	162,000	14	Manufacturing and distribution
Shelbyville, Kentucky	160,000	8	Manufacturing and distribution
Sandusky, Ohio	155,000	8	Manufacturing and distribution
Bristol, Indiana	139,000	12	Manufacturing and distribution
Akron, Ohio	121,000	17	Manufacturing and distribution
Gloucester, England	118,000	3	Manufacturing and distribution
Jefferson, Ohio	115,000	11	Manufacturing and distribution
Palua De Plegamans, Spain	85,000	7	Manufacturing and distribution
Prunay, France	71,000	4	Manufacturing and distribution
Goddard, Kansas	62,000	7	Manufacturing and distribution

<u>Location</u>	<u>Approximate Floor Space (Square Feet)</u>	<u>Approximate Land Area (Acres)</u>	<u>Use</u>
Santa Perpetua De Mogoda, Spain	61,000	3	Manufacturing and distribution
Fostoria, Ohio	50,000	3	Manufacturing and distribution
Akron, Ohio	49,000	6	Manufacturing and distribution
Surrey, B.C., Canada	42,000	3	Manufacturing and distribution
Mebane, North Carolina	30,000	5	Manufacturing and distribution
Nivelles, Belgium	14,000	2	Sales and distribution
Maia, Portugal	13,000	3	Sales and distribution

The following table sets forth by segment certain information with respect to facilities leased by the Registrant:

Manufacturing

<u>Location</u>	<u>Approximate Floor Space (Square Feet)</u>	<u>Expiration Date of Lease</u>	<u>Use</u>
Middlefield, Ohio	500,000	August 31, 2018	Manufacturing and distribution
Cassopolis, Michigan	210,000	October 31, 2005	Manufacturing and distribution
Reidsville, N. Carolina	171,000	September 30, 2009	Manufacturing and distribution
South Gate, California	122,000	October 31, 2009	Manufacturing and distribution
Stoke Works, England	108,000	August 31, 2008	Sales and distribution
Mulheim, Germany	54,000	December 31, 2005	Sales and distribution
Brampton, Ontario, Canada	43,000	December 31, 2007	Sales and distribution
Commerce, California	42,000	September 14, 2008	Manufacturing and distribution
Nanterre Cedex, France	25,000	April 30, 2008	Administration and sales
Milford, Ohio	22,000	August 31, 2006	Administration and sales
Orbassano, Italy	3,000	October 14, 2006	Sales and distribution

The Registrant also leases distribution facilities in 32 locations throughout the United States and Canada which, in the aggregate, amount to approximately 167,000 square feet of warehouse and office space. All of these locations are used by the distribution of aftermarket repair products and services segment.

The Registrant believes that all of its properties, machinery and equipment generally are well maintained and adequate for the purposes for which they are used.

ITEM 3. Legal Proceedings

The Company is not involved in any pending legal proceedings other than legal proceeding occurring in the ordinary course of business. Management believes that none of these legal proceedings, individually or in the aggregate, will have a material adverse impact on the results of operations or financial condition of the Company.

On July 15, 2004, the Company announced that it was reporting to the U.S. Department of Justice and the Securities and Exchange Commission (SEC) certain international business practices that are believed to be in violation of U.S. and, possibly, foreign laws. The practices, which involved a limited number of customers, related to the invoicing of certain sales to foreign customers of the Company's distribution segment and sales made by a foreign subsidiary to prohibited customers in certain prohibited international jurisdictions. These business practices have been discontinued and an investigation, which is not yet completed, is being conducted by outside counsel under the authority of the Audit Committee of the Company's Board of Directors. If the government determines that these incidents were unlawful, the government could take action against the Company and/or some of its employees. The Company will seek to settle any enforcement issues

arising from these matters, however, at this time the Company cannot reasonably estimate its potential liability and, therefore, has not recorded any provision for any resulting settlement or potential fines and penalties as of December 31, 2004. Such amounts could be material to the Company’s financial statements. The Company believes that the practices in question had no effect on previously filed financial statements, and that the final findings from the investigation will not lead to any restatement of prior reported financial results since it is believed that these transactions were accurately reported in the Company’s financial statements.

ITEM 4. Submission of Matters to a Vote of Security Holders

During the fourth quarter of the fiscal year ended December 31, 2004, there were no matters submitted to a vote of security holders.

Executive Officers of the Registrant

Set forth below is certain information concerning the executive officers of the Registrant. Executive officers are elected annually by the Board of Directors and serve at the pleasure of the Board.

<u>Name</u>	<u>Age</u>	<u>Years as Executive Officer</u>	<u>Title</u>
Stephen E. Myers	61	32	Chairman and Chief Executive Officer
John C. Orr	54	2	President and Chief Operating Officer
Gregory J. Stodnick.....	62	25	Vice President — Finance
Kevin C. O’Neil.....	49	6	Vice President, General Counsel and Assistant Secretary

Each executive officer has been principally employed in the capacities shown or similar ones with the Registrant for over the past five years with the exceptions of Mr. Orr. Mr. Orr has been President and Chief Operating Officer since 2003. From 2001 to 2003 Mr. Orr was General Manager of Buckhorn Inc., one of the Company’s material handling operations. Prior to that Mr. Orr had been employed by Goodyear Tire and Rubber for 28 years. His last position at Goodyear was Vice President — North America.

Section 16(a) of the Securities Exchange Act of 1934 requires the Registrant’s Directors, certain of its executive officers and persons who own more than ten percent of its Common Stock (“Insiders”) to file reports of ownership and changes in ownership with the Securities and Exchange Commission and the New York Stock Exchange, Inc., and to furnish the Company with copies of all such forms they file. The Company understands from the information provided to it by the Insiders that they adhered to all filing requirements applicable to the Section 16 Filers.

PART II

ITEM 5. Market for Registrant's Common Stock and Related Stockholder Matters

The Company's Common Stock is traded on the New York Stock Exchange (ticker symbol MYE). The approximate number of record holders at December 31, 2004 was 1,717. High and low stock prices and dividends for the last two years were:

<u>2004</u> <u>Quarter Ended</u>	<u>Sales Price</u>		<u>Dividends Paid</u>
	<u>High</u>	<u>Low</u>	
March 31	11.82	10.06	.045
June 30	12.91	10.36	.045
September 30	13.54	10.80	.05
December 31	12.97	10.02	.05
<u>2003</u> <u>Quarter Ended</u>	<u>Sales Price</u>		<u>Dividends Paid</u>
	<u>High</u>	<u>Low</u>	
March 31	10.39	8.00	.045
June 30	10.15	8.36	.045
September 30	10.61	8.50	.045
December 31	12.09	9.11	.045

ITEM 6. Selected Financial Data

MYERS INDUSTRIES, INC. AND SUBSIDIARIES Five-Year Summary

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Operations for the Year					
Net sales	\$803,070,387	\$661,091,504	\$607,991,158	\$607,950,431	\$652,659,900
Cost of sales	564,295,649	460,803,695	406,572,783	403,011,346	435,081,945
Selling	111,674,885	98,536,272	88,407,389	88,020,857	85,632,525
General and administrative	76,573,941	67,030,583	60,840,409	70,979,067	68,675,568
Gain on sale of plant	1,524,598	-0-	-0-	-0-	-0-
Interest — net	13,321,750	10,074,438	11,809,749	18,699,142	22,360,255
	<u>764,341,627</u>	<u>636,444,988</u>	<u>567,630,330</u>	<u>580,710,412</u>	<u>611,750,293</u>
Income before income taxes	38,728,760	24,646,516	40,360,828	27,240,019	40,909,607
Income taxes	13,019,000	8,321,000	16,401,000	12,049,000	16,909,000
Net income	<u>\$ 25,709,760</u>	<u>\$ 16,325,516</u>	<u>\$ 23,959,828</u>	<u>\$ 15,191,019</u>	<u>\$ 24,000,607</u>
Net income per share*	<u>\$.76</u>	<u>\$.49</u>	<u>\$.73</u>	<u>\$.46</u>	<u>\$.73</u>

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Financial Position — At Year End					
Total assets	\$785,602,562	\$621,626,806	\$602,482,330	\$582,166,378	\$622,103,970
Current assets	284,072,177	207,933,141	201,140,357	196,618,597	219,307,253
Current liabilities	<u>136,251,927</u>	<u>94,175,498</u>	<u>117,368,956</u>	<u>104,899,238</u>	<u>112,890,230</u>
Working capital	147,820,250	113,757,643	83,771,401	91,719,359	106,417,023
Other assets	291,041,595	229,849,237	210,546,946	194,811,960	201,291,971
Property, plant and equipment — net	210,488,790	183,844,428	190,795,027	190,735,821	201,504,746
Less:					
Long-term debt	275,252,278	211,002,691	212,222,615	247,145,234	284,273,097
Deferred income taxes	<u>28,094,321</u>	<u>21,924,269</u>	<u>17,201,131</u>	<u>12,595,697</u>	<u>11,037,935</u>
Shareholders' Equity	<u>\$346,004,036</u>	<u>\$294,524,348</u>	<u>\$255,689,628</u>	<u>\$217,526,209</u>	<u>\$213,902,708</u>
Common Shares Outstanding*	<u>34,645,948</u>	<u>33,201,582</u>	<u>33,078,910</u>	<u>32,790,580</u>	<u>32,654,893</u>
Book Value Per Common Share*	<u>\$ 9.99</u>	<u>\$ 8.87</u>	<u>\$ 7.73</u>	<u>\$ 6.63</u>	<u>\$ 6.55</u>
Other Data					
Dividends paid	\$ 6,478,502	\$ 6,026,349	\$ 5,878,169	\$ 5,454,870	\$ 4,969,876
Dividends paid per Common Share*	<u>0.19</u>	<u>0.18</u>	<u>0.18</u>	<u>0.17</u>	<u>0.15</u>
Average Common Shares					
Outstanding during the year* ...	<u>33,846,511</u>	<u>33,138,086</u>	<u>32,969,027</u>	<u>32,727,610</u>	<u>32,811,031</u>

* Adjusted for the ten percent stock dividend issued in August 2004, the five-for-four stock split distributed in August 2002; the ten percent stock dividends issued in August, 2001; and August, 2000.

ITEM 7. Management's Discussion and Analysis of Results of Operations and Financial Condition

2004 Results of Operations

In 2004, the Company achieved record sales of \$803.1 million as a result of the contributions from acquisitions, favorable foreign currency translations, and strong demand across most markets served by the Company's businesses. Net income of \$25.8 million, or \$.76 per share, increased 57 percent from the \$16.3 million reported in 2003. Net income benefited approximately \$914,000 from a gain on the sale of a warehouse facility in California and approximately \$520,000 from favorable foreign currency translation; however, substantial and continuing increases in plastic raw material costs were a significant impediment to better earnings.

For the year ended December 31, 2004, net sales of \$803.1 million were up 21 percent from the \$661.1 million reported for 2003. The acquisitions of ATP Automotive (Michigan Rubber Products and WEK Industries) and Productivity California (Pro Cal) contributed \$67.3 million of additional sales and favorable foreign currency translations, primarily from a stronger euro, increased sales \$19.3 million. Excluding the impact of acquired companies and foreign currency translations, net sales increased \$55.4 million or 8 percent from the prior year as the Company experienced increases in all of its business segments.

Myers Industries reports its business in five segments, one distribution segment and four manufacturing segments: Material Handling — North America; Material Handling — Europe; Automotive and Custom; and Lawn and Garden. Sales by each segment are reflected below.

Sales in the Distribution Segment increased \$13.3 million or 8 percent above 2003. The increase reflects higher unit volumes from strong demand for both repair supplies and equipment by tire dealers, auto dealers, and national accounts.

In the four manufacturing segments, combined sales increased \$128.9 million or 25 percent compared to the prior year. Excluding sales from acquired companies and favorable foreign currency translation, sales in the manufacturing segments increased \$43.0 million or 8 percent. The increase in sales across the

manufacturing segments was primarily the result of higher unit volumes from existing and new customers in a diverse mix of markets; however, increased selling prices accounted for approximately 20 percent of the improvement. On a segment basis, sales in the Material Handling — North America Segment increased \$17.3 million or 10 percent from 2003, driven by strong unit volume growth for plastic reusable containers and pallets in markets such as automotive, agriculture, industrial, food processing, and others. Sales of similar products to similar markets in the Material Handling — Europe Segment increased \$17.9 million or 12 percent over 2003; excluding favorable foreign currency translation, sales in the segment increased \$1.4 million or 1 percent. The Automotive and Custom Segment serves a wide range of OEM automotive, heavy truck, recreational vehicle, tire repair, and other similar niche markets with plastic and rubber components, assemblies, custom parts, and tire repair products; strength in these markets increased the segment's sales by \$68.6 million or 67 percent from 2003. Excluding contributions from the acquisition of Michigan Rubber Products and WEK, sales in the Automotive and Custom Segment increased \$19.8 million or 19 percent. Sales in the Lawn and Garden Segment increased \$25.1 million or 27 percent, due to continued strong demand for the Company's plastic flowerpots, nursery containers, and decorative planters from professional plant growers, retail garden centers, and mass merchandisers across North America. Excluding contributions from the acquisition of Pro Cal, sales in the Lawn and Garden Segment increased \$6.6 million or 7 percent.

Gross profit, expressed as a percentage of sales, was reduced to 29.7 percent for the year ended December 31, 2004 compared to 30.3 percent in 2003. The decline in margin was related to the four manufacturing segments, as the gross profit margins in the Distribution Segment were essentially unchanged between years. In the manufacturing segments, prices for plastic resins, which rose substantially in 2003, continued to increase throughout 2004. During 2004, raw material costs were higher for all of the plastic resins used by the Company's manufacturing businesses and were, on average, 22 percent higher for high-density polyethylene, the type of resin most widely used.

Total operating expenses increased \$22.7 million or 14 percent for the year ended December 31, 2004 compared with the prior year. Approximately \$7.7 million of this increase was due to acquired companies and the impact of foreign currency translations added \$6.8 million of operating expense. Excluding the impact of acquisitions and foreign currency translation, operating expenses were up \$8.2 million or 5 percent primarily due to higher selling expense resulting from increased sales, and legal and professional expenses associated with the new corporate governance mandates. Expressed as a percentage of sales, operating expenses were reduced to 23.4 percent in 2004 compared with 25.0 percent in the prior year.

Net interest expense of \$13.3 million increased 32 percent from the \$10.1 million reported in 2003. This increase was primarily the result of higher average borrowing levels as acquisitions added approximately \$79 million in total debt, including cash outlay and debt assumption.

Income taxes as a percent of income before taxes was 33.6 percent in 2004 compared to 33.8 percent in 2003. In both years, the Company's effective tax rate was reduced as a result of foreign tax rate differences, including the realization of net operating loss carryforwards previously reserved.

2003 Results of Operations

For the year ended December 31, 2003, net sales of \$661.1 million were up 9 percent from the \$608.0 million reported in 2002. Despite the increased sales, 2003 net income of \$16.3 million declined 32 percent from \$24 million in the prior year as higher raw material costs and significant competitive pricing pressures combined to reduce profitability. Favorable foreign currency translations, primarily from a strong euro, increased sales for the year by \$28.3 million and net income by approximately \$800,000.

Myers Industries' business is divided into one Distribution Segment and four manufacturing segments: Material Handling — North America; Material Handling — Europe; Automotive and Custom; and Lawn and Garden. Sales by each segment are reflected below.

Sales in the Distribution Segment increased \$4.3 million or 3 percent from 2002. The increase reflects higher unit volumes for both supplies and capital equipment used in tire, wheel, and undervehicle service and repair.

In the Company's four manufacturing segments, combined sales for 2003 increased \$48.7 million or 10 percent compared with the prior year. Favorable foreign currency translation accounted for approximately 56 percent of the sales increase with the remaining improvement the result of higher unit sales, particularly in automotive, industrial, horticultural, and heavy truck markets. In the Material Handling — North America Segment, sales increased \$10.4 million or 6 percent on higher volume for plastic reusable containers and pallets in automotive, manufacturing, distribution, and food markets. Sales in the Material Handling — Europe Segment, with products and markets similar to the North American segment, increased \$21.9 million or 17 percent from 2002; excluding favorable foreign currency translation, sales in the segment decreased \$2.8 million or 2 percent. The Automotive and Custom Segment posted a \$3.7 million or 4 percent sales increase, as demand for plastic and rubber products from customers in industrial and OEM heavy truck and recreational vehicle markets rebounded from 2002. Sales in the Lawn and Garden Segment increased \$12.7 million or 16 percent compared to 2002 on a strong sales mix of plastic flowerpots, flats, trays, and decorative planters to professional growers, garden centers, and mass merchandisers.

Gross profit, expressed as a percentage of sales, was reduced to 30.3 percent for the year ended December 31, 2003, compared with 33.1 percent in the prior year. The decline in margin was related to the manufacturing segments as raw material costs, primarily plastic resins, were significantly higher as compared to 2002, and competitive pressures across all four segments resulted in slightly lower average selling prices. During the course of 2003, raw material costs were higher for virtually all of the plastic resins used by the Company's manufacturing businesses and were, on average, 36 percent higher on high density polyethylene, the type of resin most widely used.

Total operating expenses increased \$16.3 million or 11 percent for the year ended December 31, 2003 compared with the prior year. Approximately \$9.8 million or 60 percent of this increase was due to the impact of foreign currency translation for costs incurred in foreign business units. Other increases in operating expenses were for selling expenses related to higher unit volume sales, and bad debts, principally arising from export sales in the Distribution Segment. The Company also experienced an increase in information systems and software costs. Expressed as a percentage of sales, operating expenses increased slightly to 25.0 percent in 2003 compared to 24.5 percent in the prior year.

Net interest expense for 2003 decreased \$1.7 million or 15 percent compared with the previous year. This reduction was primarily the result of lower average borrowing levels as the Company repaid \$17.4 million of debt during the year.

Income taxes as a percent of income before taxes was reduced to 33.8 percent in 2003 compared to 40.6 percent in 2002. This reduction in the Company's effective tax rate is primarily the result of foreign tax rate differences, including the realization of approximately \$600,000 in net operating loss carryforwards previously reserved.

Financial Condition

Liquidity and Capital Resources

In 2004, the Company generated cash from operating activities of \$46.4 million compared with \$51.1 million in the prior year as the benefit of higher net income was more than offset by negative working capital changes, particularly higher inventories. During the year ended December 31, 2004, investments in property, plant and equipment totaled \$25.9 million and net cash of \$41.5 million was used in the acquisition of businesses. Total debt increased \$61.9 million to \$277.4 million at December 31, 2004 and debt as a percentage of total capitalization increased to 44 percent compared to 42 percent at the end of 2003. At December 31, 2004, the Company had a current ratio of 2.1 and net working capital of \$147.8 million.

On February 27, 2004, the Company entered into a new five year, \$225 million unsecured revolving credit facility (the Credit Facility). Borrowing under the new Credit Facility were used to refinance the Company's

existing bank debt and fund the acquisitions of ATP, Pro Cal and Diakon. At December 31, 2004, the Company had approximately \$55 million available under the Credit Facility.

During the next five years management anticipates on-going capital expenditures in the range of \$25 to \$30 million annually. Cash flows from operations and funds available under the Credit Facility will provide the Company's primary source of financing. Management believes that it has sufficient financial resources available to meet anticipated business requirements in the foreseeable future including capital expenditures, dividends, working capital and debt service.

The following summarizes the Company's estimated future cash outflows from financial contracts and commitments:

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Total</u>
	(Dollars in Thousands)					
Principal payments on debt . . .	\$ 2,107	\$ 545	\$ 376	\$ 361	\$169,971	\$173,360
Interest on senior notes	6,336	6,336	6,336	6,336	6,336	31,680
Interest on variable rate debt	6,612	6,612	6,612	6,612	6,612	33,060
Lease payments	13,275	10,076	7,880	6,617	5,217	43,065
Pension benefits	<u>251</u>	<u>274</u>	<u>300</u>	<u>322</u>	<u>354</u>	<u>1,501</u>
Total	<u>\$28,581</u>	<u>\$23,843</u>	<u>\$21,504</u>	<u>\$20,248</u>	<u>\$188,490</u>	<u>\$282,666</u>

The interest on variable rate debt shown in the table above is based on \$174 million of variable rate debt at an interest rate of 3.8% which is assumed to hold constant over the period shown.

On July 15, 2004, the Company announced that it was reporting to the U.S. Department of Justice and the Securities and Exchange Commission (SEC) certain international business practices that are believed to be in violation of U.S. and, possibly, foreign laws. The practices, which involved a limited number of customers, related to the invoicing of certain sales to foreign customers of the Company's distribution segment and sales made by a foreign subsidiary to prohibited customers in certain prohibited international jurisdictions. These business practices have been discontinued and an investigation, which is not yet completed, is being conducted by outside counsel under the authority of the Audit Committee of the Company's Board of Directors. If the government determines that these incidents were unlawful, the government could take action against the Company and/or some of its employees. The Company will seek to settle any enforcement issues arising from these matters, however, at this time the Company cannot reasonably estimate its potential liability and, therefore, has not recorded any provision for any resulting settlement or potential fines and penalties as of December 31, 2004. Such amounts could be material to the Company's financial statements. The Company believes that the practices in question had no effect on previously filed financial statements, and that the final findings from the investigation will not lead to any restatement of prior reported financial results since it is believed that these transactions were accurately reported in the Company's financial statements.

Market Risk and Derivative Financial Instruments

The Company has financing arrangements that require interest payments based on floating interest rates. As such, the Company's financial results are subject to changes in the market rate of interest. Our objective in managing the exposure to interest rate changes is to limit the volatility and impact of rate changes on earnings while maintaining the lowest overall borrowing cost. At present, the Company has not entered into any interest rate swaps or other derivative instruments to fix the interest rate on any portion of its financing arrangements with floating rates. Accordingly, based on current debt levels at December 31, 2004, if market interest rates increase one percent, the Company's interest expense would increase approximately \$1.7 million.

Some of the Company's subsidiaries operate in foreign countries and, as such, their financial results are subject to the variability that arises from exchange rate movements. The Company believes that foreign currency exchange rate fluctuations do not represent a significant market risk due to the nature of the foreign countries in which we operate, primarily Canada and Western Europe, as well as the size of those operations relative to the total Company.

The Company uses certain commodities, primarily plastic resins, in its manufacturing processes. As such, the cost of operations is subject to fluctuation as the market for these commodities changes. The Company monitors this risk but currently has no derivative contracts to hedge this risk; however, the Company also has no significant purchase obligations to purchase fixed quantities of such commodities in future periods.

Critical Accounting Policies

Our discussion and analysis of the Company's financial condition and results of operations are based on the accompanying consolidated financial statements, which are prepared in accordance with accounting principles generally accepted in the United States of America. As indicated in the Summary of Significant Accounting Policies included in the footnotes to the consolidated financial statements, the amount of assets, liabilities, revenue and expenses reported are affected by estimates and judgements that are necessary to comply with generally accepted accounting principles. We base our estimates on prior experience and other assumptions that we consider reasonable to our circumstances. While estimates and judgements are applied in arriving at reported amounts such as pension benefits and provisions for self-insured risks, we believe the following matters may involve a high degree of judgement and complexity.

Revenue Recognition — The Company recognizes revenues from the sale of products, net of actual and estimated returns, at the point of passage of title, which is generally at the time of shipment.

Bad Debts — The Company evaluates the collectability of accounts receivable based on a combination of factors. In circumstances where the Company is aware of a specific customer's inability to meet its financial obligations, a specific allowance for doubtful accounts is recorded against amounts due to reduce the net recognized receivable to the amount the Company reasonably believes will be collected. Additionally, the Company reviews historical trends for collectability in determining an estimate for its allowance for doubtful accounts. If economic circumstances change substantially, estimates of the recoverability of amounts due the Company could be reduced by a material amount.

Inventory — Inventories are valued at the lower of cost or market. Cost is determined by the last-in, first-out (LIFO) method for approximately 36 percent of the Company's inventories and the first-in, first-out (FIFO) method for all other inventories. Where appropriate, standard cost systems are utilized for purposes of determining cost; the standards are adjusted as necessary to ensure they approximate actual costs. Estimates of lower of cost or market value of inventory are determined based upon current economic conditions, historical sales quantities and patterns and, in some cases, the specific risk of loss on specifically identified inventories.

Goodwill — As a result of Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," recorded goodwill is subjected to annual impairment testing. Goodwill impairment testing requires, in part, that we estimate the fair value of our business units which, in turn, requires that we make judgements concerning future cash flows and appropriate discount rates for those businesses. Our estimate of the fair value of these business units and the related goodwill, could change over time based on a variety of factors, including the actual operating performance of the underlying businesses or the impact of future events on the cost of capital and the related discount rates used.

Contingencies — In the ordinary course of business, we are involved in various legal proceedings and contingencies. We have recorded liabilities for these matters in accordance with Statement of Financial Accounting Standards No. 5, "Accounting for Contingencies" (SFAS 5). SFAS 5 requires a liability to be recorded based on our estimate of the probable cost of the resolution of a contingency. The actual resolution of these contingencies may differ from our estimates. If a contingency were settled for an amount greater than our estimates, a future charge to income would result. Likewise, if a contingency were settled for an amount that is less than our estimate, a future credit to income would result.

Income Taxes — Deferred income taxes are provided to recognize the effect of temporary differences between financial and tax reporting. Deferred income taxes are not provided for undistributed earnings of foreign consolidated subsidiaries as it is our intention to reinvest such earnings for an indefinite period of time. The Company has significant operations outside the United States and in jurisdictions with statutory tax rates

both higher and lower than in the United States. As a result, significant tax and treasury planning and analysis of future operations are necessary to determine the proper amounts of tax assets, liabilities and expense to be recognized.

The Company has reserved the deferred tax benefit of certain tax loss carryforwards in foreign countries that, if realized, would reduce future income tax expense by approximately \$5,540,000. Of this amount, \$936,000 expires in various years through 2008, and \$4,604,000 has no expiration date. In addition, the Company has U.S. foreign tax credit carryforwards of approximately \$800,000 which expire in 2009.

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

The Company has financing arrangements that require interest payments based on floating interest rates. As such, the Company’s financial results are subject to changes in the market rate of interest. Our objective in managing the exposure to interest rate changes is to limit the volatility and impact of rate changes on earnings while maintaining the lowest overall borrowing cost. At present, the Company has not entered into any interest rate swaps or other derivative instruments to fix the interest rate on any portion of its financing arrangements with floating rates. Accordingly, based on current debt levels at December 31, 2004, if market interest rates increase one percent, the Company’s interest expense would increase approximately \$1.7 million.

Some of the Company’s subsidiaries operate in foreign countries and, as such, their financial results are subject to the variability that arises from exchange rate movements. The Company believes that foreign currency exchange rate fluctuations do not represent a significant market risk due to the nature of the foreign countries in which we operate, primarily Canada and Western Europe, as well as the size of those operations relative to the total Company.

The Company uses certain commodities, primarily plastic resins, in its manufacturing processes. As such, the cost of operations is subject to fluctuation as the market for these commodities changes. The Company monitors this risk but currently has no derivative contracts to hedge this risk, however, the Company also has no significant purchase obligations to purchase fixed quantities of such commodities in future periods.

ITEM 8. Financial Statements and Supplementary Data

The consolidated financial statements and accompanying notes and the reports of management and independent accountants follow Item 9 of this Report.

**Summarized Quarterly Results of Operations
(Unaudited) Thousands of Dollars, Except Per Share Data**

Quarter Ended 2004	March 31	June 30	Sept. 30	Dec. 31	Total
Net Sales	\$185,518	\$196,755	\$199,381	\$221,416	\$803,070
Gross Profit	61,058	58,596	54,095	65,026	238,775
Net Income	8,856	6,103	3,820	6,931	25,710
Per Share .....	.27	.18	.11	.20	.76
Quarter Ended 2003	March 31	June 30	Sept. 30	Dec. 31	Total
Net Sales	\$163,221	\$168,964	\$152,400	\$176,507	\$661,092
Gross Profit	53,843	49,724	44,160	52,561	200,288
Net Income	7,192	3,276	1,507	4,351	16,326
Per Share .....	.21	.10	.05	.13	.49

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying statements of consolidated financial position of Myers Industries, Inc. (an Ohio Corporation) and Subsidiaries as of December 31, 2004 and 2003 and the related consolidated statements of income, shareholders' equity and comprehensive income and cash flows for each of the three years in the period ended December 31, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Myers Industries, Inc. and Subsidiaries at December 31, 2004 and 2003 and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2004, in conformity with U.S. generally accepted accounting principles.

As explained in the Goodwill and Intangible Assets note, effective January 1, 2002, the Company changed its method of accounting for goodwill.

/s/ Ernst & Young LLP
Akron, Ohio
March 15, 2005

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Statements of Consolidated Income
For The Years Ended December 31, 2004, 2003 and 2002

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Net sales	\$803,070,387	\$661,091,504	\$607,991,158
Cost of sales	<u>564,295,649</u>	<u>460,803,695</u>	<u>406,572,783</u>
Gross profit	<u>238,774,738</u>	<u>200,287,809</u>	<u>201,418,375</u>
Operating expenses			
Selling	111,674,885	98,536,272	88,407,389
General and administrative	<u>76,573,941</u>	<u>67,030,583</u>	<u>60,840,409</u>
	<u>188,248,826</u>	<u>165,566,855</u>	<u>149,247,798</u>
Operating income	<u>50,525,912</u>	<u>34,720,954</u>	<u>52,170,577</u>
Gain on sale of plant	1,524,598	-0-	-0-
Interest			
Income	(611,272)	(366,324)	(461,038)
Expense	<u>13,933,022</u>	<u>10,440,762</u>	<u>12,270,787</u>
	<u>13,321,750</u>	<u>10,074,438</u>	<u>11,809,749</u>
Income before income taxes	38,728,760	24,646,516	40,360,828
Income taxes	<u>13,019,000</u>	<u>8,321,000</u>	<u>16,401,000</u>
Net income	<u>\$ 25,709,760</u>	<u>\$ 16,325,516</u>	<u>\$ 23,959,828</u>
Net income per share	<u>\$.76</u>	<u>\$.49</u>	<u>\$.73</u>
Weighted average shares outstanding	<u>33,846,511</u>	<u>33,138,086</u>	<u>32,969,027</u>

The accompanying notes are an integral part of these statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Statements of Consolidated Financial Position

As of December 31, 2004 and 2003

	2004	2003
Assets		
Current Assets		
Cash	\$ 8,018,623	\$ 5,666,997
Accounts receivable — less allowances of \$5,740,000 and \$4,245,000, respectively . . .	151,068,463	114,038,680
Inventories		
Finished and in-process products	82,022,726	61,240,225
Raw materials and supplies	<u>38,339,728</u>	<u>22,613,029</u>
	120,362,454	83,853,254
Prepaid expenses	<u>4,622,637</u>	<u>4,374,210</u>
Total Current Assets	<u>284,072,177</u>	<u>207,933,141</u>
Other Assets		
Goodwill	279,576,020	224,298,302
Intangible assets, net	6,576,433	2,321,584
Other	<u>4,889,142</u>	<u>3,229,351</u>
	291,041,595	229,849,237
Property, Plant and Equipment, at Cost		
Land	9,190,588	8,461,003
Buildings and leasehold improvements	90,675,147	80,588,395
Machinery and equipment	<u>409,188,994</u>	<u>352,995,191</u>
	509,054,729	442,044,589
Less allowances for depreciation and amortization	<u>298,565,939</u>	<u>258,200,161</u>
	<u>210,488,790</u>	<u>183,844,428</u>
	<u><u>\$785,602,562</u></u>	<u><u>\$621,626,806</u></u>
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 72,858,791	\$ 39,731,250
Accrued expenses		
Employee compensation and related items	34,126,487	30,975,836
Taxes, other than income taxes	2,640,474	2,874,171
Accrued interest	1,113,128	608,575
Other	23,405,957	15,533,529
Current portion of long-term debt	<u>2,107,090</u>	<u>4,452,137</u>
Total Current Liabilities	<u>136,251,927</u>	<u>94,175,498</u>
Long-term Debt, less current portion	275,252,278	211,002,691
Deferred Income Taxes	28,094,321	21,924,269
Shareholders' Equity		
Serial Preferred Shares (authorized 1,000,000 shares)	—	—
Common Shares, without par value (authorized 60,000,000 shares; outstanding 34,645,948 and 33,201,582 shares, respectively)	21,090,960	18,369,240
Additional paid-in capital	266,257,630	217,019,810
Accumulated other comprehensive income	26,089,410	10,934,860
Retained income	<u>32,566,036</u>	<u>48,200,438</u>
	<u>346,004,036</u>	<u>294,524,348</u>
	<u><u>\$785,602,562</u></u>	<u><u>\$621,626,806</u></u>

The accompanying notes are an integral part of these statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

**Statements of Consolidated Shareholders' Equity
and Comprehensive Income**

For the Years Ended December 31, 2004, 2003 and 2002

	Common Shares		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Retained Income	Comprehensive Income
	Number	Amount				
Balance at January 1, 2002	23,847,694	\$14,503,828	\$217,594,648	(34,411,755)	\$ 19,839,488	-0-
Additions						
Net income	-0-	-0-	-0-	-0-	23,959,828	23,959,828
Sales under option plans	166,837	102,297	1,562,041	-0-	-0-	-0-
Employees stock purchase plan	30,035	18,321	359,833	-0-	-0-	-0-
Dividend reinvestment plan . .	16,415	10,015	228,067	-0-	-0-	-0-
Foreign currency translation adjustment	-0-	-0-	-0-	19,404,517	-0-	19,404,517
Deductions						
Dividends — \$.18 per share . .	-0-	-0-	-0-	-0-	(5,878,169)	-0-
Five-for-four stock split	6,010,755	3,666,751	(3,666,751)	-0-	(19,876)	-0-
FAS 87 additional pension liability	-0-	-0-	-0-	(1,583,455)	-0-	(1,583,455)
Total comprehensive income . . .						<u>\$41,780,890</u>
Balance at December 31, 2002	<u>30,071,736</u>	<u>\$18,301,212</u>	<u>\$216,077,838</u>	<u>\$(16,590,693)</u>	<u>\$ 37,901,271</u>	
Additions						
Net income	-0-	-0-	-0-	-0-	16,325,516	16,325,516
Sales under option plans	43,747	26,687	358,862	-0-	-0-	-0-
Employees stock purchase plan	53,264	32,490	441,917	-0-	-0-	-0-
Dividend reinvestment plan . .	14,509	8,851	141,193	-0-	-0-	-0-
Foreign currency translation adjustment	-0-	-0-	-0-	27,413,845	-0-	27,413,845
FAS 87 additional pension liability	-0-	-0-	-0-	111,708	-0-	111,708
Deductions						
Dividends — \$.18 per share . .	-0-	-0-	-0-	-0-	(6,026,349)	-0-
Total comprehensive income . . .						<u>\$43,851,069</u>
Balance at December 31, 2003	<u>30,183,256</u>	<u>\$18,369,240</u>	<u>\$217,019,810</u>	<u>\$ 10,934,860</u>	<u>\$ 48,200,438</u>	
Additions						
Net income	-0-	-0-	-0-	-0-	25,709,760	25,709,760
Sales under option plans	230,697	140,204	1,759,287	-0-	-0-	-0-
Employees stock purchase plan	40,749	24,856	425,329	-0-	-0-	-0-
Dividend reinvestment plan . .	9,926	6,055	118,224	-0-	-0-	-0-
Stock issued for acquisition . .	1,054,900	643,489	13,982,523	-0-	-0-	-0-
Foreign currency translation adjustment		-0-	-0-	14,399,896	-0-	14,399,896
FAS 87 additional pension liability	-0-	-0-	-0-	754,654	-0-	754,654
Deductions						
Dividends — \$.19 per share . .	-0-	-0-	-0-	-0-	(6,478,502)	-0-
10% stock dividend	3,126,420	1,907,116	32,952,457	-0-	(34,865,660)	-0-
Total comprehensive income . . .						<u>\$40,864,310</u>
Balance at December 31, 2004	<u><u>34,645,948</u></u>	<u><u>\$21,090,960</u></u>	<u><u>\$266,257,630</u></u>	<u><u>\$ 26,089,410</u></u>	<u><u>\$ 32,566,036</u></u>	

The accompanying notes are an integral part of these statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Statements of Consolidated Cash Flows

For the Years Ended December 31, 2004, 2003 and 2002

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Cash Flows From Operating Activities			
Net income	\$ 25,709,760	\$ 16,325,516	\$ 23,959,828
Items not affecting use of cash			
Depreciation	36,707,612	34,777,734	34,550,402
Amortization of intangible assets	2,467,395	1,777,258	1,163,688
Deferred income taxes	(71,426)	4,415,099	4,526,372
Gain on sale of plant	(1,524,598)	-0-	-0-
Cash flow provided by (used for) working capital			
Accounts receivable	(17,919,687)	4,855,862	553,688
Inventories	(24,990,962)	2,975,650	741,868
Prepaid expenses	984,640	908,618	(1,481,808)
Accounts payable and accrued expenses	<u>25,061,271</u>	<u>(14,901,650)</u>	<u>1,491,683</u>
Net cash provided by operating activities	46,424,005	51,134,087	65,505,721
Cash Flows From Investing Activities			
Acquisition of businesses, net of cash acquired	(41,491,886)	(776,058)	(2,819,901)
Proceeds from sale of plant	2,522,179	-0-	-0-
Additions to property, plant and equipment, net	(25,899,044)	(20,009,908)	(28,389,133)
Other	<u>(774,358)</u>	<u>(1,116,197)</u>	<u>(626,456)</u>
Net cash used for investing activities	(65,643,109)	(21,902,163)	(31,835,490)
Cash Flows From Financing Activities			
Long-term debt proceeds	-0-	100,000,000	-0-
Repayment of long-term debt	-0-	(41,500,000)	(12,000,000)
Net borrowing (repayments) — on credit facility	25,718,043	(79,264,114)	(23,773,496)
Deferred financing costs	(951,508)	(1,042,232)	-0-
Cash dividends paid	(6,478,502)	(6,026,349)	(5,878,169)
Proceeds from issuance of common stock	<u>2,473,955</u>	<u>1,010,000</u>	<u>2,280,574</u>
Net cash provided by (used for) financing activities	20,761,988	(26,822,695)	(39,371,091)
Effect of Exchange Rate			
Changes on Cash	<u>808,742</u>	<u>1,555,434</u>	<u>328,230</u>
Increase (Decrease) in Cash	2,351,626	3,964,663	(5,372,630)
Cash at January 1	<u>5,666,997</u>	<u>1,702,334</u>	<u>7,074,964</u>
Cash at December 31	<u>\$ 8,018,623</u>	<u>\$ 5,666,997</u>	<u>\$ 1,702,334</u>
Supplemental Disclosures of Cash Flow Information			
Cash paid during the year for			
Interest	<u>\$ 12,763,567</u>	<u>\$ 9,555,766</u>	<u>\$ 12,023,900</u>
Income taxes	<u>12,810,773</u>	<u>4,809,142</u>	<u>11,617,883</u>

The accompanying notes are an integral part of these statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of Myers Industries, Inc. and all wholly owned subsidiaries (Company). All significant intercompany accounts and transactions have been eliminated in consolidation. The Company has certain investments that are accounted for under the cost method. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those estimates.

Translation of Foreign Currencies

All balance sheet accounts of consolidated foreign subsidiaries are translated at the current exchange rate as of the end of the accounting period and income statement items are translated monthly at an average currency exchange rate for the period. The resulting translation adjustment is recorded in other comprehensive income as a separate component of shareholders' equity.

Financial Instruments

Financial instruments consisting of cash, trade and notes receivable are considered to have a fair value which approximates carrying value due to the short term maturity of these instruments. The carrying value of the company's long term debt includes borrowing under a revolving credit facility which approximates fair value due to its variable interest rates and senior notes which also have a fair value approximately equal to carrying value at December 31, 2004.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk primarily consist of trade accounts receivable. The concentration of accounts receivable credit risk is generally limited based on the Company's diversified operations, with customers spread across many industries and countries. No single customer accounts for more than two percent of total sales and no country, outside of the United States, accounts for more than ten percent of total sales. In addition, management has established certain requirements that customers must meet before credit is extended. The financial condition of customers is continually monitored and collateral is usually not required.

Inventories

Inventories are stated at the lower of cost or market. For approximately 36 percent of its inventories, the Company uses the last-in, first-out (LIFO) method of determining cost. All other inventories are valued at the first-in, first-out (FIFO) method of determining cost.

If the FIFO method of inventory cost valuation had been used exclusively by the Company, inventories would have been \$8,459,000, \$4,074,000, and \$4,455,000 higher than reported at December 31, 2004, 2003 and 2002, respectively.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and amortization. The Company provides for depreciation and amortization on the basis of the straight-line method over the estimated useful lives of the assets as follows:

Buildings	20 to 30 years
Leasehold Improvements	7 to 10 years
Machinery and Equipment	3 to 10 years
Vehicles.....	1 to 3 years

Long-Lived Assets

The Company reviews its long-lived assets and identifiable intangible assets with finite lives for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Measurement of the amount of impairment may be based on appraisal, market values of similar assets or discounted future cash flows resulting from the use and ultimate disposition of the asset. In 2004, the Company recorded expense of approximately \$317,000 to write off the unamortized intangible assets and net book value of molds related to a small consumer product line which the Company decided to discontinue. There were no impairment charges recorded in connection with the long-lived assets in 2003 or 2002.

Revenue Recognition

The Company recognizes revenue from sales when goods are shipped and title has passed to the customer.

Shipping and Handling

Shipping and handling expenses are classified as selling expenses in the accompanying statements of consolidated Income. The Company incurred shipping and handling costs of approximately \$21.9 million, \$17.9 million and \$15.1 million for the years ended December 31, 2004, 2003, and 2002, respectively.

Income Taxes

Deferred income taxes are provided to recognize differences between financial statement and income tax reporting, principally for depreciation, tax deductible goodwill, non-deductible reserves and certain valuation allowances. No provision is made for U.S. income taxes on the unremitted earnings of foreign subsidiaries as the Company's intention is to indefinitely reinvest these earnings in the operations of these subsidiaries. The Company intends to review this policy for 2005 given the impact of The American Jobs Creation Act of 2004.

Goodwill and Intangible Assets

Effective January 1, 2002, the Company adopted the provisions of SFAS No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 141 requires that all business combinations be accounted for by the purchase method and that certain acquired intangible assets be recognized as assets apart from goodwill. No reclassification of intangible assets apart from goodwill was necessary as a result of the Company adopting the new standard.

Under the provisions of SFAS No. 142, the Company was required to perform a transitional goodwill impairment test within six months of adopting the new standard and to test for impairment on at least an annual basis thereafter. The Company conducts its annual impairment assessment of October 1. In evaluating goodwill for impairment the Company uses a combination of valuation techniques including the use of market

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

based multiples and discounted cash flows to determine the fair values of its business reporting units. The variables and assumptions used, including the projections of future cash flows, the discount rates and the market multiples observed in sale transactions are determined separately for each reporting unit. The Company compares the fair value of each of its reporting units to their respective carrying values, including related goodwill. These tests resulted in no impairment to the recorded amounts of goodwill in 2004, 2003 or 2002. In accordance with SFAS No. 142, the Company discontinued the amortization of goodwill effective January 1, 2002, at which time accumulated amortization was \$30.7 million. The change in goodwill for the year ended December 31, 2004 is as follows:

<u>Segment</u>	<u>Balance at January 1, 2004</u>	<u>Acquisitions</u>	<u>Foreign Currency Translation</u>	<u>Balance at December 31, 2004</u>
Distribution of aftermarket repair products and services	\$ 214	\$ 0	\$ 0	\$ 214
Manufacturing of material handling products — North America	30,383	0	0	30,383
Manufacturing of material handling products — Europe . . .	108,360	0	8,531	111,891
Manufacturing of automotive and custom products	24,554	35,646	0	60,199
Manufacturing of lawn and garden products	<u>60,787</u>	<u>11,102</u>	<u>0</u>	<u>71,889</u>
Total	<u>\$224,298</u>	<u>\$46,747</u>	<u>\$8,531</u>	<u>\$279,576</u>

Intangible assets other than goodwill primarily consists of customer relationship assets established in connection with the purchase accounting for ATP Automotive (see Acquisitions footnote) or to patents held by the Company. These intangible assets are amortized over their estimated useful lives, which for the customer relationship intangibles is 7 to 10 years and for patents is the period through their expiration date, not to exceed 17 years. Estimated annual amortization expense for the five years ending December 31, 2009 are: \$1,307,000 in 2005; \$1,307,000 in 2006; \$1,238,000 in 2007; \$1,086,000 in 2008 and \$802,000 in 2009.

Net Income Per Share

Net income per share, as shown on the Statements of Consolidated Income, is determined on the basis of the weighted average number of common shares outstanding during the year, and for all periods shown basic and diluted earnings per share are identical. During the year ended December 31, 2004, the Company issued a 10 percent stock dividend and in the year ended December 31, 2002, the Company declared a five-for-four stock split. All per share data has been adjusted for the stock dividend and split.

Stock Compensation

The Company accounts for stock compensation arrangements using the intrinsic value in Accounting Principles Board (APB) Opinion No. 25, “Accounting for Stock Issued to Employees.” In accordance with the intrinsic value method, the Company has not recognized any expense related to stock options, as options have only been granted with an exercise price equal to the market value of the shares at the date of the grant.

The alternative policy in SFAS No. 123, “Accounting for Stock Based Compensation,” provides that compensation expense be recognized based on the fair value of the options awarded, determined by an option pricing model. If the Company had recognized compensation expense using the fair value method under SFAS No. 123 rather than APB 25, net income would not have been materially different than reported amounts and net income per share would be identical for 2004, 2003 and 2002. In calculating the fair value

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

compensation expense under SFAS No. 123, the Company uses a Black Scholes option pricing model and assumes that all options will vest and be exercised at the expiration date of the grant. Other assumptions used in calculating the compensation expense for options granted in 2003 include a dividend yield of 2.3 percent, a risk free interest rate of 3.875 percent and a volatility measure based on the Company's stock beta of .85.

(In thousands, except per share amounts)	<u>2004</u>	<u>2003</u>	<u>2002</u>
Net income as reported	\$25,710	\$16,326	\$23,960
Stock option compensation as reported	-0-	-0-	-0-
Fair value of stock option compensation	-0-	9	-0-
Proforma net income	<u>\$25,710</u>	<u>\$16,317</u>	<u>\$23,960</u>
Net income per share:			
Basic and diluted as reported.....	\$.76	\$.49	\$.73
Basic and diluted proforma	\$.76	\$.49	\$.73

In December 2004, the Financial Accounting Standards Board issued SFAS No. 123 (revised) "Share Based Payment" (SFAS No. 123R). SFAS No. 123R requires the cost resulting from all share-based payment transactions be recognized in the financial statements and establishes a fair value measurement objective in determining the value of such cost. SFAS No. 123R will become effective for the Company beginning in the third quarter of 2005. The Company is currently evaluating the impact of SFAS No. 123R on its financial statements.

Contingencies

On July 15, 2004, the Company announced that it was reporting to the U.S. Department of Justice and the Securities and Exchange Commission (SEC) certain international business practices that are believed to be in violation of U.S. and, possibly, foreign laws. The practices, which involved a limited number of customers, related to the invoicing of certain sales to foreign customers of the Company's distribution segment and sales made by a foreign subsidiary to prohibited customers in certain prohibited international jurisdictions. These business practices have been discontinued and an investigation, which is not yet completed, is being conducted by outside counsel under the authority of the Audit Committee of the Company's Board of Directors. If the government determines that these incidents were unlawful, the government could take action against the Company and/or some of its employees. The Company will seek to settle any enforcement issues arising from these matters, however, at this time the Company cannot reasonably estimate its potential liability and, therefore, has not recorded any provision for any resulting settlement or potential fines and penalties as of December 31, 2004. Such amounts could be material to the Company's financial statements. The Company believes that the practices in question had no effect on previously filed financial statements, and that the final findings from the investigation will not lead to any restatement of prior reported financial results since it is believed that these transactions were accurately reported in the Company's financial statements.

Acquisitions

On March 10, 2004, the Company acquired all of the shares of ATP Automotive, Inc. (ATP), a subsidiary of Applied Tech LLC. ATP and its operating subsidiaries Michigan Rubber Products (MRP) and WEK Industries (WEK) are manufacturers of molded rubber and plastic products for the automotive industry with manufacturing facilities in Michigan (MRP) and Ohio (WEK). The acquired businesses had 2003 annual sales of approximately \$60 million. The total purchase price was approximately \$61 million, which includes the assumption of ATP debt outstanding as of the acquisition date. ATP complements our existing product offering in our plastic and rubber original equipment and replacements parts market. The

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

purchase price has been allocated to the assets acquired and liabilities assumed based upon their fair values as determined by appraisals, other studies and additional information as shown in the table below.

On July 7, 2004, the Company acquired the operations and assets of Productivity California, Inc. (Pro Cal), a leading manufacturer of plastic nursery containers and specialty printed containers for professional growers. Based in South Gate, California, Pro Cal had net sales of approximately \$28 million in 2003. The total acquisition cost was approximately \$18.5 million including approximately \$3.8 million in cash and 1,054,900 shares of the Company's stock. In addition, for a one-year period ending July 7, 2005, the Company has agreed to issue additional shares of common stock in the event that shares issued in connection with the Pro Cal acquisition are sold at a price below the \$12.73 per share value at issuance or if the value of shares originally issued is below \$12.73 on the anniversary date. As of December 31, 2004 no additional shares have been issued. In connection with the acquisition the Company also assumed approximately \$10 million of Pro Cal debt. Pro Cal is a natural expansion to the Company's plastic horticultural product offering. The purchase price will be allocated to the assets acquired and liabilities assumed based upon their estimated fair values when appraisals and additional information become available.

On September 24, 2004, the Company acquired certain assets of Premium Molding Inc. d/b/a Diakon Molding (Diakon), a manufacturer of plastic refuse collection containers and other blow molded products. Located in Reidsville, North Carolina, Diakon had net sales of approximately \$5.2 million for the year ended June 30, 2004. Diakon enables Myers to better serve certain customers in the Southeastern United States. The assets acquired including cash, accounts receivable, inventory, machinery and equipment and intangibles such as customer lists, license and intellectual property were purchased for \$4.4 million. In addition, the Company assumed certain liabilities of Diakon including trade payables and certain accrued liabilities related to the business operations.

The allocations of purchase price for ATP and Diakon, and the preliminary allocation for Pro Cal are as follows:

(In thousands)	<u>ATP</u>	<u>Pro Cal</u>	<u>Diakon</u>
Assets acquired:			
Cash	\$ 153	\$ 1,549	\$ 166
Accounts receivable	9,996	3,375	1,397
Inventory	3,878	4,535	1,037
Property, plant and equipment	17,179	14,889	2,954
Other	<u>2,101</u>	<u>215</u>	<u>6</u>
	33,307	24,563	5,560
Liabilities assumed:			
Debt	(26,045)	(9,519)	-0-
Accounts payable and accruals	(8,644)	(4,820)	(2,127)
Deferred taxes	<u>(4,041)</u>	<u>(2,862)</u>	<u>-0-</u>
	(38,730)	(17,201)	(2,127)
Intangible-customer relationships	5,867	-0-	-0-
Goodwill	<u>34,726</u>	<u>11,102</u>	<u>919</u>
Total consideration in cash and stock	<u>\$ 35,170</u>	<u>\$ 18,464</u>	<u>\$ 4,352</u>

Of the \$46,747,000 allocated to goodwill in the above transactions, \$12,393,000 is tax-deductible goodwill.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

The results of ATP's, Pro Cal's and Diakon's operations are included in the Company's consolidated results of operations from the dates of acquisition. ATP and Diakon have been included in the Automotive and Custom Segment while Pro Cal is included in the Lawn and Garden Segment. The following unaudited proforma information presents a summary of consolidated results of operations for the Company including ATP, Pro Cal and Diakon as if the acquisitions occurred January 1, 2003.

(In thousands, except per share amounts)	2004	2003
Net sales	\$835,039	\$748,288
Net income	27,663	22,348
Net income per share .....	.82	.65

These unaudited proforma results have been prepared for comparative purposes only and may not be indicative of results of operations which actually would have occurred had the acquisitions taken place on January 1, 2003 or future results.

Stock Options

In 1999, the Company and its shareholders adopted the 1999 Stock Plan allowing the Board of Directors to grant key employees and Directors the right to purchase Common Stock of the Company at the market price on the date of grant. In general, options granted and outstanding permit 20 percent of the shares granted to be exercised after six months, with additional vesting of 20 percent exercisable each year thereafter, with the options expiring ten years from the date of grant. At December 31, 2004, there were 1,887,728 stock option shares available for future grant. The activity listed below covers the 1999 Stock Plan, the 1997 Incentive Stock Plan and the 1992 Stock Option Plan.

Options granted during the past three years:

<u>Year</u>	<u>Shares</u>	<u>Price</u>	<u>Weighted Average Price</u>
2004	19,250	\$ 11.51	\$11.51
2003	267,464	\$8.00 to \$9.08	\$ 8.07
2002	6,875	\$ 11.20	\$11.20

Options exercised during the past three years:

<u>Year</u>	<u>Shares</u>	<u>Price</u>	<u>Weighted Average Exercise Price</u>
2004	271,457	\$7.44 to \$12.64	\$8.01
2003	36,565	\$7.60 to \$ 9.08	\$7.84
2002	280,316	\$7.44 to \$ 9.02	\$8.18

In addition, options totaling 105,241 and 363,318 expired during the years ended December 31, 2004 and 2003, respectively. Options outstanding and exercisable at December 31, 2004, 2003 and 2002 were as follows:

<u>Year</u>	<u>Outstanding</u>	<u>Range of Exercise Prices</u>	<u>Exercisable</u>	<u>Weighted Average Exercise Price</u>
2004	507,991	\$7.44 to \$12.29	276,962	\$ 8.20
2003	865,439	\$7.44 to \$12.64	528,974	\$ 8.43
2002	997,858	\$7.44 to \$14.35	737,725	\$10.12

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

Long-Term Debt and Credit Agreements

Long-term debt at December 31, consisted of the following:

	<u>2004</u>	<u>2003</u>
Revolving credit agreement.....	\$169,971,052	\$ 98,900,919
Senior notes	100,000,000	100,000,000
Industrial revenue bonds	4,000,000	4,000,000
Other	<u>3,388,318</u>	<u>12,553,909</u>
	277,359,368	215,454,828
Less current portion.....	<u>2,107,090</u>	<u>4,452,137</u>
	<u>\$275,252,278</u>	<u>\$211,002,691</u>

On February 27, 2004, the Company entered into a new unsecured revolving credit facility (the Credit Facility) which enables the Company to borrow up to \$225 million, including up to \$50 million available for multi-currency loans in freely traded foreign currencies. Borrowing under the new Credit Facility were used to refinance the Company's revolving credit borrowings outstanding at that time, fund the acquisitions of ATP and Pro Cal and for general corporate purposes. Interest is based on the Prime rate or Euro dollar rate (for U.S. or Canadian dollar loans) or Eurocurrency Rate (for other multi-currency loans) plus an applicable margin that varies depending on the Company's ratio of total debt to earnings before interest, taxes, depreciation and amortization (EBITDA). At December 31, 2004 interest on the Credit Facility was 3.81%. In addition, the Company pays a quarterly facility fee. The Credit Facility expires in February 2009.

In December 2003, the Company issued \$100 million in Senior Unsecured Notes (the Notes) consisting of \$65 million of notes with an interest rate of 6.08 percent and a 7 year maturity and \$35 million with an interest rate of 6.81 percent and a 10 year maturity. Proceeds from the issuance of the Notes were used to pay down term loan and revolving credit facility borrowing outstanding at that time.

In addition, at December 31, 2004, the Company had \$7.4 million of other long-term debt consisting of industrial revenue bonds, certain indebtedness of acquired companies, and in-country credit facilities for the Company's international operations. The weighted average interest rate on these amounts outstanding at December 31, 2004, was 3.76 percent.

The Credit Facility and Notes contain customary covenants including the maintenance of minimum consolidated net worth, certain financial ratios regarding leverage and interest coverage, and limitation on annual capital expenditures. The Company was in compliance with all of its debt covenant requirements at December 31, 2004.

Maturities of long-term debt under the loan agreements in place at December 31, 2004 for the five years ending December 31, 2009 were approximately: \$2,107,090 in 2005; \$545,000 in 2006; \$376,000 in 2007; \$361,000 in 2008 and \$169,971,000 in 2009.

Retirement Plans

The Company and certain of its subsidiaries have pension and profit sharing plans covering substantially all of their employees. Two plans are defined benefit plans with benefits primarily based upon a fixed amount for each completed year of service as defined.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

For the Company's defined benefit plans, the net periodic pension cost was as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Service cost	\$ 240,314	\$ 198,305	\$ 188,990
Interest cost	333,201	319,292	303,202
Expected return on assets	(343,796)	(239,885)	(261,029)
Amortization of transition obligation	0	(2,945)	(2,942)
Amortization of prior service cost	42,776	42,776	42,776
Amortization of net loss	<u>67,536</u>	<u>76,748</u>	<u>14,032</u>
Net periodic pension cost	<u>\$ 340,031</u>	<u>\$ 394,291</u>	<u>\$ 285,029</u>

The reconciliation of changes in projected benefit obligations are as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Benefit obligation at beginning of year	\$5,684,187	\$4,884,755	\$4,485,321
Service cost	240,314	198,305	188,990
Interest cost	333,201	319,292	303,202
Plan amendments	0	0	0
Actuarial loss	139,729	455,307	66,248
Benefits paid	<u>(251,979)</u>	<u>(173,472)</u>	<u>(159,006)</u>
Benefit obligation at end of year	<u>\$6,145,452</u>	<u>\$5,684,187</u>	<u>\$4,884,755</u>

The assumptions used to determine the net periodic benefit cost and benefit obligations are as follows:

	<u>2004</u>	<u>2003</u>
Discount rate for net periodic pension cost	6.00%	6.75%
Discount rate for benefit obligations	5.75%	6.00%
Expected long-term return of plan assets	8.00%	8.00%

Future benefit increases were not considered, as there is no substantive commitment to increase benefits. The expected long-term rate of return assumption is based on the actual historical rate of return on assets adjusted to reflect recent market conditions and future expectation consistent with the Company's current asset allocation and investment policy.

The following table reflects the change in the fair value of the plans' assets:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Fair value of plan assets at beginning of year	\$3,937,937	\$2,843,312	\$3,199,226
Actual return on plan assets	583,865	766,459	(550,240)
Company contribution	1,003,612	535,000	369,000
Expenses paid	(75,221)	(33,362)	(15,668)
Benefits paid	<u>(251,979)</u>	<u>(173,472)</u>	<u>(159,006)</u>
Fair value of plan assets at end of year	<u>\$5,198,214</u>	<u>\$3,937,937</u>	<u>\$2,843,312</u>

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

The weighted average asset allocations for the Company's defined benefit plans at December 31, 2004 and 2003, are as follows:

	<u>2004</u>	<u>2003</u>
Equities securities	82%	82%
Debt securities	17	17
Cash	<u>1</u>	<u>1</u>
Total	<u>100%</u>	<u>100%</u>

The Company's investment policy related to the defined benefit plans is to provide for aggressive capital growth with moderate income production. Capital growth through equity exposure is emphasized which is balanced with small to moderate use of fixed income investments. Equity exposure is limited to a maximum of 85 percent of the total portfolios.

The following table provides a reconciliation of the funded status of the plans, both of which were underfunded at December 31, 2004 and 2003:

	<u>2004</u>	<u>2003</u>
Funded status	\$ (947,238)	\$(1,746,250)
Unrecognized liability	0	0
Unrecognized prior service cost	276,149	318,925
Unrecognized net loss	<u>1,379,093</u>	<u>1,471,748</u>
Net amount recognized	<u>\$ 708,004</u>	<u>\$ 44,423</u>

Under the provisions of SFAS No. 87, the Company recorded an additional minimum pension liability of \$1,655,242 in other accrued expenses at December 31, 2004, of which \$717,092 has been recorded as a component of accumulated other comprehensive income and \$276,149 as an intangible pension asset. The accumulated benefit obligation for the defined benefit plans was \$6,145,452 and \$5,684,187 at December 31, 2004 and 2003, respectively. The Company does not expect to make a contribution to its defined benefit pension plans in 2005.

Benefit payments projected for the plans are as follows:

2005	\$ 251,200
2006	273,933
2007	299,629
2008	322,023
2009	354,405
2010 - 2014	2,185,956

A profit sharing plan is maintained for the Company's U.S. based employees, not covered under defined benefit plans, who have met eligibility service requirements. The amount to be contributed by the Company under the profit sharing plan is determined at the discretion of the Board of Directors. Profit sharing plan expense was \$1,510,000, \$1,450,000 and \$1,700,000, for the years 2004, 2003 and 2002, respectively. In addition, the Company has a Supplemental Executive Retirement Plan (SERP) to provide participating senior executives with retirement benefits in addition to amounts payable under the profit sharing plan. Expense related to the SERP was \$1,175,000, \$1,044,000 and \$253,000 for the years 2004, 2003 and 2002, respectively. The SERP is unfunded. As of December 31, 2004 and 2003 the SERP had an accrued balance of \$4,508,000 and \$3,725,000, respectively. The accrued liabilities related to the profit sharing plan and the SERP are included in the employee compensation and related items liability on the accompanying statements of consolidated financial position.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

Leases

The Company and certain of its subsidiaries are committed under non-cancelable operating leases involving certain facilities and equipment. Aggregate rental expense for all leased assets was \$12,466,000, \$10,836,000, and \$9,395,000 for the years ended December 31, 2004, 2003 and 2002, respectively.

Future minimum rental commitments for the next five years are as follows:

<u>Year Ended December 31,</u>	<u>Commitment</u>
2005	\$13,275,000
2006	10,076,000
2007	7,880,000
2008	6,617,000
2009	5,217,000
Thereafter	8,925,000

Income Taxes

The effective tax rate was 33.6% in 2004, 33.8% in 2003 and 40.6% in 2002. A reconciliation of the Federal statutory income tax rate to the Company's effective tax rate is as follows:

	<u>Percent of Pre-Tax Income</u>		
	<u>2004</u>	<u>2003</u>	<u>2002</u>
Statutory Federal income tax rate	35.0%	35.0%	35.0%
State Income Taxes — net of Federal tax benefit	4.1	3.1	4.2
Foreign tax rate differential	(4.9)	(4.7)	1.1
Other	<u>(0.6)</u>	<u>0.4</u>	<u>0.3</u>
Effective tax rate for the year	<u>33.6%</u>	<u>33.8%</u>	<u>40.6%</u>

Income before income taxes was attributable to the following sources:

	<u>(Dollar in thousands)</u>		
	<u>2004</u>	<u>2003</u>	<u>2002</u>
United States	\$30,511	\$16,917	\$34,231
Foreign	<u>8,218</u>	<u>7,730</u>	<u>6,130</u>
Totals	<u>\$38,729</u>	<u>\$24,647</u>	<u>\$40,361</u>

Income taxes consisted of the following:

	<u>2004</u>		<u>2003</u>		<u>2002</u>	
	<u>Current</u>	<u>Deferred</u>	<u>Current</u>	<u>Deferred</u>	<u>Current</u>	<u>Deferred</u>
(Dollars in thousands)						
Federal	\$ 8,690	\$ 928	\$2,904	\$2,694	\$ 7,269	\$3,921
Foreign	2,154	(1,173)	163	1,376	2,471	123
State and local	<u>2,246</u>	<u>174</u>	<u>839</u>	<u>345</u>	<u>2,135</u>	<u>482</u>
	<u>\$13,090</u>	<u>\$ (71)</u>	<u>\$3,906</u>	<u>\$4,415</u>	<u>\$11,875</u>	<u>\$4,526</u>

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

Significant components of the Company's deferred taxes as of December 31, 2004 and 2003 are as follows:

	<u>2004</u>	<u>2003</u>
(Dollars in thousands)		
Deferred income tax liabilities		
Property, plant and equipment	\$26,270	\$22,483
Tax deductible goodwill	8,051	3,911
Employee benefit trust	0	602
Other	<u>3,062</u>	<u>2,473</u>
	37,383	29,469
Deferred income tax assets		
Compensation	3,338	3,683
Inventory valuation	970	1,150
Allowance for uncollectible accounts	1,333	817
Non-deductible accruals	<u>3,648</u>	<u>1,895</u>
	<u>9,289</u>	<u>7,545</u>
Net deferred income tax liability	<u>\$28,094</u>	<u>\$21,924</u>

In addition, the Company has reserved the deferred tax benefit of certain tax loss carryforwards in foreign countries that if realized would reduce future income tax expense by approximately \$5,540,000 at December 31, 2004 and \$6,504,000 at December 31, 2003. The net change in the reserve is \$964,000 from year to year. Of these carryforwards at December 31, 2004, \$936,000 expires in various years through 2008, and \$4,604,000 has no expiration date. The Company also has U.S. foreign tax credit carryforwards of approximately \$800,000 which expire in 2009.

The American Jobs Creation Act of 2004 introduced a special one-time dividends received deduction on the repatriation of certain foreign earnings to a U.S. taxpayer, provided certain provisions are met. Myers Industries has an accounting policy to not record a provision for unremitted earnings of foreign subsidiaries as it has been the Company's intention to indefinitely reinvest these earnings of these subsidiaries. The Company has not yet evaluated the effects of the tax law change on its policy of reinvesting foreign earnings. The Company expects to complete its evaluation by June 30, 2005. The amounts being considered for repatriation range from \$0 to \$15,000,000, which would have an income tax effect of up to \$788,000.

The proforma effect on earnings would be as follows:

	<u>As Reported 2004</u>	<u>Proforma 2004</u>
(In thousands, except per share)		
Income before income taxes	\$38,729	\$38,729
Income taxes	<u>13,020</u>	<u>13,808</u>
Net income	<u>\$25,710</u>	<u>\$24,921</u>
Net income per share:	<u>\$.76</u>	<u>\$.74</u>

Industry Segments

In 2004, the Company changed its reportable business segments. The business segment information for 2003 and 2002 has been restated to conform with the current year business segment presentation.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

The Company's business units have separate management teams and offer different products and services. Using the criteria of SFAS No. 131, these business units have been aggregated into five reportable segments. These include four manufacturing segments encompassing a diverse mix of plastic and rubber products: 1) Material Handling — North America, 2) Material Handling — Europe, 3) Automotive and Custom, and 4) Lawn and Garden. The fifth segment is Distribution of tire, wheel, and undervehicle service products. The aggregation of operating segments is based on management by the chief operating decision-maker for the segment as well as similarities of products, production processes, distribution methods and economic characteristics.

In each of its four manufacturing segments, the Company designs, produces, and markets a wide range of polymer products for diverse markets, customers, and applications. These products are made through a variety of molding processes in 31 facilities located throughout North America and Europe.

The Material Handling — North America and Material Handling — Europe Segments include a broad selection of plastic reusable containers, pallets, small parts bins, bulk shipping containers, and storage and organization products. The product selection, manufacturing processes, and markets served by each segment are similar. The North American segment includes operations conducted in the United States, Canada, and Mexico; the European segment includes operations conducted in Belgium, the Czech Republic, Denmark, France, Germany, Italy, Portugal, Spain, Switzerland, the United Kingdom. The reusable container products in both segments provide customers with cost-saving material handling solutions for applications such as shipping heavy automotive parts to assembly lines, transporting perishable food products to retailers, organizing small parts, and creating custom storage systems. Markets served encompass various niches of industrial manufacturing, food processing, retail/wholesale products distribution, agriculture, automotive, healthcare, appliance, bakery, electronics, textiles, consumer, and others. Products are sold both direct to end-users and through distributors.

In the Automotive and Custom Segment, the Company engineers and manufactures plastic and rubber original equipment and replacement parts, rubber tire repair and retread products, and a diverse array of custom plastic and rubber products. Representative products include: plastic HVAC ducts, water/waste storage tanks, and interior/exterior vehicle trim components; rubber air intake hoses, vibration isolators, emissions tubing assemblies, and trailer bushings; and custom products such as plastic tool boxes and calendared rubber sheet stock. The segment serves a diverse group of niche markets: automotive, recreational vehicle, recreational marine, heavy truck, construction and agriculture equipment, healthcare, and transportation, to name a few.

Myers Industries' Lawn and Garden Segment meets the complete needs of the North American horticultural market with plastic products such as seedling trays, nursery pots, hanging baskets, and custom printed containers, as well as decorative resin planters. Markets/customers include professional growers, greenhouses, nurseries, retail garden centers, mass merchandisers, and consumers.

The Company's Distribution Segment is engaged in the distribution of equipment, tools, and supplies used for tire servicing and automotive underbody repair. The breadth and depth of the product line is unmatched in the industry, covering categories such as tire valves and accessories, tire changing and balancing equipment, lifts and alignment equipment, service equipment and tools, and tire repair/retread supplies. The Distribution Segment operates domestically through 39 branches located in major cities throughout the United States and in foreign countries through export sales and businesses in which the Company holds an equity interest. Markets served include retail and truck tire dealers, commercial auto and truck fleets, auto dealers, general service and repair centers, tire retreaders, and government agencies.

Total sales from foreign business units and export were approximately \$242.4 million, \$210.3 million and \$182.5 million for the years 2004, 2003 and 2002, respectively. There are no individual foreign countries for which sales are material. Long-lived assets in foreign countries consisting primarily of property, plant and

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements — Continued

equipment and goodwill were approximately \$167.9 million at December 31, 2004 and \$156.8 million at December 31, 2003. No single customer accounts for 10 percent or more of total company net sales.

	<u>2004</u>	<u>2003</u>	<u>2002</u>
	<u>(Dollars in thousands)</u>		
Net Sales			
Distribution of aftermarket repair products and services	\$171,626	\$158,317	\$154,028
Manufacturing of material handling products — North			
America	189,393	172,102	161,687
Manufacturing of material handling products — Europe	167,158	149,255	127,418
Manufacturing of automotive and custom products	171,089	102,496	98,799
Manufacturing of lawn and garden products	118,544	93,458	80,729
Intra-segment elimination	<u>(14,740)</u>	<u>(14,537)</u>	<u>(14,670)</u>
	<u>\$803,070</u>	<u>\$661,091</u>	<u>\$607,991</u>
Income Before Income Taxes			
Distribution of aftermarket repair products and services	\$ 17,289	\$ 12,537	\$ 16,970
Manufacturing of material handling products — North			
America	19,665	8,699	23,546
Manufacturing of material handling products — Europe	5,880	6,936	3,751
Manufacturing of automotive and custom products	13,093	9,400	9,697
Manufacturing of lawn and garden products	11,963	8,796	8,097
Corporate	(15,839)	(11,647)	(9,890)
Interest expense-net	<u>(13,322)</u>	<u>(10,074)</u>	<u>(11,810)</u>
	<u>\$ 38,729</u>	<u>\$ 24,647</u>	<u>\$ 40,361</u>
Identifiable Assets			
Distribution of aftermarket repair products and services	\$ 48,339	\$ 44,077	\$ 50,934
Manufacturing of material handling products — North			
America	152,110	148,456	156,922
Manufacturing of material handling products — Europe	247,997	221,759	186,309
Manufacturing of automotive and custom products	157,672	73,007	74,189
Manufacturing of lawn and garden products	173,909	133,039	128,550
Corporate	6,101	1,644	6,008
Intra-segment elimination	<u>(525)</u>	<u>(355)</u>	<u>(430)</u>
	<u>\$785,603</u>	<u>\$621,627</u>	<u>\$602,482</u>
Capital Additions, Net			
Distribution of aftermarket repair products and services	\$ 180	\$ 46	\$ 52
Manufacturing of material handling products — North			
America	6,576	7,160	8,728
Manufacturing of material handling products — Europe	8,164	4,900	8,040
Manufacturing of automotive and custom products	5,420	2,557	4,516
Manufacturing of lawn and garden products	5,352	4,408	6,611
Corporate	207	939	442
	<u>\$ 25,899</u>	<u>\$ 20,010</u>	<u>\$ 28,389</u>

MYERS INDUSTRIES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements — Continued

	2004	2003	2002
	(Dollars in thousands)		
Depreciation			
Distribution of aftermarket repair products and services	\$ 361	\$ 383	\$ 433
Manufacturing of material handling products — North			
America	12,820	13,377	14,621
Manufacturing of material handling products — Europe	8,948	8,393	7,557
Manufacturing of automotive and custom products	5,577	4,269	4,254
Manufacturing of lawn and garden products	8,358	7,645	6,958
Corporate	644	711	727
	\$ 36,708	\$ 34,778	\$ 34,550

MYERS INDUSTRIES, INC.
Employee Stock Purchase Plan

Contents

Report of Independent Registered Public Accounting Firm on the Myers Industries, Inc. Employee Stock Purchase Plan

Financial Statements for the Myers Industries, Inc. Employee Stock Purchase Plan:

- (1) Statements of Assets Available for Plan Benefits as of December 31, 2004 and 2003; and
- (2) Statements of Changes in Assets Available for Plan Benefits for the Years Ended December 31, 2004 and 2003.

Notes to Financial Statements for the Myers Industries, Inc. Employee Stock Purchase Plan

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Myers Industries, Inc.
Employee Stock Purchase Plan Administrator

We have audited the accompanying statements of assets available for plan benefits of the Myers Industries, Inc. Employee Stock Purchase Plan as of December 31, 2004 and 2003, and the related statements of changes in assets available for plan benefits for the years then ended. These financial statements are the responsibility of the Plan Administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred above present fairly, in all material respects, the assets available for plan benefits of the Myers Industries, Inc. Employee Stock Purchase Plan at December 31, 2004, and 2003, and the changes in its assets available for plan benefits for the years then ended, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP
Akron, Ohio
March 15, 2005

MYERS INDUSTRIES, INC.
Employee Stock Purchase Plan

Statements of Assets Available for Plan Benefits
December 31, 2004 and 2003

	2004	2003
Receivable from Trustee (Myers Industries, Inc.)	\$118,952	\$109,202

Statements of Changes in Assets Available for Plan Benefits
For the Years Ended December 31, 2004 and 2003

	2004	2003
Contributions:		
Assets Available for Plan Benefits at beginning of year	\$ 109,202	\$ 113,348
Participants' contributions during the year	459,935	470,722
Assets Available for Stock Purchases	569,137	584,070
Less:		
Assets Used for Stock Purchases	(450,185)	(474,868)
Assets Available for Plan Benefits at End of Year	\$ 118,952	\$ 109,202

See the accompanying notes to financial statements.

MYERS INDUSTRIES, INC.
Amended and Restated
Employee Stock Purchase Plan
Notes to Financial Statements
For the Years Ended December 31, 2004 and 2003

1. Description of Plan

The following description of the Myers Industries, Inc. (“Company”) Employee Stock Purchase Plan (“Stock Plan”) provides only general information. Participants should refer to the Plan Agreement and Prospectus for the Stock Plan for a more complete description of the Plan’s provisions.

(a) **General.** The shareholders of the Company approved the adoption of a nonqualified and a qualified Employee Stock Purchase Plan. The Stock Plan is designed to encourage, facilitate and provide employees with an opportunity to share in the favorable performance of the Company through ownership of the Company’s Common Stock. The total number of shares of the Common Stock which may be sold under the Stock Plan is currently limited to 188,176 shares.

(b) **Purpose.** The purpose of the Stock Plan is to provide employees (including officers) of the Company and its subsidiaries with an opportunity to purchase Common Stock through payroll deductions.

(c) **Administration.** The Stock Plan is administered by a committee appointed by the Board of Directors. All questions of interpretation or application of the Stock Plan are determined by the Board of Directors (or its appointed committee) and its decisions are final, conclusive and binding upon all participants.

(d) **Eligibility and Participation.** Any permanent employee (including an officer) who has been employed for at least one calendar year by the Company, or its subsidiaries who have adopted the Stock Plan, is eligible to participate in the Stock Plan, provided that such employee is employed by the Company on the date their participation is effective and subject to limitations on stock ownership described in the Stock Plan. Eligible employees become participants in the Stock Plan by delivering to the Company a subscription agreement authorizing payroll deductions prior to the commencement of the applicable offering period.

(e) **Offering Dates.** The Stock Plan is implemented by one offering during each calendar quarter. Offering periods commence on the last day of each calendar quarter. The Board of Directors has the power to alter the duration of the offering periods without shareholder approval.

(f) **Purchase Price.** The price at which shares may be purchased in an offering under the Stock Plan is 90% of the fair market value of the Common Stock on the last day of the prior calendar quarter. The fair market value of the Common Stock on a given date is the closing price for that date as listed on the American Stock Exchange.

(g) **Payroll Deductions.** The purchase price of the shares to be acquired under the Stock Plan are accumulated by payroll deductions over the offering period. The rate of deductions may not be less than five dollars (\$5.00) per week or exceed 10% of a participant’s compensation, and the aggregate of all payroll deductions during the offering may not exceed 10% of the participant’s aggregate compensation for the offering period. A participant may discontinue their participation in the Stock Plan or may decrease or increase the rate of payroll deductions at any time during the offering period by filing with the Company a new authorization for payroll deductions.

All payroll deductions made for a participant are credited to their account under the Stock Plan and are deposited with the general funds of the Company to be used for any corporate purpose. The amount by which an employee’s payroll deductions exceed the amount required to purchase whole shares will be placed in a suspense account for the employee with no interest thereon and rolled over into the next offering period.

(h) **Withdrawal.** A participant in the Stock Plan may terminate his interest in a given offering in whole, but not in part, by giving written notice to the Company of their election to withdraw at any time prior to the end of the applicable offering period. Such withdrawal automatically terminates the participant’s interest in

MYERS INDUSTRIES, INC.
Amended and Restated
Employee Stock Purchase Plan

Notes to Financial Statements — (Continued)

that offering, but does not have any effect upon such participant's eligibility to participate in subsequent offerings under the Stock Plan.

(i) **Termination of Employment.** Termination of a participant's employment for any reason, including retirement or death, cancels his or her participation in the Stock Plan immediately.

(j) **Nonassignability.** No rights or accumulated payroll deductions of an employee under the Stock Plan may be pledged, assigned, transferred or otherwise disposed of in any way for any reason, other than on account of death. Any attempt to do so may be treated by the Company as an election to withdraw from the Stock Plan.

(k) **Amendment and Termination of the Plan.** The Board of Directors may at any time amend or terminate the Stock Plan. Except as provided above, no amendment may be made to the Stock Plan without prior approval of the shareholders if such amendment would increase the number of shares reserved under the Stock Plan, permit payroll deductions at a rate in excess of 10% of a participant's compensation, materially modify the eligibility requirements or materially increase the benefits which may accrue to participants under the Stock Plan.

(l) **Taxation.** Participants in the Stock Plan, which is nonqualified for federal income tax purposes, are taxed currently on the 10% discount in the purchase price granted by the Stock Plan in the year in which stock is purchased. The 10% discount is treated as ordinary income to the participant and that amount is currently deductible by the Company to the extent the participant's total compensation from the Company is within the "reasonable compensation" limits imposed by Section 162 of the Internal Revenue Code of 1986, as amended.

2. Summary of Significant Accounting Policies

(a) **Basis of Presentation.** The accompanying statements of assets available for plan benefits and statements of changes in assets available for plan benefits are prepared on the accrual basis of accounting.

(b) **Administrative Expenses.** Administrative costs and expenses are absorbed by the Trustee.

(c) **Use of Estimates.** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect the reported amount and disclosures. Actual results could differ from those estimates.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

ITEM 9.(A) Controls and Procedures

Evaluation of Disclosure Controls and Procedures

In order to ensure that the information we must disclose in our filings with the Commission is recorded, processed, summarized, and reported on a timely basis, the Company's management, including our Chief Executive Officer and Chief Financial Officer, have reviewed and evaluated the effectiveness of our disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e), as of December 31, 2004.

Management determined that it had insufficient controls over the process of determining and reporting business segment information in accordance with Financial Accounting Standards Board Statement No. 131, *Disclosures about Segments of an Enterprise and Related Information*, which constituted a material weakness in internal controls over financial reporting as of December 31, 2004. The Company has already corrected the material weakness and restated its business segment information for all periods presented in its consolidated financial statements included in this Annual Report on Form 10-K.

Management understands that due to the existence of this material weakness at December 31, 2004, that it is unable to conclude that the Company's internal controls over financial reporting was effective as of December 31, 2004. It is also possible that, as a result of the ongoing evaluation of our internal controls over financial reporting, one or more additional deficiencies could be identified, which either individually or when aggregated with other deficiencies, could constitute an additional material weakness or weaknesses.

Management's Report and Independent Registered Public Accounting Firm's Report on Internal Control Over Financial Reporting

The Company has made the decision to utilize the exemption provided by the Commission's order under Section 36 of the Securities Exchange Act of 1934, detailed in Release No. 50754 dated November 30, 2004. As such, the Company is not filing at this time either (a) Management's annual report on internal control over financial reporting required by Item 308(a) of Regulation S-K, or (b) the related Attestation report of our Independent Registered Public Accounting Firm required by Item 308(b) of Regulation S-K. The Company intends to complete its Form 10-K by filing an amendment to such form to include these two items not later than 45 days after the end of the 75 day filing period specified in Form 10-K.

PART III

ITEM 10. Directors and Executive Officers of the Registrant

For information about the directors of the Registrant, see "Election of Directors" on pages 4 through 9 of Registrant's Proxy Statement dated March 18, 2005 ("Proxy Statement"), which is incorporated herein by reference.

The Board of Directors of the Registrant has determined that a majority of the current Audit Committee members would qualify as an "audit committee financial expert," and that each member of the Committee is "independent" under the applicable rules. The Board, however, has determined not to name any single member of the Audit Committee as "financial expert" since the Board does not believe such a designation is necessary for the Audit Committee or Board's effective performance.

Information about the Executive Officers of Registrant appears in Part I of this Report.

Disclosures by the Registrant with respect to compliance with Section 16(a) appear on page 8 of the Proxy Statement, and are incorporated herein by reference.

ITEM 11. Executive Compensation

See “Executive Compensation and Other Information” on pages 10 through 13 of the Proxy Statement, which is incorporated herein by reference.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management

See “Principal Shareholders,” “Election of Directors” and “Beneficial Ownership” on page 20, pages 4 through 9, and page 14 respectively, of the Proxy Statement, which are incorporated herein by reference.

<u>Plan Category</u>	<u>(A) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants or Rights</u>	<u>(B) Weighted-average Exercise Price of Outstanding Options, Warrants or Rights</u>	<u>(C) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A))</u>
Equity Compensation Plans Approved by Security Holders ⁽¹⁾	505,762	\$8.20	2,035,947
Equity Compensation Plans Not Approved by Security Holders	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total	<u>505,762</u>	<u>-0-</u>	<u>2,035,947</u>

(1) This information is as January 31, 2005 and includes the 1992, 1997 and 1999 Stock Plans, and the Employee Stock Purchase Plan.

ITEM 13. Certain Relationships and Related Transactions

None.

PART IV**ITEM 14. Principal Accountant Fees and Services**

Required information regarding fees paid to and services provided by the Company’s independent auditor during the years ended December 31, 2004 and 2003 and the pre-approved policies and procedures of the Audit Committee of the Company’s Board of Directors is set forth on page 17 of the Proxy Statement dated March 18, 2005, which is incorporated herein by reference.

ITEM 15. Exhibits, Financial Statement Schedules

The following consolidated financial statements of the Registrant appear in Part II of this Report:

15. (A) (1) Financial Statements**Consolidated Financial Statements of Myers Industries, Inc. and Subsidiaries**

Report of Independent Registered Public Accounting Firm

Statements of Consolidated Financial Position As Of December 31, 2004 and 2003

Statements of Consolidated Income For The Years Ended December 31, 2004, 2003 and 2002

Statements of Consolidated Shareholders’ Equity and Comprehensive Income For The Years Ended December 31, 2004, 2003 and 2002

Statements of Consolidated Cash Flows For The Years Ended December 31, 2004, 2003 and 2002

Notes to Consolidated Financial Statements For The Years Ended December 31, 2004, 2003 and 2002

Financial Statements for the Myers Industries, Inc. Employee Stock Purchase Plan

Statements of Assets Available for Plan Benefits As Of December 31, 2004 and 2003

Statements of Changes in Assets Available for Plan Benefits For The Years Ended December 31, 2004 and 2003

15. (A) (2) Financial Statement Schedules

Selected Quarterly Financial Data For The Years Ended December 31, 2004 and 2003

All other schedules are omitted because they are inapplicable, not required, or because the information is included in the consolidated financial statements or notes thereto which appear in Part II of this Report.

15. (B) Exhibits

EXHIBIT INDEX

- 3(a) Myers Industries, Inc. Amended and Restated Articles of Incorporation.
- 3(b) Myers Industries, Inc. Amended and Restated Code of Regulations. Reference is made to Exhibit(3)(b) to Form 10-K filed with the Commission on March 26, 2003.
- 10(a) Myers Industries, Inc. Amended and Restated Employee Stock Purchase Plan. Reference is made to Exhibit 10(a) to Form 10-K filed with the Commission on March 30, 2001.
- 10(b) Form of Indemnification Agreement for Directors and Officers. Reference is made to Exhibit 10(b) to Form 10-K filed with the Commission on March 30, 2001.*
- 10(c) Myers Industries, Inc. Amended and Restated 1992 Stock Option Plan. Reference is made to Exhibit 10(c) to Form 10-K filed with the Commission on March 30, 2001.*
- 10(d) Myers Industries, Inc. Amended and Restated Dividend Reinvestment and Stock Purchase Plan. Reference is made to Exhibit 10(d) to Form 10-K filed with the Commission on March 19, 2004.
- 10(e) Myers Industries, Inc. 1997 Incentive Stock Plan. Reference is made to Exhibit 10.2 to Form S-8 (Registration Statement No. 333-90367) filed with the Commission on November 5, 1999.*
- 10(f) Myers Industries, Inc. Amended and Restated 1999 Incentive Stock Plan. Reference is made to Exhibit 10(f) to Form 10-Q filed with the Commission on May 6, 2003.*
- 10(g) Myers Industries, Inc. Executive Supplemental Retirement Plan. Reference is made to Exhibit (10)(g) to Form 10-K filed with the Commission on March 26, 2003.*
- 10(h) Employment Letter between Myers Industries, Inc. and John C. Orr dated February 14, 2003 as amended January 13, 2005.
- 10(i) Change of Control Agreement between Myers Industries, Inc. and John C. Orr dated February 14, 2003. Reference is made to Exhibit 10(i) to Form 10-Q filed with the Commission on May 6, 2003.*
- 10(j) Non-Disclosure and Non-Competition Agreement between Myers Industries, Inc. and John C. Orr dated July 18, 2000. Reference is made to Exhibit 10(j) to Form 10-Q filed with the Commission on May 6, 2003.*
- 10(k) Supplemental Compensation Agreement for Milton I. Wiskind dated April 25, 1996. Reference is made to Exhibit (10)(h) to Form 10-K filed with the Commission on March 26, 2003.*
- 10(l) Settlement and Release Agreement between Myers Industries, Inc. and Milton I. Wiskind dated February 22, 2004*.
- 10(m) Supplemental Compensation Agreement between Myers Industries, Inc. and Milton I Wiskind dated February 22, 2005.*

- 10(n) Employment Contract between Myers Europe, SA (fka Myers AE, SA) and Jean-Paul Lesage dated February 1, 1999. Reference is made to Exhibit (10)(i) to Form 10-K filed with the Commission on March 26, 2003.*
- 10(o) Settlement Agreement between Allibert-Buckhorn Europe, SAS and Jean-Paul Lesage dated July 27, 2004*.
- 10(p) Supplemental Compensation Agreement between Myers Industries, Inc. and Jean-Paul Lesage dated November 1, 2004.*
- 10(q) Description of the terms of employment between Myers Industries, Inc. and Kevin C. O'Neil.
- 10(r) Form of Stock Option Grant Agreement.
- 10(s) Amended and Restated Loan Agreement between Myers Industries, Inc. and Banc One, NA, Agent dated as of February 27, 2004. Reference is made to Exhibit 10(n) to Form 10-K filed with the Commission on March 15, 2004.
- 10(t) First Amendment to Amended and Restated Loan Agreement between Myers Industries, Inc. and Banc One, NA, Agent, dated as of June 18, 2004. Reference is made to Exhibit 10(q) for Form 10-Q filed with the Commission on August 6, 2004.
- 10(u) Note Purchase Agreement between Myers Industries, Inc. and the Note Purchasers, dated December 12, 2003, regarding the issuance of (i) \$65,000,000 of 6.08% Series 2003-A Senior Notes due December 12, 2010, and (ii) \$35,000,000 of 6.81% Series 2003-A Senior Notes due December 12, 2013. Reference is made to Exhibit 10(o) to Form 10-K filed with the Commission on March 15, 2004.
- 10(v) Myers Industries, Inc. Non-Employee Board of Directors Compensation Arrangement.
- 14(a) Myers Industries, Inc. Code of Business Conduct and Ethics.
- 14(b) Myers Industries, Inc. Code of Ethical Conduct for the Finance Officers and Finance Department Personnel.
- 21 Myers Industries, Inc., Direct and Indirect Subsidiaries.
- 23(a) Consent of Independent Registered Public Accounting Firm.
- 23(b) Consent of Independent Registered Public Accounting Firm — Myers Industries, Inc. Employee Stock Purchase Plan
- 31.1 Certification of Stephen E. Myers, President and Chief Executive Officer of Myers Industries, Inc, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Gregory J. Stodnick, Vice President — Finance (Chief Financial Officer) of Myers Industries, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32 Certifications of Stephen E. Myers, President and Chief Executive Officer, and Gregory J. Stodnick, Vice President — Finance (Chief Financial Officer), of Myers Industries, Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Indicates executive compensation plan or arrangement.

15. (D) Financial Statements

See subparagraph 15(a)(1) above.

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.

MYERS INDUSTRIES, INC.

/s/ GREGORY J. STODNICK

Gregory J. Stodnick
*Vice President — Finance and
Chief Financial Officer*

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 and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
/s/ GREGORY J. STODNICK Gregory J. Stodnick	Vice President — Finance and Chief Financial Officer (Principal Financial and Accounting Officer)	March 16, 2005
/s/ KEITH A. BROWN Keith A. Brown	Director	March 16, 2005
/s/ KARL S. HAY Karl S. Hay	Director	March 16, 2005
Richard P. Johnston	Director	
/s/ MICHAEL W. KANE Michael W. Kane	Director	March 16, 2005
/s/ EDWARD W. KISSEL Edward W. Kissel	Director	March 16, 2005
/s/ STEPHEN E. MYERS Stephen E. Myers	Chairman, Chief Executive Officer and Director (Principal Executive Officer)	March 16, 2005
/s/ RICHARD L. OSBORNE Richard L. Osborne	Director	March 16, 2005
/s/ JON H. OUTCALT Jon H. Outcalt	Director	March 16, 2005
Milton I. Wiskind	Vice Chairman, Secretary and Director	