
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended December 31, 2019

or

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

For the transition period from to

Commission file number 000-51539

Cimpress plc

(Exact Name of Registrant as Specified in Its Charter)

Ireland

(State or Other Jurisdiction of
Incorporation or Organization)

98-0417483

(I.R.S. Employer
Identification No.)

Building D, Xerox Technology Park A91 H9N9,
Dundalk, Co. Louth
Ireland

(Address of Principal Executive Offices)

Registrant's telephone number, including area code: 353 42 938 8500

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

Title of Each Class	Trading Symbol(s)	Name of Exchange on Which Registered
Ordinary Shares, nominal value of €0.01 per share	CMPR	NASDAQ Global Select Market

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 such filing requirements for the past 90 days. Yes No

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

As of January 27, 2020, there were 26,205,561 Cimpress plc ordinary shares outstanding.

EXPLANATORY NOTE

This Quarterly Report on Form 10-Q is being filed pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), by Cimpress plc, an Irish public limited company, as successor to Cimpress N.V., a Dutch public limited company. On December 3, 2019, Cimpress completed its previously announced cross-border merger pursuant to which Cimpress N.V. merged with and into Cimpress plc, with Cimpress plc surviving the merger (the "Irish Merger"). As a result of the Irish Merger, all of Cimpress N.V.'s outstanding ordinary shares, par value €0.01 per share, were exchanged on a one-for-one basis for newly issued ordinary shares, nominal value of €0.01 per share, of Cimpress plc, and Cimpress plc assumed all of Cimpress N.V.'s rights and obligations. This Report includes the full six months ended December 31, 2019, including the activity of Cimpress N.V. before the Irish Merger.

CIMPRESS PLC
QUARTERLY REPORT ON FORM 10-Q
For the Three and Six Months Ended December 31, 2019

TABLE OF CONTENTS

	<u>Page</u>
<u>PART I FINANCIAL INFORMATION</u>	
Item 1. Financial Statements (unaudited)	1
Consolidated Balance Sheets as of December 31, 2019 and June 30, 2019	1
Consolidated Statements of Operations for the three and six months ended December 31, 2019 and 2018	2
Consolidated Statements of Comprehensive Income for the three and six months ended December 31, 2019 and 2018	3
Consolidated Statements of Shareholders' Equity for the three and six months ended December 31, 2019 and 2018	4
Consolidated Statements of Cash Flows for the six months ended December 30, 2019 and 2018	6
Notes to Consolidated Financial Statements	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	32
Item 3. Quantitative and Qualitative Disclosures About Market Risk	47
Item 4. Controls and Procedures	48
<u>PART II OTHER INFORMATION</u>	
Item 1A. Risk Factors	48
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	48
Item 6. Exhibits	49
Signatures	50

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CIMPRESS PLC CONSOLIDATED BALANCE SHEETS (unaudited in thousands, except share and per share data)

	December 31, 2019	June 30, 2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 36,917	\$ 35,279
Accounts receivable, net of allowances of \$9,970 and \$7,313, respectively	70,496	60,646
Inventory	80,151	66,310
Prepaid expenses and other current assets	72,751	78,065
Total current assets	260,315	240,300
Property, plant and equipment, net	364,155	490,755
Operating lease assets, net	173,156	—
Software and website development costs, net	72,148	69,840
Deferred tax assets	160,058	59,906
Goodwill	721,057	718,880
Intangible assets, net	235,031	262,701
Other assets	37,414	25,994
Total assets	<u>\$ 2,023,334</u>	<u>\$ 1,868,376</u>
Liabilities, noncontrolling interests and shareholders' (deficit) equity		
Current liabilities:		
Accounts payable	\$ 216,991	\$ 185,096
Accrued expenses	237,171	194,715
Deferred revenue	32,574	31,780
Short-term debt	73,755	81,277
Operating lease liabilities, current	37,698	—
Other current liabilities	11,444	27,881
Total current liabilities	609,633	520,749
Deferred tax liabilities	36,216	44,531
Long-term debt	1,296,535	942,290
Lease financing obligation	—	112,096
Operating lease liabilities, non-current	143,276	—
Other liabilities	49,997	53,716
Total liabilities	2,135,657	1,673,382
Commitments and contingencies (Note 14)		
Redeemable noncontrolling interests	68,201	63,182
Shareholders' (deficit) equity:		
Preferred shares, nominal value €0.01 per share, 100,000,000 shares authorized; none issued and outstanding	—	—
Ordinary shares, nominal value €0.01 per share, 100,000,000 shares authorized; 44,080,627 shares issued; and 26,205,347 and 30,445,669 shares outstanding, respectively	615	615
Deferred ordinary shares, nominal value €1.00 per share, 25,000 shares authorized, issued and outstanding	28	—
Treasury shares, at cost, 17,875,280 and 13,634,958 shares, respectively	(1,275,057)	(737,447)
Additional paid-in capital	424,058	411,079
Retained earnings	745,326	537,422
Accumulated other comprehensive loss	(75,494)	(79,857)
Total shareholders' (deficit) equity	(180,524)	131,812
Total liabilities, noncontrolling interests and shareholders' (deficit) equity	<u>\$ 2,023,334</u>	<u>\$ 1,868,376</u>

See accompanying notes.

CIMPRESS PLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited in thousands, except share and per share data)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Revenue	\$ 820,333	\$ 825,567	\$ 1,454,292	\$ 1,414,548
Cost of revenue (1)	394,018	411,496	719,683	713,967
Technology and development expense (1)	64,427	56,707	127,594	114,885
Marketing and selling expense (1)	173,336	210,661	334,253	392,334
General and administrative expense (1)	51,910	40,216	95,533	81,392
Amortization of acquired intangible assets	13,150	14,846	26,168	26,147
Restructuring expense (1)	1,897	1,026	4,087	1,196
Income from operations	121,595	90,615	146,974	84,627
Other (expense) income, net	(9,040)	9,629	6,634	19,881
Interest expense, net	(15,701)	(16,808)	(30,788)	(30,585)
Income before income taxes	96,854	83,436	122,820	73,923
Income tax (benefit) expense	(93,795)	14,399	(87,680)	19,880
Net income	190,649	69,037	210,500	54,043
Add: Net (income) loss attributable to noncontrolling interest	(426)	(23)	(246)	332
Net income attributable to Cimpres plc	\$ 190,223	\$ 69,014	\$ 210,254	\$ 54,375
Basic net income per share attributable to Cimpres plc	\$ 7.04	\$ 2.24	\$ 7.41	\$ 1.76
Diluted net income per share attributable to Cimpres plc	\$ 6.81	\$ 2.17	\$ 7.19	\$ 1.70
Weighted average shares outstanding — basic	27,036,675	30,863,339	28,391,855	30,873,478
Weighted average shares outstanding — diluted	27,916,759	31,820,497	29,223,116	31,913,510

(1) Share-based compensation is allocated as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Cost of revenue	\$ 97	\$ 163	\$ 185	\$ 278
Technology and development expense	2,043	(1,528)	3,777	680
Marketing and selling expense	533	(1,877)	(778)	(514)
General and administrative expense	5,652	522	9,891	5,752
Restructuring expense	108	—	772	—

See accompanying notes.

CIMPRESS PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited in thousands)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Net income	\$ 190,649	\$ 69,037	\$ 210,500	\$ 54,043
Other comprehensive income, net of tax:				
Foreign currency translation gains (losses), net of hedges	3,180	2,463	1,620	(82)
Net unrealized gains (losses) on derivative instruments designated and qualifying as cash flow hedges	6,131	(6,807)	(1,057)	(6,197)
Amounts reclassified from accumulated other comprehensive loss to net income on derivative instruments	(1,145)	2,184	3,006	2,987
Comprehensive income	198,815	66,877	214,069	50,751
Add: Comprehensive (income) loss attributable to noncontrolling interests	(1,122)	3,401	548	4,116
Total comprehensive income attributable to Cimpress plc	<u>\$ 197,693</u>	<u>\$ 70,278</u>	<u>\$ 214,617</u>	<u>\$ 54,867</u>

See accompanying notes.

CIMPRESS PLC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(unaudited in thousands)

	Ordinary Shares		Treasury Shares		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Number of Shares Issued	Amount	Number of Shares	Amount				
Balance at June 30, 2018	44,080	\$ 615	(13,206)	\$ (685,577)	\$ 395,682	\$ 452,756	\$ (69,814)	\$ 93,662
Restricted share units vested, net of shares withheld for taxes	—	—	20	64	(1,533)	—	—	(1,469)
Grant of restricted share awards	—	—	(2)	(288)	—	—	—	(288)
Share-based compensation expense	—	—	—	—	8,856	—	—	8,856
Net loss attributable to Cimpress plc	—	—	—	—	—	(14,639)	—	(14,639)
Adoption of new accounting standard	—	—	—	—	—	(3,246)	—	(3,246)
Net unrealized gain on derivative instruments designated and qualifying as cash flow hedges	—	—	—	—	—	—	1,413	1,413
Foreign currency translation, net of hedges	—	—	—	—	—	—	(2,185)	(2,185)
Balance at September 30, 2018	44,080	\$ 615	(13,188)	\$ (685,801)	\$ 403,005	\$ 434,871	\$ (70,586)	\$ 82,104
Restricted share units vested, net of shares withheld for taxes	—	—	7	146	(506)	—	—	(360)
Issuance of ordinary shares due to share option exercises, net of shares withheld for taxes	—	—	55	2,887	(445)	—	—	2,442
Grant of restricted share awards	—	—	6	312	—	—	—	312
Share-based compensation expense	—	—	—	—	(5,997)	—	—	(5,997)
Purchase of ordinary shares	—	—	(118)	(14,043)	—	—	—	(14,043)
Net income attributable to Cimpress plc	—	—	—	—	—	69,014	—	69,014
Adjustment to noncontrolling interest for share forfeiture	—	—	—	—	591	—	—	591
Redeemable noncontrolling interest accretion to redemption value	—	—	—	—	—	(7,140)	—	(7,140)
Net unrealized loss on derivative instruments designated and qualifying as cash flow hedges	—	—	—	—	—	—	(4,623)	(4,623)
Foreign currency translation, net of hedges	—	—	—	—	—	—	5,887	5,887
Balance at December 31, 2018	44,080	\$ 615	(13,238)	\$ (696,499)	\$ 396,648	\$ 496,745	\$ (69,322)	\$ 128,187

See accompanying notes.

CIMPRESS PLC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (CONTINUED)
(unaudited in thousands)

	Ordinary Shares		Deferred Ordinary Shares		Treasury Shares		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Number of Shares Issued	Amount	Number of Shares Issued	Amount	Number of Shares	Amount				
Balance at June 30, 2019	44,080	\$ 615	—	\$ —	(13,635)	\$ (737,447)	\$ 411,079	\$ 537,422	\$ (79,857)	\$ 131,812
Restricted share units vested, net of shares withheld for taxes	—	—	—	—	4	87	(259)	—	—	(172)
Grant of restricted share awards	—	—	—	—	(2)	(187)	—	—	—	(187)
Share-based compensation expense	—	—	—	—	—	—	5,164	—	—	5,164
Purchase of ordinary shares	—	—	—	—	(1,964)	(232,286)	—	—	—	(232,286)
Net income attributable to Cimpress plc	—	—	—	—	—	—	—	20,031	—	20,031
Adoption of new accounting standards	—	—	—	—	—	—	—	3,143	—	3,143
Net unrealized loss on derivative instruments designated and qualifying as cash flow hedges	—	—	—	—	—	—	—	—	(3,037)	(3,037)
Foreign currency translation, net of hedges	—	—	—	—	—	—	—	—	(70)	(70)
Balance at September 30, 2019	44,080	\$ 615	—	\$ —	(15,597)	\$ (969,833)	\$ 415,984	\$ 560,596	\$ (82,964)	\$ (75,602)
Restricted share units vested, net of shares withheld for taxes	—	—	—	—	1	55	(152)	—	—	(97)
Issuance of ordinary shares due to share option exercises, net of shares withheld for taxes	—	—	—	—	1	8	(2)	—	—	6
Issuance of deferred ordinary shares	—	—	25	28	—	—	—	—	—	28
Share-based compensation expense	—	—	—	—	—	—	8,228	—	—	8,228
Purchase of ordinary shares	—	—	—	—	(2,280)	(305,287)	—	—	—	(305,287)
Net income attributable to Cimpress plc	—	—	—	—	—	—	—	190,223	—	190,223
Redeemable noncontrolling interest accretion to redemption value	—	—	—	—	—	—	—	(5,493)	—	(5,493)
Net unrealized loss on derivative instruments designated and qualifying as cash flow hedges	—	—	—	—	—	—	—	—	4,986	4,986
Foreign currency translation, net of hedges	—	—	—	—	—	—	—	—	2,484	2,484
Balance at December 31, 2019	44,080	\$ 615	25	\$ 28	(17,875)	\$ (1,275,057)	\$ 424,058	\$ 745,326	\$ (75,494)	\$ (180,524)

See accompanying notes.

CIMPRESS PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited in thousands)

	Six Months Ended December 31,	
	2019	2018
Operating activities		
Net income	\$ 210,500	\$ 54,043
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	84,891	85,220
Share-based compensation expense	13,847	6,196
Deferred taxes	(105,575)	8,244
Unrealized loss (gain) on derivatives not designated as hedging instruments included in net income	7,548	(9,581)
Effect of exchange rate changes on monetary assets and liabilities denominated in non-functional currency	1,359	(2,663)
Other non-cash items	3,045	2,420
Changes in operating assets and liabilities:		
Accounts receivable	(8,240)	(11,866)
Inventory	(10,680)	(9,454)
Prepaid expenses and other assets	(2,255)	(8,397)
Accounts payable	24,432	48,839
Accrued expenses and other liabilities	46,225	42,489
Net cash provided by operating activities	265,097	205,490
Investing activities		
Purchases of property, plant and equipment	(28,094)	(38,767)
Business acquisitions, net of cash acquired	(4,272)	(289,269)
Purchases of intangible assets	—	(22)
Capitalization of software and website development costs	(23,417)	(21,921)
Proceeds from the sale of assets	847	523
Other investing activities	1,120	(52)
Net cash used in investing activities	(53,816)	(349,508)
Financing activities		
Proceeds from borrowings of debt	634,085	692,938
Payments of debt	(292,446)	(474,997)
Payments of debt issuance costs	—	(1,471)
Payments of withholding taxes in connection with equity awards	(462)	(2,125)
Payments of finance lease obligations	(5,364)	(8,780)
Purchase of noncontrolling interests	—	(41,177)
Purchase of ordinary shares	(537,573)	(14,043)
Proceeds from issuance of ordinary shares	6	2,891
Distribution to noncontrolling interest	(3,921)	(3,375)
Other financing activities	(1,715)	—
Net cash (used in) provided by financing activities	(207,390)	149,861
Effect of exchange rate changes on cash	(2,253)	(1,806)
Net increase in cash and cash equivalents	1,638	4,037
Cash and cash equivalents at beginning of period	35,279	44,227
Cash and cash equivalents at end of period	\$ 36,917	\$ 48,264

See accompanying notes.

CIMPRESS PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(unaudited in thousands)

	Six Months Ended December 31,	
	2019	2018
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	\$ 33,313	\$ 29,805
Income taxes	5,183	10,961
Non-cash investing and financing activities:		
Capitalization of construction costs related to financing lease obligation (1)	—	6,223
Property and equipment acquired under finance leases	140	7,225
Amounts accrued related to business acquisitions	2,831	5,729

(1) Due to our adoption of the new leasing standard on July 1, 2019, any costs previously capitalized for a build-to-suit lease and included in the financing lease obligation are now classified as an operating lease and the lease financing obligation has been de-recognized. Refer to Note 2 for additional details.

See accompanying notes.

CIMPRESS PLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited in thousands, except share and per share data)

1. Description of the Business

Cimpress is a strategically focused group of more than a dozen businesses that specialize in mass customization, via which we deliver large volumes of individually small-sized customized orders for a broad spectrum of print, signage, photo merchandise, invitations and announcements, writing instruments, packaging, apparel and other categories. We invest in and build customer-focused, entrepreneurial mass customization businesses for the long term, which we manage in a decentralized, autonomous manner. Mass customization is a core element of the business model of each Cimpress business. We drive competitive advantage across Cimpress through a select few shared strategic capabilities that have the greatest potential to create Cimpress-wide value. We limit all other central activities to only those which absolutely must be performed centrally.

Irish Merger

On December 3, 2019, Cimpress moved its place of incorporation from the Netherlands to Ireland by a cross-border merger in which Cimpress N.V., a Dutch public limited company, merged with and into Cimpress plc, an Irish public limited company, with Cimpress plc surviving the Irish Merger. As a result of the Irish Merger, all of Cimpress N.V.'s outstanding ordinary shares, par value €0.01 per share, were exchanged on a one-for-one basis for newly issued ordinary shares, nominal value of €0.01 per share, of Cimpress plc, and Cimpress plc assumed all of Cimpress N.V.'s existing rights and obligations.

In conjunction with the Irish Merger, 25,000 Cimpress plc deferred ordinary shares were issued to meet the Irish statutory minimum capital requirements of an Irish public limited company. The deferred ordinary shares remain outstanding following the completion of the Irish Merger and will continue to be outstanding until redeemed or surrendered. These deferred ordinary shares (i) do not have any voting rights; (ii) do not entitle the holders thereof to any dividends or other distributions of Cimpress plc; and (iii) do not entitle the holders thereof to participate in the surplus assets of Cimpress plc on a winding-up beyond, in total, the nominal value of such deferred ordinary shares held. Accordingly, these deferred ordinary shares do not dilute the economic ownership of Cimpress plc shareholders.

The Irish Merger was accounted for as a merger between entities under common control. The historical financial statements of Cimpress N.V. for periods prior to the Irish Merger are considered to be the historical financial statements of Cimpress plc. The Irish Merger has not had and is not expected to have a material impact on how Cimpress conducts its day-to-day operations, its financial position, consolidated effective tax rate, results of operations or cash flows.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and, accordingly, do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments, consisting primarily of normal recurring accruals, considered necessary for fair presentation of the results of operations for the interim periods reported and of our financial condition as of the date of the interim balance sheet have been included. Operating results for the three and six months ended December 31, 2019 are not necessarily indicative of the results that may be expected for the year ending June 30, 2020 or for any other period.

The consolidated financial statements include the accounts of Cimpress plc, its wholly owned subsidiaries, entities in which we maintain a controlling financial interest, and those entities in which we have a variable interest and are the primary beneficiary. Intercompany balances and transactions have been eliminated. Investments in entities in which we cannot exercise significant influence, and the related equity securities do not have a readily determinable fair value, are accounted for using the cost method and are included in other assets on the consolidated balance sheets.

Significant Accounting Policies

Our significant accounting policies are described in Note 2 in our consolidated financial statements included in the Form 10-K for our year ended June 30, 2019. There have been no material changes to our significant accounting policies during three and six months ended December 31, 2019, except the adoption of the new lease accounting standard, as discussed below.

Share-based Compensation

Total share-based compensation expense was \$8,433 and \$13,847 for the three and six months ended December 31, 2019, respectively. During the three months ended December 31, 2018, we recognized a net benefit in our consolidated statement of operations for share-based compensation costs of \$2,720 and expense of \$6,196 during the six months ended December 31, 2018.

During the three months ended December 31, 2018, we concluded the performance condition tied to our supplemental performance share units was no longer probable and reversed \$15,397 of share-based compensation expense, resulting in a net benefit to operating income. As of December 31, 2019, we continue to believe the awards are not probable of achievement and recognized no expense in the current periods.

Other (Expense) Income, Net

The following table summarizes the components of other (expense) income, net:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
(Losses) gains on derivatives not designated as hedging instruments (1)	\$ (11,666)	\$ 11,171	\$ 7,691	\$ 18,544
Currency-related gains (losses), net (2)	2,645	(1,023)	(767)	1,074
Other (losses) gains	(19)	(519)	(290)	263
Total other (expense) income, net	\$ (9,040)	\$ 9,629	\$ 6,634	\$ 19,881

(1) Primarily relates to both realized and unrealized gains (losses) on derivative currency forward and option contracts not designated as hedging instruments.

(2) We have significant non-functional currency intercompany financing relationships that we may change at times and are subject to currency exchange rate volatility. The currency-related gains (losses), net for the three and six months ended December 31, 2019 and 2018 are primarily driven by this intercompany activity. In addition, we have certain cross-currency swaps designated as cash flow hedges, which hedge the remeasurement of certain intercompany loans, both presented in the same component above. Unrealized losses related to cross-currency swaps were \$2,858 and unrealized gains were \$1,820 for the three and six months ended December 31, 2019, respectively, as compared to unrealized gains of \$2,080 and \$1,243 for the three and six months ended December 31, 2018, respectively.

Net Income Per Share Attributable to Cimpress plc

Basic net income per share attributable to Cimpress plc is computed by dividing net income attributable to Cimpress plc by the weighted-average number of ordinary shares outstanding for the respective period. Diluted net income per share attributable to Cimpress plc gives effect to all potentially dilutive securities, including share options, restricted share units ("RSUs"), restricted share awards ("RSAs") and performance share units ("PSUs"), if the effect of the securities is dilutive using the treasury stock method. Awards with performance or market conditions are included using the treasury stock method only if the conditions would have been met as of the end of the reporting period and their effect is dilutive.

The following table sets forth the reconciliation of the weighted-average number of ordinary shares:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Weighted average shares outstanding, basic	27,036,675	30,863,339	28,391,855	30,873,478
Weighted average shares issuable upon exercise/vesting of outstanding share options/RSUs/RSAs	880,084	957,158	831,261	1,040,032
Shares used in computing diluted net income per share attributable to Cimpress plc	27,916,759	31,820,497	29,223,116	31,913,510

Lease Accounting

Lease accounting - adoption of ASC 842

On July 1, 2019, we adopted ASC 842, Leases, using a modified retrospective transition approach. Under the modified retrospective approach, we recognized any cumulative impacts as of the adoption date within retained earnings on our consolidated balance sheet. We did not adjust the prior comparable period. Additionally, as part of our transition, we elected several practical expedients that streamlined the transition to the new guidance whereby we did not reassess the following:

- whether a lease under the prior standard continues to meet the definition of a lease under the new standard;
- whether the application of the new standard would have an impact on the classification of our existing leases, with the exception of our build-to-suit leases; and
- the existence of any initial direct costs associated with our leases.

We also elected the practical expedient to account for our lease components as a single lease component rather than separating them into lease and nonlease components, which would have resulted in recognizing only the lease components in the measurement of our lease assets and liabilities. This expedient was applied to all underlying classes of assets we lease.

We elected the short-term lease exception policy, permitting us to not apply the recognition requirements of ASC 842 to short-term leases, which are defined as leases with a term of twelve months or less. Short-term leases are not recorded on our consolidated balance sheet and are expensed on a straight-line basis over the lease term in our consolidated statement of operations. We determine the lease term by including the exercise of renewal options that are considered reasonably certain at lease inception.

The following table summarizes the cumulative effect of adopting the new lease standard as of the adoption date of July 1, 2019:

Consolidated Balance Sheet	As reported at June 30, 2019	ASC 842 adjustments	Adjusted balance at July 1, 2019
Assets			
Prepaid expenses and other current assets	\$ 78,065	\$ (59)	\$ 78,006
Property, plant and equipment, net	490,755	(121,254)	369,501
Operating lease assets, net	—	169,668	169,668
Deferred tax assets	59,906	(817)	59,089
Liabilities and shareholders' equity			
Operating lease liabilities, current	\$ —	\$ 37,342	\$ 37,342
Other current liabilities	27,881	(12,569)	15,312
Lease financing obligation	112,096	(112,096)	—
Operating lease liabilities, non-current	—	139,041	139,041
Other liabilities	53,716	(7,169)	46,547
Retained earnings	537,422	2,989	540,411

The new standard impacted the classification of our build-to-suit leases for our Waltham, Massachusetts and Dallas, Texas building leases, which resulted in a change of their classification to operating leases. On July 1, 2019, we de-recognized the existing lease assets included within property, plant and equipment, net of \$121,254, the related lease financing obligations of \$124,665, and associated deferred rent of \$418. This change resulted in an \$817 decrease to deferred tax assets and a net increase to retained earnings of \$2,989. In addition, on July 1, 2019, we recognized operating lease assets of \$169,668 and operating lease liabilities of \$176,383, inclusive of our Waltham, Massachusetts lease which commenced prior to the transition date. The difference between the operating lease assets and liabilities resulted from the reclassification of deferred rent and tenant allowance balances presented in other financial statement lines of the consolidated balance sheet, which are now included in the operating lease assets.

For the three and six months ended December 31, 2019, the change in lease classification for our build-to-suit leases resulted in a reduction to operating income within our consolidated statement of operations of \$1,860 and \$3,720, respectively, with a corresponding decrease to interest expense, net. In our consolidated statement of cash flows, the change in classification resulted in a decrease to cash from operating activities and increase to cash from financing activities of \$1,955 during the six months ended December 31, 2019. Other than the impact from our build-to-suit leases, the new standard did not have a material impact on our consolidated statement of operations and consolidated statement of cash flows. Refer to Note 13 for additional lease disclosure.

Lease accounting policy

We determine if an arrangement contains a lease at contract inception. We consider an arrangement to be a lease if it conveys the right to control an identifiable asset for a period of time.

Lease right-of-use ("ROU") assets and liabilities for operating and finance leases are recognized based on the present value of the future lease payments over the lease term at lease commencement date. As most of our leases do not provide an implicit interest rate, we use our incremental borrowing rate based on the information available at the lease commencement date. Our incremental borrowing rate approximates the interest rate on a collateralized basis for the economic environments where our leased assets are located, and is established by considering the credit spread associated with our existing debt arrangements, as well as observed market rates for instruments with a similar term to that of the lease payments. ROU assets also include any lease payments made at or before the lease commencement, as well as any initial direct costs incurred. Lease incentives received from the lessor are recognized as a reduction to the ROU asset.

Variable lease payments are excluded from the operating lease assets and liabilities and are recognized as expense in the period in which the obligation is incurred. Variable lease payments primarily include index-based rent escalation associated with some of our real estate leases, as well as property taxes and common area maintenance payments for most real estate leases, which are determined based on the costs incurred by the lessor. We also make variable lease payments for certain print equipment leases that are determined based on production volumes.

Our initial determination of the lease term is based on the facts and circumstances that exist at lease commencement. The lease term may include the effect of options to extend or terminate the lease when it is reasonably certain that those options will be exercised. We consider these options reasonably certain to be exercised based on our assessment of economic incentives, including the fair market rent for equivalent properties under similar terms and conditions, costs of relocating, availability of comparable replacement assets, and any related disruption to operations that would be experienced by not renewing the lease.

Operating leases are included in operating lease assets and current and non-current operating lease liabilities in the consolidated balance sheets. Finance lease assets are included in property, plant, and equipment, net, and the related liabilities are included in other current liabilities and other liabilities in the consolidated balance sheets.

We have subleased a small amount of our equipment and real estate lease portfolio to third parties, making us the lessor. Most of these subleases meet the criteria for operating lease classification and the related sublease income is recognized on a straight-line basis over the lease term within the consolidated statement of operations. To a lesser extent, we have leases in which we are the lessees, classify the leases as finance leases and have subleased the asset under similar terms, resulting in their classification as direct financing leases. For direct financing leases, we recognize a sublease receivable within prepaid expenses and other current assets and other assets in the consolidated balance sheets.

Recently Issued or Adopted Accounting Pronouncements

New Accounting Standards Adopted

In August 2018, the FASB issued Accounting Standards Update No. 2018-15 "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40)" (ASU 2018-15), which requires a customer in a cloud computing arrangement that is a service contract to follow the internal use software guidance in ASC 350-40 to determine which implementation costs to capitalize as assets or expense as incurred. The standard would be effective on July

1, 2020 and we early adopted the new standard on July 1, 2019. The standard did not have a material impact on our consolidated financial statements.

In August 2017, the FASB issued Accounting Standards Update No. 2017-12, "Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities (Topic 815)," (ASU 2017-12), which better aligns a company's financial reporting for hedging activities with the economic objectives of those activities. We adopted the amendment on its effective date of July 1, 2019. The standard requires a modified retrospective transition approach, and we recognized the cumulative effect of the change within shareholders' equity as of the date of adoption.

Upon transitioning to the new standard on July 1, 2019, we reversed the cumulative effect of expense previously recognized in earnings for the ineffective portion of our interest rate swap contracts, which resulted in an adjustment to retained earnings and accumulated other comprehensive loss within our consolidated balance sheet of \$153, net of tax. We will prospectively recognize any ineffectiveness associated with our effective and designated cash flow hedges within accumulated other comprehensive loss, rather than in earnings. These changes did not have a material impact on our consolidated financial statements.

In March 2016, the FASB issued Accounting Standards Update No. 2016-02, "Leases (Topic 842)" (ASU 2016-02), which requires the recognition of lease assets and lease liabilities by lessees for those leases currently classified as operating leases. The standard also retains a distinction between finance leases and operating leases. We adopted the standard on its effective date of July 1, 2019. Refer to the information above for additional details of the adoption.

Issued Accounting Standards to be Adopted

In June 2016, the FASB issued Accounting Standards Update No. 2016-13 "Financial Instruments—Credit Losses (Topic 326)" (ASU 2016-13), which introduces a new accounting model for recognizing credit losses on certain financial instruments based on an estimate of current expected credit losses. The standard is effective for us on July 1, 2020. We do not expect the effect of ASU 2016-13 to have a material impact on our consolidated financial statements.

3. Fair Value Measurements

We use a three-level valuation hierarchy for measuring fair value and include detailed financial statement disclosures about fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- *Level 1:* Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- *Level 2:* Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets in markets that are not active and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- *Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The following tables summarize our assets and liabilities that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy:

December 31, 2019				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cross-currency swap contracts	\$ 3,048	\$ —	\$ 3,048	\$ —
Currency forward contracts	16,007	—	16,007	—
Currency option contracts	3,463	—	3,463	—
Total assets recorded at fair value	<u>\$ 22,518</u>	<u>\$ —</u>	<u>\$ 22,518</u>	<u>\$ —</u>
Liabilities				
Interest rate swap contracts	\$ (12,824)	\$ —	\$ (12,824)	\$ —
Currency forward contracts	(904)	—	(904)	—
Currency option contracts	(447)	—	(447)	—
Total liabilities recorded at fair value	<u>\$ (14,175)</u>	<u>\$ —</u>	<u>\$ (14,175)</u>	<u>\$ —</u>
June 30, 2019				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Interest rate swap contracts	\$ 144	\$ —	\$ 144	\$ —
Currency forward contracts	15,268	—	15,268	—
Currency option contracts	4,765	—	4,765	—
Total assets recorded at fair value	<u>\$ 20,177</u>	<u>\$ —</u>	<u>\$ 20,177</u>	<u>\$ —</u>
Liabilities				
Interest rate swap contracts	\$ (12,895)	\$ —	\$ (12,895)	\$ —
Cross-currency swap contracts	(915)	—	(915)	—
Currency forward contracts	(2,486)	—	(2,486)	—
Currency option contracts	(42)	—	(42)	—
Total liabilities recorded at fair value	<u>\$ (16,338)</u>	<u>\$ —</u>	<u>\$ (16,338)</u>	<u>\$ —</u>

During the quarter ended December 31, 2019, and year ended June 30, 2019, there were no significant transfers in or out of Level 1, Level 2 and Level 3 classifications.

The valuations of the derivatives intended to mitigate our interest rate and currency risk are determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each instrument. This analysis utilizes observable market-based inputs, including interest rate curves, interest rate volatility, or spot and forward exchange rates, and reflects the contractual terms of these instruments, including the period to maturity. We incorporate credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counterparties' nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements.

Although we have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads, to appropriately reflect both our own nonperformance risk and the respective counterparties' nonperformance risk in the fair value measurement. However, as of December 31, 2019, we have assessed the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and have determined that the credit valuation adjustments are not significant to the overall

valuation of our derivatives. As a result, we have determined that our derivative valuations in their entirety are classified in Level 2 in the fair value hierarchy.

As of December 31, 2019 and June 30, 2019, the carrying amounts of our cash and cash equivalents, accounts receivable, accounts payable, and other current liabilities approximated their estimated fair values. As of December 31, 2019 and June 30, 2019, the carrying value of our debt, excluding debt issuance costs and debt discounts, was \$1,381,063 and \$1,035,585, respectively, and the fair value was \$1,335,676 and \$1,045,334, respectively. Our debt at December 31, 2019 includes variable-rate debt instruments indexed to LIBOR that resets periodically, as well as fixed-rate debt instruments. The estimated fair value of our debt was determined using available market information based on recent trades or activity of debt instruments with substantially similar risks, terms and maturities, which fall within Level 2 under the fair value hierarchy. The estimated fair value of assets and liabilities disclosed above may not be representative of actual values that could have been or will be realized in the future.

4. Derivative Financial Instruments

We use derivative financial instruments, such as interest rate swap contracts, cross-currency swap contracts, and currency forward and option contracts, to manage interest rate and foreign currency exposures. Derivatives are recorded in the consolidated balance sheets at fair value. If the derivative is designated as a cash flow hedge or net investment hedge, then the change in the fair value of the derivative is recorded in accumulated other comprehensive loss and subsequently reclassified into earnings in the period the hedged forecasted transaction affects earnings. On July 1, 2019, we adopted the new hedge accounting standard, in which we no longer recognize the ineffective portion of an effective hedge within earnings, rather any ineffectiveness associated with any effective and designated hedge is recognized within accumulated other comprehensive loss. Refer to Note 2 for additional details.

The change in the fair value of derivatives not designated as hedges is recognized directly in earnings as a component of other (expense) income, net.

Hedges of Interest Rate Risk

We enter into interest rate swap contracts to manage variability in the amount of our known or expected cash payments related to a portion of our debt. Our objective in using interest rate swaps is to add stability to interest expense and to manage our exposure to interest rate movements. We designate our interest rate swaps as cash flow hedges. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for us making fixed-rate payments over the life of the contract agreements without exchange of the underlying notional amount. Realized gains or losses from interest rate swaps are recorded in earnings as a component of interest expense, net.

Amounts reported in accumulated other comprehensive loss related to interest rate swap contracts will be reclassified to interest expense, net as interest payments are accrued or made on our variable-rate debt. As of December 31, 2019, we estimate that \$3,062 will be reclassified from accumulated other comprehensive loss to interest expense during the twelve months ending December 31, 2020. As of December 31, 2019, we had nine outstanding interest rate swap contracts indexed to USD LIBOR. These instruments were designated as cash flow hedges of interest rate risk and have varying start dates and maturity dates through December 2025.

Interest rate swap contracts outstanding:	Notional Amounts	
Contracts accruing interest as of December 31, 2019	\$	500,000
Contracts with a future start date		—
Total	\$	500,000

Hedges of Currency Risk

Cross-Currency Swap Contracts

From time to time, we execute cross-currency swap contracts designated as cash flow hedges or net investment hedges. Cross-currency swaps involve an initial receipt of the notional amount in the hedge currency in exchange for our reporting currency based on a contracted exchange rate. Subsequently, we receive fixed rate payments in our reporting currency in exchange for fixed rate payments in the hedged currency over the life of the

contract. At maturity, the final exchange involves the receipt of our reporting currency in exchange for the notional amount in the hedged currency.

Cross-currency swap contracts designated as cash flow hedges are executed to mitigate our currency exposure to the interest receipts as well as the principal remeasurement and repayment associated with certain intercompany loans denominated in a currency other than our reporting currency, the U.S. dollar. As of December 31, 2019, we had two outstanding cross-currency swap contracts designated as cash flow hedges with a total notional amount of \$124,808, both maturing during June 2024. We entered into the two cross-currency swap contracts to hedge the risk of changes in one Euro-denominated intercompany loan entered into with one of our consolidated subsidiaries that has the Euro as its functional currency.

Amounts reported in accumulated other comprehensive loss will be reclassified to other (expense) income, net as interest payments are accrued or paid and upon remeasuring the intercompany loan. As of December 31, 2019, we estimate that \$3,146 of income will be reclassified from accumulated other comprehensive loss to interest expense, net during the twelve months ending December 31, 2020.

Other Currency Contracts

We execute currency forward and option contracts in order to mitigate our exposure to fluctuations in various currencies against our reporting currency, the U.S. dollar.

As of December 31, 2019, we had nine currency forward contracts designated as net investment hedges with a total notional amount of \$297,681, maturing during various dates through April 2025. We entered into these contracts to hedge the risk of changes in the U.S. dollar equivalent value of a portion of our net investment in two consolidated subsidiaries that have the Euro as their functional currency. Amounts reported in accumulated other comprehensive loss are recognized as a component of our cumulative translation adjustment.

We have elected to not apply hedge accounting for all other currency forward and option contracts. During the three and six months ended December 31, 2019 and 2018, we have experienced volatility within other (expense) income, net in our consolidated statements of operations from unrealized gains and losses on the mark-to-market of outstanding currency forward and option contracts. We expect this volatility to continue in future periods for contracts for which we do not apply hedge accounting. Additionally, since our hedging objectives may be targeted at non-GAAP financial metrics that exclude non-cash items such as depreciation and amortization, we may experience increased, not decreased, volatility in our GAAP results as a result of our currency hedging program.

As of December 31, 2019, we had the following outstanding currency derivative contracts that were not designated for hedge accounting and were used to hedge fluctuations in the U.S. dollar value of forecasted transactions or balances denominated in Australian Dollar, British Pound, Canadian Dollar, Danish Krone, Euro, Indian Rupee, Mexican Peso, New Zealand Dollar, Norwegian Krone, Philippine Peso and Swedish Krona:

Notional Amount	Effective Date	Maturity Date	Number of Instruments	Index
\$581,807	February 2018 through December 2019	Various dates through October 2024	617	Various

Financial Instrument Presentation

The table below presents the fair value of our derivative financial instruments as well as their classification on the balance sheet as of December 31, 2019 and June 30, 2019. Our derivative asset and liability balances will fluctuate with interest rate and currency exchange rate volatility.

December 31, 2019									
Derivatives designated as hedging instruments	Balance Sheet line item	Asset Derivatives			Liability Derivatives				
		Gross amounts of recognized assets	Gross amount offset in Consolidated Balance Sheet	Net amount	Balance Sheet line item	Gross amounts of recognized liabilities	Gross amount offset in Consolidated Balance Sheet	Net amount	
Derivatives in cash flow hedging relationships									
Interest rate swaps	Other current assets / other assets	\$ —	\$ —	\$ —	Other liabilities	\$ (12,824)	\$ —	\$ (12,824)	
Cross-currency swaps	Other assets	3,048	—	3,048	Other current liabilities	—	—	—	
Derivatives in net investment hedging relationships									
Currency forward contracts	Other current assets / other assets	10,716	—	10,716	Other liabilities	(429)	—	(429)	
Total derivatives designated as hedging instruments		<u>\$ 13,764</u>	<u>\$ —</u>	<u>\$ 13,764</u>		<u>\$ (13,253)</u>	<u>\$ —</u>	<u>\$ (13,253)</u>	
Derivatives not designated as hedging instruments									
Currency forward contracts	Other current assets / other assets	\$ 6,819	\$ (1,528)	\$ 5,291	Other current liabilities / other liabilities	\$ (706)	\$ 231	\$ (475)	
Currency option contracts	Other current assets / other assets	3,495	(32)	3,463	Other current liabilities / other liabilities	(535)	88	(447)	
Total derivatives not designated as hedging instruments		<u>\$ 10,314</u>	<u>\$ (1,560)</u>	<u>\$ 8,754</u>		<u>\$ (1,241)</u>	<u>\$ 319</u>	<u>\$ (922)</u>	

June 30, 2019

Derivatives designated as hedging instruments	Balance Sheet line item	Asset Derivatives			Liability Derivatives				
		Gross amounts of recognized assets	Gross amount offset in Consolidated Balance Sheet	Net amount	Balance Sheet line item	Gross amounts of recognized liabilities	Gross amount offset in Consolidated Balance Sheet	Net amount	
Derivatives in cash flow hedging relationships									
Interest rate swaps	Other non-current assets	\$ 144	\$ —	\$ 144	Other current liabilities / other liabilities	\$ (12,895)	\$ —	\$ (12,895)	
Cross-currency swaps	Other non-current assets	—	—	—	Other liabilities	(915)	—	(915)	
Derivatives in net investment hedging relationships									
Currency forward contracts	Other non-current assets	4,514	—	4,514	Other liabilities	(2,397)	—	(2,397)	
Total derivatives designated as hedging instruments		<u>\$ 4,658</u>	<u>\$ —</u>	<u>\$ 4,658</u>		<u>\$ (16,207)</u>	<u>\$ —</u>	<u>\$ (16,207)</u>	
Derivatives not designated as hedging instruments									
Currency forward contracts	Other current assets / other assets	\$ 11,865	\$ (1,111)	\$ 10,754	Other current liabilities / other liabilities	\$ (127)	\$ 38	\$ (89)	
Currency option contracts	Other current assets / other assets	4,793	(28)	4,765	Other current liabilities / other liabilities	(42)	—	(42)	
Total derivatives not designated as hedging instruments		<u>\$ 16,658</u>	<u>\$ (1,139)</u>	<u>\$ 15,519</u>		<u>\$ (169)</u>	<u>\$ 38</u>	<u>\$ (131)</u>	

The following table presents the effect of our derivative financial instruments designated as hedging instruments and their classification within comprehensive income (loss) for the three and six months ended December 31, 2019 and 2018:

	Amount of Net Gain (Loss) on Derivatives Recognized in Comprehensive Income			
	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Derivatives in cash flow hedging relationships				
Interest rate swaps (1)	\$ 4,394	\$ (5,686)	\$ (196)	\$ (4,436)
Cross-currency swaps	1,737	(1,121)	(861)	(1,761)
Derivatives in net investment hedging relationships				
Cross-currency swaps	—	3,225	—	5,015
Currency forward contracts	(4,153)	5,433	8,565	7,319
Total	<u>\$ 1,978</u>	<u>\$ 1,851</u>	<u>\$ 7,508</u>	<u>\$ 6,137</u>

(1) Upon transitioning to the new hedge accounting standard on July 1, 2019, we reversed the cumulative effect of expense recognized for the ineffective portion of our interest rate swap contracts, which resulted in an adjustment to accumulated other comprehensive loss of \$153, net of tax, which is included within the interest rate swap gain (loss) recognized for the three and six months ended December 31, 2019.

The following table presents reclassifications out of accumulated other comprehensive loss for the three and six months ended December 31, 2019 and 2018:

	Amount of Net Gain (Loss) Reclassified from Accumulated Other Comprehensive Loss into Income				Affected line item in the Statement of Operations
	Three Months Ended December 31,		Six Months Ended December 31,		
	2019	2018	2019	2018	
Derivatives in cash flow hedging relationships					
Interest rate swaps	\$ 485	\$ 378	\$ 455	\$ 209	Interest expense, net
Cross-currency swaps	(2,026)	2,534	3,538	3,774	Other (expense) income, net
Total before income tax	(1,541)	2,912	3,993	3,983	Income before income taxes
Income tax	396	(728)	(987)	(996)	Income tax (benefit) expense
Total	\$ (1,145)	\$ 2,184	\$ 3,006	\$ 2,987	

The following table presents the adjustment to fair value recorded within the consolidated statements of operations for derivative instruments for which we did not elect hedge accounting and de-designated derivative financial instruments that no longer qualify as hedging instruments in the period.

	Amount of Gain (Loss) Recognized in Net Income				Affected line item in the Statement of Operations
	Three Months Ended December 31,		Six Months Ended December 31,		
	2019	2018	2019	2018	
Currency contracts	\$ (11,666)	\$ 11,171	\$ 7,691	\$ 18,544	Other (expense) income, net
Interest rate swaps (1)	—	(418)	—	(214)	Other (expense) income, net
Total	\$ (11,666)	\$ 10,753	\$ 7,691	\$ 18,330	

(1) Upon our adoption of the new hedge accounting standard on July 1, 2019, we prospectively recognize any ineffectiveness associated with effective and designated hedges within accumulated other comprehensive loss, rather than in earnings.

5. Accumulated Other Comprehensive Loss

The following table presents a roll forward of amounts recognized in accumulated other comprehensive loss by component, net of tax of \$969 for the six months ended December 31, 2019:

	Gains (losses) on cash flow hedges (1)	Gains (losses) on pension benefit obligation	Translation adjustments, net of hedges (2)	Total
Balance as of June 30, 2019	\$ (11,282)	\$ (204)	\$ (68,371)	\$ (79,857)
Other comprehensive (loss) income before reclassifications	(1,057)	—	2,414	1,357
Amounts reclassified from accumulated other comprehensive loss to net income	3,006	—	—	3,006
Net current period other comprehensive income	1,949	—	2,414	4,363
Balance as of December 31, 2019	\$ (9,333)	\$ (204)	\$ (65,957)	\$ (75,494)

(1) Gains (losses) on cash flow hedges include our interest rate swap and cross-currency swap contracts designated in cash flow hedging relationships.

(2) As of December 31, 2019 and June 30, 2019, the translation adjustment is inclusive of the effects of our net investment hedges, of which, unrealized gains of \$7,834 and unrealized losses of \$731, respectively, net of tax, have been included in accumulated other comprehensive loss.

6. Goodwill

The carrying amount of goodwill by reportable segment as of December 31, 2019 and June 30, 2019 was as follows:

	Vistaprint	PrintBrothers	The Print Group	National Pen	All Other Businesses	Total
Balance as of June 30, 2019	\$ 145,961	\$ 124,089	\$ 198,363	\$ 34,434	\$ 216,033	\$ 718,880
Acquisitions (1)	—	6,879	—	—	—	6,879
Adjustments (2)	3,919	—	—	—	(3,919)	—
Effect of currency translation adjustments (3)	(116)	(1,664)	(2,922)	—	—	(4,702)
Balance as of December 31, 2019	\$ 149,764	\$ 129,304	\$ 195,441	\$ 34,434	\$ 212,114	\$ 721,057

(1) During the first quarter of fiscal 2020, we recognized goodwill related to an immaterial acquisition within our PrintBrothers reportable segment.

(2) Due to changes in the composition of our reportable segments during the first quarter of fiscal 2020, we reclassified the goodwill associated with our Vistaprint Corporate Solutions reporting unit from All Other Businesses to our Vistaprint reportable segment. Refer to Note 12 for additional details on the changes in our reportable segments.

(3) Related to goodwill held by subsidiaries whose functional currency is not the U.S. Dollar.

7. Other Balance Sheet Components

Accrued expenses included the following:

	December 31, 2019	June 30, 2019
Compensation costs	\$ 56,519	\$ 58,864
Income and indirect taxes (1)	59,233	40,102
Advertising costs (1)	42,327	22,289
Shipping costs (1)	10,968	7,275
Production costs (1)	10,475	9,261
Interest payable	1,870	2,271
Sales returns	5,868	5,413
Purchases of property, plant and equipment	2,203	2,358
Professional fees	3,038	2,786
Other	44,670	44,096
Total accrued expenses	\$ 237,171	\$ 194,715

(1) The increase in income and indirect taxes, advertising, shipping, and production costs is due to seasonal increases during our holiday season in the second quarter of our fiscal year.

Other current liabilities included the following:

	December 31, 2019	June 30, 2019
Current portion of finance lease obligations	\$ 8,538	\$ 10,668
Current portion of lease financing obligation (1)	—	12,569
Short-term derivative liabilities	1,727	1,628
Other	1,179	3,016
Total other current liabilities	\$ 11,444	\$ 27,881

(1) Due to our adoption of the new leasing standard on July 1, 2019, our Waltham, MA, and Dallas, TX leases, which were previously classified as build-to-suit, are now classified as operating leases and therefore the lease financing obligation has been de-recognized. Refer to Note 2 for additional details.

Other liabilities included the following:

	December 31, 2019	June 30, 2019
Long-term finance lease obligations	\$ 20,530	\$ 16,036
Long-term derivative liabilities	14,326	15,886
Other	15,141	21,794
Total other liabilities	\$ 49,997	\$ 53,716

8. Debt

	December 31, 2019	June 30, 2019
Senior secured credit facility	\$ 965,676	\$ 621,224
7.0% Senior unsecured notes due 2026	400,000	400,000
Other	15,387	14,361
Debt issuance costs and debt discounts	(10,773)	(12,018)
Total debt outstanding, net	1,370,290	1,023,567
Less: short-term debt (1)	73,755	81,277
Long-term debt	\$ 1,296,535	\$ 942,290

(1) Balances as of December 31, 2019 and June 30, 2019 are inclusive of short-term debt issuance costs and debt discounts of \$2,419 for both periods presented.

Our Debt

Our various debt arrangements described below contain customary representations, warranties and events of default. As of December 31, 2019, we were in compliance with all financial and other covenants related to our debt.

Senior Secured Credit Facility

As of December 31, 2019, we had a committed credit facility of \$1,564,857 as follows:

- Revolving loans of \$1,087,257 with a maturity date of June 14, 2023
- Term loans of \$477,600 amortizing over the loan period, with a final maturity date of June 14, 2023

Under the terms of our credit agreement, borrowings bear interest at a variable rate of interest based on LIBOR plus 1.375% to 2.0%. Interest rates depend on our leverage ratio, which is the ratio of our consolidated total indebtedness to our consolidated EBITDA, as defined by the credit agreement. As of December 31, 2019, the weighted-average interest rate on outstanding borrowings was 3.39%, inclusive of interest rate swap rates. We are also required to pay a commitment fee on unused balances of 0.225% to 0.35% depending on our leverage ratio. We have pledged the assets and/or share capital of a number of our subsidiaries as collateral for our outstanding debt as of December 31, 2019.

Indenture and Senior Unsecured Notes

On June 15, 2018, we completed a private placement of \$400,000 in aggregate principal amount of 7.0% senior unsecured notes due 2026 (the "2026 Notes"). We issued the 2026 Notes pursuant to a senior notes indenture among Cimpress plc, our subsidiary guarantors, and MUFG Union Bank, N.A., as trustee. We used the net proceeds from the 2026 Notes during fiscal 2018 to redeem all of the outstanding 7.0% senior unsecured notes due 2022, repay a portion of the indebtedness outstanding under our revolving credit facility and pay all related fees and expenses.

The 2026 Notes bear interest at a rate of 7.0% per annum and mature on June 15, 2026. Interest on the Notes is payable semi-annually on June 15 and December 15 of each year to the holders of record of the 2026 Notes at the close of business on June 1 and December 1, respectively, preceding such interest payment date.

The 2026 Notes are senior unsecured obligations and rank equally in right of payment to all our existing and future senior unsecured debt and senior in right of payment to all of our existing and future subordinated debt. The Notes are effectively subordinated to any of our existing and future secured debt to the extent of the value of the assets securing such debt. Subject to certain exceptions, each of our existing and future subsidiaries that is a borrower under or guarantees our senior secured credit facilities also guarantees the 2026 Notes.

We have the right to redeem, at any time prior to June 15, 2021, some or all of the 2026 Notes at a redemption price equal to 100% of the principal amount redeemed, plus a make-whole amount as set forth in the indenture, plus, accrued and unpaid interest to, but not including, the redemption date. In addition, we have the right to redeem, at any time prior to June 15, 2021, up to 40% of the aggregate outstanding principal amount of the 2026 Notes at a redemption price equal to 107% of the principal amount thereof, plus accrued and unpaid interest to, but not including, the redemption date, with the net proceeds of certain equity offerings by Cimpres. At any time on or after June 15, 2021, we may redeem some or all of the Notes at the redemption prices specified in the indenture, plus accrued and unpaid interest to, but not including, the redemption date.

Other Debt

Other debt consists primarily of term loans acquired through our various acquisitions or used to fund certain capital investments. As of December 31, 2019 and June 30, 2019, we had \$15,387 and \$14,361, respectively, outstanding for those obligations that are payable through March 2025.

9. Income Taxes

Our income tax benefit was \$93,795 and \$87,680 for the three and six months ended December 31, 2019, respectively, compared to an expense of \$14,399 and \$19,880 for the three and six months ended December 31, 2018. During the three months ended December 31, 2019, we recognized a discrete deferred tax benefit of \$114,114 related to Swiss Tax Reform, as discussed below. Without this benefit, tax expense would have increased, primarily attributable to increased pre-tax income for the three and six months ended December 31, 2019 as compared to the same prior year periods. In addition, during the three months ended December 31, 2018 we recognized "Patent Box" tax benefits of \$3,547 granted to our Pixartprinting business in Italy. Also, during the six months ended December 31, 2018, we recognized a decrease in deferred tax assets of \$5,574 related to Notice 2018-68 issued by the United States Internal Revenue Service, which provided guidance regarding amendments to Section 162(m) of the Internal Revenue Code contained in the Tax Cuts and Jobs Act. Excluding the effect of discrete tax adjustments, our estimated annual effective tax rate is higher for fiscal 2020 as compared to fiscal 2019 primarily due to tax impacts of changing Cimpres N.V.'s tax residency from the Netherlands to Ireland in February 2019, offset by an expectation of a more favorable geographical mix of consolidated earnings. Our effective tax rate continues to be negatively impacted by losses in certain jurisdictions where we are unable to recognize a tax benefit in the current period.

On October 25, 2019, the canton of Zurich enacted tax law changes by publishing the results of its referendum to adopt the Federal Act on Tax Reform and AHV Financing (TRAF), which we refer to as Swiss Tax Reform. Swiss Tax Reform is effective as of January 1, 2020 and includes the abolishment of various favorable federal and cantonal tax regimes. Swiss Tax Reform provides transitional relief measures for companies that are losing the tax benefit of a ruling, including a "step-up" for amortizable goodwill, equal to the amount of future tax benefit they would have received under their existing ruling, subject to certain limitations. We recognized a tax benefit of \$114,114 to establish new Swiss deferred tax assets related to transitional relief measures and remeasuring our existing Swiss deferred tax assets and liabilities. We don't expect to realize the majority of this benefit until fiscal 2025 through fiscal 2030.

As of December 31, 2019, we had unrecognized tax benefits of \$5,533, including accrued interest and penalties of \$587. We recognize interest and, if applicable, penalties related to unrecognized tax benefits in the provision for income taxes. If recognized, the entire amount of unrecognized tax benefits would reduce our tax expense. It is reasonably possible that a reduction in unrecognized tax benefits may occur within the next twelve months in the range of \$400 to \$800 related to the lapse of applicable statutes of limitations.

We conduct business in a number of tax jurisdictions and, as such, are required to file income tax returns in multiple jurisdictions globally. The years 2016 through 2019 remain open for examination by the IRS and the years 2013 through 2019 remain open for examination in the various states and non-US tax jurisdictions in which we file tax returns. We believe that our income tax reserves are adequately maintained taking into consideration both the

technical merits of our tax return positions and ongoing developments in our income tax audits. However, the final determination of our tax return positions, if audited, is uncertain, and there is a possibility that final resolution of these matters could have a material impact on our results of operations or cash flows.

10. Noncontrolling Interests

For some of our subsidiaries, we own a controlling equity stake, and a third party or key member of the business' management team owns a minority portion of the equity. The balance sheet and operating activity of these entities are included in our consolidated financial statements and we adjust the net income in our consolidated statement of operations to exclude the noncontrolling interests' proportionate share of results. We present the proportionate share of equity attributable to the redeemable noncontrolling interests as temporary equity within our consolidated balance sheet and the proportionate share of noncontrolling interests not subject to a redemption provision that is outside of our control as equity. We recognize redeemable noncontrolling interests at fair value on the sale or acquisition date and adjust to the redemption value on a periodic basis with the offset to retained earnings in the consolidated balance sheet. If the formulaic redemption value exceeds the fair value of the noncontrolling interest, then the accretion to redemption value is offset to the net (income) loss attributable to noncontrolling interest in our consolidated statement of operations.

Redeemable Noncontrolling Interests

PrintBrothers

During the fourth quarter of fiscal 2019, we sold a minority equity interest in each of the three businesses within our PrintBrothers reportable segment to members of the management team. We received proceeds of €50,173 (\$57,046 based on the exchange rate on the date we received the proceeds) in exchange for an equity interest in each of the businesses ranging from 12% to 13%. As of June 30, 2019, we recognized the redeemable noncontrolling interest at fair value of \$57,046. The put options associated with the redeemable noncontrolling interest are exercisable beginning in 2021, while the associated call options become exercisable in 2026. We recorded an adjustment of \$5,493 to increase the carrying value to the estimated redemption amounts, with the offset recognized in retained earnings in the consolidated balance sheet, since the estimated redemption amounts were less than the fair value.

All Other Businesses

On October 1, 2018, we acquired approximately 99% of the outstanding equity interests of Build A Sign LLC. The remaining 1% is considered a redeemable noncontrolling equity interest, as it is redeemable for cash based on future financial results through put and call rights and not solely within our control. On the acquisition date, we recognized the redeemable noncontrolling interest at fair value of \$3,356. As of December 31, 2019, the redemption value was less than the carrying value, and therefore no adjustment was required.

On July 2, 2018, we acquired approximately 73% of the shares of VIDA Group Co. The remaining 27% is considered a redeemable noncontrolling equity interest, as it is redeemable in the future not solely within our control. The shares we hold include certain liquidation preferences to all other share classes, and therefore the noncontrolling interest will bear any losses until the recoverable value of our investment declines below the stated redemption value. As of December 31, 2019, the redemption value is less than the carrying value and therefore no adjustment has been made.

The following table presents the reconciliation of changes in our noncontrolling interests:

	Redeemable noncontrolling interests
Balance as of June 30, 2019	\$ 63,182
Acquisition of noncontrolling interest (1)	3,995
Accretion to redemption value recognized in retained earnings (2)	5,493
Net income attributable to noncontrolling interest	246
Distribution to noncontrolling interest	(3,921)
Foreign currency translation	(794)
Balance as of December 31, 2019	\$ 68,201

- (1) During the first quarter of fiscal 2020, we acquired majority equity interests related to two immaterial businesses within our PrintBrothers reportable segment.
- (2) Accretion of redeemable noncontrolling interests to redemption value recognized in retained earnings is the result of the redemption amount estimated to be greater than carrying value but less than fair value.

11. Variable Interest Entity ("VIE")

Investment in Printi LLC

As of December 31, 2019, we have a 53.7% equity interest in Printi LLC, which operates in Brazil, and the shareholders of Printi share profits and voting control on a pro-rata basis. We agreed to acquire all of the remaining equity interests in Printi through a reciprocal put and call structure, contractually exercisable from April 1, 2021 through a mandatory redemption date of July 31, 2023. This contractual obligation is presented as a liability on our consolidated balance sheet and we adjust the liability to its estimated redemption value each reporting period and recognize any changes within interest expense, net in our consolidated statement of operations. As of December 31, 2019 and June 30, 2019, the carrying value of these liabilities is zero, based on their estimated redemption values.

In May 2017, we entered into an arrangement with two Printi equity holders to provide loans, which represent prepayments for our future purchase of their equity interests. The loans are payable on the date the put or call option is exercised and the loan proceeds will be used to offset our purchase of their remaining outstanding equity interest, which also serves as collateral. As of December 31, 2019 and June 30, 2019, the net loan receivable including accrued interest was zero, since the collateral value of the related liabilities is estimated to have no value.

12. Segment Information

Our operating segments are based upon the manner in which our operations are managed and the availability of separate financial information reported internally to the Chief Executive Officer, who is our Chief Operating Decision Maker ("CODM") for purposes of making decisions about how to allocate resources and assess performance. During the first quarter of fiscal 2020, we revised our internal organizational and reporting structure leading to changes in our Vistaprint and All Other Businesses reportable segments. Our Vistaprint Corporate Solutions, Vistaprint India, and Vistaprint Japan businesses, which were previously aggregated based on materiality in our All Other Businesses, are now directly managed within the Vistaprint business. These businesses are close derivatives or adjacencies of the Vistaprint business and leverage the Vistaprint brand, customers, technology, and/or other assets. This change in reporting structure positions them closer to the Vistaprint operations, capabilities, and resources. We have revised our presentation of all prior periods presented to reflect our revised segment reporting.

As of December 31, 2019, we have numerous operating segments under our management reporting structure which are reported in the following five reportable segments:

- *Vistaprint* - Includes the operations of our global Vistaprint websites and our Webs-branded business, which is managed with the Vistaprint-branded digital business. Also included is our Vistaprint Corporate Solutions business which serves medium-sized businesses and large corporations, as well as a legacy revenue stream with retail partners and franchise businesses
- *PrintBrothers* - Includes the results of our druck.at, Printdeal, and WIRmachenDRUCK businesses
- *The Print Group* - Includes the results of our Easyflyer, Exagroup, Pixartprinting, and Tradeprint businesses
- *National Pen* - Includes the global operations of our National Pen business, which manufactures and markets custom writing instruments and promotional products, apparel and gifts
- *All Other Businesses* - Includes a collection of businesses grouped together based on materiality:
 - BuildASign is an internet-based provider of canvas-print wall décor, business signage and other large-format printed products, based in Austin, Texas.
 - Printi is an online printing leader in Brazil, which offers a superior customer experience with transparent and attractive pricing, reliable service and quality.

- VIDA is an innovative startup that brings manufacturing access and an e-commerce marketplace to artists, thereby enabling artists to convert ideas into beautiful, original products for customers, ranging from custom fashion, jewelry and accessories to home accent pieces.
- YSD is a startup operation that provides end-to-end mass customization solutions to brands and IP owners in China, supporting multiple channels including retail stores, websites, WeChat and e-commerce platforms to enhance brand awareness and competitiveness, and develop new markets.

Central and corporate costs consist primarily of the team of software engineers that is building our mass customization platform; shared service organizations such as global procurement; technology services such as hosting and security; administrative costs of our Cimpres India offices where numerous Cimpres businesses have dedicated business-specific team members; and corporate functions including our Board of Directors, CEO, and the team members necessary for managing corporate activities, such as treasury, tax, capital allocation, financial consolidation, internal audit and legal. These costs also include certain unallocated share-based compensation costs.

During the first quarter of fiscal 2020, we changed our segment profitability measure to an adjusted EBITDA metric. The financial metric that we use to hold our businesses accountable on an annual basis is unlevered free cash flow. Historically, we have reported segment profit based on adjusted net operating profit; however, this is not a direct input to unlevered free cash flow. We believe this change simplifies both our internal and external reporting, while also increasing the focus on a profitability metric that is a direct input into our internal operating measure, to our steady-state free cash flow analysis that we report annually and to our estimates of intrinsic value per share.

The primary difference between the segment profit we previously reported and the revised metric is depreciation and amortization. The prior adjusted NOP-based metric only removed amortization of acquired intangibles, and the new segment EBITDA metric removes all depreciation and amortization, except for depreciation expense related to our Waltham, Massachusetts lease, which we treat in our historical results as operating expense. The new segment EBITDA metric does include the cost of long-term incentive programs, including share-based compensation, just as the prior adjusted NOP-based metric.

For awards granted under our 2016 Performance Equity Plan, the PSU expense value is based on a Monte Carlo fair value analysis and is required to be expensed on an accelerated basis. In order to ensure comparability in measuring our businesses' results, we allocate the straight-line portion of the fixed grant value to our businesses. Any expense in excess of the amount as a result of the fair value measurement of the PSUs and the accelerated expense profile of the awards is recognized within Central and corporate costs. All expense or benefit associated with our supplemental PSUs is recognized within Central and corporate costs.

Our definition of segment EBITDA is GAAP operating income excluding certain items, such as depreciation and amortization (with the exception of depreciation expense associated with our Waltham, Massachusetts lease for periods prior to our adoption of the new leasing standard on July 1, 2019), expense recognized for contingent earn-out related charges including the changes in fair value of contingent consideration and compensation expense related to cash-based earn-out mechanisms dependent upon continued employment, share-based compensation related to investment consideration, certain impairment expense, and restructuring charges. For historical periods presented, a portion of the interest expense associated with our Waltham, Massachusetts lease is included as expense in segment EBITDA and allocated based on headcount to the appropriate business or corporate and global function. The interest expense represents a portion of the cash rent payment and is considered an operating expense for purposes of measuring our segment performance. Beginning in fiscal 2020, as part of our adoption of the new leasing standard, the accounting treatment for our Waltham, Massachusetts lease has changed to an operating lease, so the expense associated with this lease is reflected in operating income and no longer requires an adjustment to segment EBITDA. We do not allocate non-operating income, including realized gains and losses on currency hedges, to our segment results.

Our All Other Businesses reportable segment includes businesses that have operating losses as they are in the early stage of investment relative to the scale of the underlying businesses, which may limit its comparability to other segments regarding segment EBITDA.

Our balance sheet information is not presented to the CODM on an allocated basis, and therefore we do not present asset information by segment. We do present other segment information to the CODM, which includes purchases of property, plant and equipment and capitalization of software and website development costs, and therefore include that information in the tables below.

Revenue by segment is based on the business-specific websites or sales channel through which the customer's order was transacted. The following tables set forth revenue by reportable segments, as well as disaggregation of revenue by major geographic regions and reportable segments.

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Revenue:				
Vistaprint (1)	\$ 433,305	\$ 443,940	\$ 776,476	\$ 789,260
PrintBrothers (2)	126,617	116,314	235,907	217,703
The Print Group (3)	87,699	87,740	159,957	158,740
National Pen (4)	127,985	132,951	198,148	198,922
All Other Businesses (5)	49,774	48,256	92,050	55,971
Total segment revenue	825,380	829,201	1,462,538	1,420,596
Inter-segment eliminations	(5,047)	(3,634)	(8,246)	(6,048)
Total consolidated revenue	\$ 820,333	\$ 825,567	\$ 1,454,292	\$ 1,414,548

- (1) Vistaprint segment revenues include inter-segment revenue of \$2,525 and \$3,853 for the three and six months ended December 31, 2019, respectively, and \$2,088 and \$3,338 for the prior comparative periods, respectively.
- (2) PrintBrothers segment revenues include inter-segment revenue of \$329 and \$572 for the three and six months ended December 31, 2019, respectively, and \$353 and \$711 for the prior comparative periods, respectively.
- (3) The Print Group segment revenues include inter-segment revenue of \$986 and \$1,418 for the three and six months ended December 31, 2019, respectively, and \$439 and \$495 for the prior comparative periods, respectively.
- (4) National Pen segment revenues include inter-segment revenue of \$966 and \$1,947 for the three and six months ended December 31, 2019 respectively, and \$754 and \$1,504 for the prior comparative periods, respectively.
- (5) All Other Businesses segment revenues include inter-segment revenue of \$241 and \$456 for the three and six months ended December 31, 2019. There was no inter-segment revenue for the three and six months ended December 31, 2018. Our All Other Businesses segment includes the revenue from our BuildASign acquisition from October 1, 2018.

	Three Months Ended December 31, 2019					
	Vistaprint	PrintBrothers	The Print Group	National Pen	All Other	Total
Revenue by Geographic Region:						
North America	\$ 284,345	\$ —	\$ —	\$ 54,400	\$ 44,221	\$ 382,966
Europe	121,143	126,288	86,713	60,887	—	395,031
Other	25,292	—	—	11,732	5,312	42,336
Inter-segment	2,525	329	986	966	241	5,047
Total segment revenue	433,305	126,617	87,699	127,985	49,774	825,380
Less: inter-segment elimination	(2,525)	(329)	(986)	(966)	(241)	(5,047)
Total external revenue	\$ 430,780	\$ 126,288	\$ 86,713	\$ 127,019	\$ 49,533	\$ 820,333

	Six Months Ended December 31, 2019					
	Vistaprint	PrintBrothers	The Print Group	National Pen	All Other	Total
Revenue by Geographic Region:						
North America	\$ 531,430	\$ —	\$ —	\$ 95,942	\$ 79,627	\$ 706,999
Europe	195,601	235,335	158,539	83,200	—	672,675
Other	45,592	—	—	17,059	11,967	74,618
Inter-segment	3,853	572	1,418	1,947	456	8,246
Total segment revenue	776,476	235,907	159,957	198,148	92,050	1,462,538
Less: inter-segment elimination	(3,853)	(572)	(1,418)	(1,947)	(456)	(8,246)
Total external revenue	\$ 772,623	\$ 235,335	\$ 158,539	\$ 196,201	\$ 91,594	\$ 1,454,292

	Three Months Ended December 31, 2018					
	Vistaprint	PrintBrothers	The Print Group	National Pen	All Other	Total
Revenue by Geographic Region:						
North America	\$ 285,304	\$ —	\$ —	\$ 57,348	\$ 41,911	\$ 384,563
Europe	130,731	115,961	87,301	62,473	—	396,466
Other	25,817	—	—	12,376	6,345	44,538
Inter-segment	2,088	353	439	754	—	3,634
Total segment revenue	443,940	116,314	87,740	132,951	48,256	829,201
Less: inter-segment elimination	(2,088)	(353)	(439)	(754)	—	(3,634)
Total external revenue	\$ 441,852	\$ 115,961	\$ 87,301	\$ 132,197	\$ 48,256	\$ 825,567

	Six Months Ended December 31, 2018					
	Vistaprint	PrintBrothers	The Print Group	National Pen	All Other	Total
Revenue by Geographic Region:						
North America	\$ 531,425	\$ —	\$ —	\$ 95,906	\$ 43,639	\$ 670,970
Europe	207,402	216,992	158,245	83,509	—	666,148
Other	47,095	—	—	18,003	12,332	77,430
Inter-segment	3,338	711	495	1,504	—	6,048
Total segment revenue	789,260	217,703	158,740	198,922	55,971	1,420,596
Less: inter-segment elimination	(3,338)	(711)	(495)	(1,504)	—	(6,048)
Total external revenue	\$ 785,922	\$ 216,992	\$ 158,245	\$ 197,418	\$ 55,971	\$ 1,414,548

The following table includes segment EBITDA by reportable segment, total income from operations and total income before income taxes.

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Segment EBITDA:				
Vistaprint	\$ 132,160	\$ 96,963	\$ 212,740	\$ 156,957
PrintBrothers	16,459	11,691	27,236	22,262
The Print Group	18,105	16,368	31,739	28,214
National Pen	28,099	26,634	18,249	10,166
All Other Businesses	3,668	(2,294)	5,385	(7,016)
Total segment EBITDA	198,491	149,362	295,349	210,583
Central and corporate costs	(31,707)	(13,124)	(58,637)	(42,411)
Depreciation and amortization	(42,356)	(44,502)	(84,891)	(85,220)
Waltham, MA lease depreciation adjustment (1)	—	1,030	—	2,060
Share-based compensation related to investment consideration	—	(2,893)	—	(2,893)
Certain impairments and other adjustments	(936)	(65)	(760)	22
Restructuring-related charges	(1,897)	(1,026)	(4,087)	(1,196)
Interest expense for Waltham, MA lease (1)	—	1,833	—	3,682
Total income from operations	121,595	90,615	146,974	84,627
Other (expense) income, net	(9,040)	9,629	6,634	19,881
Interest expense, net	(15,701)	(16,808)	(30,788)	(30,585)
Income before income taxes	\$ 96,854	\$ 83,436	\$ 122,820	\$ 73,923

(1) Upon the adoption of the new leasing standard on July 1, 2019, our Waltham, MA lease, which was previously classified as build-to-suit, is now classified as an operating lease under the new standard. Therefore, the Waltham depreciation and interest expense adjustments that were made in comparative periods will no longer be made beginning in the first fiscal quarter of 2020, as any impact from the Waltham lease will be reflected in operating income. Refer to Note 2 for additional details.

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Depreciation and amortization:				
Vistaprint	\$ 15,781	\$ 17,357	\$ 32,056	\$ 34,678
PrintBrothers	5,553	5,663	10,808	12,076
The Print Group	6,609	7,687	12,842	15,418
National Pen	5,523	5,319	11,104	10,443
All Other Businesses	5,888	5,259	11,861	5,842
Central and corporate costs	3,002	3,217	6,220	6,763
Total depreciation and amortization	<u>\$ 42,356</u>	<u>\$ 44,502</u>	<u>\$ 84,891</u>	<u>\$ 85,220</u>

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Purchases of property, plant and equipment:				
Vistaprint	\$ 6,192	\$ 9,378	\$ 10,697	\$ 21,434
PrintBrothers	668	647	999	2,376
The Print Group	4,889	2,787	8,994	4,783
National Pen	761	2,308	2,777	7,035
All Other Businesses	595	2,362	2,370	2,647
Central and corporate costs	796	259	2,257	492
Total purchases of property, plant and equipment	<u>\$ 13,901</u>	<u>\$ 17,741</u>	<u>\$ 28,094</u>	<u>\$ 38,767</u>

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Capitalization of software and website development costs:				
Vistaprint	\$ 5,625	\$ 6,208	\$ 12,290	\$ 13,466
PrintBrothers	291	517	622	804
The Print Group	424	703	875	1,198
National Pen	979	576	1,815	1,476
All Other Businesses	1,116	871	2,079	961
Central and corporate costs	2,511	1,813	5,736	4,016
Total capitalization of software and website development costs	<u>\$ 10,946</u>	<u>\$ 10,688</u>	<u>\$ 23,417</u>	<u>\$ 21,921</u>

The following table sets forth long-lived assets by geographic area:

	December 31, 2019	June 30, 2019
Long-lived assets (1):		
United States	\$ 169,989	\$ 57,118
Netherlands	98,624	73,601
Canada	75,055	73,447
Switzerland	62,140	57,488
Italy	50,261	43,203
Jamaica	21,218	21,267
Australia	21,273	20,749
France	25,312	18,533
Japan	16,364	17,768
Other	106,603	79,006
Total	<u>\$ 646,839</u>	<u>\$ 462,180</u>

(1) Excludes goodwill of \$721,057 and \$718,880, intangible assets, net of \$235,031 and \$262,701, and deferred tax assets of \$160,058 and \$59,906 as of December 31, 2019 and June 30, 2019, respectively. Build-to-suit lease assets of \$124,408 are excluded for the year ended June 30, 2019, and upon our adoption of ASC 842 on July 1, 2019, our Waltham, MA and Dallas, TX build-to-suit lease asset balances were de-recognized.

As of December 31, 2019, all operating lease assets are recognized within the balances above. Refer to Note 2 for additional details.

13. Leases

We lease certain machinery and plant equipment, office space, and production and warehouse facilities under non-cancelable operating leases that expire on various dates through 2034. Our finance leases primarily relate to machinery and plant equipment.

The following table presents the classification of right-of-use assets and lease liabilities as of December 31, 2019:

Leases	Consolidated Balance Sheet Classification	December 31, 2019
Assets:		
Operating right-of-use assets	Operating lease assets, net	\$ 173,156
Finance right-of-use assets	Property, plant, and equipment, net	65,953
Total lease assets		<u>\$ 239,109</u>
Liabilities:		
Current		
Operating lease liabilities	Operating lease liabilities, current	\$ 37,698
Finance lease liabilities	Other current liabilities	8,538
Non-current		
Operating lease liabilities	Operating lease liabilities, non-current	143,276
Finance lease liabilities	Other liabilities	20,530
Total lease liabilities		<u>\$ 210,042</u>

The following table represents the lease expenses for the three and six months ended December 31, 2019:

	Three Months Ended December 31, 2019	Six Months Ended December 31, 2019
Operating lease expense	\$ 10,573	\$ 21,454
Finance lease expense:		
Amortization of finance lease assets	1,550	3,205
Interest on lease liabilities	263	440
Variable lease expense	2,731	5,625
Less: sublease income	(809)	(1,759)
Net lease cost	<u>\$ 3,735</u>	<u>\$ 7,511</u>

Future minimum lease payments under non-cancelable leases as of December 31, 2019 were as follows:

	Operating lease obligations	Finance lease obligations	Total lease obligations
2020	\$ 21,883	\$ 10,210	\$ 32,093
2021	40,076	7,665	47,741
2022	33,397	5,484	38,881
2023	27,454	3,280	30,734
2024	22,401	1,718	24,119
Thereafter	55,329	2,311	57,640
Total	<u>200,540</u>	<u>30,668</u>	<u>231,208</u>
Less: present value discount	(19,566)	(1,600)	(21,166)
Lease liability	<u>\$ 180,974</u>	<u>\$ 29,068</u>	<u>\$ 210,042</u>

As previously disclosed in our 2019 Annual Report on Form 10-K and under the previous lease accounting standard, the following is a summary of future minimum lease payments under non-cancelable leases and build-to-suit arrangements as of June 30, 2019:

	Operating lease obligations	Build-to-suit lease obligations (1)	Finance lease obligations	Total lease obligations
2020	\$ 30,269	\$ 13,482	\$ 11,468	\$ 55,219
2021	22,849	13,836	6,414	43,099
2022	16,592	13,877	3,724	34,193
2023	12,553	12,426	2,544	27,523
2024	9,032	12,163	1,565	22,760
Thereafter	8,338	40,656	2,403	51,397
Total	<u>\$ 99,633</u>	<u>\$ 106,440</u>	<u>\$ 28,118</u>	<u>\$ 234,191</u>

(1) Build-to-suit minimum payments at June 30, 2019 related to our Waltham, MA and Dallas, TX leases, refer to Note 2 for additional details.

Other information about leases is as follows:

Lease Term and Discount Rate	December 31, 2019
Weighted-average remaining lease term (years)	
Operating leases	4.40
Finance leases	4.61
Weighted-average discount rate	
Operating leases	3.40%
Finance leases	3.49%

Our leases have remaining lease terms of 1 year to 15 years, inclusive of renewal or termination options that we are reasonably certain to exercise.

Supplemental Cash Flow Information	Six Months Ended December 31, 2019
Cash paid for amounts included in measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 21,118
Operating cash flows from finance leases	440
Financing cash flows from finance leases	5,364

14. Commitments and Contingencies

Purchase Obligations

At December 31, 2019, we had unrecorded commitments under contract of \$119,028, including third-party web services of \$68,730 and inventory and third-party fulfillment purchase commitments of \$20,394. In addition, we had purchase commitments for professional and consulting fees of \$6,125, production and computer equipment purchases of \$5,078, commitments for advertising campaigns of \$1,419, and other unrecorded purchase commitments of \$17,282.

Other Obligations

We deferred payments for several of our acquisitions resulting in the recognition of a liability of \$2,831 in aggregate as of December 31, 2019.

Legal Proceedings

We are not currently party to any material legal proceedings. Although we cannot predict with certainty the results of litigation and claims to which we may be subject from time to time, we do not expect the resolution of any of our current matters to have a material adverse impact on our consolidated results of operations, cash flows or financial position. For all legal matters, at each reporting period, we evaluate whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. We expense the costs relating to our legal proceedings as those costs are incurred.

15. Restructuring Charges

Restructuring costs include one-time employee termination benefits, acceleration of share-based compensation, write-off of assets and other related costs including third-party professional and outplacement services. During the three and six months ended December 31, 2019, we recognized restructuring charges of \$1,897 and \$4,087 consisting of charges of \$1,697 and \$3,358, respectively, within our Vistaprint reportable segment as we continue to evolve our organizational structure; charges of \$535 in our All Other Businesses reportable segment for the six months ended December 31, 2019, related to reorganization initiatives; and immaterial charges recognized within The Print Group reportable segment.

During the three and six months ended December 31, 2018, we recognized restructuring charges of \$1,026 and \$1,196, respectively, related primarily to two actions that were substantially complete as of December 31, 2018.

The following table summarizes the restructuring activity during the six months ended December 31, 2019:

	Severance and Related Benefits	Other Restructuring Costs	Total
Accrued restructuring liability as of June 30, 2019	\$ 3,045	\$ 167	\$ 3,212
Restructuring charges	3,778	309	4,087
Cash payments	(2,333)	(423)	(2,756)
Non-cash charges (1)	(772)	—	(772)
Accrued restructuring liability as of December 31, 2019	<u>\$ 3,718</u>	<u>\$ 53</u>	<u>\$ 3,771</u>

(1) Non-cash charges primarily include acceleration of share-based compensation expenses.

16. Related Party Transaction

On November 5, 2019, we repurchased 750,000 of our outstanding ordinary shares, par value €0.01 per share, from two private investment partnerships affiliated with Prescott General Partners LLC (“PGP”) at a price of \$135.00 per share, representing a discount of \$1.05 to the closing price of our ordinary shares on November 5, 2019 (the “Transaction”).

PGP remains our largest shareholder, beneficially owning 3,906,492 of our outstanding ordinary shares immediately following the Transaction. In addition, Scott J. Vassalluzzo, a Managing Member of PGP, serves as a member of Cimpress’ Board of Directors. In light of the foregoing, the disinterested members of Cimpress’ Audit Committee reviewed the Transaction under our related person transaction policy and considered, among other things, Mr. Vassalluzzo’s and PGP’s interest in the Transaction, the approximate dollar value of the Transaction, that the shares were being repurchased at a discount to the closing price, and the purpose and the potential benefits to Cimpress of entering into the Transaction. Based on these considerations, the disinterested members of the Audit Committee concluded that the Transaction was in our best interest. The Transaction was effected pursuant to the share repurchase program approved by Cimpress’ Board of Directors and announced on February 12, 2019.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Report contains forward-looking statements that involve risks and uncertainties. The statements contained in this Report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including but not limited to our statements about the anticipated growth, development and profitability of certain of our businesses, sufficiency of our cash, expectations for future share repurchases, expected impacts of our advertising spend initiatives, legal proceedings, expected currency volatility, the anticipated competitive position of certain of our businesses in Europe, the development and anticipated benefits to our businesses of our mass customization platform, and the expected impacts of Swiss tax reform. Without limiting the foregoing, the words "may," "should," "could," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "designed," "potential," "continue," "target," "seek" and similar expressions are intended to identify forward-looking statements. All forward-looking statements included in this Report are based on information available to us up to, and including the date of this document, and we disclaim any obligation to update any such forward-looking statements. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various important factors, including but not limited to flaws in the assumptions and judgments upon which our forecasts and estimates are based; our failure to execute our strategy; our inability to make the investments in our business that we plan to make or the failure of those investments to achieve the results we expect; our failure to address performance issues in some of our businesses; the failure of the businesses we acquire or invest in to perform as expected; our failure to develop and deploy our mass customization platform or the failure of the platform to drive the performance, efficiencies, and competitive advantage we expect; loss of key personnel or our inability to recruit talented personnel to drive performance of our businesses; unanticipated changes in our markets, customers, or businesses; changes in the laws and regulations, or in the interpretation of laws and regulations, that affect our businesses, including changes in the timing of or regulations included in Swiss tax reform; our failure to attract new customers and retain our current customers; our failure to manage the growth and complexity of our business and expand our operations; the willingness of purchasers of customized products and services to shop online; our failure to maintain compliance with the covenants in our senior secured revolving credit facility and senior unsecured notes or to pay our debts when due; competitive pressures; general economic conditions; and other factors described in our Form 10-K for the fiscal year ended June 30, 2019 and the other documents we periodically file with the SEC.

Executive Overview

Cimpress is a strategically focused group of more than a dozen businesses that specialize in mass customization, via which we deliver large volumes of individually small-sized customized orders for a broad spectrum of print, signage, photo merchandise, invitations and announcements, writing instruments, packaging, apparel and other categories. We invest in and build customer-focused, entrepreneurial mass customization businesses for the long term, which we manage in a decentralized, autonomous manner. We drive competitive advantage across Cimpress through a select few shared strategic capabilities that have the greatest potential to create Cimpress-wide value. We limit all other central activities to only those which absolutely must be performed centrally.

During the first quarter of fiscal 2020, we revised our internal organizational and reporting structure leading to changes in our Vistaprint and All Other Businesses reportable segments. Our Vistaprint Corporate Solutions, Vistaprint India, and Vistaprint Japan businesses, which were previously aggregated based on materiality in our All Other Businesses, are now directly managed within the Vistaprint business. These businesses are close derivatives or adjacencies of the Vistaprint business and leverage the Vistaprint brand, customers, technology, and other assets. This change in reporting structure will position them closer to the Vistaprint operations, capabilities, and resources. We have revised our presentation of all prior periods presented to reflect our revised segment reporting.

In addition, we changed our segment profitability measure to an adjusted EBITDA metric in the first quarter of fiscal 2020. The financial metric that we use to hold our businesses accountable on an annual basis is unlevered free cash flow. Historically, we have reported segment profit based on adjusted net operating profit; however, this is not a direct input to unlevered free cash flow. We believe this change simplifies both our internal and external reporting, while also increasing the focus on a profitability metric that is a direct input into our internal operating measure, to our steady-state free cash flow analysis that we report annually and to our estimates of intrinsic value per share. The most significant change, when compared to our prior segment profit metric, is the exclusion of all depreciation and amortization expense, versus our prior profitability metric which only excluded amortization expense associated with our acquired intangible assets. Refer to Note 12 in our accompanying consolidated

financial statements for additional information relating to the definition of segment EBITDA. We also include below adjusted EBITDA, at a consolidated level, which is the most comparable measure to our definition of segment EBITDA. Refer below for our definitions of non-GAAP measures.

As of December 31, 2019, we have numerous operating segments under our management reporting structure that are reported in the following five reportable segments: Vistaprint, PrintBrothers, The Print Group, National Pen, and All Other Businesses. Refer to Note 12 in our accompanying consolidated financial statements for additional information relating to our reportable segments and our segment financial measures.

Financial Summary

The primary financial metric by which we set quarterly and annual budgets both for individual businesses and Cimpres wide is our adjusted free cash flow before cash interest expense related to borrowing; however, in evaluating the financial condition and operating performance of our business, management considers a number of metrics including revenue growth, constant-currency revenue growth, operating income, adjusted EBITDA, cash flow from operations and adjusted free cash flow. A summary of these key financial metrics for the three and six months ended December 31, 2019 as compared to the three and six months ended December 31, 2018 follows:

Second Quarter 2020

- Revenue decreased by 1% to \$820.3 million.
- Consolidated constant-currency revenue (a non-GAAP financial measure) increased by 1% and remained flat when excluding acquisitions completed in the last four quarters.
- Operating income increased by \$31.0 million to \$121.6 million.
- Adjusted EBITDA (a non-GAAP financial measure) increased by \$47.4 million to \$185.5 million.

Year to Date 2020

- Revenue increased by 3% to \$1,454.3 million.
- Consolidated constant-currency revenue increased by 5% and increased by 2% when excluding acquisitions completed in the last four quarters.
- Operating income increased by \$62.3 million to \$147.0 million.
- Adjusted EBITDA increased by \$84.5 million to \$265.0 million.
- Cash provided by operating activities increased by \$59.6 million to \$265.1 million.
- Adjusted free cash flow (a non-GAAP financial measure) increased by \$68.8 million to \$213.6 million.

For the second quarter of fiscal 2020, the decrease in reported revenue is primarily due to the decline in our Vistaprint and National Pen reportable segments, driven by planned reductions in advertising spend, offset by growth in our PrintBrothers, The Print Group, and All Other Businesses reportable segments. Currency exchange rate fluctuations negatively impacted revenue during the current quarter.

For the second quarter of fiscal 2020, operating income increased as compared to the prior comparative period due to profitability improvements across all of our segments, driven by planned reductions in advertising spend for our Vistaprint and National Pen businesses combined with operational improvements in several of our businesses. Additionally, net investments in our early-stage businesses decreased primarily due to actions we have taken to improve the efficiency and focus of our Printi business. These profit improvements were partially offset by increased share-based compensation expense, as in the comparative period we realized a non-recurring benefit to operating income due to the reversal of previously recognized expense associated with our supplemental PSUs as we concluded their performance condition was not probable of being met. In addition, we increased investments in technology, professional service fees related to strategic projects and our Irish merger, and restructuring charges.

Adjusted EBITDA increased year-over-year primarily due to the same reasons as operating income mentioned above. Adjusted EBITDA includes the realized gains or losses on our currency derivatives intended to hedge adjusted EBITDA, and the net year-over-year impact of currency on consolidated adjusted EBITDA was insignificant.

Consolidated Results of Operations

Consolidated Revenue

Our businesses generate revenue primarily from the sale and shipment of customized manufactured products. To a much lesser extent (and only in our Vistaprint business) we provide digital services, website design and hosting, and email marketing services, as well as generate a small percentage of revenue from order referral fees and other third-party offerings. For additional discussion relating to segment revenue results, refer to the "Reportable Segment Results" section included below.

Total revenue and revenue growth by reportable segment for the three and six months ended December 31, 2019 and 2018 are shown in the following table:

<i>In thousands</i>	Three Months Ended December 31,			Currency Impact: (Favorable)/Unfavorable	Constant-Currency Revenue Growth (1)	Impact of Acquisitions/Divestitures: (Favorable)/Unfavorable	Constant-Currency Revenue Growth Excluding Acquisitions/Divestitures (2)
	2019	2018	% Change				
	Vistaprint	\$ 433,305	\$ 443,940				
PrintBrothers	126,617	116,314	9%	3%	12%	8%	
The Print Group	87,699	87,740	—%	3%	3%	3%	
National Pen	127,985	132,951	(4)%	1%	(3)%	(3)%	
All Other Businesses	49,774	48,256	3%	1%	4%	4%	
Inter-segment eliminations	(5,047)	(3,634)					
Total revenue	\$ 820,333	\$ 825,567	(1)%	2%	1%	(1)%	

<i>In thousands</i>	Six Months Ended December 31,			Currency Impact: (Favorable)/Unfavorable	Constant-Currency Revenue Growth (1)	Impact of Acquisitions/Divestitures: (Favorable)/Unfavorable	Constant-Currency Revenue Growth Excluding Acquisitions/Divestitures (2)
	2019	2018	% Change				
	Vistaprint	\$ 776,476	\$ 789,260				
PrintBrothers	235,907	217,703	8%	4%	12%	10%	
The Print Group	159,957	158,740	1%	4%	5%	5%	
National Pen	198,148	198,922	—%	1%	1%	1%	
All Other Businesses (3)	92,050	55,971	64%	1%	65%	3%	
Inter-segment eliminations	(8,246)	(6,048)					
Total revenue	\$ 1,454,292	\$ 1,414,548	3%	2%	5%	(3)%	

(1) Constant-currency revenue growth, a non-GAAP financial measure, represents the change in total revenue between current and prior year periods at constant-currency exchange rates by translating all non-U.S. dollar denominated revenue generated in the current period using the prior year period's average exchange rate for each currency to the U.S. dollar. Our reportable segments-related growth is inclusive of inter-segment revenues, which are eliminated in our consolidated results.

(2) Constant-currency revenue growth excluding acquisitions/divestitures, a non-GAAP financial measure, excludes revenue results for businesses in the period in which there is no comparable year-over-year revenue. Revenue from our fiscal year 2019 acquisitions is excluded from fiscal year 2020 revenue growth for quarters with no comparable year-over-year revenue. For example, revenue from BuildASign, which we acquired on October 1, 2018 in Q2 2019, is excluded from revenue growth in Q1 of fiscal year 2019, with no Q1 results in the comparable period, but is included in organic revenue growth starting in Q2 of fiscal year 2020 and will be included in future quarters. Our reportable segments-related growth is inclusive of inter-segment revenues, which are eliminated in our consolidated results.

(3) The All Other Businesses segment includes the revenue of the BuildASign business from its acquisition date of October 1, 2018. Constant-currency revenue growth excluding acquisitions/divestitures excludes the revenue results for BuildASign since their acquisition date.

We have provided these non-GAAP financial measures because we believe they provide meaningful information regarding our results on a consistent and comparable basis for the periods presented. Management uses these non-GAAP financial measures, in addition to GAAP financial measures, to evaluate our operating results. These non-GAAP financial measures should be considered supplemental to and not a substitute for our reported financial results prepared in accordance with GAAP.

Consolidated Cost of Revenue

Cost of revenue includes materials used by our businesses to manufacture their products, payroll and related expenses for production and design services personnel, depreciation of assets used in the production process and in support of digital marketing service offerings, shipping, handling and processing costs, third-party production costs, costs of free products and other related costs of products our businesses sell.

<i>In thousands</i>	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Cost of revenue	\$ 394,018	\$ 411,496	\$ 719,683	\$ 713,967
<i>% of revenue</i>	48.0%	49.8%	49.5%	50.5%

For the three months ended December 31, 2019, consolidated cost of revenue decreased by \$17.5 million, primarily due to the decrease in order volume from the comparable period in our Vistaprint business as well as cost benefits realized from more effective management of shipping costs and improved plant efficiencies due to these lower order volumes, as well as aggregate benefits of currency. This decline was offset by increased cost of revenue from the PrintBrothers businesses due to revenue growth, which was partially impacted by the vertical integration of a former supplier in one of our businesses during the first quarter of fiscal 2020.

For the six months ended December 31, 2019, consolidated cost of revenue increased by \$5.7 million partially due to the addition of cost of revenue of \$21.0 million from our BuildASign business, which was acquired on October 1, 2018 and is therefore not included for part of the comparable period. The cost of revenue for our PrintBrothers businesses increased by \$12.3 million, primarily due to revenue growth in our WIRmachenDRUCK business. These increases were partially offset by a decrease in cost of revenue in our Vistaprint business of \$24.7 million for the six months ended December 31, 2019, for the same reasons described above, as well as aggregate benefits of currency.

Consolidated Operating Expenses

The following table summarizes our comparative operating expenses for the following periods:

<i>In thousands</i>	Three Months Ended December 31,			Six Months Ended December 31,		
	2019	2018	2019 vs. 2018	2019	2018	2019 vs. 2018
Technology and development expense	\$ 64,427	\$ 56,707	14 %	\$ 127,594	\$ 114,885	11 %
<i>% of revenue</i>	7.9%	6.9%		8.8%	8.1%	
Marketing and selling expense	\$ 173,336	\$ 210,661	(18)%	\$ 334,253	\$ 392,334	(15)%
<i>% of revenue</i>	21.1%	25.5%		23.0%	27.7%	
General and administrative expense	\$ 51,910	\$ 40,216	29 %	\$ 95,533	\$ 81,392	17 %
<i>% of revenue</i>	6.3%	4.9%		6.6%	5.8%	
Amortization of acquired intangible assets	\$ 13,150	\$ 14,846	(11)%	\$ 26,168	\$ 26,147	— %
<i>% of revenue</i>	1.6%	1.8%		1.8%	1.8%	
Restructuring expense	\$ 1,897	\$ 1,026	85 %	\$ 4,087	\$ 1,196	242 %
<i>% of revenue</i>	0.2%	0.1%		0.3%	0.1%	

Technology and development expense

Technology and development expense consists primarily of payroll and related expenses for employees engaged in software and manufacturing engineering, information technology operations and content development, as well as amortization of capitalized software and website development costs, including hosting of our websites, asset depreciation, patent amortization, and other technology infrastructure-related costs. Depreciation expense for information technology equipment that directly supports the delivery of our digital marketing services products is included in cost of revenue.

During the three and six months ended December 31, 2019, technology and development expenses increased by \$7.7 million and \$12.7 million, respectively, as compared to the prior year periods. The increase during both periods was partially due to an additional \$3.6 million and \$3.1 million, respectively, in share-based compensation expense due to the non-recurring reversal of supplemental PSU expense in the comparative periods. There was also a \$3.0 million and \$5.3 million increase of expense, respectively, in our Vistaprint business, primarily related to the ongoing rebuild of its technology infrastructure. In addition, we recognized increased costs in our central technology teams, primarily due to an increase in headcount, as these teams continue to develop new technologies that are intended to support our businesses, combined with higher operating costs driven by our businesses' increased adoption and usage of our central technology capabilities.

Marketing and selling expense

Marketing and selling expense consists primarily of advertising and promotional costs; payroll and related expenses for our employees engaged in marketing, sales, customer support and public relations activities; direct-mail advertising costs; and third-party payment processing fees. Our Vistaprint, National Pen and BuildASign businesses have higher marketing and selling costs as a percentage of revenue as compared to our PrintBrothers and The Print Group businesses.

Our marketing and selling expenses decreased by \$37.3 million and \$58.1 million during the three and six months ended December 31, 2019, respectively, as compared to the prior year periods, primarily due to the reduction of advertising spend in our Vistaprint business of \$30.8 million and \$52.4 million, respectively, as we continue to work to eliminate spend that does not meet our return thresholds. We also recognized a decrease in marketing costs in our National Pen business of \$9.0 million and \$12.5 million, respectively, primarily due to a planned reduction in direct mail prospecting activity as compared to last year's elevated levels, combined with lower online advertising spend and call center costs. The decrease for the second quarter of fiscal 2020 was partially offset by additional share-based compensation expense of \$2.4 million due to the non-recurring reversal of supplemental PSU expense in the comparative periods.

General and administrative expense

General and administrative expense consists primarily of transaction costs, including third-party professional fees, insurance and payroll and related expenses of employees involved in executive management, finance, legal, strategy, human resources and procurement.

For the three and six months ended December 31, 2019, general and administrative expenses increased by \$11.7 million and \$14.1 million, respectively, as compared to the prior period, primarily due to additional share-based compensation expense of \$5.1 million and \$4.1 million, respectively, due to the non-recurring reversal of supplemental PSU expense in the comparative periods. Additionally, there was an increase in consulting costs associated with strategic projects in our Vistaprint business and costs incurred centrally related to the cross-border Irish Merger, described in the Explanatory Note within this document. We also recognized higher recruiting costs related to the hiring of key members of the Vistaprint management team including the new executive team members, and during the six months ended December 31, 2019, we incurred additional costs from our BuildASign business as that business was only included for three months of the comparable period.

Amortization of acquired intangible assets

Amortization of acquired intangible assets consists of amortization expense associated with separately identifiable intangible assets capitalized as part of our acquisitions, including customer relationships, trade names, developed technologies, print networks, and customer and referral networks.

Amortization of acquired intangible assets decreased by \$1.7 million for the three months ended December 31, 2019, and remained flat during the six months ended December 31, 2019, as compared to the three and six months ended December 31, 2018. The reduction during the three months ended December 31, 2019, is due to amortization within our PrintBrothers and The Print Group reportable segments as certain intangible assets became fully amortized during the prior fiscal year, partially offset by additional amortization for our BuildASign business caused by the prior year timing of the acquisition.

Restructuring expense

Restructuring expense consists of costs directly incurred as a result of restructuring initiatives, and includes employee-related termination costs, third party professional fees and facility exit costs. During the three and six months ended December 31, 2019, we recognized restructuring expense of \$1.9 million and \$4.1 million, respectively, primarily related to charges incurred within our Vistaprint business as we continue to evolve our organizational structure. Comparatively, we recognized restructuring expense of \$1.0 million and \$1.2 million during the three and six months ended December 31, 2018, respectively.

Other Consolidated Results

Other (expense) income, net

Other (expense) income, net generally consists of gains and losses from currency exchange rate fluctuations on transactions or balances denominated in currencies other than the functional currency of our subsidiaries, as well as the realized and unrealized gains and losses on some of our derivative instruments. In evaluating our currency hedging programs and ability to qualify for hedge accounting in light of our legal entity cash flows, we considered the benefits of hedge accounting relative to the additional economic cost of trade execution and administrative burden. Based on this analysis, we execute certain currency derivative contracts that do not qualify for hedge accounting.

The following table summarizes the components of other (expense) income, net:

In thousands	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
(Losses) gains on derivatives not designated as hedging instruments	\$ (11,666)	\$ 11,171	\$ 7,691	\$ 18,544
Currency-related gains (losses), net	2,645	(1,023)	(767)	1,074
Other (losses) gains	(19)	(519)	(290)	263
Total other (expense) income, net	\$ (9,040)	\$ 9,629	\$ 6,634	\$ 19,881

The decrease in other (expense) income, net is primarily due to the currency exchange rate volatility impacting our derivatives that are not designated as hedging instruments, in which our Euro and British Pound contracts are the most significant exposures that we economically hedge. We expect volatility to continue in future periods, as we do not apply hedge accounting for most of our derivative currency contracts.

We also experienced currency-related gains due to currency exchange rate volatility on our non-functional currency intercompany relationships, primarily related to an intercompany loan that is denominated in Swiss Francs, which we may alter from time to time. The impact of certain cross-currency swap contracts designated as cash flow hedges is included in our currency-related gains (losses), net, offsetting the impact of certain non-functional currency intercompany relationships.

Interest expense, net

Interest expense, net primarily consists of interest paid on outstanding debt balances, amortization of debt issuance costs, interest related to finance lease obligations and realized gains (losses) on effective interest rate swap contracts and certain cross-currency swap contracts. As part of interest expense, net, we also recognize changes to the estimated future redemption value of our mandatorily redeemable noncontrolling interests.

Interest expense, net decreased \$1.1 million during the three months ended December 31, 2019, but was flat during the six months ended December 31, 2019. During the three and six months ended December 31, 2019, we recognized lower interest expense of \$1.8 million and \$3.7 million, respectively, due to the impact of the adoption of ASC 842 in the first fiscal quarter of 2020, which resulted in a change in lease classification for our Waltham, MA build-to-suit lease. Refer to Note 2 for additional details. For both periods, we recognized additional interest expense associated with our senior secured credit facility as a result of our higher debt borrowing levels.

Income tax (benefit) expense

In thousands

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
Income tax (benefit) expense	\$ (93,795)	\$ 14,399	\$ (87,680)	\$ 19,880
Effective tax rate	(96.8)%	17.3%	(71.4)%	26.9%

We recognized an income tax benefit for the three and six months ended December 31, 2019 as compared to an income tax expense in the same prior year periods. During the three months ended December 31, 2019, we recognized a discrete deferred tax benefit of \$114.1 million related to Swiss Tax Reform, as discussed below. Without this benefit, tax expense would have increased, primarily attributable to increased pre-tax income for the three and six months ended December 31, 2019 as compared to the same prior year periods. In addition, during the three months ended December 31, 2018 we recognized "Patent Box" tax benefits of \$3.5 million granted to our Pixartprinting business in Italy. Also, during the six months ended December 31, 2018, we recognized a decrease in deferred tax assets of \$5.6 million related to Notice 2018-68 issued by the United States Internal Revenue Service, which provided guidance regarding amendments to Section 162(m) of the Internal Revenue Code contained in the Tax Cuts and Jobs Act. Excluding the effect of discrete tax adjustments, our estimated annual effective tax rate is higher for fiscal 2020 as compared to fiscal 2019 primarily due to changes in our Dutch fiscal unity during the three months ended December 31, 2018, offset by an expectation of a more favorable geographical mix of consolidated earnings. Our effective tax rate continues to be negatively impacted by losses in certain jurisdictions where we are unable to recognize a tax benefit in the current period.

On October 25, 2019, the canton of Zurich enacted tax law changes by publishing the results of its referendum to adopt the Federal Act on Tax Reform and AHV Financing (TRAF), which we refer to as Swiss Tax Reform. Swiss Tax Reform will be effective as of January 1, 2020 and includes the abolishment of various favorable federal and cantonal tax regimes. Swiss Tax Reform provides transitional relief measures for companies who are losing the tax benefit of a ruling, including a "step-up" for amortizable goodwill, equal to the amount of future tax benefit they would have received under their existing ruling, subject to certain limitations. We recognized a tax benefit of \$114.1 million to establish new Swiss deferred tax assets related to transitional relief measures and to remeasure our existing Swiss deferred tax assets and liabilities. We don't expect to realize the majority of this benefit until fiscal 2025 through fiscal 2030.

We believe that our income tax reserves are adequately maintained by taking into consideration both the technical merits of our tax return positions and ongoing developments in our income tax audits. However, the final determination of our tax return positions, if audited, is uncertain and therefore there is a possibility that final resolution of these matters could have a material impact on our results of operations or cash flows. Refer to Note 9 in our accompanying consolidated financial statements for additional discussion.

Reportable Segment Results

Our segment financial performance is measured based on segment EBITDA, which is defined as operating income plus depreciation and amortization (excluding depreciation and amortization related to our Waltham, Massachusetts office lease for prior periods presented); plus share-based compensation expense related to investment consideration; plus earn-out related charges; plus certain impairments; plus restructuring related charges; less interest expense related to our Waltham, Massachusetts office lease for prior periods presented; less gain on purchase or sale of subsidiaries.

Vistaprint

In thousands

	Three Months Ended December 31,			Six Months Ended December 31,		
	2019	2018	2019 vs. 2018	2019	2018	2019 vs. 2018
Reported Revenue	\$ 433,305	\$ 443,940	(2)%	\$ 776,476	\$ 789,260	(2)%
Segment EBITDA	132,160	96,963	36%	212,740	156,957	36%
% of revenue	31%	22%		27%	20%	

Segment Revenue

Vistaprint's reported revenue decline for the three and six months ended December 31, 2019 was not impacted by currency for the three months ended December 31, 2019, while currency had a negative impact of 1% for the six months ended December 31, 2019. This resulted in constant-currency revenue decreases of 2% and 1%, respectively, for the three and six months ended December 31, 2019. Our revenue decrease was due to lower sales volumes which was expected with our planned reductions in advertising spend, and partially offset by the benefits of reduced discounting and new offers informed by data and customer insights. All of these changes are driving an expected shift to our mix of customers, resulting in declines in revenue from new customers as a result of our targeted elimination of inefficient advertising spend, but growth in repeat customer revenue. Despite the decline in revenue, these initiatives drove a significant improvement to profitability.

Segment Profitability

Vistaprint's segment EBITDA increased for the three and six months ended December 31, 2019 as compared to the prior periods, driven primarily by a reduction to advertising spend of \$30.8 million and \$52.4 million, respectively, as well as improvements to gross margin. The improvements to gross margin were influenced by the benefits of new offers and reduced discounting, reduced shipping costs, and improved plant efficiencies. These increases were partially offset by increases in technology investments to rebuild Vistaprint's technology infrastructure and consulting projects related to Vistaprint's focus on foundational basics. Vistaprint's segment EBITDA was also negatively impacted by currency movements during the quarter.

In the third quarter of fiscal 2020, we will pass the anniversary of the start of the reductions in advertising spend, which we expect will result in a moderation to the year-over-year decline in advertising spend for the second half of fiscal 2020, relative to the first half of fiscal 2020.

PrintBrothers

In thousands

	Three Months Ended December 31,			Six Months Ended December 31,		
	2019	2018	2019 vs. 2018	2019	2018	2019 vs. 2018
Reported Revenue	\$ 126,617	\$ 116,314	9%	\$ 235,907	\$ 217,703	8%
Segment EBITDA	16,459	11,691	41%	27,236	22,262	22%
% of revenue	13%	10%		12%	10%	

Segment Revenue

PrintBrothers' reported revenue growth for the three and six months ended December 31, 2019 was negatively affected by currency impacts of 3% and 4%, respectively, resulting in constant-currency growth, excluding the impact of acquisitions, of 8% and 10%, respectively. We continue to see very aggressive price and online search competition in the upload and print space in Europe. We are committed to defending our price leadership position, including through continued price reductions. Order volume is growing faster than revenue and EBITDA continues to grow due to our focus on cost reductions and our focus on leveraging our shared strategic capabilities. Our upload and print businesses are working more closely together than in the past to exploit scale advantages and improve their cost competitiveness. There are several changes we have made in these businesses which negatively impact revenue in the current periods but contributed to the ability to remain a price leader and to expand EBITDA margins as discussed below. These businesses also continue to invest in modernized e-commerce technologies and increasingly adopt our mass customization platform (MCP) microservices, which we believe will improve customer value and the efficiency of each business over the long term.

Segment Profitability

PrintBrothers' segment EBITDA increased during the three and six months ended December 31, 2019 as compared to the prior comparative periods, due to increased gross profit and for the same reasons as the revenue growth discussed above, combined with favorable product mix shifts, production and operating efficiencies, and the vertical integration of a former supplier in one of our businesses during the first quarter of fiscal 2020. This growth was partially offset by increased investments in technology intended to improve the customer value proposition of

each business in increasingly competitive markets, pricing reductions in certain products offered by some businesses, and negative impacts from currency movements.

The Print Group

In thousands	Three Months Ended June 30,			Six Months Ended December 31,		
	2019	2018	2019 vs. 2018	2019	2018	2019 vs. 2018
Reported Revenue	\$ 87,699	\$ 87,740	—%	\$ 159,957	\$ 158,740	1%
Segment EBITDA	18,105	16,368	11%	31,739	28,214	12%
% of revenue	21%	19%		20%	18%	

Segment Revenue

The Print Group's reported revenue growth for the three and six months ended December 31, 2019 was negatively affected by currency impacts of 3% and 4%, respectively, resulting in an increase in revenue on a constant-currency basis of 3% and 5%, respectively. The constant-currency revenue growth was primarily driven by continued growth from our Pixartprinting business. As described above, aggressive price competition continues in certain parts of the European upload and print market, but as we described above, we are committed to defending our price leadership position, including through continued price reductions. Order volume is growing faster than revenue and EBITDA continues to grow due to our focus on cost reductions and our focus on leveraging our shared strategic capabilities. These businesses are working more closely together than in the past and we continue to invest in modernized e-commerce technologies and increasingly adopt MCP microservices, which we believe will improve customer value and the efficiency of each business over the long term.

Segment Profitability

The Print Group's segment EBITDA increased during the three and six months ended December 31, 2019, as compared to the prior periods, primarily driven by product mix shifts including the elimination of revenue lines that we do not believe generated economic profit, as well as operating efficiencies. This was partially offset by investments in technology, unfavorable currency impacts, increased marketing costs, and the year-over-year impact of previously described price reductions in response to competition.

National Pen

In thousands	Three Months Ended December 31,			Six Months Ended December 31,		
	2019	2018	2019 vs. 2018	2019	2018	2019 vs. 2018
Reported Revenue	\$ 127,985	\$ 132,951	(4)%	\$ 198,148	\$ 198,922	—%
Segment EBITDA	28,099	26,634	6%	18,249	10,166	80%
% of revenue	22%	20%		9%	5%	

Segment Revenue

National Pen's reported revenue decrease for the three and six months ended December 31, 2019 was negatively affected by currency impacts of 1% for both periods presented, resulting in constant-currency revenue decline of 3% for the three months ended December 31, 2019 and growth of 1%, for the six months ended December 31, 2019. The decrease in revenue was primarily driven by lower direct mail volumes which were expected due to our continued reductions to our prospecting activity spend, as we have made efforts to cut back on inefficient mail order and online advertising.

Segment Profitability

The improvement in National Pen's segment EBITDA for the three and six months ended December 31, 2019 was due to benefits realized from the reduction in advertising spend, as well as operational improvements, which includes the initial steps of migrating our European mail fulfillment from Mexico to Europe to reduce disruptions that occurred in transit during the prior periods. Currency had a negative impact on segment EBITDA for the three and six months ended December 31, 2019.

All Other Businesses

In thousands

	Three Months Ended December 31,			Six Months Ended December 31,		
	2019	2018	2019 vs. 2018	2019	2018	2019 vs. 2018
Reported Revenue (1)	\$ 49,774	\$ 48,256	3%	\$ 92,050	\$ 55,971	64%
Segment EBITDA (1)	3,668	(2,294)	260%	5,385	(7,016)	177%
% of revenue	7%	(5)%		6%	(13)%	

(1) Our All Other Businesses segment includes the results of our fiscal 2019 acquisition, BuildASign, from October 1, 2018.

With the exception of BuildASign which is a larger and profitable business, this segment consists of multiple small, rapidly evolving early-stage businesses through which Cimpres is expanding to new markets. These businesses are subject to high degrees of risk and we expect that each of their business models will rapidly evolve in function of future trials and entrepreneurial pivoting. Therefore, in all of these early-stage businesses we continue to have operating losses as previously described and as planned.

Segment Revenue

For the three months ended December 31, 2019, the All Other Businesses segment revenue was negatively impacted by a currency impact of 1%, resulting in an increase in revenue of 4% on a constant currency basis. This was primarily driven by growth in our BuildASign business which experienced strong holiday sales in its home décor business. Organic constant-currency revenue, excluding the year-over-year impact of the BuildASign acquisition during the first quarter of fiscal year 2020 during which there was no comparative revenue in the year-ago period, increased by 3% for the six months ended December 31, 2019. All Other Businesses revenue was negatively impacted by a decrease in revenue in our Printi business as compared to the prior periods, primarily due to actions we have taken to improve the efficiency and focus of the business, which included foregoing certain revenue channels that we believe did not have a high probability of earning sufficient returns on the capital and focus they consumed.

Segment Profitability

The improvement in the All Other Businesses segment EBITDA for the three and six months ended December 31, 2019, as compared to the prior periods, was primarily due to the work to improve the efficiency and focus of Printi. Additionally, for the three months ended December 31, 2019, BuildASign recognized an increase to segment EBITDA, driven by the revenue growth described above and for the six months ended December 31, 2019, the timing of the acquisition of BuildASign positively impacted segment EBITDA.

Central and Corporate Costs

Central and corporate costs consist primarily of the team of software engineers that is building our mass customization platform; shared service organizations such as global procurement; technology services such as hosting and security; administrative costs of our Cimpres India offices where numerous Cimpres businesses have dedicated business-specific team members; and corporate functions including our Board of Directors, CEO, and the team members necessary for managing corporate activities, such as treasury, tax, capital allocation, financial consolidation, internal audit and legal. These costs also include certain unallocated share-based compensation costs.

Central and corporate costs increased by \$18.6 million and \$16.2 million during the three and six months ended December 31, 2019, respectively, as compared to the prior year, driven by the prior comparative period benefit realized due to the reversal of \$14.3 million and \$10.4 million, respectively, in share-based compensation costs primarily associated with our supplemental PSUs and related supplemental performance cash awards, for which we continue to believe the performance condition will not be met. For the three and six months ended December 31, 2019, we also incurred increased professional fees of \$1.7 million and \$1.9 million, respectively, primarily due to our December 2019 Irish Merger. In addition, we had an increase in central technology investments and operating costs driven by our businesses' increased adoption and usage of our central technology capabilities.

Liquidity and Capital Resources

Consolidated Statements of Cash Flows Data

In thousands

	Six Months Ended December 31,	
	2019	2018
Net cash provided by operating activities	\$ 265,097	\$ 205,490
Net cash used in investing activities	(53,816)	(349,508)
Net cash (used in) provided by financing activities	(207,390)	149,861

At December 31, 2019, we had \$36.9 million of cash and cash equivalents and \$1,381.1 million of debt, excluding debt issuance costs and debt discounts. We expect cash and cash equivalents and debt levels to fluctuate over time depending on our working capital needs, organic investment levels, share repurchases and acquisition activity.

The cash flows during the six months ended December 31, 2019 related primarily to the following items:

Cash inflows:

- Net income of \$210.5 million
- Adjustments for non-cash items of \$5.1 million primarily related to positive adjustments for depreciation and amortization of \$84.9 million, share-based compensation costs of \$13.8 million and unrealized currency-related losses of \$8.9 million, partially offset by non-cash tax related items of \$105.6 million
- Proceeds of debt of \$341.6 million, net of payments
- The changes in operating assets and liabilities, excluding the impact of restructuring-related payments, were a source of cash during the period, driven by increases in accounts payable and accrued expenses, largely driven by our seasonally strong second quarter

Cash outflows:

- Purchases of our ordinary shares for \$537.6 million
- Capital expenditures of \$28.1 million of which the majority related to the purchase of manufacturing and automation equipment for our production facilities and computer and office equipment
- Internal costs for software and website development that we have capitalized of \$23.4 million
- Payments for finance lease arrangements of \$5.4 million
- Payments for acquisitions of \$4.3 million, net of cash acquired

Additional Liquidity and Capital Resources Information. During the six months ended December 31, 2019, we financed our operations and strategic investments through internally generated cash flows from operations and debt financing. As of December 31, 2019, a significant portion of our cash and cash equivalents were held by our subsidiaries, and undistributed earnings of our subsidiaries that are considered to be indefinitely reinvested were \$34.5 million. We do not intend to repatriate these funds as the cash and cash equivalent balances are generally used and available, without legal restrictions, to fund ordinary business operations and investments of the respective subsidiaries. If there is a change in the future, the repatriation of undistributed earnings from certain subsidiaries, in the form of dividends or otherwise, could have tax consequences that could result in material cash outflows.

Debt. As of December 31, 2019, we had aggregate loan commitments from our senior secured credit facility totaling \$1,564.9 million. The loan commitments consisted of revolving loans of \$1,087.3 million and term loans of \$477.6 million. We have other financial obligations that constitute additional indebtedness based on the definitions within the credit facility. As of December 31, 2019, the amount available for borrowing under our senior secured credit facility was as follows:

In thousands

	December 31, 2019
Maximum aggregate available for borrowing	\$ 1,564,857
Outstanding borrowings of senior secured credit facility	(965,676)
Remaining amount	599,181
Limitations to borrowing due to debt covenants and other obligations (1)	(68,036)
Amount available for borrowing as of December 31, 2019 (2)	\$ 531,145

(1) The debt covenants of our senior secured credit facility limit our borrowing capacity each quarter, depending on our leverage and other indebtedness, such as notes, finance leases, letters of credit, and any other debt, as well as other factors that are outlined in the credit agreement.

(2) Share purchases, dividend payments, and corporate acquisitions are subject to more restrictive covenants, and therefore we may not be able to use the full amount available for borrowing for these purposes.

Debt Covenants. Our credit agreement and senior unsecured notes indenture contain financial and other covenants as well as customary representations, warranties and events of default, which are detailed in Note 8 of the accompanying consolidated financial statements. As of December 31, 2019, we were in compliance with all financial and other covenants under the credit agreement and senior unsecured notes indenture.

Other Debt. Other debt primarily consists of term loans acquired through our various acquisitions or used to fund certain capital investments. As of December 31, 2019, we had \$15.4 million outstanding for other debt payable through March 2025.

Our expectations for fiscal year 2020. We believe that our available cash, cash flows generated from operations, and cash available under our committed debt financing will be sufficient to satisfy our liabilities and planned investments to support our long-term growth strategy. We endeavor to invest capital that we believe will generate returns that are above, or well above, our weighted average cost of capital. We consider any use of cash that we expect to require more than twelve months to return our invested capital to be an allocation of capital. For fiscal 2020, we expect to continue to evaluate opportunities to allocate capital across a spectrum of organic investments, purchases of our ordinary shares, corporate acquisitions and similar investments, and reductions of debt, although we do not expect to pursue a material acquisition in this time period. We have targeted a capital structure that we believe balances both efficiency and flexibility. We are committed to maintaining leverage at a level no greater than 3.5x trailing-twelve-month EBITDA as defined in our debt covenants

Share repurchase availability. Share repurchases have formed a material component of our capital allocation over the last decade, and we expect that could continue depending on our share price, liquidity, obligations under our equity compensation plans, and other capital allocation opportunities. In addition to these dependencies and our adherence to certain regulatory requirements, there are generally two restrictions for our share repurchases: (1) compliance with our debt covenants for share repurchases which include limitations based on our financial leverage, and (2) distributable reserves as provided in the statutory financial statements of our parent company.

Contractual Obligations

Contractual obligations at December 31, 2019 are as follows:

In thousands

	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Operating leases, net of subleases (1)	\$ 181,340	\$ 17,743	\$ 65,044	\$ 45,673	\$ 52,880
Purchase commitments	119,028	64,473	29,222	25,333	—
Senior unsecured notes and interest payments	582,000	28,000	56,000	56,000	442,000
Other debt and interest payments (2)	1,085,401	109,486	212,909	762,508	498
Finance leases, net of subleases (1)	25,341	9,266	11,261	3,110	1,704
Other	2,831	1,514	1,317	—	—
Total (3)	\$ 1,995,941	\$ 230,482	\$ 375,753	\$ 892,624	\$ 497,082

(1) Operating and finance lease payments included above include only amounts which are fixed under lease agreements. Our leases may also incur variable expenses. Refer to our lease accounting policy in Note 2 in our accompanying consolidated financial statements for additional information.

(2) Other debt and interest payments include the effects of interest rate swaps, whether they are expected to be payments or receipts of cash. We have excluded the effect of interest rate swaps of \$0.7 million within the more than five years category above as that period extends beyond the term of our debt and the interest rate swaps do not yet offset contractual interest payments.

(3) We may be required to make cash outlays related to our uncertain tax positions. However, due to the uncertainty of the timing of future cash flows associated with our uncertain tax positions, we are unable to make reasonably reliable estimates of the period of cash settlement, if any, with the respective taxing authorities. Accordingly, uncertain tax positions of \$5.5 million as of December 31, 2019 have been excluded from the contractual obligations table above. For further information on uncertain tax positions, see Note 9 in our accompanying consolidated financial statements.

Purchase Commitments. At December 31, 2019, we had unrecorded commitments under contract of \$119.0 million. Purchase commitments consisted of third-party web services of \$68.7 million, inventory purchase commitments of \$20.4 million, commitments for professional and consulting fees of \$6.1 million, production and computer equipment purchases of approximately \$5.1 million, commitments for advertising campaigns of \$1.4 million, and other unrecorded purchase commitments of \$17.3 million.

Senior Unsecured notes and Interest Payments. Our 7.0% senior unsecured notes due 2026 bear interest at a rate of 7.0% per annum and mature on June 15, 2026. Interest on the notes is payable semi-annually on June 15 and December 15 of each year and has been included in the table above.

Other Debt and Interest Payments. At December 31, 2019, the term loans of \$477.6 million outstanding under our credit agreement have repayments due on various dates through June 14, 2023, with the revolving loans outstanding under our \$1,087.3 million revolving credit facility due on June 14, 2023. Interest payable included in this table is based on the interest rate as of December 31, 2019, and assumes all LIBOR-based revolving loan amounts outstanding will not be paid until maturity, but that the term loan amortization payments will be made according to our defined schedule and all Prime rate based revolving loan amounts will be paid within a year. Interest payable includes the estimated impact of our interest rate swap agreements.

In addition, we have other debt which consists primarily of term loans acquired through our various acquisitions or used to fund certain capital investments, and as of December 31, 2019 we had \$15.4 million outstanding for those obligations that have repayments due on various dates through March 2025.

Finance Leases. We lease certain machinery and plant equipment under finance lease agreements that expire at various dates through 2027. The aggregate carrying value of the leased equipment under finance leases included in property, plant and equipment, net in our consolidated balance sheet at December 31, 2019, is \$66.0 million, net of accumulated depreciation of \$42.1 million. The present value of lease installments not yet due included in other current liabilities and other liabilities in our consolidated balance sheet at December 31, 2019 amounts to \$29.1 million.

Other Obligations. Other obligations include deferred payments related to previous acquisitions of \$2.8 million in the aggregate.

Additional Non-GAAP Financial Measures

Adjusted EBITDA and adjusted free cash flow presented below, and constant-currency revenue growth and constant-currency revenue growth excluding acquisitions/divestitures presented in the consolidated results of operations section above, are supplemental measures of our performance that are not required by, or presented in accordance with, GAAP. Adjusted EBITDA is defined as GAAP operating income plus depreciation and amortization (excluding depreciation and amortization related to our Waltham, Massachusetts office lease) plus share-based compensation expense plus proceeds from insurance plus earn-out related charges plus certain impairments plus restructuring related charges plus realized gains or losses on currency derivatives less interest expense related to our Waltham, Massachusetts office lease less gain on purchase or sale of subsidiaries. We note that with the adoption of ASC 842, the Waltham, Massachusetts office lease has been reclassified from a build-to-suit lease to an operating lease, and therefore the depreciation and interest expense adjustments that were made in comparative periods will no longer be made beginning in the first fiscal quarter of 2020, as any impact from the Waltham lease will be reflected in operating income. Refer to Note 2 in our accompanying consolidated financial statements for additional details.

Adjusted EBITDA is the primary profitability metric by which we measure our consolidated financial performance and is provided to enhance investors' understanding of our current operating results from the underlying and ongoing business for the same reasons it is used by management. For example, as we have become more acquisitive over recent years we believe excluding the costs related to the purchase of a business (such as amortization of acquired intangible assets, contingent consideration, or impairment of goodwill) provides further insight into the performance of the underlying acquired business in addition to that provided by our GAAP operating income. As another example, as we do not apply hedge accounting for certain derivative contracts, we believe inclusion of realized gains and losses on these contracts that are intended to be matched against operational currency fluctuations provides further insight into our operating performance in addition to that provided by our GAAP operating income. We do not, nor do we suggest that investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

Adjusted free cash flow is the primary financial metric by which we set quarterly and annual budgets both for individual businesses and Cimpres-wide. Adjusted free cash flow is defined as net cash provided by operating activities less purchases of property, plant and equipment, purchases of intangible assets not related to acquisitions, and capitalization of software and website development costs that are included in net cash used in investing activities, plus the payment of contingent consideration in excess of acquisition-date fair value and gains on proceeds from insurance that are included in net cash provided by operating activities, if any. We use this cash flow metric because we believe that this methodology can provide useful supplemental information to help investors better understand our ability to generate cash flow after considering certain investments required to maintain or grow our business, as well as eliminate the impact of certain cash flow items presented as operating cash flows that we do not believe reflect the cash flow generated by the underlying business.

Our adjusted free cash flow measure has limitations as it may omit certain components of the overall cash flow statement and does not represent the residual cash flow available for discretionary expenditures. For example, adjusted free cash flow does not incorporate our cash payments to reduce the principal portion of our debt or cash payments for business acquisitions. Additionally, the mix of property, plant and equipment purchases that we choose to finance may change over time. We believe it is important to view our adjusted free cash flow measure only as a complement to our entire consolidated statement of cash flows.

The table below sets forth operating income and adjusted EBITDA for the three and six months ended December 31, 2019 and 2018:

In thousands

	Three Months Ended December 31,		Six Months Ended December 31,	
	2019	2018	2019	2018
GAAP operating income	\$ 121,595	\$ 90,615	\$ 146,974	\$ 84,627
Exclude expense (benefit) impact of:				
Depreciation and amortization	42,356	44,502	84,891	85,220
Waltham, MA lease depreciation adjustment (1)	—	(1,030)	—	(2,060)
Share-based compensation expense (2)	8,325	(2,720)	13,075	6,196
Certain impairments and other adjustments	936	65	760	(22)
Restructuring-related charges	1,897	1,026	4,087	1,196
Interest expense for Waltham, MA lease (1)	—	(1,833)	—	(3,682)
Realized gains on currency derivatives not included in operating income	10,408	7,446	15,246	9,053
Adjusted EBITDA	\$ 185,517	\$ 138,071	\$ 265,033	\$ 180,528

(1) Upon the adoption of the new leasing standard on July 1, 2019, our Waltham, MA lease, which was previously classified as build-to-suit, is now classified as an operating lease under the new standard. Therefore, the Waltham depreciation and interest expense adjustments that were made in comparative periods are no longer adjusted beginning in the first fiscal quarter of 2020, as any impact from the Waltham lease will be reflected in operating income. Refer to Note 2 in our accompanying consolidated financial statements for additional details.

(2) The adjustment for share-based compensation expense excludes the portion of share-based compensation expense included in restructuring related charges, if any, to avoid double counting.

The table below sets forth net cash provided by operating activities and adjusted free cash flow for the six months ended December 31, 2019 and 2018:

In thousands

	Six Months Ended December 31,	
	2019	2018
Net cash provided by operating activities	\$ 265,097	\$ 205,490
Purchases of property, plant and equipment	(28,094)	(38,767)
Purchases of intangible assets not related to acquisitions	—	(22)
Capitalization of software and website development costs	(23,417)	(21,921)
Adjusted free cash flow	\$ 213,586	\$ 144,780

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk. Our exposure to interest rate risk relates primarily to our cash, cash equivalents and debt.

As of December 31, 2019, our cash and cash equivalents consisted of standard depository accounts which are held for working capital purposes. We do not believe we have a material exposure to interest rate fluctuations related to our cash and cash equivalents.

As of December 31, 2019, we had \$965.7 million of variable-rate debt. As a result, we have exposure to market risk for changes in interest rates related to these obligations. In order to mitigate our exposure to interest rate changes related to our variable rate debt, we execute interest rate swap contracts to fix the interest rate on a portion of our outstanding or forecasted long-term debt with varying maturities. As of December 31, 2019, a hypothetical 100 basis point increase in rates, inclusive of our outstanding interest rate swaps, would result in an increase to interest expense of approximately \$4.5 million over the next 12 months.

Currency Exchange Rate Risk. We conduct business in multiple currencies through our worldwide operations but report our financial results in U.S. dollars. We manage these risks through normal operating activities and, when deemed appropriate, through the use of derivative financial instruments. We have policies governing the use of derivative instruments and do not enter into financial instruments for trading or speculative purposes. The use of derivatives is intended to reduce, but does not entirely eliminate, the impact of adverse currency exchange rate movements. A summary of our currency risk is as follows:

- *Translation of our non-U.S. dollar revenues and expenses:* Revenue and related expenses generated in currencies other than the U.S. dollar could result in higher or lower net income when, upon consolidation, those transactions are translated to U.S. dollars. When the value or timing of revenue and expenses in a given currency are materially different, we may be exposed to significant impacts on our net income and non-GAAP financial metrics, such as adjusted EBITDA.

Our currency hedging objectives are targeted at reducing volatility in our forecasted U.S. dollar-equivalent adjusted EBITDA in order to protect our debt covenants. Since adjusted EBITDA excludes non-cash items such as depreciation and amortization that are included in net income, we may experience increased, not decreased, volatility in our GAAP results due to our hedging approach. Our most significant net currency exposures by volume are in the Euro and British Pound.

In addition, we elect to execute currency derivatives contracts that do not qualify for hedge accounting. As a result, we may experience volatility in our consolidated statements of operations due to (i) the impact of unrealized gains and losses reported in other (expense) income, net on the mark-to-market of outstanding contracts and (ii) realized gains and losses recognized in other (expense) income, net, whereas the offsetting economic gains and losses are reported in the line item of the underlying activity, for example, revenue.

- *Translation of our non-U.S. dollar assets and liabilities:* Each of our subsidiaries translates its assets and liabilities to U.S. dollars at current rates of exchange in effect at the balance sheet date. The resulting gains and losses from translation are included as a component of accumulated other comprehensive loss on the consolidated balance sheet. Fluctuations in exchange rates can materially impact the carrying value of our assets and liabilities.

We have currency exposure arising from our net investments in foreign operations. We enter into currency derivatives to mitigate the impact of currency rate changes on certain net investments.

- *Remeasurement of monetary assets and liabilities:* Transaction gains and losses generated from remeasurement of monetary assets and liabilities denominated in currencies other than the functional currency of a subsidiary are included in other (expense) income, net on the consolidated statements of operations. Certain of our subsidiaries hold intercompany loans denominated in a currency other than their functional currency. Due to the significance of these balances, the revaluation of intercompany loans can have a material impact on other (expense) income, net. We expect these impacts may be volatile in the future, although our largest intercompany loans do not have a U.S. dollar cash impact for the consolidated group because they are either 1) U.S. dollar loans or 2) we elect to hedge certain non-U.S. dollar loans with

cross-currency swaps. A hypothetical 10% change in currency exchange rates was applied to total net monetary assets denominated in currencies other than the functional currencies at the balance sheet dates to compute the impact these changes would have had on our income before taxes in the near term. The balances are inclusive of the notional value of any cross-currency swaps designated as cash flow hedges. A hypothetical decrease in exchange rates of 10% against the functional currency of our subsidiaries would have resulted in an increase of \$14.2 million and \$29.6 million on our income before income taxes for the three months ended December 31, 2019 and 2018, respectively.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2019. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, or the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of December 31, 2019, our chief executive officer and chief financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There were no significant changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended December 31, 2019 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1A. Risk Factors

There have been no material changes with respect to the risk factors disclosed in our Form 10-K for the fiscal year ended June 30, 2019.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On February 12, 2019, we announced that our Board had authorized us to repurchase up to 5,500,000 of our issued and outstanding ordinary shares on the open market (including block trades), through privately negotiated transactions, or in one or more self-tender offers (the "February Repurchase Program"). The February Repurchase Program terminated on November 25, 2019 when we announced the new November Repurchase Program described immediately below.

On November 25, 2019, we announced that our Board had approved a new share repurchase program that replaced the February Repurchase Program described immediately above. Under this new program, we may repurchase up to 5,500,000 of our issued and outstanding ordinary shares on the open market (including block trades), through privately negotiated transactions, or in one or more self-tender offers (the "November Repurchase Program"). The November Repurchase Program expires on May 22, 2021, and we may suspend or discontinue our share repurchases at any time.

The following table outlines the purchase of our ordinary shares during the three months ended December 31, 2019 under the programs described above:

	Total Number of Shares Purchased	Average Price Paid Per Share (1)	Total Number of Shares Purchased as Part of a Publicly Announced Program	Approximate Number of Shares that May Yet be Purchased Under the Program
October 1, 2019 through October 31, 2019 (2)	672,611	\$ 129.12	672,611	2,509,739
November 1, 2019 through November 30, 2019 (3)	1,607,125	135.92	2,279,736	5,376,600
December 1, 2019 through December 31, 2019	—	—	—	5,376,600
Total	2,279,736	\$ 133.91	2,279,736	5,376,600

(1) Average price paid per share includes commissions paid.

(2) These shares were purchased under the February Repurchase Program, which terminated on November 25, 2019 when we announced the November Repurchase Program described above. The shares in the last column of this row represent the number of shares that remained under the February Repurchase Program as of October 31, 2019.

(3) 1,483,725 of these shares were purchased under the February Repurchase Program, and 123,400 of these shares were repurchased under the November Repurchase Program. The shares in the last column of this row represent the number of shares that remained under the November Repurchase Program as of November 30, 2019.

Item 6. Exhibits

Exhibit No.	Description
4.1	Second Supplemental Indenture dated as of December 3, 2019 between Cimpress plc, certain subsidiaries of Cimpress plc as guarantors thereto, and MUFG Union Bank, N.A. as trustee relating to the Senior Notes Indenture, dated as of June 15, 2018, between Cimpress N.V., certain subsidiaries of Cimpress N.V. as guarantors thereto, and MUFG Union Bank, N.A., as trustee
10.1	2016 Performance Equity Plan is incorporated by reference to our Current Report on Form 8-K filed with the SEC on December 3, 2019
10.2	2011 Equity Incentive Plan is incorporated by reference to our Current Report on Form 8-K filed with the SEC on December 3, 2019
10.3	Amended and Restated 2005 Equity Incentive Plan is incorporated by reference to our Current Report on Form 8-K filed with the SEC on December 3, 2019
10.4	2005 Non-Employee Directors' Share Option Plan is incorporated by reference to our Current Report on Form 8-K filed with the SEC on December 3, 2019
10.5	Form of Performance Share Unit Agreement for employees and executives under our 2016 Performance Equity Incentive Plan
10.6	Form of Performance Share Unit Agreement for our Chief Executive Officer under our 2016 Performance Equity Incentive Plan
10.7	Form of Performance Share Unit Agreement for members of our Board of Directors under our 2016 Performance Equity Incentive Plan
10.8	Borrower Assumption Agreement dated as of December 3, 2019 between Cimpress plc and JPMorgan Chase Bank as administrative agent (the "Administrative Agent") relating to the Credit Agreement as amended and restated as of July 13, 2017 among Cimpress N.V., Vistaprint Limited, Cimpress Schweiz GmbH, Vistaprint B.V., and Cimpress USA Incorporated, as borrowers; the lenders named therein as lenders; and the Administrative Agent as administrative agent for the lenders
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, Rule 13a-14(a)/15d-14(a), by Chief Executive Officer
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, Rule 13a-14(a)/15d-14(a), by Chief Financial Officer
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, by Chief Executive Officer and Chief Financial Officer
101	The following materials from this Quarterly Report on Form 10-Q, formatted in Inline Extensible Business Reporting Language (iXBRL): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Statements of Shareholder's Equity, (iv) Consolidated Statements of Cash Flows and (v) Notes to Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as iXBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

January 30, 2020

Cimpress plc

By: _____ /s/ Sean E. Quinn
Sean E. Quinn
Chief Financial Officer
(Principal Financial and Accounting Officer)

SECOND SUPPLEMENTAL INDENTURE

Second Supplemental Indenture (this “*Supplemental Indenture*”), dated as of December 3, 2019, by and among Cimpress plc, a public company with limited liability incorporated in Ireland (a member state of the European Union) (“*New Cimpress*”), the Guarantors party hereto (the “*Guarantors*”) and MUFG Union Bank, N.A., as trustee (the “*Trustee*”).

W I T N E S S E T H

WHEREAS, Cimpress N.V., a limited liability company (*naamloze vennootschap*) incorporated under the laws of The Netherlands (the “*Company*”) has heretofore executed and delivered to the Trustee a Senior Notes Indenture (as supplemented by the First Supplemental Indenture (as defined below) and as further supplemented by this Supplemental Indenture, the “*Indenture*”), dated as of June 15, 2018, among the Company, the guarantors named therein and the Trustee, providing for the issuance of an unlimited aggregate principal amount of 7.0% Senior Notes due 2026 (the “*Notes*”);

WHEREAS, Build A Sign LLC, a Delaware limited liability company (“*Build A Sign*”) and a subsidiary of the Company, has heretofore executed and delivered to the Trustee a First Supplemental Indenture, dated as of October 15, 2019 (the “*First Supplemental Indenture*”), whereby Build A Sign agreed to be a Guarantor under the Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including Article 10 thereof;

WHEREAS, the Indenture provides that under certain circumstances, the Company may merge with or into another Person, provided that, *inter alia*, the surviving entity expressly assumes all of the obligations of the Company under the Notes and the Indenture;

WHEREAS, pursuant to an Order of the High Court of Ireland, dated on or about December 3, 2019, approving the cross border merger by acquisition of the Company into New Cimpress under the terms and conditions set out in the common draft terms of merger, dated as of September 17, 2019, the assets and liabilities of the Company are being transferred by universal succession of title to New Cimpress at the “*Effective Time*” (defined as 4:15 p.m. Eastern Standard Time on December 3, 2019) in consideration for the allotment and issue of ordinary shares in New Cimpress to the shareholders of the Company (the “*Merger*”);

WHEREAS, pursuant to Section 5.01(a)(4) of the Indenture, each Guarantor wishes to confirm that its Note Guarantee shall apply to New Cimpress’ obligations under the Indenture and the Notes; and

WHEREAS, pursuant to Section 9.01(a)(1) of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.
2. Assumption. New Cimpress hereby assumes, effective as of the Effective Time, all of the obligations of the Company under the Notes and the Indenture (the “*Assumption*”).

3. Confirmation of Note Guarantee. Each of the Guarantors hereby acknowledges the Merger and the Assumption and confirms that, effective as of the Effective Time, its Note Guarantee shall apply to New Cimpres's obligations under the Notes and the Indenture.

4. Governing Law. THIS SUPPLEMENTAL INDENTURE WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

5. Waiver of Jury Trial. EACH OF NEW CIMPRESS, THE GUARANTORS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

6. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be deemed to be an original, but all of them together represent the same agreement.

7. Headings. The headings of the Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part of this Supplemental Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

8. The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by New Cimpres.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed, all as of the date first above written.

CIMPRESS PLC

By: /s/Kathryn Leach
Name: Kathryn Leach
Title: Attorney

[Signature Page to Supplemental Indenture]

MUFG UNION BANK, N.A., as Trustee

By: /s/Rafael E. Miranda

Name: Rafael E. Miranda

Title: Vice President

[Signature Page to Supplemental Indenture]

CIMPRESS USA INCORPORATED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: President

CIMPRESS WINDSOR CORPORATION,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Treasurer

VISTAPRINT NETHERLANDS B.V.,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

WEBS, INC.,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: President and Treasurer

CIMPRESS INVESTMENTS B.V.,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

[Signature Page to Supplemental Indenture]

CIMPRESS JAMAICA LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

CIMPRESS DEUTSCHLAND GMBH,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

NATIONAL PEN PROMOTIONAL HOLDINGS LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Director

NATIONAL PEN PROMOTIONAL PRODUCTS LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Director

[Signature Page to Supplemental Indenture]

VISTAPRINT LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: President and Chairman

CIMPRESS SCHWEIZ GMBH,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

VISTAPRINT B.V.,
as a Guarantor

By: /s/Sean Quinn
Title: Managing Director

[Signature Page to Supplemental Indenture]

CIMPRESS AUSTRALIA PTY LIMITED,
as a Guarantor

By: /s/Bruce Maxwell Hamilton
Name: Bruce Maxwell Hamilton
Title: Managing Director

CIMPRESS IRELAND LIMITED,
as a Guarantor

By: /s/Marcus Wiszniewski
Name: Marcus Wiszniewski
Title: Director

CIMPRESS ITALY S.R.L.,
as a Guarantor

By: /s/Douglas Glucroft
Name: Douglas Glucroft
Title: Executive Director

PIXARTPRINTING S.P.A.,
as a Guarantor

By: /s/Douglas Glucroft
Name: Douglas Glucroft
Title: Executive Director

[Signature Page to Supplemental Indenture]

CIMPRESS JAPAN CO. LTD.,
as a Guarantor

By: /s/Keiko Son
Name: Keiko Son
Title: Representative Director

CIMPRESS UK LIMITED,
as a Guarantor

By: /s/Paul McDermott
Name: Paul McDermott
Title: Managing Director

VISTAPRINT CORPORATE SOLUTIONS INCORPORATED,
as a Guarantor

By: /s/Paul McDermott
Name: Paul McDermott
Title: Vice President and Secretary

CIMPRESS USA MANUFACTURING INCORPORATED,
as a Guarantor

By: /s/Kevin Lane
Name: Kevin Lane
Title: Sr. Director of Finance

[Signature Page to Supplemental Indenture]

NATIONAL PEN CO. LLC,
as a Guarantor

By: /s/Richard Obrigawitch
Name: Richard Obrigawitch
Title: CFO/COO

NATIONAL PEN TENNESSEE LLC,
as a Guarantor

By: /s/Richard Obrigawitch
Name: Richard Obrigawitch
Title: CFO/COO

NP CORPORATE SERVICES LLC,
as a Guarantor

By: /s/Richard Obrigawitch
Name: Richard Obrigawitch
Title: CFO/COO

TRADEPRINT DISTRIBUTION LIMITED,
as a Guarantor

By: /s/Charlene Douglas
Name: Charlene Douglas
Title: Managing Director

[Signature Page to Supplemental Indenture]

[Signature Page to Supplemental Indenture]

WIRMACHENDRUCK GMBH,
as a Guarantor

By: /s/Thomas Stöner

Name: Thomas Stöner

Title: CFO and Authorized Signatory

BUILD A SIGN LLC,
as a Guarantor

By: /s/Kit Mellem

Name: Kit Mellem

Title: CFO

[Signature Page to Supplemental Indenture]

[Form of]
2016 Performance Equity Plan
Performance Share Unit Agreement

1. Grant of Award. This Agreement evidences the grant by Cimpress plc, an Irish public limited company (the “**Company**”), on %%OPTION_DATE, 'Month DD, YYYY'%%-% to %%FIRST_NAME%%-% %%LAST_NAME%%-% (the “**Participant**”) of %%TOTAL_PSUs_GRANTED%%-% performance share units (the “**PSUs**”) on the terms of this Agreement and the Company’s 2016 Performance Equity Plan (the “**Plan**”). Each PSU represents a right to receive between 0 and 2.5 ordinary shares of the Company, €0.01 nominal value per share (the “**Shares**”), upon the satisfaction of both (A) service-based vesting as described in Section 2 below and (B) performance conditions relating to the compound annual growth rate (“**CAGR**”) of the three-year moving average daily price per Share (“**3YMA**”) as described in Section 3 below. The issuance of Shares to the Participant pursuant to a PSU upon satisfaction of both the service-based condition and the performance condition described in this Agreement is a “**Performance Dependent Issuance**.”

Except as otherwise indicated by the context, the term “**Participant**,” as used in this award, is deemed to include any person who acquires rights under this award validly under its terms. All references to the “**Company**” throughout this Agreement include Cimpress plc and all current and future parents and subsidiaries of Cimpress plc, and if the Participant is employed by a parent or subsidiary of Cimpress plc, then any references in this Agreement to employment by or with the Company or termination of employment by or with the Company are instead deemed to refer to such parent or subsidiary.

2. Service-Based Vesting.

(a) Vesting Schedule. Throughout this Agreement, the term “**vest**” refers only to the satisfaction of the service-based condition described in this Section 2 and does not refer to the performance condition, the satisfaction of which is necessary for a Performance Dependent Issuance. Subject to the terms and conditions of this award, the PSUs vest as to 25% of the original number of PSUs on %%VEST_DATE_PERIOD1, 'Month DD, YYYY'%%-% and as to an additional 25% of the original number of PSUs on each of the successive three anniversaries of such date, so long as, at the time any PSUs vest, the Participant is, and has been at all times since the date in Section 1 above on which the PSUs were granted, an “**Eligible Participant**,” which is defined as an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the United States Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “**Code**”).

(b) Forfeiture of Unvested PSUs. If for any reason the Participant ceases to be an Eligible Participant, then the vesting of PSUs ceases and the Participant has no further rights with respect to any unvested PSUs, but except as set forth in Section 2(c) below, the Participant retains the PSUs that have vested as of the last day on which he or she was an Eligible Participant. The Participant expressly accepts and agrees that any termination of his or her relationship with the Company for any reason whatsoever (including without limitation unfair or objective dismissal, permanent disability, death, resignation or desistance) automatically means the forfeiture of all of his or her unvested PSUs, with no compensation whatsoever. The Participant acknowledges and accepts that this is an essential condition of this Agreement and expressly agrees to this condition.

(c) Forfeiture of Vested PSUs. The Participant expressly accepts and agrees that if the Participant’s status as an Eligible Participant is terminated for Cause, then all of the Participant’s PSUs, whether vested or unvested, are automatically forfeited with no compensation whatsoever, and the Participant has no further rights with respect to any PSUs hereunder. The Participant acknowledges and accepts that this is an essential condition of this Agreement and expressly agrees to this condition. For purposes of this Agreement and to the extent permitted under applicable law, “**Cause**” means the Participant’s (i) willful failure to substantially perform his or her duties (other than any such failure resulting from incapacity due to physical or mental illness), (ii) willful misconduct or gross negligence related to his or her employment with the Company, (iii) commission of any crime involving harassment, moral turpitude, fraud, misappropriation or embezzlement, (iv) breach of this Agreement or any confidentiality or restrictive covenant agreement with the Company, (v) failure to comply with any material provision of any written policy or rule of the Company, as may be in effect from time to time, or (vi) engagement in any act or failure to act that is so serious in its nature or extent that it breaks the purpose of the employment relationship and legally deprives the Participant of any right to notice and/or indemnification for dismissal.

3. Performance Conditions.

(a) Baseline and Measurements. The “**Baseline 3YMA**” for this award is %%BASELINE_3YMA_\$%%-%, and the “**Baseline Date**” is %%BASELINE_DATE, 'Month DD, YYYY'%%-%. At each of the [____] through [____] anniversaries of the Baseline Date (each such date a “**Measurement Date**”) until such time as a Performance Dependent Issuance is triggered for this PSU award, the Company shall measure the 3YMA as of such Measurement Date and calculate the CAGR relative to the Baseline 3YMA as set forth in this Section 3.

(b) Performance Condition for Years [____]. If on a Measurement Date the CAGR of the 3YMA as of such Measurement Date, relative to the Baseline 3YMA, equals or exceeds the minimum CAGR for such Measurement Date set forth in Table 1 on Schedule A hereto, then a Performance Dependent Issuance is triggered, and the Company shall issue to the Participant in accordance with Section 4 below the number of Shares determined by multiplying the number of vested PSUs in this award by the percentage set forth in Table 1 that corresponds to the CAGR of the 3YMA from the Baseline Date to the Measurement Date, rounded down to the nearest whole Share.

(c) Performance Condition for a Change in Control. If a Change in Control, as defined in the Plan, occurs at any time between the date in Section 1 above on which the PSUs were granted and the [____] anniversary of the Baseline Date, then the date of such Change in Control is deemed to be the applicable Measurement Date. If the price paid per Share to holders of the Company’s Shares in connection with the Change in Control (as reasonably determined by the Board), relative to the Baseline 3YMA, equals or exceeds the minimum CAGR set forth in Table 2 on Schedule A hereto, then a Performance Dependent Issuance is triggered at such Measurement Date, and the Company shall issue to the Participant in accordance with Section 4 below the number of Shares determined by multiplying the number of vested PSUs in this

award by the percentage set forth in Table 2 that corresponds to the CAGR of the 3YMA from the Baseline Date to the price paid per Share to the holders of the Company's Shares in connection with the Change in Control, rounded down to the nearest whole Share.

(d) Expiration. If no Performance Dependent Issuance is triggered pursuant to this Section 3 on or before the earlier of (i) the date of a Change in Control and (ii) the Measurement Date corresponding to the [____] anniversary of the Baseline Date, then this award expires in its entirety, and no Shares are issued or issuable with respect to this award.

4. Timing and Form of Distribution. If a Performance Dependent Issuance is triggered, the Company shall distribute to the Participant the number of Shares calculated pursuant to Section 3 above as soon as practicable after the applicable Measurement Date but in no event later than 45 days after such Measurement Date, except that (a) if the Participant is not subject to U.S. income taxes on this award, the Distribution Date may be a later date if required by applicable law, and (b) if the Participant is not an Eligible Participant, the Company may, in its sole discretion, delay the Distribution Date and the issuance of Shares upon a Performance Dependent Issuance until such time as the Company has all of the necessary information about the Participant to issue Shares to the Participant and to calculate, withhold, and account for Tax-Related Items. It is the Participant's responsibility to ensure that the Company has all such necessary information. Each date of distribution of Shares is referred to as the "**Distribution Date**." Once any Shares have been distributed pursuant to this award, the award expires in its entirety, and the Participant has no further rights with respect to any PSUs hereunder.

5. Responsibility for Taxes.

(a) The Participant acknowledges that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("**Tax-Related Items**") is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company. The Participant further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PSUs, including but not limited to the grant, vesting or settlement of the PSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (ii) does not commit to and is under no obligation to structure the terms of the grant or any aspect of the PSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items.

(b) In this regard, Participant authorizes the Company to satisfy any applicable withholding obligations with regard to all Tax-Related Items by withholding in Shares to be issued upon settlement of the PSUs. If such withholding in Shares is problematic under applicable tax or securities law or has materially adverse accounting consequences, then by the Participant's acceptance of the PSUs, the Participant authorizes and directs the Company and any brokerage firm acceptable to the Company to sell on the Participant's behalf a whole number of Shares from those Shares issued to the Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy any withholding obligation for Tax-Related Items. The Participant agrees to execute and deliver such documents as may be reasonably required in connection with the sale of any Shares pursuant to this Section 5(b).

(c) Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates in the Participant's jurisdiction(s), in which case the Participant may receive a refund of any over-withheld amount and will have no entitlement to the equivalent in Shares. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Performance Dependent Issuance, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

(d) Finally, the Participant agrees to pay to the Company, including through withholding from Participant's salary or other cash compensation paid to the Participant by the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if the Participant fails to comply with the Participant's obligations in connection with the Tax-Related Items (including the obligations set forth in Section 4 above).

6. Nontransferability of Award. The Participant shall not sell, assign, transfer, pledge or otherwise encumber this award, either voluntarily or by operation of law, except by will, the laws of descent and distribution, or pursuant to a qualified domestic relations order. However, the Participant shall not transfer this award to any proposed transferee if, with respect to such proposed transferee, the Company would not be eligible to use a Form S-8 for the registration of the issuance and sale of the Shares subject to this award under the United States Securities Act of 1933, as amended.

7. No Right to Employment or Other Status. This award shall not be construed as giving the Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right to dismiss or otherwise terminate its relationship with the Participant free from any liability or claim under the Plan or this award, except as expressly provided in this award.

8. No Rights as Shareholder. The Participant has no rights as a shareholder with respect to any Shares distributable under this award until such Shares are issued to the Participant.

9. Provisions of the Plan. This award is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this award.

10. Nature of the Grant. By accepting this Agreement, the Participant acknowledges as follows:

(a) The Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan.

(b) The grant of the PSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of PSUs or benefits in lieu of PSUs even if PSUs have been awarded repeatedly in the past. All decisions with respect to future grants of PSUs and/or Shares, if any, are at the Company's sole discretion.

(c) The PSUs and the Shares subject to the PSUs are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company, and the PSUs are outside the scope of the Participant's employment or services contract, if any.

(d) The Participant is voluntarily participating in the Plan.

(e) The PSUs, the Shares subject to the PSUs, and the income and value of the PSUs and Shares are not intended to replace any pension rights or compensation.

(f) The PSUs, the Shares, and the income and value of the PSUs and Shares are not part of normal or expected compensation or salary for any purpose (including but not limited to the calculation of any severance, resignation, termination, redundancy, dismissal or end of service payments; bonuses; long-service awards; pension, retirement or welfare benefits; or similar payments) and in no event should be considered as compensation for, or relating in any way to, past services for the Company.

(g) Unless the parties otherwise agree, the PSUs, the Shares subject to the PSUs, and the income and value of the same are not consideration for, or granted in connection with, any service the Participant may provide as a director of a subsidiary of the Company.

(h) The future value of the Shares underlying the PSUs is unknown and cannot be predicted with certainty. If the Participant receives Shares upon a Performance Dependent Issuance, the value of such Shares may increase or decrease in value.

(i) In consideration of the grant of the PSUs, no claim or entitlement to compensation or damages arises from termination of the PSUs or Shares, diminution in value of the Shares or termination of the Participant's employment or other service relationship by the Company for any reason whatsoever and whether or not in breach of applicable labor laws or the Participant's employment agreement, if any. The Participant irrevocably releases the Company from any such claim that may arise. If, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by accepting this Agreement, the Participant is deemed irrevocably to have waived his or her entitlement to pursue such claim.

(j) Further, if the Participant ceases to be an Eligible Participant for any reason whatsoever and whether or not in breach of applicable labor laws or the Participant's employment agreement, if any, the Participant's right to vesting of the PSUs under this Agreement and the Plan, if any, terminates effective as of the date that the Participant is no longer actively employed by the Company or is no longer otherwise an Eligible Participant, and will not be extended by any notice period mandated under applicable law. The Company has the exclusive discretion to determine when the Participant is no longer an Eligible Participant for purposes of this Agreement and the Plan.

(k) The Participant acknowledges and agrees that neither the Company nor any of its affiliates or agents is liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the PSUs or of any amounts due to Participant pursuant to the settlement of the PSUs or the subsequent sale of any Shares acquired upon settlement.

11. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the PSUs and on any Shares acquired under the Plan to the extent that the Company determines are necessary or advisable for legal or administrative reasons, except that with respect to awards that are subject to Section 409A of the Code and the guidance thereunder ("**Section 409A**"), to the extent so permitted under Section 409A. Furthermore, the parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement and the Plan.

12. Data Privacy.

(a) The Participant is hereby informed that Cimpress plc will collect from the Participant through his or her employer (if not employed by Cimpress plc) certain personal information about the Participant, including the Participant's personal data, such as his or her name, home address and telephone number, email address, date of birth, social security/insurance number, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all PSUs or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor ("**Data**").

(b) The Participant is hereby informed and aware that Cimpress plc will collect and process the Data described above to perform (i) its contractual obligations and activities pursuant to this Agreement and the Plan, as well as (ii) those activities in conformity with applicable law and regulations that Cimpress plc as a publicly traded company at the NASDAQ Global Select Market must adhere to. Such data processing activities of the Participant's Data by Cimpress plc will therefore be for purposes including but not limited to implementing, administering and managing the Plan. Cimpress plc will process the Participant's Data as described in this Section 12 for the term of this Agreement and after its termination for a period as required by the Plan, by law or as necessary for the protection of the Company's legitimate interests.

(c) The Participant will, in connection with the PSUs and the acquisition, holding and/or transfer of Shares or cash resulting from participation in the Plan, be provided with a brokerage account set up and managed by E*TRADE Financial Services, Inc. (including E*TRADE Securities LLC and any other involved affiliates or successors), a stock plan service provider located in the United States or such other stock plan service provider as the Company may select in the future (the "**Service Provider**"). As such, the Participant is hereby informed and aware that Cimpress plc will use and transfer (with assistance of its subsidiary Cimpress USA Incorporated as described below under Section 12(e)), in electronic or other form, the Participant's Data to the Service Provider insofar such use and transfer to the Service Provider of the Participant's Data is necessary for the set up and management of the individual stock brokerage accounts and further related contractual obligations that apply to Cimpress plc under this Agreement and the Plan.

(d) Cimpres plc is, with regard to the implementation, administration and management of the Plan, assisted within the Cimpres group of companies by its subsidiary Cimpres USA Incorporated. The Participant is hereby informed and aware that his or her Data, including his or her personal data, can therefore be transferred by Cimpres plc/Company to Cimpres USA Incorporated (or any other affiliated company in the Cimpres-group providing global-equity related services to Cimpres plc/Company) if the transfer of the Participant's Data is necessary because the legitimate interests of Cimpres plc/Company require that the Data be handled by a US-entity for purposes including but not limited to the global administration and management of the Plan and related Cimpres equity strategy, as well as for global human resources, finance and/or reporting purposes. Besides the foregoing processing purposes of its legitimate interests, any transfer by Cimpres plc/Company to Cimpres USA Incorporated (and/or any other involved affiliated company in the Cimpres-group) or any employee with responsibilities relating to securities, compliance or legal may also be necessary in order to ensure Cimpres plc's compliance with applicable legal obligations (including, without limitation, disclosures required to be made to courts or governmental authorities and agencies, with respect to tax requirements and in response to subpoenas and other legal process or orders).

(e) Cimpres plc will ensure, in accordance with Article 46 of the Regulation 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("**GDPR**"), that any transfer of personal data from Participants employed by an employer with a corporate seat in the European Economic Area ("**EEA**") or Switzerland to data controllers or data processors – such as the Service Provider or Cimpres USA Incorporated – located outside the borders of the EEA or Switzerland in a country that is viewed as not having an adequate level of protection (e.g., the United States) is subject to a prior agreement of those recipients with the EU standard contractual clauses for the transfer of personal data as included in the Commission Decisions of 27 December 2004 (2004/915/EC) and 5 February 2010 (2010/87/EC).

(f) Cimpres plc will ensure in accordance with Article 9 of the GDPR that any sensitive data of the Participant (e.g., a passport or social security number) employed by an employer with a corporate seat in the EEA or Switzerland will only be collected and further processed in accordance with the purposes as set out in this Agreement and the Plan, after obtaining the Participant's prior explicit consent.

(g) The Participant may, when entitled thereto under the GDPR, exercise his or her data subject rights by requesting the Company for access to his or her personal data (including a copy of the personal data that Company holds about the Participant) or exercise his or her right to rectification, erasure, restriction, data portability and objection. The Participant can exercise most of the foregoing data subject rights himself or herself by using the related functionalities in his or her local human resources system or by accessing his or her brokerage account with the Service Provider. Alternatively, the Participant can submit such a "data subject right" request to his or her local HR representative or Cimpres' LTI Plan Administrator.

13. Section 409A.

(a) This award is intended to comply with or be exempt from the requirements of Section 409A and shall be construed consistently therewith. Subject to Sections 8(f) and 9(e) of the Plan, the Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend the Plan or this Agreement to prevent this award from becoming subject to the requirements of Section 409A. However, the Company makes no representations or warranties and has no liability to the Participant or to any other person if any of the provisions of or payments under this award are determined to constitute nonqualified deferred compensation subject to Section 409A but do not satisfy the requirements of Section 409A.

(b) If the PSUs are considered to be "nonqualified deferred compensation" within the meaning of Section 409A, and the Participant is considered a "specified employee" within the meaning of Section 409A, then notwithstanding anything to the contrary in this Agreement, the Company shall not deliver to the Participant any Shares required to be delivered upon a Performance Dependent Issuance that occurs upon a termination of employment until the earlier of (i) the six-month and one-day anniversary of the Participant's termination of employment and (ii) the Participant's death. In addition, solely to the extent that the PSUs are considered to be "nonqualified deferred compensation" and solely to the extent that another agreement between the Participant and the Company provides for a Performance Dependent Issuance and delivery of the Shares upon a "change in control," such event must constitute a "change in control event" within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i) in order for the Shares to be delivered.

(c) For purposes of Section 13(b) of this Agreement, "termination of employment" and similar terms mean "separation from service" within the meaning of Section 409A. The determination of whether and when Participant's separation from service from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this Section 13(c), "Company" includes all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

14. Exemption from Section 457A of the Code. The Plan and this award are not intended to be subject to Section 457A of the Code, and the Company shall administer the Plan and this award agreement in accordance with such intent. Notwithstanding Section 8(f) of the Plan, if the Plan or this award is subject to Section 457A of the Code, the Company may amend the Plan or this award agreement or adopt other policies or procedures or take other actions, including amendments or actions that would result in a reduction to the benefits payable under this award, that the Company deems necessary or appropriate to exempt the award from Section 457A of the Code, to preserve the intended tax treatment of the benefits provided with respect to the award, or to mitigate any additional tax, interest or penalties or other adverse tax consequences that may apply under Section 457A of the Code if an exemption is not available. However, the Company makes no representations or warranties and has no liability to the Participant or to any other person if this award is not exempt from or otherwise results in adverse tax consequences under Section 457A of the Code.

15. Obligation to Update Contact Information. Because a Performance Dependent Issuance, if any, may occur after the Participant's relationship with the Company has terminated, the Participant is responsible for notifying the Company in writing of each change in the Participant's contact information and residence.

16. Severability. If any provision of this Agreement or the Plan or the application of any provision hereof to any person or circumstance is held to be invalid or unenforceable, the remainder of this Agreement and the Plan and the application of such provision to any other person or

circumstance is not affected, and the provisions so held to be unenforceable shall be reformed to the extent (and only to the extent) necessary to make it enforceable and valid.

17. Language. If the Participant receives this Agreement or any other document related to the Plan translated into a language other than English, the English version controls.

18. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to current or future participation in the Plan by electronic means. The Participant consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

19. Addendum. The PSUs and the Shares acquired under the Plan are subject to any country-specific terms and conditions set forth in any addendum to this Agreement or the Plan, and in the event of a conflict between this Agreement and any such addendum, the addendum governs. If the Participant may be considered to be a citizen of or residing or working in more than one country or relocates his or her residence or transfers his or her employment to one of the countries included in any such addendum, the Company may determine in its discretion the country-specific terms and conditions that apply to the Participant to the extent that such application is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. Each such addendum, if any, constitutes part of this Agreement.

20. Entire Agreement and Waiver. This Agreement, the Plan, and any applicable country-specific addendum set forth the entire agreement of the parties hereto with respect to the subject matter contained herein and supersede all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, with respect to the subject matter contained herein. Without limiting the foregoing, the terms of any executive retention agreement or employment agreement do not apply to the PSUs or this award. The Participant acknowledges that a waiver by the Company of the breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other Participant.

21. Foreign Asset/Account Reporting Requirements. Depending on the Participant's country, the Participant may be subject to foreign asset/account, exchange control and/or tax reporting requirements in connection with the PSUs, the acquisition, holding and/or transfer of Shares or cash (including dividends and the proceeds arising from the sale of Shares) resulting from participation in the Plan and/or the opening and maintaining of a brokerage or bank account in connection with the Plan. The Participant may be required to report such assets, accounts, account balances and values, and/or related transactions to the applicable authorities in his or her country. The Participant may also be required to repatriate any funds received in connection with the PSUs to his or her country and may be required to use a specific account for doing so and/or to convert the funds to local currency. The Participant acknowledges that he or she is responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements. The Participant further understands that he or she should consult his or her personal legal advisor on these matters.

22. Insider Trading Restrictions/Market Abuse Laws. Depending on the Participant's country, the Participant may be subject to insider trading restrictions or market abuse laws, which may affect the Participant's ability to accept, acquire, sell or otherwise dispose of Shares or rights to Shares (including PSUs) during such times as the Participant is considered to have "inside information" regarding the Company as defined by applicable laws. Any restrictions under these laws are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Company is not responsible for such restrictions or liable for the failure on the Participant's part to know and abide by such restrictions. The Participant should consult with his or her own personal legal advisers to ensure compliance with applicable insider-trading and market-abuse laws in the Participant's country, and the Participant acknowledges that he or she is responsible for complying with any applicable restrictions.

SCHEDULE A

Table 1

Year (Anniversary of Baseline Date)	3YMA CAGR	Multiplier to the Number of Vested PSUs Subject to the Award
[]	[]	[]
[]	[]	[]
[]	[]	[]

The numbers in the first column above refer to the [] through [] anniversaries of the Baseline Date, and the 3YMA CAGR levels in the middle column apply only to the Measurement Dates that correspond to the anniversary(ies) of the Baseline Date in the first column.

The first row of Table 1 above applies a limit (the "**10X Limit**") to the 3YMA value of the share issuance (defined as the number of Shares to be issued multiplied by the 3YMA at the Measurement Date on which the Performance Dependent Issuance is triggered) of a maximum of ten times the 3YMA grant value of this PSU award (defined as the number of PSUs granted multiplied by the Baseline 3YMA). The actual closing price of the Shares issued upon the Performance Dependent Issuance may be higher or lower than the 3YMA used to calculate the number of Shares issued at such time.

Table 2

Applies only to a Change in Control

3YMA CAGR	Multiplier to the Number of Vested PSUs Subject to the Award
-----------	--

25.8925% or above	Variable Cap
20% to 25.8925%	250.0%
19 to 19.99%	225.0%
18 to 18.99%	212.5%
17 to 17.99%	200.0%
16 to 16.99%	187.5%
15 to 15.99%	175.0%
14 to 14.99%	162.5%
13 to 13.99%	150.0%
12 to 12.99%	137.5%
11 to 11.99%	125.0%
Less than 11%	0%

PARTICIPANT'S ACCEPTANCE

By signing or electronically accepting this Agreement, the Participant agrees to the terms and conditions hereof. The Participant hereby acknowledges receipt of a copy of the Plan.

Employee PSU agreement

[Form of]
2016 Performance Equity Plan
Performance Share Unit Agreement

1. **Grant of Award.** This Agreement evidences the grant by Cimpress plc, an Irish public limited company (the “**Company**”), on %%OPTION_DATE, 'Month DD, YYYY'-%- to %%FIRST_NAME-%- %%LAST_NAME-%- (the “**Participant**”) of %%TOTAL_PSUs_GRANTED-%- performance share units (the “**PSUs**”) on the terms of this Agreement and the Company’s 2016 Performance Equity Plan (the “**Plan**”). Each PSU represents a right to receive between 0 and 2.5 ordinary shares of the Company, €0.01 nominal value per share (the “**Shares**”), upon the satisfaction of both (A) service-based vesting as described in Section 2 below and (B) performance conditions relating to the compound annual growth rate (“**CAGR**”) of the three-year moving average daily price per Share (“**3YMA**”) as described in Section 3 below. The issuance of Shares to the Participant pursuant to a PSU upon satisfaction of both the service-based condition and the performance condition described in this Agreement is a “**Performance Dependent Issuance**.”

Except as otherwise indicated by the context, the term “**Participant**,” as used in this award, is deemed to include any person who acquires rights under this award validly under its terms. All references to the “**Company**” throughout this Agreement include Cimpress plc and all current and future parents and subsidiaries of Cimpress plc, and if the Participant is employed by a parent or subsidiary of Cimpress plc, then any references in this Agreement to employment by or with the Company or termination of employment by or with the Company are instead deemed to refer to such parent or subsidiary.

2. **Service-Based Vesting.**

(a) **Vesting Schedule.** Throughout this Agreement, the term “**vest**” refers only to the satisfaction of the service-based condition described in this Section 2 and does not refer to the performance condition, the satisfaction of which is necessary for a Performance Dependent Issuance. Subject to the terms and conditions of this award, the PSUs vest as to 25% of the original number of PSUs on %%VEST_DATE_PERIOD1, 'Month DD, YYYY'-%- and as to an additional 25% of the original number of PSUs on each of the successive three anniversaries of such date, so long as, at the time any PSUs vest, the Participant is, and has been at all times since the date in Section 1 above on which the PSUs were granted, an “**Eligible Participant**,” which is defined as an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the United States Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “**Code**”).

(b) **Forfeiture of Unvested PSUs.** If for any reason the Participant ceases to be an Eligible Participant, then the vesting of PSUs ceases and the Participant has no further rights with respect to any unvested PSUs, but except as set forth in Section 2(c) below, the Participant retains the PSUs that have vested as of the last day on which he or she was an Eligible Participant. The Participant expressly accepts and agrees that any termination of his or her relationship with the Company for any reason whatsoever (including without limitation unfair or objective dismissal, permanent disability, death, resignation or desistance) automatically means the forfeiture of all of his or her unvested PSUs, with no compensation whatsoever. The Participant acknowledges and accepts that this is an essential condition of this Agreement and expressly agrees to this condition.

(c) **Forfeiture of Vested PSUs.** The Participant expressly accepts and agrees that if the Participant’s status as an Eligible Participant is terminated for Cause, then all of the Participant’s PSUs, whether vested or unvested, are automatically forfeited with no compensation whatsoever, and the Participant has no further rights with respect to any PSUs hereunder. The Participant acknowledges and accepts that this is an essential condition of this Agreement and expressly agrees to this condition. For purposes of this Agreement and to the extent permitted under applicable law, “**Cause**” means the Participant’s (i) willful failure to substantially perform his or her duties (other than any such failure resulting from incapacity due to physical or mental illness), (ii) willful misconduct or gross negligence related to his or her employment with the Company, (iii) commission of any crime involving harassment, moral turpitude, fraud, misappropriation or embezzlement, (iv) breach of this Agreement or any confidentiality or restrictive covenant agreement with the Company, (v) failure to comply with any material provision of any written policy or rule of the Company, as may be in effect from time to time, or (vi) engagement in any act or failure to act that is so serious in its nature or extent that it breaks the purpose of the employment relationship and legally deprives the Participant of any right to notice and/or indemnification for dismissal.

3. **Performance Conditions.**

(a) **Baseline and Measurements.** The “**Baseline 3YMA**” for this award is %%BASELINE_3YMA_\$\$-%-, and the “**Baseline Date**” is %%BASELINE_DATE, 'Month DD, YYYY'-%-. At each of the sixth through tenth anniversaries of the Baseline Date (each such date a “**Measurement Date**”) until such time as a Performance Dependent Issuance is triggered for this PSU award, the Company shall measure the 3YMA as of such Measurement Date and calculate the CAGR relative to the Baseline 3YMA as set forth in this Section 3.

(b) **Performance Condition for Years 6-10.** If on a Measurement Date corresponding to the sixth through tenth anniversaries of the Baseline Date the CAGR of the 3YMA as of such Measurement Date, relative to the Baseline 3YMA, equals or exceeds the minimum CAGR set forth in Table 1 on Schedule A hereto, then a Performance Dependent Issuance is triggered at the first such Measurement Date, and the Company shall issue to the Participant in accordance with Section 4 below the number of Shares determined by multiplying the number of vested PSUs in this award by the percentage set forth in Table 1 that corresponds to the CAGR of the 3YMA from the Baseline Date to the Measurement Date, rounded down to the nearest whole Share.

(c) **Performance Condition for a Change in Control.** If a Change in Control, as defined in the Plan, occurs at any time between the date in Section 1 above on which the PSUs were granted and the tenth anniversary of the Baseline Date, then the date of such Change in Control is deemed to be the applicable Measurement Date. If the price paid per Share to holders of the Company’s Shares in connection with the Change in Control (as reasonably determined by the Board), relative to the Baseline 3YMA, equals or exceeds the minimum CAGR set forth in Table 1 on Schedule A hereto, then a Performance Dependent Issuance is triggered at such Measurement Date, and the Company shall issue to the Participant in accordance with Section 4 below the number of Shares determined by multiplying the number of vested PSUs in this

award by the percentage set forth in Table 1 that corresponds to the CAGR of the 3YMA from the Baseline Date to the price paid per Share to the holders of the Company's Shares in connection with the Change in Control, rounded down to the nearest whole Share.

(d) Expiration. If no Performance Dependent Issuance is triggered pursuant to this Section 3 on or before the earlier of (i) the date of a Change in Control and (ii) the Measurement Date corresponding to the tenth anniversary of the Baseline Date, then this award expires in its entirety, and no Shares are issued or issuable with respect to this award.

4. Timing and Form of Distribution. If a Performance Dependent Issuance is triggered, the Company shall distribute to the Participant the number of Shares calculated pursuant to Section 3 above as soon as practicable after the applicable Measurement Date but in no event later than 45 days after such Measurement Date, except that (a) if the Participant is not subject to U.S. income taxes on this award, the Distribution Date may be a later date if required by applicable law, and (b) if the Participant is not an Eligible Participant, the Company may, in its sole discretion, delay the Distribution Date and the issuance of Shares upon a Performance Dependent Issuance until such time as the Company has all of the necessary information about the Participant to issue Shares to the Participant and to calculate, withhold, and account for Tax-Related Items. It is the Participant's responsibility to ensure that the Company has all such necessary information. Each date of distribution of Shares is referred to as the "**Distribution Date**." Once any Shares have been distributed pursuant to this award, the award expires in its entirety, and the Participant has no further rights with respect to any PSUs hereunder.

5. Responsibility for Taxes.

(a) The Participant acknowledges that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("**Tax-Related Items**") is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company. The Participant further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PSUs, including but not limited to the grant, vesting or settlement of the PSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (ii) does not commit to and is under no obligation to structure the terms of the grant or any aspect of the PSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items.

(b) In this regard, Participant authorizes the Company to satisfy any applicable withholding obligations with regard to all Tax-Related Items by withholding in Shares to be issued upon settlement of the PSUs. If such withholding in Shares is problematic under applicable tax or securities law or has materially adverse accounting consequences, by the Participant's acceptance of the PSUs, the Participant authorizes and directs the Company and any brokerage firm acceptable to the Company to sell on the Participant's behalf a whole number of Shares from those Shares issued to the Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy any withholding obligation for Tax-Related Items. The Participant agrees to execute and deliver such documents as may be reasonably required in connection with the sale of any Shares pursuant to this Section 5(b).

(c) Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates in the Participant's jurisdiction(s), in which case the Participant may receive a refund of any over-withheld amount and will have no entitlement to the equivalent in Shares. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Performance Dependent Issuance, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

(d) Finally, the Participant agrees to pay to the Company, including through withholding from Participant's salary or other cash compensation paid to the Participant by the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if the Participant fails to comply with the Participant's obligations in connection with the Tax-Related Items (including the obligations set forth in Section 4 above).

6. Nontransferability of Award. The Participant shall not sell, assign, transfer, pledge or otherwise encumber this award, either voluntarily or by operation of law, except by will, the laws of descent and distribution, or pursuant to a qualified domestic relations order. However, the Participant shall not transfer this award to any proposed transferee if, with respect to such proposed transferee, the Company would not be eligible to use a Form S-8 for the registration of the issuance and sale of the Shares subject to this award under the United States Securities Act of 1933, as amended.

7. No Right to Employment or Other Status. This award shall not be construed as giving the Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right to dismiss or otherwise terminate its relationship with the Participant free from any liability or claim under the Plan or this award, except as expressly provided in this award.

8. No Rights as Shareholder. The Participant has no rights as a shareholder with respect to any Shares distributable under this award until such Shares are issued to the Participant.

9. Provisions of the Plan. This award is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this award.

10. Nature of the Grant. By accepting this Agreement, the Participant acknowledges as follows:

(a) The Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan.

(b) The grant of the PSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of PSUs or benefits in lieu of PSUs even if PSUs have been awarded repeatedly in the past. All decisions with respect to future grants of PSUs and/or Shares, if any, are at the Company's sole discretion.

(c) The PSUs and the Shares subject to the PSUs are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company, and the PSUs are outside the scope of the Participant's employment or services contract, if any.

(d) The Participant is voluntarily participating in the Plan.

(e) The PSUs, the Shares subject to the PSUs, and the income and value of the PSUs and Shares are not intended to replace any pension rights or compensation.

(f) The PSUs, the Shares, and the income and value of the PSUs and Shares are not part of normal or expected compensation or salary for any purpose (including but not limited to the calculation of any severance, resignation, termination, redundancy, dismissal or end of service payments; bonuses; long-service awards; pension, retirement or welfare benefits; or similar payments) and in no event should be considered as compensation for, or relating in any way to, past services for the Company.

(g) Unless the parties otherwise agree, the PSUs, the Shares subject to the PSUs, and the income and value of the same are not consideration for, or granted in connection with, any service the Participant may provide as a director of a subsidiary of the Company.

(h) The future value of the Shares underlying the PSUs is unknown and cannot be predicted with certainty. If the Participant receives Shares upon a Performance Dependent Issuance, the value of such Shares may increase or decrease in value.

(i) In consideration of the grant of the PSUs, no claim or entitlement to compensation or damages arises from termination of the PSUs or Shares, diminution in value of the Shares or termination of the Participant's employment or other service relationship by the Company for any reason whatsoever and whether or not in breach of applicable labor laws or the Participant's employment agreement, if any. The Participant irrevocably releases the Company from any such claim that may arise. If, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by accepting this Agreement, the Participant is deemed irrevocably to have waived his or her entitlement to pursue such claim.

(j) Further, if the Participant ceases to be an Eligible Participant for any reason whatsoever and whether or not in breach of applicable labor laws or the Participant's employment agreement, if any, the Participant's right to vesting of the PSUs under this Agreement and the Plan, if any, terminates effective as of the date that the Participant is no longer actively employed by the Company or is no longer otherwise an Eligible Participant, and will not be extended by any notice period mandated under applicable law. The Company has the exclusive discretion to determine when the Participant is no longer an Eligible Participant for purposes of this Agreement and the Plan.

(k) The Participant acknowledges and agrees that neither the Company nor any of its affiliates or agents is liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the PSUs or of any amounts due to Participant pursuant to the settlement of the PSUs or the subsequent sale of any Shares acquired upon settlement.

11. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the PSUs and on any Shares acquired under the Plan to the extent that the Company determines are necessary or advisable for legal or administrative reasons, except that with respect to awards that are subject to Section 409A of the Code and the guidance thereunder ("**Section 409A**"), to the extent so permitted under Section 409A. Furthermore, the parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement and the Plan.

12. Data Privacy.

(a) The Participant is hereby informed that Cimpres plc will collect from the Participant through his or her employer (if not employed by Cimpres plc) certain personal information about the Participant, including the Participant's personal data, such as his or her name, home address and telephone number, email address, date of birth, social security/insurance number, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all PSUs or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor ("**Data**").

(b) The Participant is hereby informed and aware that Cimpres plc will collect and process the Data described above to perform (i) its contractual obligations and activities pursuant to this Agreement and the Plan, as well as (ii) those activities in conformity with applicable law and regulations that Cimpres plc as a publicly traded company at the NASDAQ Global Select Market must adhere to. Such data processing activities of the Participant's Data by Cimpres plc will therefore be for purposes including but not limited to implementing, administering and managing the Plan. Cimpres plc will process the Participant's Data as described in this Section 12 for the term of this Agreement and after its termination for a period as required by the Plan, by law or as necessary for the protection of the Company's legitimate interests.

(c) The Participant will, in connection with the PSUs and the acquisition, holding and/or transfer of Shares or cash resulting from participation in the Plan, be provided with a brokerage account set up and managed by E*TRADE Financial Services, Inc. (including E*TRADE Securities LLC and any other involved affiliates or successors), a stock plan service provider located in the United States or such other stock plan service provider as the Company may select in the future (the "**Service Provider**"). As such, the Participant is hereby informed and aware that Cimpres plc will use and transfer (with assistance of its subsidiary Cimpres USA Incorporated as described below under Section 12(e)), in electronic or other form, the Participant's Data to the Service Provider insofar such use and transfer to the Service Provider of the Participant's Data is necessary for the set up and management of the individual stock brokerage accounts and further related contractual obligations that apply to Cimpres plc under this Agreement and the Plan.

(d) Cimpres plc is, with regard to the implementation, administration and management of the Plan, assisted within the Cimpres group of companies by its subsidiary Cimpres USA Incorporated. The Participant is hereby informed and aware that his or her Data, including his or her personal data, can therefore be transferred by Cimpres plc/Company to Cimpres USA Incorporated (or any other affiliated company in the Cimpres-group providing global-equity related services to Cimpres plc/Company) if the transfer of the Participant's Data is necessary because the legitimate interests of Cimpres plc/Company require that the Data be handled by a US-entity for purposes including but not limited to the global administration and management of the Plan and related Cimpres equity strategy, as well as for global human resources, finance and/or reporting purposes. Besides the foregoing processing purposes of its legitimate interests, any transfer by Cimpres plc/Company to Cimpres USA Incorporated (and/or any other involved affiliated company in the Cimpres-group) or any employee with responsibilities relating to securities, compliance or legal may also be necessary in order to ensure Cimpres plc's compliance with applicable legal obligations (including, without limitation, disclosures required to be made to courts or governmental authorities and agencies, with respect to tax requirements and in response to subpoenas and other legal process or orders).

(e) Cimpres plc will ensure, in accordance with Article 46 of the Regulation 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("**GDPR**"), that any transfer of personal data from Participants employed by an employer with a corporate seat in the European Economic Area ("**EEA**") or Switzerland to data controllers or data processors – such as the Service Provider or Cimpres USA Incorporated – located outside the borders of the EEA or Switzerland in a country that is viewed as not having an adequate level of protection (e.g., the United States) is subject to a prior agreement of those recipients with the EU standard contractual clauses for the transfer of personal data as included in the Commission Decisions of 27 December 2004 (2004/915/EC) and 5 February 2010 (2010/87/EC).

(f) Cimpres plc will ensure in accordance with Article 9 of the GDPR that any sensitive data of the Participant (e.g., a passport or social security number) employed by an employer with a corporate seat in the EEA or Switzerland will only be collected and further processed in accordance with the purposes as set out in this Agreement and the Plan, after obtaining the Participant's prior explicit consent.

(g) The Participant may, when entitled thereto under the GDPR, exercise his or her data subject rights by requesting the Company for access to his or her personal data (including a copy of the personal data that Company holds about the Participant) or exercise his or her right to rectification, erasure, restriction, data portability and objection. The Participant can exercise most of the foregoing data subject rights himself or herself by using the related functionalities in his or her local human resources system or by accessing his or her brokerage account with the Service Provider. Alternatively, the Participant can submit such a "data subject right" request to his or her local HR representative or Cimpres' LTI Plan Administrator.

13. Section 409A.

(a) This award is intended to comply with or be exempt from the requirements of Section 409A and shall be construed consistently therewith. Subject to Sections 8(f) and 9(e) of the Plan, the Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend the Plan or this Agreement to prevent this award from becoming subject to the requirements of Section 409A. However, the Company makes no representations or warranties and has no liability to the Participant or to any other person if any of the provisions of or payments under this award are determined to constitute nonqualified deferred compensation subject to Section 409A but do not satisfy the requirements of Section 409A.

(b) If the PSUs are considered to be "nonqualified deferred compensation" within the meaning of Section 409A, and the Participant is considered a "specified employee" within the meaning of Section 409A, then notwithstanding anything to the contrary in this Agreement, the Company shall not deliver to the Participant any Shares required to be delivered upon a Performance Dependent Issuance that occurs upon a termination of employment until the earlier of (i) the six-month and one-day anniversary of the Participant's termination of employment and (ii) the Participant's death. In addition, solely to the extent that the PSUs are considered to be "nonqualified deferred compensation" and solely to the extent that another agreement between the Participant and the Company provides for a Performance Dependent Issuance and delivery of the Shares upon a "change in control," such event must constitute a "change in control event" within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i) in order for the Shares to be delivered.

(c) For purposes of Section 13(b) of this Agreement, "termination of employment" and similar terms mean "separation from service" within the meaning of Section 409A. The determination of whether and when Participant's separation from service from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this Section 13(c), "Company" includes all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

14. Exemption from Section 457A of the Code. The Plan and this award are not intended to be subject to Section 457A of the Code, and the Company shall administer the Plan and this award agreement in accordance with such intent. Notwithstanding Section 8(f) of the Plan, if the Plan or this award is subject to Section 457A of the Code, the Company may amend the Plan or this award agreement or adopt other policies or procedures or take other actions, including amendments or actions that would result in a reduction to the benefits payable under this award, that the Company deems necessary or appropriate to exempt the award from Section 457A of the Code, to preserve the intended tax treatment of the benefits provided with respect to the award, or to mitigate any additional tax, interest or penalties or other adverse tax consequences that may apply under Section 457A of the Code if an exemption is not available. However, the Company makes no representations or warranties and has no liability to the Participant or to any other person if this award is not exempt from or otherwise results in adverse tax consequences under Section 457A of the Code.

15. Obligation to Update Contact Information. Because a Performance Dependent Issuance, if any, may occur after the Participant's relationship with the Company has terminated, the Participant is responsible for notifying the Company in writing of each change in the Participant's contact information and residence.

16. Severability. If any provision of this Agreement or the Plan or the application of any provision hereof to any person or circumstance is held to be invalid or unenforceable, the remainder of this Agreement and the Plan and the application of such provision to any other person or

circumstance is not affected, and the provisions so held to be unenforceable shall be reformed to the extent (and only to the extent) necessary to make it enforceable and valid.

17. Language. If the Participant receives this Agreement or any other document related to the Plan translated into a language other than English, the English version controls.

18. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to current or future participation in the Plan by electronic means. The Participant consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

19. Addendum. The PSUs and the Shares acquired under the Plan are subject to any country-specific terms and conditions set forth in any addendum to this Agreement or the Plan, and in the event of a conflict between this Agreement and any such addendum, the addendum governs. If the Participant may be considered to be a citizen of or residing or working in more than one country or relocates his or her residence or transfers his or her employment to one of the countries included in any such addendum, the Company may determine in its discretion the country-specific terms and conditions that apply to the Participant to the extent that such application is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. Each such addendum, if any, constitutes part of this Agreement.

20. Entire Agreement and Waiver. This Agreement, the Plan, and any applicable country-specific addendum set forth the entire agreement of the parties hereto with respect to the subject matter contained herein and supersede all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, with respect to the subject matter contained herein. Without limiting the foregoing, the terms of any executive retention agreement or employment agreement do not apply to the PSUs or this award. The Participant acknowledges that a waiver by the Company of the breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other Participant.

21. Foreign Asset/Account Reporting Requirements. Depending on the Participant's country, the Participant may be subject to foreign asset/account, exchange control and/or tax reporting requirements in connection with the PSUs, the acquisition, holding and/or transfer of Shares or cash (including dividends and the proceeds arising from the sale of Shares) resulting from participation in the Plan and/or the opening and maintaining of a brokerage or bank account in connection with the Plan. The Participant may be required to report such assets, accounts, account balances and values, and/or related transactions to the applicable authorities in his or her country. The Participant may also be required to repatriate any funds received in connection with the PSUs to his or her country and may be required to use a specific account for doing so and/or to convert the funds to local currency. The Participant acknowledges that he or she is responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements. The Participant further understands that he or she should consult his or her personal legal advisor on these matters.

22. Insider Trading Restrictions/Market Abuse Laws. Depending on the Participant's country, the Participant may be subject to insider trading restrictions or market abuse laws, which may affect the Participant's ability to accept, acquire, sell or otherwise dispose of Shares or rights to Shares (including PSUs) during such times as the Participant is considered to have "inside information" regarding the Company as defined by applicable laws. Any restrictions under these laws are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Company is not responsible for such restrictions or liable for the failure on the Participant's part to know and abide by such restrictions. The Participant should consult with his or her own personal legal advisers to ensure compliance with applicable insider-trading and market-abuse laws in the Participant's country, and the Participant acknowledges that he or she is responsible for complying with any applicable restrictions.

SCHEDULE A

Table 1

CAGR as of the Measurement Date	Multiplier to the number of PSUs subject to the Award
11 to 11.99%	125.0%
12 to 12.99%	137.5%
13 to 13.99%	150.0%
14 to 14.99%	162.5%
15 to 15.99%	175.0%
16 to 16.99%	187.5%
17 to 17.99%	200.0%
18 to 18.99%	212.5%
19 to 19.99%	225.0%
20 to 25.8925%	250.0%
25.8925% or above	Variable Cap (as defined below)

The last row of Table 1 applies a limit (the "**Variable Cap**") to the 3YMA value of the share issuance (defined as the number of Shares to be issued multiplied by the 3YMA at the Measurement Date on which the Performance Dependent Issuance is triggered) to a maximum of ten times the 3YMA grant value of this PSU award (defined as the number of PSUs granted multiplied by the Baseline 3YMA). Therefore, in cases

of a 3YMA CAGR above 25.8925%, the Company shall apply the Variable Cap (which shall be less than 250.0%) in order to achieve the fixed ten times maximum 3YMA value of the share issuance. The actual closing price of the Shares issued upon the Performance Dependent Issuance may be higher or lower than the 3YMA used to calculate the number of Shares issued at such time.

The calculation of the Variable Cap is as set forth below. The “**Measurement Period**” is the period of time from the Baseline Date to the applicable Measurement Date.

$(10/(1+\text{Measurement Date CAGR})^{\text{Measurement Period}})$ = Multiplier to the number of PSUs

Example:

- \$70 Baseline 3YMA
- 27% Measurement Date CAGR
- Year 6 - Measurement Period

$(10/(1+27\%)^6) = 238.3\%$ multiplier

PARTICIPANT’S ACCEPTANCE

By signing or electronically accepting this Agreement, the Participant agrees to the terms and conditions hereof. The Participant hereby acknowledges receipt of a copy of the Plan.

CEO PSU agreement

[Form of]
2016 Performance Equity Plan
Performance Share Unit Agreement

1. Grant of Award. This Agreement evidences the grant by Cimpress plc, an Irish public limited company (the “**Company**”), on %%OPTION_DATE, 'Month DD, YYYY'%%-% to %%FIRST_NAME%%-% %%LAST_NAME%%-% (the “**Participant**”) of %%TOTAL_PSUs_GRANTED%%-% performance share units (the “**PSUs**”) on the terms of this Agreement and the Company’s 2016 Performance Equity Plan (the “**Plan**”). Each PSU represents a right to receive between 0 and 2.5 ordinary shares of the Company, €0.01 nominal value per share (the “**Shares**”), upon the satisfaction of both (A) service-based vesting as described in Section 2 below and (B) performance conditions relating to the compound annual growth rate (“**CAGR**”) of the three-year moving average daily price per Share (“**3YMA**”) as described in Section 3 below. The issuance of Shares to the Participant pursuant to a PSU upon satisfaction of both the service-based condition and the performance condition described in this Agreement is a “**Performance Dependent Issuance.**”

Except as otherwise indicated by the context, the term “**Participant,**” as used in this award, is deemed to include any person who acquires rights under this award validly under its terms, and the term “**Company**” includes Cimpress plc and all current and future parents and subsidiaries of Cimpress plc.

2. Service-Based Vesting.

(a) Vesting Schedule. Throughout this Agreement, the term “**vest**” refers only to the satisfaction of the service-based condition described in this Section 2 and does not refer to the performance condition, the satisfaction of which is necessary for a Performance Dependent Issuance. Subject to the terms and conditions of this award, the PSUs vest as to 25% of the original number of PSUs on %%VEST_DATE_PERIOD1, 'Month DD, YYYY'%%-% and as to an additional 25% of the original number of PSUs on each of the successive three anniversaries of such date, so long as, at the time any PSUs vest, the Participant is, and has been at all times since the date in Section 1 above on which the PSUs were granted, an “**Eligible Participant,**” which is defined as an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the United States Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “**Code**”).

(b) Forfeiture of Unvested PSUs. If for any reason the Participant ceases to be an Eligible Participant, then the vesting of PSUs ceases and the Participant has no further rights with respect to any unvested PSUs, but the Participant retains the PSUs that have vested as of the last day on which he or she was an Eligible Participant. The Participant expressly accepts and agrees that any termination of his or her relationship with the Company for any reason whatsoever (including without limitation unfair or objective dismissal, permanent disability, death, resignation or desistance) automatically means the forfeiture of all of his or her unvested PSUs, with no compensation whatsoever. The Participant acknowledges and accepts that this is an essential condition of this Agreement and expressly agrees to this condition.

3. Performance Conditions.

(a) Baseline and Measurements. The “**Baseline 3YMA**” for this award is %%BASELINE_3YMA_\$%%-%, and the “**Baseline Date**” is %%BASELINE_DATE, 'Month DD, YYYY'%%-%. At each of the sixth through tenth anniversaries of the Baseline Date (each such date a “**Measurement Date**”) until such time as a Performance Dependent Issuance is triggered for this PSU award, the Company shall measure the 3YMA as of such Measurement Date and calculate the CAGR relative to the Baseline 3YMA as set forth in this Section 3.

(b) Performance Condition for Years 6-10. If on a Measurement Date corresponding to the sixth through tenth anniversaries of the Baseline Date the CAGR of the 3YMA as of such Measurement Date, relative to the Baseline 3YMA, equals or exceeds the minimum CAGR set forth in Table 1 on Schedule A hereto, then a Performance Dependent Issuance is triggered at the first such Measurement Date, and the Company shall issue to the Participant in accordance with Section 4 below the number of Shares determined by multiplying the number of vested PSUs in this award by the percentage set forth in Table 1 that corresponds to the CAGR of the 3YMA from the Baseline Date to the Measurement Date, rounded down to the nearest whole Share.

(c) Performance Condition for a Change in Control. If a Change in Control, as defined in the Plan, occurs at any time between the date in Section 1 above on which the PSUs were granted and the tenth anniversary of the Baseline Date, then the date of such Change in Control is deemed to be the applicable Measurement Date. If the price paid per Share to holders of the Company’s Shares in connection with the Change in Control (as reasonably determined by the Board), relative to the Baseline 3YMA, equals or exceeds the minimum CAGR set forth in Table 1 on Schedule A hereto, then a Performance Dependent Issuance is triggered at such Measurement Date, and the Company shall issue to the Participant in accordance with Section 4 below the number of Shares determined by multiplying the number of vested PSUs in this award by the percentage set forth in Table 1 that corresponds to the CAGR of the 3YMA from the Baseline Date to the price paid per Share to the holders of the Company’s Shares in connection with the Change in Control, rounded down to the nearest whole Share.

(d) Expiration. If no Performance Dependent Issuance is triggered pursuant to this Section 3 on or before the earlier of (i) the date of a Change in Control and (ii) the Measurement Date corresponding to the tenth anniversary of the Baseline Date, then this award expires in its entirety, and no Shares are issued or issuable with respect to this award.

4. Timing and Form of Distribution. If a Performance Dependent Issuance is triggered, the Company shall distribute to the Participant the number of Shares calculated pursuant to Section 3 above as soon as practicable after the applicable Measurement Date but in no event later than 45 days after such Measurement Date, except that (a) if the Participant is not subject to U.S. income taxes on this award, the Distribution Date may be a later date if required by applicable law, and (b) if the Participant is not an Eligible Participant, the Company may, in its sole discretion, delay the Distribution Date and the issuance of Shares upon a Performance Dependent Issuance until such time as the Company has all of the necessary information about the Participant to issue Shares to the Participant and to calculate, withhold, and account for Tax-Related Items. It is the Participant’s responsibility to ensure that the Company has all such necessary information. Each date of distribution of Shares is

referred to as the “***Distribution Date***.” Once any Shares have been distributed pursuant to this award, the award expires in its entirety, and the Participant has no further rights with respect to any PSUs hereunder.

5. Responsibility for Taxes.

(a) The Participant acknowledges that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant’s participation in the Plan and legally applicable to the Participant (“***Tax-Related Items***”) is and remains the Participant’s responsibility and may exceed the amount actually withheld by the Company. The Participant further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PSUs, including but not limited to the grant, vesting or settlement of the PSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (ii) does not commit to and is under no obligation to structure the terms of the grant or any aspect of the PSUs to reduce or eliminate the Participant’s liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items.

(b) In this regard, Participant authorizes the Company to satisfy any applicable withholding obligations with regard to all Tax-Related Items by withholding in Shares to be issued upon settlement of the PSUs. If such withholding in Shares is problematic under applicable tax or securities law or has materially adverse accounting consequences, by the Participant’s acceptance of the PSUs, the Participant authorizes and directs the Company and any brokerage firm acceptable to the Company to sell on the Participant’s behalf a whole number of Shares from those Shares issued to the Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy any withholding obligation for Tax-Related Items. The Participant agrees to execute and deliver such documents as may be reasonably required in connection with the sale of any Shares pursuant to this Section 5(b).

(c) Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates in the Participant’s jurisdiction(s), in which case the Participant may receive a refund of any over-withheld amount and will have no entitlement to the equivalent in Shares. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Performance Dependent Issuance, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

(d) Finally, the Participant agrees to pay to the Company, including through withholding from Participant’s salary or other cash compensation paid to the Participant by the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result of Participant’s participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if the Participant fails to comply with the Participant’s obligations in connection with the Tax-Related Items (including the obligations set forth in Section 4 above).

6. Nontransferability of Award. The Participant shall not sell, assign, transfer, pledge or otherwise encumber this award, either voluntarily or by operation of law, except by will, the laws of descent and distribution, or pursuant to a qualified domestic relations order. However, the Participant shall not transfer this award to any proposed transferee if, with respect to such proposed transferee, the Company would not be eligible to use a Form S-8 for the registration of the issuance and sale of the Shares subject to this award under the United States Securities Act of 1933, as amended.

7. No Right to Employment or Other Status. This award shall not be construed as giving the Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right to dismiss or otherwise terminate its relationship with the Participant free from any liability or claim under the Plan or this award, except as expressly provided in this award.

8. No Rights as Shareholder. The Participant has no rights as a shareholder with respect to any Shares distributable under this award until such Shares are issued to the Participant.

9. Provisions of the Plan. This award is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this award.

10. Nature of the Grant. By accepting this Agreement, the Participant acknowledges as follows:

(a) The Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan.

(b) The Participant is voluntarily participating in the Plan.

(c) The PSUs, the Shares, and the income and value of the PSUs and Shares are not part of normal or expected compensation or salary for any purpose (including but not limited to the calculation of any severance, resignation, termination, redundancy, dismissal or end of service payments; bonuses; long-service awards; pension, retirement or welfare benefits; or similar payments) and in no event should be considered as compensation for, or relating in any way to, past services for the Company.

(d) Unless the parties otherwise agree, the PSUs, the Shares subject to the PSUs, and the income and value of the same are not consideration for, or granted in connection with, any service the Participant may provide as a director of a subsidiary of the Company.

(e) The future value of the Shares underlying the PSUs is unknown and cannot be predicted with certainty. If the Participant receives Shares upon a Performance Dependent Issuance, the value of such Shares may increase or decrease in value.

(f) In consideration of the grant of the PSUs, no claim or entitlement to compensation or damages arises from termination of the PSUs or Shares, diminution in value of the Shares or termination of the Participant's relationship with the Company for any reason whatsoever and whether or not in breach of applicable laws. The Participant irrevocably releases the Company from any such claim that may arise. If, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by accepting this Agreement, the Participant is deemed irrevocably to have waived his or her entitlement to pursue such claim.

(g) Further, if the Participant ceases to be an Eligible Participant for any reason whatsoever and whether or not in breach of applicable laws, the Participant's right to vesting of the PSUs under this Agreement and the Plan, if any, terminates effective as of the date that the Participant is no longer an Eligible Participant, and will not be extended by any notice period mandated under applicable law. The Company has the exclusive discretion to determine when the Participant is no longer an Eligible Participant for purposes of this Agreement and the Plan.

(h) The Participant acknowledges and agrees that neither the Company nor any of its affiliates or agents is liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the PSUs or of any amounts due to Participant pursuant to the settlement of the PSUs or the subsequent sale of any Shares acquired upon settlement.

11. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the PSUs and on any Shares acquired under the Plan to the extent that the Company determines are necessary or advisable for legal or administrative reasons, except that with respect to awards that are subject to Section 409A of the Code and the guidance thereunder ("**Section 409A**"), to the extent so permitted under Section 409A. Furthermore, the parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement and the Plan.

12. Data Privacy.

(a) The Participant is hereby informed that Cimpress plc will collect from the Participant certain personal information about the Participant, including the Participant's personal data, such as his or her name, home address and telephone number, email address, date of birth, social security/insurance number, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all PSUs or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor ("**Data**").

(b) The Participant is hereby informed and aware that Cimpress plc will collect and process the Data described above to perform (i) its contractual obligations and activities pursuant to this Agreement and the Plan, as well as (ii) those activities in conformity with applicable law and regulations that Cimpress plc as a publicly traded company at the NASDAQ Global Select Market must adhere to. Such data processing activities of the Participant's Data by Cimpress plc will therefore be for purposes including but not limited to implementing, administering and managing the Plan. Cimpress plc will process the Participant's Data as described in this Section 12 for the term of this Agreement and after its termination for a period as required by the Plan, by law or as necessary for the protection of the Company's legitimate interests.

(c) The Participant will, in connection with the PSUs and the acquisition, holding and/or transfer of Shares or cash resulting from participation in the Plan, be provided with a brokerage account set up and managed by E*TRADE Financial Services, Inc. (including E*TRADE Securities LLC and any other involved affiliates or successors), a stock plan service provider located in the United States or such other stock plan service provider as the Company may select in the future (the "**Service Provider**"). As such, the Participant is hereby informed and aware that Cimpress plc will use and transfer (with assistance of its subsidiary Cimpress USA Incorporated as described below under Section 12(e)), in electronic or other form, the Participant's Data to the Service Provider insofar such use and transfer to the Service Provider of the Participant's Data is necessary for the set up and management of the individual stock brokerage accounts and further related contractual obligations that apply to Cimpress plc under this Agreement and the Plan.

(d) Cimpress plc is, with regard to the implementation, administration and management of the Plan, assisted within the Cimpress group of companies by its subsidiary Cimpress USA Incorporated. The Participant is hereby informed and aware that his or her Data, including his or her personal data, can therefore be transferred by Cimpress plc/Company to Cimpress USA Incorporated (or any other affiliated company in the Cimpress-group providing global-equity related services to Cimpress plc/Company) if the transfer of the Participant's Data is necessary because the legitimate interests of Cimpress plc/Company require that the Data be handled by a US-entity for purposes including but not limited to the global administration and management of the Plan and related Cimpress equity strategy, as well as for global human resources, finance and/or reporting purposes. Besides the foregoing processing purposes of its legitimate interests, any transfer by Cimpress plc/Company to Cimpress USA Incorporated (and/or any other involved affiliated company in the Cimpress-group) or any employee with responsibilities relating to securities, compliance or legal may also be necessary in order to ensure Cimpress plc's compliance with applicable legal obligations (including, without limitation, disclosures required to be made to courts or governmental authorities and agencies, with respect to tax requirements and in response to subpoenas and other legal process or orders).

(e) Cimpress plc will ensure, in accordance with Article 46 of the Regulation 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("**GDPR**"), that any transfer of personal data from Participants in the European Economic Area ("**EEA**") or Switzerland to data controllers or data processors – such as the Service Provider or Cimpress USA Incorporated – located outside the borders of the EEA or Switzerland in a country that is viewed as not having an adequate level of protection (e.g., the United States) is subject to a prior agreement of those recipients with the EU standard contractual clauses for the transfer of personal data as included in the Commission Decisions of 27 December 2004 (2004/915/EC) and 5 February 2010 (2010/87/EC).

(f) Cimpress plc will ensure in accordance with Article 9 of the GDPR that any sensitive data of the Participant (e.g., a passport or social security number) in the EEA or Switzerland will only be collected and further processed in accordance with the purposes as set out in this Agreement and the Plan, after obtaining the Participant's prior explicit consent.

(g) The Participant may, when entitled thereto under the GDPR, exercise his or her data subject rights by requesting the Company for access to his or her personal data (including a copy of the personal data that Company holds about the Participant) or exercise his or her right to

rectification, erasure, restriction, data portability and objection. The Participant can exercise most of the foregoing data subject rights himself or herself by using the related functionalities in his or her local human resources system or by accessing his or her brokerage account with the Service Provider. Alternatively, the Participant can submit such a 'data subject right' request to Cimpress' LTI Plan Administrator.

13. Section 409A.

(a) This award is intended to comply with or be exempt from the requirements of Section 409A and shall be construed consistently therewith. Subject to Sections 8(f) and 9(e) of the Plan, the Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, to unilaterally amend the Plan or this Agreement to prevent this award from becoming subject to the requirements of Section 409A. However, the Company makes no representations or warranties and has no liability to the Participant or to any other person if any of the provisions of or payments under this award are determined to constitute nonqualified deferred compensation subject to Section 409A but do not satisfy the requirements of Section 409A.

(b) If the PSUs are considered to be "nonqualified deferred compensation" within the meaning of Section 409A, and the Participant is considered a "specified employee" within the meaning of Section 409A, then notwithstanding anything to the contrary in this Agreement, the Company shall not deliver to the Participant any Shares required to be delivered upon a Performance Dependent Issuance that occurs upon a termination of employment until the earlier of (i) the six-month and one-day anniversary of the Participant's termination of employment and (ii) the Participant's death. In addition, solely to the extent that the PSUs are considered to be "nonqualified deferred compensation" and solely to the extent that another agreement between the Participant and the Company provides for a Performance Dependent Issuance and delivery of the Shares upon a "change in control," such event must constitute a "change in control event" within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i) in order for the Shares to be delivered.

(c) For purposes of Section 13(b) of this Agreement, "termination of employment" and similar terms mean "separation from service" within the meaning of Section 409A. The determination of whether and when Participant's separation from service from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this Section 13(c), "Company" includes all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

14. Exemption from Section 457A of the Code. The Plan and this award are not intended to be subject to Section 457A of the Code, and the Company shall administer the Plan and this award agreement in accordance with such intent. Notwithstanding Section 8(f) of the Plan, if the Plan or this award is subject to Section 457A of the Code, the Company may amend the Plan or this award agreement or adopt other policies or procedures or take other actions, including amendments or actions that would result in a reduction to the benefits payable under this award, that the Company deems necessary or appropriate to exempt the award from Section 457A of the Code, to preserve the intended tax treatment of the benefits provided with respect to the award, or to mitigate any additional tax, interest or penalties or other adverse tax consequences that may apply under Section 457A of the Code if an exemption is not available. However, the Company makes no representations or warranties and has no liability to the Participant or to any other person if this award is not exempt from or otherwise results in adverse tax consequences under Section 457A of the Code.

15. Obligation to Update Contact Information. Because a Performance Dependent Issuance, if any, may occur after the Participant's relationship with the Company has terminated, the Participant is responsible for notifying the Company in writing of each change in the Participant's contact information and residence.

16. Severability. If any provision of this Agreement or the Plan or the application of any provision hereof to any person or circumstance is held to be invalid or unenforceable, the remainder of this Agreement and the Plan and the application of such provision to any other person or circumstance is not affected, and the provisions so held to be unenforceable shall be reformed to the extent (and only to the extent) necessary to make it enforceable and valid.

17. Language. If the Participant receives this Agreement or any other document related to the Plan translated into a language other than English, the English version controls.

18. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to current or future participation in the Plan by electronic means. The Participant consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

19. Addendum. The PSUs and the Shares acquired under the Plan are subject to any country-specific terms and conditions set forth in any addendum to this Agreement or the Plan, and in the event of a conflict between this Agreement and any such addendum, the addendum governs. If the Participant may be considered to be a citizen of or residing or working in more than one country or relocates his or her residence or transfers his or her employment to one of the countries included in any such addendum, the Company may determine in its discretion the country-specific terms and conditions that apply to the Participant to the extent that such application is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. Each such addendum, if any, constitutes part of this Agreement.

20. Entire Agreement and Waiver. This Agreement, the Plan, and any applicable country-specific addendum set forth the entire agreement of the parties hereto with respect to the subject matter contained herein and supersede all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, with respect to the subject matter contained herein. The Participant acknowledges that a waiver by the Company of the breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other Participant.

21. Foreign Asset/Account Reporting Requirements. Depending on the Participant's country, the Participant may be subject to foreign asset/account, exchange control and/or tax reporting requirements in connection with the PSUs, the acquisition, holding and/or transfer of Shares or cash (including dividends and the proceeds arising from the sale of Shares) resulting from participation in the Plan and/or the opening and maintaining of a brokerage or bank account in connection with the Plan. The Participant may be required to report such assets, accounts, account balances and values, and/or related transactions to the applicable authorities in his or her country. The Participant may also be required

to repatriate any funds received in connection with the PSUs to his or her country and may be required to use a specific account for doing so and/or to convert the funds to local currency. The Participant acknowledges that he or she is responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements. The Participant further understands that he or she should consult his or her personal legal advisor on these matters.

22. Insider Trading Restrictions/Market Abuse Laws. Depending on the Participant’s country, the Participant may be subject to insider trading restrictions or market abuse laws, which may affect the Participant’s ability to accept, acquire, sell or otherwise dispose of Shares or rights to Shares (including PSUs) during such times as the Participant is considered to have “inside information” regarding the Company as defined by applicable laws. Any restrictions under these laws are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Company is not responsible for such restrictions or liable for the failure on the Participant’s part to know and abide by such restrictions. The Participant should consult with his or her own personal legal advisers to ensure compliance with applicable insider-trading and market-abuse laws in the Participant’s country, and the Participant acknowledges that he or she is responsible for complying with any applicable restrictions.

SCHEDULE A

Table 1

CAGR as of the Measurement Date	Multiplier to the number of PSUs subject to the Award
11 to 11.99%	125.0%
12 to 12.99%	137.5%
13 to 13.99%	150.0%
14 to 14.99%	162.5%
15 to 15.99%	175.0%
16 to 16.99%	187.5%
17 to 17.99%	200.0%
18 to 18.99%	212.5%
19 to 19.99%	225.0%
20% to 25.8925%	250.0%
25.8925% or above	Variable Cap (as defined below)

The last row of Table 1 applies a limit (the "**Variable Cap**") to the 3YMA value of the share issuance (defined as the number of Shares to be issued multiplied by the 3YMA at the Measurement Date on which the Performance Dependent Issuance is triggered) to a maximum of ten times the 3YMA grant value of this PSU award (defined as the number of PSUs granted multiplied by the Baseline 3YMA). Therefore, in cases of a 3YMA CAGR above 25.8925%, the Company shall apply the Variable Cap (which shall be less than 250.0%) in order to achieve the fixed ten times maximum 3YMA value of the share issuance. The actual closing price of the Shares issued upon the Performance Dependent Issuance may be higher or lower than the 3YMA used to calculate the number of Shares issued at such time.

The calculation of the Variable Cap is as set forth below. The "**Measurement Period**" is the period of time from the Baseline Date to the applicable Measurement Date.

$$(10/(1+\text{Measurement Date CAGR})^{\text{Measurement Period}}) = \text{Multiplier to the number of PSUs}$$

Example:

- \$70 Baseline 3YMA
- 27% Measurement Date CAGR
- Year 6 - Measurement Period

$$(10/(1+27\%)^6) = 238.3\% \text{ multiplier}$$

PARTICIPANT’S ACCEPTANCE

By signing or electronically accepting this Agreement, the Participant agrees to the terms and conditions hereof. The Participant hereby acknowledges receipt of a copy of the Plan.

BORROWER ASSUMPTION AGREEMENT

This Borrower Assumption Agreement (this “Agreement”), dated as of December 3, 2019, is between Cimpress plc, a public company with limited liability incorporated in Ireland with its registered address at Building D, Xerox Technology Park, Dundalk, Co. Louth and having registered number 607465 (“New Cimpress”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity and together with its successors and assigns, the “Administrative Agent”) for itself and the Lenders under the Credit Agreement referred to below (the “Lenders”).

RECITAL:

Cimpress N.V., a *naamloze vennootschap* organized under the laws of the Netherlands (“Cimpress N.V.”), the Subsidiary Borrowers party thereto from time to time, the Lenders party thereto from time to time and the Administrative Agent are parties to that certain Credit Agreement, dated as of October 11, 2011, as amended and restated as of February 8, 2013 and as further amended and restated as of July 13, 2017 (as amended, restated, supplemented or otherwise modified through the date hereof, the “Credit Agreement”), under which the Lenders may from time to time provide certain financial accommodations to Cimpress N.V. Pursuant to an Order of the High Court of Ireland (the “High Court Order”) dated on or about 3 December 2019 approving the cross border merger by acquisition of Cimpress N.V. into New Cimpress under the terms and conditions set out in the common draft terms of merger dated 17 September 2019, the assets and liabilities of Cimpress N.V. were transferred by universal succession of title to New Cimpress at the Effective Time (as defined below) in consideration for the allotment and issue of ordinary shares in New Cimpress to the shareholders of Cimpress N.V. (the “Merger”). With effect from the Effective Time, Cimpress N.V. has been dissolved and New Cimpress has remained as the surviving entity. Immediately at the Effective Time, New Cimpress will become the Company and a Borrower under the Credit Agreement. Pursuant to the Merger, New Cimpress will assume (the “Assumption”) all rights, obligations and liabilities of Cimpress N.V. including without limitation as the Company, a Borrower and a Loan Party under the Credit Agreement and the other Loan Documents.

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

SECTION 1. Definitions. Capitalized terms defined in the Credit Agreement and not defined herein are used herein (including in the Recital hereto) with the meanings so defined.

“Effective Time” means 4:15 p.m. Eastern Standard Time, immediately after the close of trading on NASDAQ, on 3 December 2019 or such other date as may be agreed by New Cimpress and Cimpress N.V., subject to the approval of the Irish High Court.

SECTION 2. Assumption. Effective immediately upon satisfaction of the conditions precedent set forth in Section 3 below (the time at which all such conditions are satisfied being the “Assumption Date”), New Cimpress acknowledges and agrees that, by operation of law and pursuant to the Merger it has succeeded to, and hereby ratifies that it assumes from Cimpress N.V., all of its rights, title and interests and duties, liabilities and obligations, including as the Company, as a Borrower and as a Loan Party under the Credit Agreement and the other Loan Documents, and New Cimpress hereby irrevocably and unconditionally accepts such rights, title and interests and assumes such duties, liabilities and obligations from Cimpress N.V. on the Assumption Date on the terms contained herein, including, without limitation, (i) any claims, liabilities or obligations arising from any failure of Cimpress N.V. to perform any of its covenants, agreements, commitments and/or obligations, as the Company, a Borrower and/or as a Loan Party, which were to be performed prior to the date hereof under the Credit Agreement or any other Loan Document and (ii) all claims or liabilities of Cimpress N.V., in its capacity as the Company, a Borrower and/or as a Loan Party, with respect to the Loans or any Commitments and other Obligations under the Credit Agreement. New Cimpress hereby confirms and agrees that (i) the Credit Agreement and the other Loan Documents are, and shall continue on and after the Assumption Date to be, in full force and effect in accordance with their respective terms and are hereby ratified and confirmed by New Cimpress in all respects, (ii) that the Collateral Documents to which Cimpress N.V. was a party and all of the Collateral described therein secure and shall continue on and after the Assumption Date to secure the payment of the Secured Obligations, (iii) that nothing in this Agreement or the transactions contemplated hereby shall constitute a novation of any of the Secured Obligations and (iv) each reference to Cimpress N.V. in the Credit Agreement or any other Loan Document as the Company, a Borrower and/or a Loan Party or otherwise shall, from and after the date hereof, be deemed a reference to New Cimpress.

SECTION 3. Conditions of Administrative Agent’s Consent. The Administrative Agent hereby consents to the Merger and the Assumption as being the “Permitted Corporate Reorganization” under the Credit Agreement, such consent effective as of the first date on which each of the following conditions shall have been satisfied:

3.1 Merger. The Merger shall have occurred at the Effective Time pursuant to the Order of the High Court of Ireland on or about 3 December 2019 referred to in the Recitals.

3.2 Agreement. The Administrative Agent shall have received counterparts of this Agreement duly executed by New Cimpress and the Administrative Agent.

3.3 Consent and Reaffirmation. The Administrative Agent shall have received counterparts of the Consent and Reaffirmation attached as Exhibit A hereto duly executed by the Guarantors.

3.4 Legal Opinions. The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Assumption Date) of (i) Matheson, Irish counsel for New Cimpress and (ii) Morgan Lewis Bockius LLP, U.S. counsel for New Cimpress, in form and substance reasonably satisfactory to the Administrative Agent and its counsel and covering such matters relating to New Cimpress, this Agreement, the Credit Agreement or the Transactions as the Administrative Agent shall reasonably request. The Company hereby requests such counsels to deliver such opinions.

3.5 Certificates. The Administrative Agent shall have received (i) such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization and existence of New Cimpress, the authorization of the Merger, the Assumption, the Transactions and any other legal matters relating to New Cimpress, the Loan Documents or the Transactions and (ii) a certificate, dated the Assumption Date and signed by a director of New Cimpress, certifying (x) the Merger has occurred pursuant to the High Court Order and (y) the Merger does not have a material adverse effect on the credit support for the Transactions and on the credit profile of the Company and the Guarantors taken as a whole, in the case of the foregoing clauses (i) and (ii) all in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

3.6 Other Documentation. The Administrative Agent shall have received such Irish Collateral Documents and related corporate documents and legal opinions as it shall have reasonably requested from New Cimpress and its Subsidiaries organized under the laws of Ireland.

3.7 Beneficial Ownership. The Administrative Agent shall have received, to the extent New Cimpress qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, at least five days prior to the date hereof, a Beneficial Ownership Certification in relation to New Cimpress.

3.8 Fees. The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Assumption Date, including, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Company under the Credit Agreement.

SECTION 4. Representations and Warranties. New Cimpress hereby represents and warrants that:

4.1 Organization. It is duly organized, validly existing under the laws of the jurisdiction of its organization, as the case may be, and it has the requisite power and authority to execute, deliver and perform its obligations under this Agreement, the Credit Agreement and the other Loan Documents.

4.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement and under the Credit Agreement and the other Loan Documents are within the organizational powers of such Person, and have been duly authorized by all necessary organizational actions and, if required, actions by equity holders. This Agreement has been duly executed and delivered by each such Person and each of this Agreement, the Credit Agreement and the other Loan Documents constitutes a legal, valid and binding obligation of such Person, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

4.3 Governmental Filings; No Conflicts. The due execution, delivery or performance by such Person of this Agreement, the Credit Agreement and the other Loan Documents (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect and except for (i) filings necessary to perfect Liens created pursuant to the Loan Documents and (ii) registration of the particulars of the Collateral Documents dated on or about the date of this Agreement at the Companies Registration Office in Ireland, (b) will not violate any applicable law or regulation or the charter, by-laws or other organizational documents of such Person or any of its Subsidiaries or any order of any Governmental Authority, (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon the Company or any of its Subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by such Person or any of its Subsidiaries, and (d) will not result in the creation or imposition of any Lien on any asset of such Person or any of its Subsidiaries, other than Liens created under the Loan Documents.

4.4 Financial Assistance. The execution of this Agreement and the performance of the transactions contemplated hereby and by the Credit Agreement and the other Loan Documents do not involve the giving of any financial assistance by any such Person to a third party in connection with the acquisition of shares in its capital or that of its parent company that is not permitted under any relevant law or regulation.

4.5 Permitted Corporate Reorganization. The Merger and the Assumption constitute the “Permitted Corporate Reorganization” permitted pursuant to the terms of the Credit Agreement.

SECTION 5. Further Assurances. New Cimpress agrees to execute and deliver such other instruments and documents and to take such other actions as the Administrative Agent may reasonably request in connection with the transactions contemplated by this Agreement, the Credit Agreement and the other Loan Documents.

SECTION 6. Notices. All notices and other communications required to be given or made to New Cimpress under this Agreement, the Credit Agreement or any other Loan Document shall be given or made in accordance with Section 9.01 of the Credit Agreement.

SECTION 7. General. This Agreement is a Loan Document. This Agreement, the Credit Agreement and the other Loan Documents constitute the entire agreement of the parties hereto with respect to the subject matter hereof and supersede all current and prior agreements and understandings, whether written or oral, with respect to such subject matter. Except as expressly set forth herein, all terms of the Credit Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed. The invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of any other term or provision hereof, and any invalid or unenforceable provision shall be modified so as to be enforced to the maximum extent of its validity or enforceability. This

Agreement is not intended to and shall not confer any rights or remedies upon any Person other than the parties hereto, the Lenders and their respective successors and assigns; provided that New Cimpress shall not have any right to assign any rights, obligations or liabilities hereunder except in accordance with the terms of the Credit Agreement. No Person other than the parties hereto, the Lenders and their respective successors and assigns will have or be construed to have any legal or equitable right, remedy or claim under, in respect of, or by virtue of this Agreement. The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement, the other Loan Documents or any other documents, instruments and agreements executed and/or delivered in connection therewith.

SECTION 8. No Novation. This Agreement shall not extinguish the Loans or other obligations outstanding under the Credit Agreement.

SECTION 9. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

SECTION 10. Counterparts. This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, e-mailed.pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 11. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York. New Cimpress hereby submits to the exclusive jurisdiction of any United States federal or New York State court sitting in the City of New York in any action or proceeding arising out of or relating to this Agreement and New Cimpress hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives any objection it may now or hereafter have as to the venue of such suit, action or proceeding brought in such a court or that such court is an inconvenient forum.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

CIMPRESS PLC

By: /s/Kathryn Leach
Name: Kathryn Leach
Title: Attorney

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: /s/Daglas P. Panchal
Name: Daglas P. Panchal
Title: Executive Director

EXHIBIT A

Consent and Reaffirmation

Each of the undersigned hereby acknowledges receipt of a copy of the foregoing Borrower Assumption Agreement in respect of the Credit Agreement, dated as of October 21, 2011, as amended and restated as of February 8, 2013 and as further amended and restated as of July 13, 2017 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Credit Agreement"), by and among Cimpress N.V. ("Cimpress N.V."), Vistaprint Limited, Cimpress Schweiz GmbH, Vistaprint B.V. and Cimpress USA Incorporated (collectively, the "Subsidiary Borrowers"), the financial institutions from time to time party thereto (collectively, the "Lenders") and JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders (the "Administrative Agent"), which Borrower Assumption Agreement is dated as of December 3, 2019 and is by and among Cimpress plc ("New Cimpress") and the Administrative Agent (the "Assumption Agreement"). Capitalized terms used in this Consent and Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreement or in the Assumption Agreement, as applicable.

Each of the undersigned (i) acknowledges and agrees that by operation of law and pursuant to the Merger New Cimpress has succeeded to, and assumed from Cimpress N.V., all of Cimpress N.V.'s rights, title and interests and duties, liabilities and obligations, including as the Company, as a Borrower and as a Loan Party under the Credit Agreement and the other Loan Documents, and New Cimpress has irrevocably and unconditionally accepted such rights, title and interests and assumed such duties, liabilities and obligations from Cimpress N.V.

on the Assumption Date, (ii) consents to the Assumption Agreement, (iii) acknowledges and agrees that each reference to Cimpress N.V. in the Credit Agreement or any other Loan Document as the Company or a Borrower shall, from and after the Assumption Date, be deemed a reference to New Cimpress, and (iv) reaffirms the terms and conditions of the Guaranty and any other Loan Document executed by it and acknowledges and agrees that the Guaranty and each and every such Loan Document executed by the undersigned in connection with the Credit Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed.

All references to the Credit Agreement contained in the above-referenced documents shall be a reference to the Credit Agreement as modified by the Assumption Agreement and as the same may from time to time hereafter be amended, modified or restated. Each party hereto hereby submits to the exclusive jurisdiction of any United States federal or New York State court sitting in the City of New York in any action or proceeding arising out of or relating to this Consent and Reaffirmation and each party hereto hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives any objection it may now or hereafter have as to the venue of such suit, action or proceeding brought in such a court or that such court is an inconvenient forum.

Dated December 3, 2019

[Signature Page Follows]

IN WITNESS WHEREOF, this Consent and Reaffirmation has been duly executed and delivered as of the day and year above written.

CIMPRESS USA INCORPORATED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: President

CIMPRESS WINDSOR CORPORATION,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Treasurer

VISTAPRINT NETHERLANDS B.V.,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

WEBS, INC.,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: President and Treasurer

CIMPRESS INVESTMENTS B.V.,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

CIMPRESS JAMAICA LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

CIMPRESS DEUTSCHLAND GMBH,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

NATIONAL PEN PROMOTIONAL HOLDINGS LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Director

NATIONAL PEN PROMOTIONAL PRODUCTS LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Director

VISTAPRINT LIMITED,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: President and Chairman

CIMPRESS SCHWEIZ GMBH,
as a Guarantor

By: /s/Sean Quinn
Name: Sean Quinn
Title: Managing Director

VISTAPRINT B.V.,
as a Guarantor

By: /s/Sean Quinn
Title: Managing Director

CIMPRESS AUSTRALIA PTY LIMITED,
as a Guarantor

By: /s/Bruce Maxwell Hamilton
Name: Bruce Maxwell Hamilton
Title: Managing Director

CIMPRESS IRELAND LIMITED,
as a Guarantor

By: /s/Marcus Wiszniewski
Name: Marcus Wiszniewski
Title: Director

CIMPRESS ITALY S.R.L.,
as a Guarantor

By: /s/Douglas Glucroft
Name: Douglas Glucroft
Title: Executive Director

PIXARTPRINTING S.P.A.,
as a Guarantor

By: /s/Douglas Glucroft
Name: Douglas Glucroft
Title: Executive Director

CIMPRESS JAPAN CO. LTD.,
as a Guarantor

By: /s/Keiko Son
Name: Keiko Son
Title: Representative Director

CIMPRESS UK LIMITED,
as a Guarantor

By: /s/Paul McDermott
Name: Paul McDermott
Title: Managing Director

VISTAPRINT CORPORATE SOLUTIONS INCORPORATED,
as a Guarantor

By: /s/Paul McDermott
Name: Paul McDermott
Title: Vice President and Secretary

CIMPRESS USA MANUFACTURING INCORPORATED,
as a Guarantor

By: /s/Kevin Lane
Name: Kevin Lane
Title: Sr. Director of Finance

NATIONAL PEN CO. LLC,
as a Guarantor

By: /s/Richard Obrigawitch
Name: Richard Obrigawitch
Title: CFO/COO

NATIONAL PEN TENNESSEE LLC,
as a Guarantor

By: /s/Richard Obrigawitch
Name: Richard Obrigawitch
Title: CFO/COO

NP CORPORATE SERVICES LLC,
as a Guarantor

By: /s/Richard Obrigawitch
Name: Richard Obrigawitch
Title: CFO/COO

TRADEPRINT DISTRIBUTION LIMITED,
as a Guarantor

By: /s/Charlene Douglas
Name: Charlene Douglas
Title: Managing Director

WIRMACHENDRUCK GMBH,
as a Guarantor

By: /s/Thomas Stöner
Name: Thomas Stöner
Title: CFO and Authorized Signatory

BUILD A SIGN LLC,
as a Guarantor

By: /s/Kit Mellem
Name: Kit Mellem
Title: CFO

CERTIFICATION

I, Robert S. Keane, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cimpres N.V.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 30, 2020

/s/ Robert S. Keane

Robert S. Keane
Chief Executive Officer

CERTIFICATION

I, Sean E. Quinn, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cimpres N.V.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 30, 2020

/s/ Sean E. Quinn

Sean E. Quinn
Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Cimpres N.V. (the "Company") for the quarter ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Robert S. Keane, Chief Executive Officer, and Sean E. Quinn, Chief Financial Officer, of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, that, to his knowledge on the date hereof:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 30, 2020

/s/ Robert S. Keane

Robert S. Keane
Chief Executive Officer

Date: January 30, 2020

/s/ Sean E. Quinn

Sean E. Quinn
Chief Financial Officer