WestRock Q3 FY2023 Results

August 3, 2023

WestRock

Cautionary Language

Forward Looking Statements:

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to the statements on the slides entitled “Q3 FY23 Key Highlights”, “Delivering on Our Commitments”, “EnduraGrip and Cluster-Clip”, “Q4 FY23 Guidance”, “Additional Guidance”, and “Estimated Key Commodity Q4 FY23 Consumption Volumes”, that give guidance or estimates for future periods.

Forward-looking statements are based on our current expectations, beliefs, plans or forecasts and use words such as "may," "will," "could," "should," "would," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," "prospects," "potential" and "forecast," and other words, terms and phrases of similar meaning or refer to future time periods. Forward-looking statements involve estimates, expectations, projections, goals, targets, forecasts, assumptions, risks and uncertainties. A forward-looking statement is not a guarantee of future performance, and actual results could differ materially from those contained in the forward-looking statement.

Forward-looking statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, such as developments related to pricing cycles and volumes; economic, competitive and market conditions generally, including macroeconomic uncertainty, and adverse developments affecting the financial services industry, customer inventory rebalancing, the impact of inflation and increases in energy, raw materials, shipping, labor and capital equipment costs; reduced supply of raw materials, energy and transportation, including from supply chain disruptions and labor shortages; intense competition; results and impacts of acquisitions, including operational and financial effects from the Mexico acquisition, and divestitures as well as risks related to our joint ventures; business disruptions, including from public health crises such as a resurgence of COVID, the occurrence of severe weather or a natural disaster or other unanticipated problems, such as labor difficulties, equipment failure or unscheduled maintenance and repair; failure to respond to changing customer preferences; the amount and timing of capital expenditures, including installation costs, project development and implementation costs, and costs related to resolving disputes with third parties with which we work to manage and implement capital projects; risks related to international sales and operations; the production of faulty or contaminated products; the loss of certain customers; adverse legal, reputational, operational and financial effects resulting from cyber incidents and the effectiveness of business continuity plans during a ransomware or other cyber incident; work stoppages and other labor relations difficulties; inability to attract, motivate, train and retain qualified personnel; risks associated with sustainability and climate change, including our ability to achieve our environmental, social and governance targets and goals on announced timelines or at all; our inability to successfully identify and make performance improvements or deliver cost savings and risks associated with completing strategic projects on the anticipated timelines and realizing anticipated financial or operational improvements on announced timelines or at all, including with respect to our business systems transformation; risks related to our indebtedness; the scope, costs, timing and impact of any restructuring of our operations and corporate and tax structure; our desire or ability to repurchase company stock; the scope, timing and outcome of any litigation, claims or other proceedings or dispute resolutions and the impact of any such litigation (including with respect to the Brazil tax liability matter); and additional impairment charges. Such risks and other factors that may impact forward-looking statements are discussed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2022, including in Item 1A “Risk Factors”, as well as in our subsequent filings with the Securities and Exchange Commission. The information contained herein speaks as of the date hereof, and the Company does not have or undertake any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

Non-GAAP Financial Measures:

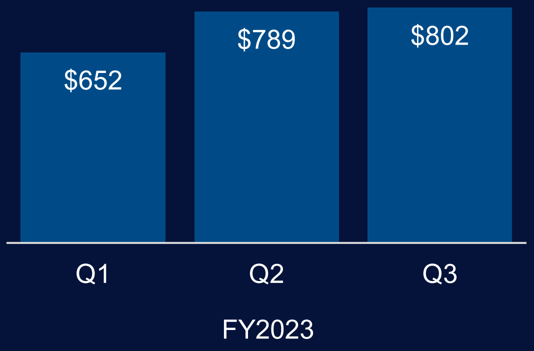
We report our financial results in accordance with accounting principles generally accepted in the United States (“GAAP”). However, management believes certain non-GAAP financial measures provide users with additional meaningful financial information that should be considered when assessing our ongoing performance. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating our performance. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, our GAAP results. The non-GAAP financial measures we present may differ from similarly captioned measures presented by other companies. For additional information, see the Appendix. In addition, as explained in the Appendix, we are not providing a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because we are unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort.

Q3 FY23 Key Highlights

- Sales and earnings in Q3 FY23
  - Net sales of $5.121 billion
  - Consolidated Adjusted EBITDA(1) of $802 million
  - Consolidated Adjusted EBITDA margin(1) of 15.7%
  - Adjusted EPS(1) of $0.89 per share
- Corrugated Packaging Adjusted EBITDA increased 11.6% and Adjusted EBITDA margin(2) increased 60 basis points to 17.4%
- Consolidated Adjusted EBITDA impacted by $89 million due to economic downtime
- Non-cash pension costs increased $39 million year-over-year, U.S. pension plans remain overfunded
- Continue to advance transformation initiatives
  - On track to exit FY23 with >$450 million in run-rate savings(3)
  - Executing closure of Tacoma mill and consolidating 3 additional converting facilities (total of 7 through July)
  - Sold stake in a non-strategic joint venture
- Generated $479 million of Adjusted Free Cash Flow(1), used to reduce debt

Strong Results in a Dynamic Environment

Consolidated Adjusted EBITDA | $ in Millions



Adjusted EBITDA Margins

	Q3 FY23	VS. Q3 FY22
Corrugated Packaging(2)	17.4%	+60bps
Consumer Packaging	18.4%	-10bps
Global Paper	16.6%	-820bps
Distribution	1.9%	-350bps
WestRock(4)	15.7%	-250bps

1) Non-GAAP Financial Measure. See Non-GAAP Financial Measures and Reconciliations in the Appendix
2) Adjusted EBITDA margin (excluding white top trade sales), a non-GAAP financial measure
3) Cost savings reflect YoY change in certain costs incurred for manufacturing, SG&A, procurement and logistics, but exclude impact of economic downtime and inflation.
4) Consolidated Adjusted EBITDA margins.

Delivering on Our Commitments

MARCH 2021

EXECUTING ON STRATEGIC VISION

- **CONSOLIDATED MPS AND CONSUMER PACKAGING** business, contributing to 320 bps of margin expansion since Q2 FY21
- Achieved full capacity of **FLORENCE MILL UPGRADE**
- Initiated **STRATEGIC INVESTMENT IN LONGVIEW BOX PLANT**
- Mobilized a **COMPREHENSIVE TRANSFORMATION AGENDA** to drive step change in profitability and ROIC
- Implemented the **WESTROCK OPERATING SYSTEM**
- Completed **SHARE REPURCHASES** of approx. $700M
- Announced **ACQUISITION OF REMAINING STAKE IN GRUPO GONDI**
- **INCREASED DIVIDEND 37.5%** cumulatively since February 2021
- On track for **>$450M IN RUN-RATE SAVINGS** by end of FY23
- Announced **SALE OF URB MILLS AND STAKE IN RTS JOINT VENTURE**(1)
- Achieved **$9B IN ENTERPRISE SALES**
- Began **CONSOLIDATION OF CONVERTING FACILITIES,** with expected annual savings of $35M when completed
- Announced **FOURTH MILL/PAPER MACHINE CLOSURE** since March 2022; N.A. corrugated mill avg. costs declined $12/ton cumulatively from the closures
- Announced **DIVESTITURE OF STAKE IN NON-STRATEGIC JOINT VENTURE**
- Targeting $400M of revenue from **PLASTICS REPLACEMENTS** in FY23

FUTURE OPPORTUNITIES

FUTURE OPPORTUNITIES:

- $1B of total cost savings by FY25
- $700M of plastics replacement revenue in FY25
- Further converting consolidations to drive additional savings
- Further reduction in average mill costs

1) Subject to regulatory review

EnduraGrip™ and Cluster-Clip™

Costco’s social media post on LinkedIn

- Partnering with Costco, an enterprise sales customer, to drive sustainability
- Launched EnduraGrip and Cluster-Clip to replace single-use plastic “dog bone” clips
  - Paperboard solution that is available in curbside recyclable formats
  - Solution provides bundling for bottles and jars in a range of shapes, sizes and weights along with printable surfaces
- Application process for EnduraGrip and Cluster-Clip automated with WestRock machinery

Well positioned to capture share of $50 billion global total addressable market for plastics replacements[1]

1) Source: McKinsey Innovation Compendium August 2021 for WestRock

WestRock

Q3 FY23 WestRock Results

$ in Millions, Except per Share Items	Q3 FY23	Q3 FY22	YoY
Net Sales	$5,121	$5,520	-7.2%
Consolidated Adjusted EBITDA[(1)]	$802	$1,006	-20.2%
% Margin[(1)]	15.7%	18.2%	-250 bps
Capital Expenditures	$255	$215	+18.2%
Adjusted Free Cash Flow[(1)]	$479	$628	-23.8%
Adjusted Earnings Per Diluted Share[(1)]	$0.89	$1.54	-42.2%

Consolidated Adjusted EBITDA | $ in Millions

Q3 Highlights

- Strong price/mix driven by commercial execution
- Cost savings initiatives continue to gain traction with $150 million saved year-to-date
- Input cost deflation primarily driven by lower OCC and energy
- Economic downtime of 359K tons negatively impacted Adjusted EBITDA by $89 million

1) Non-GAAP Financial Measure. See Non-GAAP Financial Measures and Reconciliations in the Appendix
2) Includes economic downtime impact of $89 million and mill closures of $29 million
3) Includes the impact of Mexico acquisition

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Q3 FY23 Corrugated Packaging Results

$ in Millions	Q3 FY23	Q3 FY22	YoY	Adj. YoY[2][5]
Segment Sales[1][2]	$2,475	$2,299	+7.7%	+6.1%
Adjusted EBITDA	$430	$385	+11.6%	+10.5%
% Margin[1][2]	17.4%	16.8%	+60 bps	+70 bps

Adjusted EBITDA | $ in Millions

Q3 Highlights

- Increased sales due to Mexico acquisition and strong price/mix, partially offset by lower volumes
- Input cost deflation primarily driven by lower OCC and energy
- Economic downtime negatively impacted Adjusted EBITDA by $37 million
- Results now include certain converting operations in Latin America, as well as our Mexico acquisition[5]

1) Excludes white top trade sales
2) Non-GAAP Financial Measure. See Non-GAAP Financial Measures and Reconciliations in the Appendix
3) Includes economic downtime impact of $37 million and mill closures of $12 million
4) Includes the impact of Mexico acquisition
5) In connection with the Mexico acquisition, certain existing consumer converting operations in Latin America were moved to the Corrugated Packaging segment in line with how we are managing the business. We did not recast prior year amounts under GAAP as they were not material ($37 million of segment sales and $4 million of Adjusted EBITDA in Q3 FY23).

Q3 FY23 Consumer Packaging Results

$ in Millions	Q3 FY23	Q3 FY22	YoY	Adj. YoY[(1)(2)]
Segment Sales	$1,251	$1,270	-1.5%	+1.4%
Adjusted EBITDA	$230	$235	-2.1%	+1.5%
% Margin	18.4%	18.5%	-10 bps	0 bps

Adjusted EBITDA | $ in Millions

Q3 Highlights

- Strong price/mix continues to offset inflation
- Results impacted by realignment of certain operations in Latin America[(1)]
- Net organic sales volume[(2)] declined 6.6%, partially driven by last year's strong healthcare results
- Focused on executing strong new business pipeline
- Economic downtime negatively impacted Adjusted EBITDA by $13 million

1) In connection with the Mexico acquisition, certain existing consumer converting operations in Latin America were moved to the Corrugated Packaging segment in line with how we are managing the business. We did not recast prior year amounts under GAAP as they were not material ($37 million of segment sales and $8 million of Adjusted EBITDA in Q3 FY22).
2) Non-GAAP Financial Measure. See Non-GAAP Financial Measures and Reconciliations in the Appendix

Q3 FY23 Global Paper Results

$ in Millions	Q3 FY23	Q3 FY22	YoY
Segment Sales	$1,066	$1,610	-33.8%
Adjusted EBITDA	$177	$399	-55.6%
% Margin	16.6%	24.8%	-820 bps

Adjusted EBITDA | $ in Millions

Q3 Highlights

- Adjusted EBITDA up 6% and margins up 230 bps since Q3 FY20
- Productivity initiatives continue to gain traction
- Accelerating portfolio actions to increase integration and reduce volatility over time
- Economic downtime negatively impacted Adjusted EBITDA by $39 million

1) Includes economic downtime impact of $39 million and mill closures of $17 million

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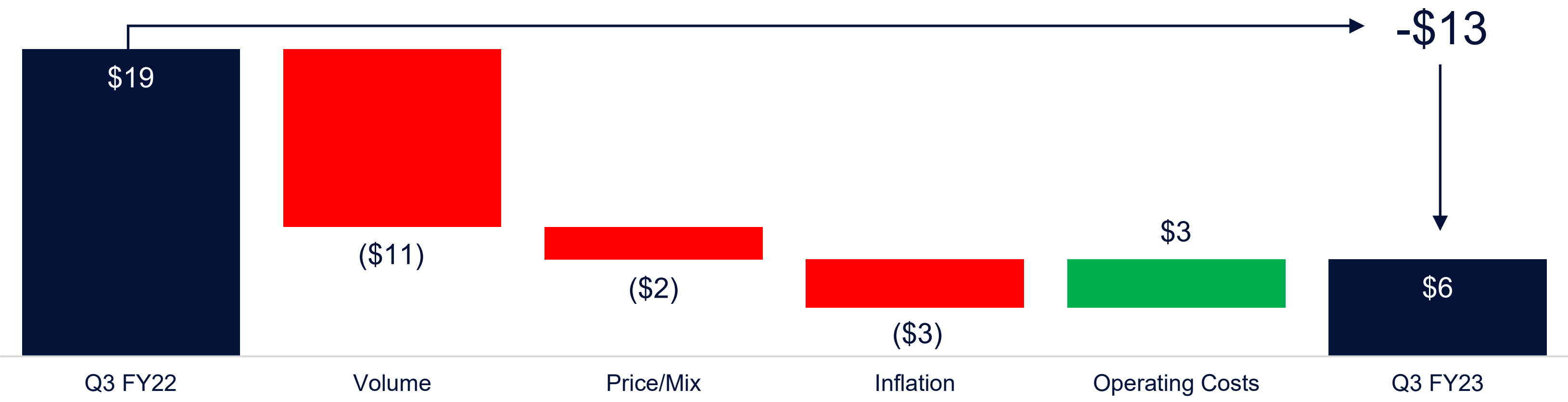
Q3 FY23 Distribution Results

$ in Millions	Q3 FY23	Q3 FY22	YoY
Segment Sales	$318	$358	-11.2%
Adjusted EBITDA	$6	$19	-68.8%
% Margin	1.9%	5.4%	-350 bps

Adjusted EBITDA | $ in Millions



Q3 Highlights

- Volume down due to decline in moving and storage business and last year's large healthcare order
- Lower operating costs driven by productivity initiatives
- Focus on growth by leveraging unique capabilities and driving operational excellence

Q4 FY23 Guidance

$675-$725 million — Q4 FY23 Consolidated Adjusted EBITDA[1]

$0.66-$0.83 per share — Q4 FY23 Adjusted EPS[1]

Q4 FY23 Sequential Guidance Details

- Slightly higher energy
- Higher recycled fiber
- Moderately lower virgin fiber and chemicals
- Adjusted Effective Tax Rate of 8% - 10%[1]
- Continued realization of published price declines
- Continue to balance supply with customer demand

1) Non-GAAP Financial Measure. See Non-GAAP Financial Measures in the Appendix.

Creating Value

Leveraging the power of one WestRock to deliver unrivaled solutions to our customers

Innovating with focus on sustainability and growth

Relentless focus on margin improvement and increasing efficiency

Executing disciplined capital allocation

WestRock

Appendix

Q3 Year Over Year Bridges[1]

Adjusted EBITDA ($ in Millions)

1) See footnotes on slides 7, 8, and 9

Additional Guidance

Q4 FY23 Guidance

Q4 FY23 Guidance	
Depreciation & Amortization	Approx. $384 million
Net Interest Expense	Approx. $113 million
Effective Adjusted Tax Rate[(1)]	8% - 10%
Diluted Shares Outstanding[(2)]	Approx. 257 million

Mill Maintenance Downtime Schedule (tons in thousands)

Maintenance[(3)]

	Q1	Q2	Q3	Q4	Full Year
FY23 Maintenance	184	156	140	32	**512**
FY22 Maintenance	198	132	62	50	**442**
FY21 Maintenance	154	67	120	23	**364**

1) Non-GAAP Financial Measure. See Non-GAAP Financial Measures in the Appendix
2) Diluted shares outstanding excludes share repurchases
3) Reflects estimates for Q4 2023 and full year 2023

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Sensitivity Analysis

Estimated Key Commodity Q4 FY23 Consumption Volumes

Commodity Category	Volume	Approx. EPS Impact of 5% Price Increase
Virgin Fiber (tons millions)	7	($0.05)
Recycled Fiber (tons millions)	1	($0.02)
Electricity (kwh billions)	2	($0.02)
Diesel (gallons millions)	22	($0.01)
Natural Gas (MMBtu millions)	21	($0.01)
Starch (tons thousands)	63	($0.01)
Caustic Soda (tons thousands)	54	($0.01)
Latex (tons thousands)	19	<($0.01)
Coal (tons thousands)	51	<($0.01)
Internal Sizing (tons thousands)	7	<($0.01)
Sodium Chlorate (tons thousands)	19	<($0.01)
Sulfuric Acid (tons thousands)	50	<($0.01)

Category	Change	Approx. EPS Impact
FX Translation Impact	+10% USD Appreciation	($0.01)

Shipment Data[1]

	Unit	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3	FY22 Q4	FY23 Q1	FY23 Q2	FY23 Q3
Corrugated Packaging												
N.A. Corrugated Packaging Shipments	Thousands of tons	1,500.4	1,467.7	1,498.3	1,453.6	1,443.5	1,461.4	1,451.0	1,372.3	1,303.9	1,315.7	1,296.2
Latin America Corrugated Packaging Shipments [2]	Thousands of tons	105.5	107.2	110.0	114.3	108.7	99.6	104.9	116.2	185.6	354.3	361.3
White Top Exchange	Thousands of tons	115.6	78.4	90.9	103.3	68.9	85.3	79.9	79.3	59.2	78.3	84.5
Corrugated Packaging Shipments	Thousands of tons	**1,721.6**	**1,653.3**	**1,699.2**	**1,671.2**	**1,621.0**	**1,646.3**	**1,635.8**	**1,567.9**	**1,548.8**	**1,748.2**	**1,742.0**
N.A. Corrugated Packaging Shipments	Billions of square feet	25.3	24.6	25.3	24.5	24.5	24.7	24.5	23.4	22.4	22.4	22.0
N.A. Corrugated Pkg Shipments per Shipping Day	Millions of square feet	415.3	391.2	401.7	383.2	401.0	385.8	389.3	365.5	373.2	349.5	348.8
FBA Shipping Days	Days	**61**	**63**	**63**	**64**	**61**	**64**	**63**	**64**	**60**	**64**	**63**
Consumer Packaging												
Consumer Packaging Shipments	Thousands of tons	**374.9**	**379.1**	**386.4**	**389.5**	**374.2**	**401.3**	**399.3**	**391.4**	**360.2**	**356.3**	**346.5**
Paper												
Containerboard and Kraft Paper Shipments	Thousands of tons	847.2	890.2	963.3	1,086.4	966.5	1,086.8	1,045.8	800.2	611.4	698.6	699.0
Consumer Paperboard Shipments	Thousands of tons	506.0	482.3	529.3	535.5	460.3	493.3	510.9	509.6	417.4	414.9	374.7
Pulp Shipments	Thousands of tons	108.5	110.2	96.1	116.7	89.2	78.1	76.0	67.6	63.1	65.1	53.2
Paper Shipments	Thousands of tons	**1,461.7**	**1,482.7**	**1,588.6**	**1,738.7**	**1,515.9**	**1,658.2**	**1,632.7**	**1,377.4**	**1,091.9**	**1,178.7**	**1,126.8**
Distribution												
Distribution Shipments	Thousands of tons	**56.4**	**53.6**	**64.5**	**53.1**	**48.5**	**50.8**	**59.8**	**46.8**	**34.1**	**45.4**	**40.8**

1) Quantities may not sum due to trailing decimals
2) Revised FY21 and FY22 shipments for Brazil in Q1 FY23; data includes the acquired Mexico operations beginning December 2022

Non-GAAP Financial Measures

Adjusted Earnings Per Diluted Share

We use the non-GAAP financial measure "Adjusted Earnings per Diluted Share," also referred to as "Adjusted Earnings per Share" or "Adjusted EPS", because we believe this measure provides our management, board of directors, investors, potential investors, securities analysts and others with useful information to evaluate our performance since it excludes restructuring and other costs, goodwill impairment, business systems transformation costs, and other specific items that we believe are not indicative of our ongoing operating results. Our management and board of directors use this information to evaluate our performance relative to other periods. We believe the most directly comparable GAAP measure is Diluted (loss) earnings per share.

Adjusted Operating Cash Flow and Adjusted Free Cash Flow

We use the non-GAAP financial measures "Adjusted Operating Cash Flow" and "Adjusted Free Cash Flow" because we believe these measures provide our management, board of directors, investors, potential investors, securities analysts and others with useful information to evaluate our performance relative to other periods because they exclude certain cash restructuring and other costs, net of tax and business systems transformation costs, net of tax that we believe are not indicative of our ongoing operating results. We believe Adjusted Free Cash Flow provides greater comparability across periods by excluding capital expenditures. We believe the most directly comparable GAAP measure is net cash provided by operating activities.

Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA Margins

We use the non-GAAP financial measures "Consolidated Adjusted EBITDA" and "Consolidated Adjusted EBITDA Margins", along with other factors, to evaluate our performance against our peers. We believe that our management, board of directors, investors, potential investors, securities analysts and others use these measures to evaluate our performance relative to our peers. Management believes that the most directly comparable GAAP measure to "Consolidated Adjusted EBITDA" is "Net (loss) income attributable to common stockholders". It can also be derived by adding together each segment's "Adjusted EBITDA" plus "Non-allocated expenses". "Consolidated Adjusted EBITDA Margins" is calculated as "Consolidated Adjusted EBITDA" divided by Net Sales.

Corrugated Adjusted EBITDA Margin, Excluding Trade-Sales

"Corrugated Adjusted EBITDA Margin, Excluding Trade Sales" is computed by dividing "Corrugated Adjusted EBITDA" by corrugated segment sales, excluding trade-sales, which is reported segment sales less trade-sales.

Consumer Net Organic Sales Volume

"Consumer Net Organic Sales Volume" is computed by subtracting the impact of price/mix, foreign exchange rates, mergers, acquisitions, divestitures and segment realignments, if any, from Consumer Packaging Segment Sales. We believe that our management, board of directors, investors, potential investors, securities analysts and others use this measure to evaluate our performance relative to our peers. Management believes that the most directly comparable GAAP measure to "Consumer Net Organic Sales Volume" is "Consumer Packaging Segment Sales".

Leverage Ratio, Net Leverage Ratio, Total Funded Debt and Adjusted Total Funded Debt

We use the non-GAAP financial measures "Leverage Ratio" and "Net Leverage Ratio" as measurements of our operating performance and to compare to our publicly disclosed target leverage ratio. We believe our management, board of directors, investors, potential investors, securities analysts and others use each measure to evaluate our available borrowing capacity – in the case of "Net Leverage Ratio", adjusted for cash and cash equivalents. We define Leverage Ratio as our Total Funded Debt divided by our credit agreement EBITDA, each of which term is defined in our revolving credit agreement, dated July 7, 2022. As of June 30, 2023, our leverage ratio was 2.61 times. While the Leverage Ratio under our credit agreement determines the credit spread on our debt, we are not subject to a leverage ratio cap. We define "Adjusted Total Funded Debt" as our Total Funded Debt less cash and cash equivalents. Net Leverage Ratio represents Adjusted Total Funded Debt divided by our credit agreement EBITDA. As of June 30, 2023, our Net Leverage Ratio was 2.51 times.

Forward-looking Guidance

We are not providing a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because we are unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort. These items may include, but are not limited to, merger and acquisition-related expenses, restructuring expenses, asset impairments, litigation settlements, changes to contingent consideration and certain other gains or losses. These items are uncertain, depend on various factors, and could have a material impact on U.S. GAAP reported results for the guidance period. In addition, we have not quantified future amounts to develop our Net Leverage Ratio target but have stated our commitment to an investment grade credit profile in order to generally maintain the target. This target does not reflect Company guidance.

Reconciliation of Net Income to Consolidated Adjusted EBITDA

($ in millions)	Q3 FY22	Q1 FY23	Q2 FY23	Q3 FY23
Net income (loss) attributable to common stockholders	$ 377.9	$ 45.3	$ (2,006.1)	$ 202.0
Adjustments:[1]				
Less: Net Income attributable to noncontrolling interests	1.9	1.5	1.3	1.1
Income tax expense (benefit)	132.7	8.3	(116.8)	67.3
Other expense (income), net	7.2	(25.2)	17.8	(1.4)
Interest expense, net	78.5	97.3	108.4	108.1
Restructuring and other costs	0.6	33.0	444.7	47.7
Impairment of goodwill and other assets	26.0	-	1,893.0	-
Multiemployer pension withdrawal income	-	-	-	(12.2)
Gain on sale of certain closed facilities	-	(0.9)	(8.9)	-
Depreciation, depletion and amortization	377.3	373.2	395.8	382.5
Other adjustments	3.4	119.6	59.4	6.8
Consolidated Adjusted EBITDA	$ 1,005.5	$ 652.1	$ 788.6	$ 801.9
Net Sales	$ 5,519.7	$ 4,923.1	$ 5,277.6	$ 5,121.1
Net income (loss) margin	6.8%	0.9%	-38.0%	3.9%
Consolidated Adjusted EBITDA Margin	18.2%	13.2%	14.9%	15.7%

1) Schedule adds back expense or subtracts income for certain financial statement and segment footnote items to compute Consolidated Adjusted EBITDA.

Adjusted Net Income and Adjusted Earnings Per Diluted Share Reconciliation

($ in millions, except per share data)	Q3 FY23			
	Consolidated Results			
	Pre-Tax	Tax	Net of Tax	EPS
As reported [1]	**$ 270.4**	**$ (67.3)**	**$ 203.1**	**$ 0.79**
Restructuring and other costs	47.6	(11.6)	36.0	0.14
Business systems transformation costs [2]	22.6	(5.6)	17.0	0.07
Losses at closed facilities [2]	8.3	(2.1)	6.2	0.02
Gain on sale of unconsolidated entity [2]	(19.2)	2.0	(17.2)	(0.07)
Multiemployer pension withdrawal income	(12.2)	3.0	(9.2)	(0.04)
Brazil indirect tax claim [2]	(9.1)	3.1	(6.0)	(0.02)
Gain on sale of two uncoated recycled paperboard mills	(0.1)	-	(0.1)	-
Adjusted Results	**$ 308.3**	**$ (78.5)**	**229.8**	**$ 0.89**
Noncontrolling interests			(1.1)	
Adjusted Net Income			**$ 228.7**	

1) The as reported results for Pre-Tax, Tax and Net of Tax are equivalent to the line items "Income (loss) before income taxes", "Income tax (expense) benefit" and "Consolidated net income (loss)", respectively, as reported on the Consolidated Statements of Operations.
2) These footnoted items are the “Other adjustments” called out in the Segment Information table on page 6 of our earnings release. The “Losses at closed facilities” line includes $0.5 million of depreciation and amortization, and the Brazil indirect tax claim includes $4.7 million of interest income.

Adjusted Net Income and Adjusted Earnings Per Diluted Share Reconciliation

($ in millions, except per share data)	Q3 FY22							
	Consolidated Results							
	Pre-Tax		Tax		Net of Tax		EPS	
As reported [1]	**$**	**512.5**	**$**	**(132.7)**	**$**	**379.8**	**$**	**1.47**
Mineral rights impairment		26.0		(6.4)		19.6		0.08
Accelerated depreciation on certain closed facilites		7.5		(1.9)		5.6		0.02
Losses at closed facilites [2]		3.7		(0.8)		2.9		0.01
Restructuring and other costs		0.6		(0.1)		0.5		-
MEPP liability adjustment due to interest rates		(12.7)		3.1		(9.6)		(0.04)
Other		(0.9)		0.2		(0.7)		-
Adjusted Results	**$**	**536.7**	**$**	**(138.6)**		**398.1**	**$**	**1.54**
Noncontrolling interests						(1.9)		
Adjusted Net Income					**$**	**396.2**		

1) The as reported results for Pre-Tax, Tax and Net of Tax are equivalent to the line items "Income (loss) before income taxes", "Income tax (expense) benefit" and "Consolidated net income (loss)", respectively, as reported on the Consolidated Statements of Operations.
2) This footnoted item is the “Other adjustment” called out in the Segment Information table on page 6 of our earnings release. The “Losses at closed facilities” line includes $0.3 million of depreciation and amortization.

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Adjusted Operating Cash Flow and Adjusted Free Cash Flow Reconciliation

($ in millions)	Q3 FY22	Q3 FY23
Net cash provided by operating activities	$ 837.4	$ 693.6
Plus: Cash Business systems transformation costs, net of income tax benefit of $0 and $7.8	-	24.3
Plus: Cash Restructuring and other costs, net of income tax benefit of $2.0 and $5.0	6.3	15.3
Adjusted Operating Cash Flow	843.7	733.2
Less: Capital expenditures	(215.4)	(254.6)
Adjusted Free Cash Flow	**$ 628.3**	**$ 478.6**

Reconciliation of Corrugated Packaging Adjusted EBITDA Margin

($ in millions)	Q3 FY22	Q3 FY23
Segment Sales	$ 2,382.5	$ 2,565.7
Less: Trade Sales	(84.0)	(90.9)
Adjusted Segment Sales	$ 2,298.5	$ 2,474.8
Adjusted EBITDA	$ 385.2	$ 429.7
Adjusted EBITDA Margin	16.2%	16.7%
Adjusted EBITDA Margin, excluding trade sales	16.8%	17.4%

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Corrugated Packaging Segment Sales and Adjusted EBITDA Growth, excluding trade sales and transfers[1]

($ in millions)	Q3 FY22	Q3 FY23
Segment Sales	$ 2,382.5	$ 2,565.7
Less: Trade Sales	(84.0)	(90.9)
Less: Transferred Latin American operations	-	(37.0)
Adjusted Segment Sales	$ 2,298.5	$ 2,437.8
Adjusted Segment Sales Growth, excluding trade sales and transfers		6.1%
Adjusted EBITDA	$ 385.2	$ 429.7
Less: Transferred Latin American operations	-	(4.2)
Adjusted EBITDA, excluding transfers	$ 385.2	$ 425.5
Adjusted EBITDA Growth, excluding transfers		10.5%
Adjusted EBITDA Margin, excluding trade sales and transfers	16.8%	17.5%

1) We present the non-GAAP financial measures “Adjusted Segment Sales Growth, excluding trade sales and transfers”, “Adjusted EBITDA Growth, excluding transfers”, and “Adjusted EBITDA Margin, excluding trade sales and transfers” because we believe these measures provide our management, board of directors, investors, potential investors, securities analysts and others with useful information to evaluate our performance relative to other periods since they exclude the impact of certain items impacting the Corrugated Packaging segment during the period that we believe are not indicative of the ongoing operating results of that segment.

Reconciliation of Consumer Packaging Net Organic Sales Volume

($ in millions)	Q3 FY22	Q3 FY23
Segment Sales	$ 1,270.2	$ 1,250.6
Transferred Latin American operations	(37.1)	-
Impact of Price/Mix	-	(105.5)
Impact of Foreign Exchange	-	6.4
Segment Organic Sales	$ 1,233.1	$ 1,151.5
Net Organic Sales Volume Decline		-6.6%

Consumer Packaging Segment Sales and Adjusted EBITDA Growth, excluding transfers(1)

($ in millions)	Q3 FY22	Q3 FY23
Segment Sales	$ 1,270.2	$ 1,250.6
Less: Transferred Latin American operations	(37.1)	-
Adjusted Segment Sales	$ 1,233.1	$ 1,250.6
Adjusted Segment Sales Growth, excluding transfers		1.4%
Adjusted EBITDA	$ 234.9	$ 230.0
Less: Transferred Latin American operations	(8.2)	-
Adjusted EBITDA, excluding transfers	$ 226.7	$ 230.0
Adjusted EBITDA Growth, excluding transfers		1.5%
Adjusted EBITDA Margin, excluding transfers	18.4%	18.4%

1) We present the non-GAAP financial measures “Adjusted Segment Sales Growth, excluding transfers”, “Adjusted EBITDA Growth, excluding transfers”, and “Adjusted EBITDA Margin, excluding transfers” because we believe these measures provide our management, board of directors, investors, potential investors, securities analysts and others with useful information to evaluate our performance relative to other periods since they exclude the impact of certain items impacting the Consumer Packaging segment during the period that we believe are not indicative of the ongoing operating results of that segment.

TTM Credit Agreement EBITDA and Leverage Ratio

TTM Credit Agreement EBITDA

($ in millions)		TTM Jun. 30, 2023
Net loss attributable to common stockholders	$	(1,414.3)
Interest expense, net		381.0
Income tax expense		35.3
Depreciation, depletion and amortization		1,522.7
Additional permitted charges and acquisition EBITDA[1]		2,807.0
Credit Agreement EBITDA	**$**	**3,331.7**

Total Debt, Funded Debt and Leverage Ratio

($ in millions, except ratios)		TTM Jun. 30, 2023
Current portion of debt	$	419.4
Long-term debt due after one year		8,607.6
Total debt		9,027.0
Less: FV step up and deferred financing fees		(136.5)
Less: short-term and long-term chip mill obligation		(85.4)
Less: other adjustments to funded debt		(112.9)
Total Funded Debt	**$**	**8,692.2**
LTM credit agreement EBITDA	$	3,331.7
Leverage Ratio		**2.61x**
Total funded debt	$	8,692.2
Less: cash and cash equivalents		(314.8)
Adjusted Total Funded Debt	**$**	**8,377.4**
Net Leverage Ratio		**2.51x**

1) Additional Permitted Charges primarily includes goodwill impairment, restructuring and other costs, and certain non-cash and other items as allowed under the credit agreement

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