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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
March 4, 2022 (March 2, 2022)

Date of Report (Date of earliest event reported)

GREIF INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-00566**	**31-4388903**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**
425 Winter Road	**Delaware Ohio**	**43015**
(Address of principal executive offices)		**(Zip Code)**

Registrant's telephone number, including area code: (740) 549-6000

Not Applicable
(Former name or former address, if changed since last report.)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Class A Common Stock	GEF	New York Stock Exchange
Class B Common Stock	GEF-B	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition.

On March 2, 2022, Greif, Inc. ("the Company") issued a press release (the "Earnings Release") announcing the financial results for its first quarter ended January 31, 2022. The full text of the Earnings Release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The Earnings Release included the following non-GAAP financial measures (the "non-GAAP Measures"):

(i) the Company's net income, excluding the impact of adjustments, for the first quarter of 2022 and the first quarter of 2021, which is equal to the Company's consolidated net income for the applicable period plus restructuring charges, plus integration related costs, plus non-cash asset impairment charges, plus non-cash pension settlement charges, plus incremental COVID-19 costs, net, plus (gain) loss on disposal of properties, plants, equipment and businesses, net, each net of tax, noncontrolling interest and equity earnings of unconsolidated affiliates and on a consolidated basis for the applicable period;

(ii) the Company's earnings per diluted Class A share, excluding the impact of adjustments, for the first quarter of 2022 and the first quarter of 2021, which is equal to earnings per diluted Class A share of the Company for the applicable period plus restructuring charges, plus integration related costs, plus non-cash asset impairment charges, plus non-cash pension settlement charges, plus incremental COVID-19 costs, net, plus (gain) loss on disposal of properties, plants, equipment and businesses, net, each net of tax, noncontrolling interest and equity earnings of unconsolidated affiliates and on a consolidated basis for the applicable period;

(iii) the Company's consolidated adjusted EBITDA for the first quarter of 2022 and the first quarter of 2021, which is equal to the Company's consolidated net income for the applicable period plus interest expense, net, plus income tax expense, plus depreciation, depletion and amortization expense, plus restructuring charges, plus integration related costs, plus non-cash asset impairment charges, plus non-cash pension settlement charges, plus incremental COVID-19 costs, net, plus (gain) loss on disposal of properties, plants, equipment and businesses, net, each on a consolidated basis for the applicable period;

(iv) the Company's consolidated adjusted free cash flow for the first quarter of 2022 and the first quarter of 2021, which is equal to the Company's consolidated net cash provided by operating activities for the applicable period less cash paid for purchases of properties, plants and equipment, plus cash paid for integration related costs, plus cash paid for incremental COVID-19 costs, net, plus cash paid for integration related Enterprise Resource Planning ("ERP") systems, each on a consolidated basis for the applicable period;

(v) the Company's net debt for the first quarter of 2022 and the first quarter of 2021, which is equal to the Company's consolidated total debt at the end of the applicable period ended less cash and cash equivalents at the end of the applicable period ended.

(vi) net sales excluding foreign currency translation for the Company's Global Industrial Packaging business segment for the first quarter of 2022 and the first quarter of 2021, which is equal to that business segment's net sales for the applicable quarter, after adjusting such sales for the first quarter of 2022 for foreign currency translation;

(vii) adjusted EBITDA for the Company’s Global Industrial Packaging business segment for the first quarter of 2022 and the first quarter of 2021, which is equal to that business segment’s operating profit less other expense (income), less equity earnings of unconsolidated affiliates, net of tax, plus depreciation and amortization expense, plus restructuring charges, plus non-cash asset impairment charges, plus incremental COVID-19 costs, net, plus (gain) on disposal of properties, plants, equipment and businesses, net, each for the applicable period;

(viii) net sales excluding foreign currency translation for the Company's Paper Packaging & Services business segment for the first quarter of 2022 and the first quarter of 2021, which is equal to that business segment's net sales for the applicable quarter, after adjusting such sales for the first quarter of 2022 for foreign currency translation;

(ix) adjusted EBITDA for the Company’s Paper Packaging & Services business segment for the first quarter of 2022 and the first quarter of 2021, which is equal to that business segment’s operating profit less non-cash pension settlement charges less other expense, net, plus depreciation and amortization expense, plus restructuring charges, plus integration related costs, plus non-cash pension settlement charges, plus incremental COVID-19 costs, net, plus loss on disposal of properties, plants, equipment and businesses, net, each for the applicable period;

(x) adjusted EBITDA for the Company’s Land Management business segment for the first quarter of 2022 and the first quarter of 2021, which is equal to that business segment’s operating profit plus depreciation, depletion and amortization expense, plus (gain) on disposal of properties, plants, equipment and businesses, net, each for the applicable period; and

(xi) the Company's leverage ratio for the first quarter of 2022 and the first and fourth quarters of 2021, which is equal to net debt divided by trailing twelve month EBITDA, each as calculated under the terms of the Company's Amended and Restated Credit Agreement dated as of February 11, 2019, which has been filed as Exhibit 10.29 to the Company's Annual Report on Form 10-K for its fiscal year ended October 31, 2021.

The Earnings Release also included the following forward-looking non-GAAP measures:

(i) the Company's fiscal year 2022 Class A earnings per share before adjustments guidance, which is equal to earnings per diluted Class A share of the Company for such period plus restructuring charges, plus integration related costs, plus debt extinguishment charges, plus non-cash asset impairment charges, plus non-cash pension settlement charges, plus (gain) loss on disposal of properties, plants, equipment and businesses, net, each net of tax, noncontrolling interest and equity earnings of unconsolidated affiliates and on a consolidated basis for the applicable period; and

(ii) the Company's fiscal year 2022 projected adjusted free cash flow guidance, which is equal to the Company's consolidated net cash provided by operating activities for such period, less cash paid for purchases of properties, plants and equipment, plus cash paid for integration related costs, plus cash paid for debt extinguishment charges, plus cash paid for integration related ERP systems. A reconciliation of this forward-looking non-GAAP financial measure was included in the Earnings Release.

No reconciliation of the forward-looking non-GAAP financial measure to the most directly comparable GAAP financial measure for item (i) is included in the Earnings Release because, due to the high variability and difficulty in making accurate forecasts and projections of some of the excluded information, together with some of the excluded information not being ascertainable or accessible, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measure without unreasonable efforts.

Management of the Company uses the non-GAAP Measures to evaluate ongoing operations and believes that these non-GAAP Measures are useful to investors. The exclusion of the impact of the identified adjustments (restructuring charges, integration related costs, non-cash asset impairment charges, non-cash pension settlement charges, incremental COVID-19 costs, net and (gain) loss on disposal of properties, plants, equipment and businesses, net) enable management and investors to perform meaningful comparisons of current and historical performance of the Company. Management of the Company also believes that the exclusion of the impact of the identified adjustments provides a stable platform on which to compare the historical performance of the Company and that investors desire this information. Management believes that the use of consolidated adjusted free cash flow, which excludes cash paid for capital expenditures, integration related costs, incremental COVID-19 costs, net, and cash paid for integration related ERP systems from the Company's consolidated net cash provided by operating activities, provides additional information on which to evaluate the cash flow generated by the Company and believes that this is information that investors find valuable. The non-GAAP Measures are intended to supplement and should be read together with our financial results. The non-GAAP Measures should not be considered an alternative or substitute for, and should not be considered superior to, our reported financial results. Accordingly, users of this financial information should not place undue reliance on the non-GAAP Measures.

Section 7 – Regulation FD

Item 7.01. Regulation FD Disclosure.

i. Transcript of Conference Call

On March 3, 2022, management of the Company held a conference call with interested investors and financial analysts (the "Conference Call") to discuss the Company's financial results for its first quarter ended January 31, 2022. The file transcript of the Conference Call is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release issued by Greif Inc. on March 2, 2022 announcing the financial results for its first quarter ended January 31, 2022.
99.2	File transcript of conference call with interested investors and financial analysts held by management of Greif Inc. on March 3, 2022.

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 hereunto duly authorized.

GREIF, INC.

Date: March 4, 2022

By /s/ Lawrence A. Hilsheimer

Lawrence A. Hilsheimer,
Executive Vice President and Chief Financial Officer

Exhibit 99.1

GREIF

PACKAGING SUCCESS TOGETHER™

Greif Reports First Quarter 2022 Results

DELAWARE, Ohio (March 2, 2022) – Greif, Inc. (NYSE: GEF, GEF.B), a global leader in industrial packaging products and services, today announced first quarter 2022 results.

First Quarter Financial Highlights include (all results compared to the first quarter of 2021 unless otherwise noted):

- Net income of $10.3 million or $0.18 per diluted Class A share decreased compared to net income of $23.4 million or $0.40 per diluted Class A share. Net income, excluding the impact of adjustments[(1)], of $75.6 million or $1.28 per diluted Class A share increased compared to net income, excluding the impact of adjustments, of $35.9 million or $0.61 per diluted Class A share.
- Adjusted EBITDA[(2)] of $196.8 million, an increase of $58.3 million compared to Adjusted EBITDA of $138.5 million.
- Net cash provided by operating activities increased by $10.9 million to $22.4 million. Adjusted free cash flow[(3)] decreased by $7.3 million to a use of $18.8 million.
- Total debt decreased by $242.6 million to $2,296.8 million. Net debt[(4)] decreased by $260.9 million to $2,177.1 million. The Company's leverage ratio[(5)] decreased to 2.39x from 3.79x and from 2.49x at year-end.

Strategic Actions and Announcements

- Completed our planned Chief Executive Officer transition and announced new executive leadership team
- Announced a definitive agreement to divest our 50% equity interest in the Flexible Products & Services joint venture to Gulf Refined Packaging ("the FPS Divestiture") for $123 million, subject to post-closing adjustments. The transaction is expected to close by March 31, 2022
- Redeemed our $500 million 6.5% 2027 senior notes on March 1 with proceeds from our refinanced credit facilities, which were expanded and extended for an additional 5 years and include an ESG-linked feature that ties our borrowing cost to Greif's EcoVadis rating. The net result is a reduction in Greif's anticipated annual interest expense of approximately $15 million
- Received a gold medal rating for Corporate Social Responsibility (CSR) performance from EcoVadis, a multinational CSR ratings agency, for the fourth year in a row
- Announced that Investor Day 2022 will be held on June 23, 2022 in New York City

CEO Commentary

"Our team delivered an outstanding first quarter," said Ole Rosgaard, Greif's President and Chief Executive Officer. "Through disciplined operational execution and a sharp focus on the areas within our control, we generated record financial results while navigating the still challenging and volatile operating environment. In addition, we solidified our leverage position and announced the agreement to sell our 50% ownership stake in Flexible Products and Services business for outstanding value. Looking ahead, we are increasing our Fiscal 2022 guidance based on our strong start and positive outlook for the remainder of the year."

(1) Adjustments that are excluded from net income before adjustments and from earnings per diluted Class A share before adjustments are restructuring charges, integration related costs, non-cash asset impairment charges, non-cash pension settlement charges, incremental COVID-19 costs, net, (gain) loss on disposal of properties, plants, equipment and businesses, net.

(2) Adjusted EBITDA is defined as net income, plus interest expense, net, plus income tax expense, plus depreciation, depletion and amortization expense, plus restructuring charges, plus integration related costs, plus non-cash asset impairment charges, plus non-cash pension settlement charges, plus incremental COVID-19 costs, net, plus (gain) loss on disposal of properties, plants, equipment and businesses, net.

(3) Adjusted free cash flow is defined as net cash provided by operating activities, less cash paid for purchases of properties, plants and equipment, plus cash paid for integration related costs, plus cash paid for incremental COVID-19 costs, net, plus cash paid for integration related Enterprise Resource Planning (ERP) systems.

(4) Net debt is defined as total debt less cash and cash equivalents.

(5) Leverage ratio for the periods indicated is defined as net debt divided by trailing twelve month EBITDA, each as calculated under the terms of the Company's Amended and Restated Credit Agreement dated as of February 11, 2019, filed as Exhibit 10.1 on Form 8-K/A on March 26, 2020 (the "2019 Credit Agreement").

Note: A reconciliation of the differences between all non-GAAP financial measures used in this release with the most directly comparable GAAP financial measures is included in the financial schedules that are a part of this release. These non-GAAP financial measures are intended to supplement and should be read together with our financial results. They should not be considered an alternative or substitute for, and should not be considered superior to, our reported financial results. Accordingly, users of this financial information should not place undue reliance on these non-GAAP financial measures.

Customer Service

The Company's consolidated CSI[6] score was 93.7 during the fiscal first quarter and 93.6 on a trailing four quarter basis. Our long term objective is for each business segment to achieve a CSI score of 95.0 or greater.

CSI for the Global Industrial Packaging segment was 94.7, flat to the prior year quarter.

CSI for the Paper Packaging & Services segment was 92.2, 3.9% higher than the prior year quarter.

Segment Results (all results compared to the first quarter of 2021 unless otherwise noted)

Net sales are impacted mainly by the volume of primary products[7] sold, selling prices, product mix and the impact of changes in foreign currencies against the U.S. Dollar. The table below shows the percentage impact of each of these items on net sales for our primary products for the first quarter of 2022 as compared to the prior year quarter for the business segments with manufacturing operations.

Net Sales Impact - Primary Products	Global Industrial Packaging	Paper Packaging & Services
Currency Translation	(4.0)%	— %
Volume	2.4 %	1.1 %
Selling Prices and Product Mix	47.9 %	24.0 %
Total Impact of Primary Products	46.3 %	25.1 %

Global Industrial Packaging

Net sales increased by $289.8 million to $949.1 million. Net sales excluding foreign currency translation increased by $315.2 million primarily due to higher volumes and higher average sales prices.

Gross profit increased by $46.8 million to $177.1 million. The increase in gross profit was primarily due to the same factors that impacted net sales, partially offset by higher raw material costs.

Operating profit decreased by $23.0 million to $31.0 million due to a $62.4 million non-cash impairment charge related to the anticipated FPS Divestiture, offset by the same factors that impacted gross profit. Adjusted EBITDA increased by $34.7 million to $114.2 million primarily due to the same factors that impacted gross profit.

Paper Packaging & Services

Net sales increased by $129.1 million to $610.0 million. Net sales excluding foreign currency translation increased by $128.9 million primarily due to higher volumes and higher published containerboard and boxboard prices.

Gross profit increased by $31.2 million to $110.8 million. The increase in gross profit was primarily due to the same factors that impacted net sales, partially offset by higher raw material, transportation and utility costs.

Operating profit increased by $24.0 million to $38.3 million. Adjusted EBITDA increased by $24.4 million to $80.5 million primarily due to the same factors that impacted gross profit.

Land Management

Net sales decreased by $1.1 million to $5.2 million due to less timber being available for sale as a result of acreage sold in the prior year.

Operating profit increased by $1.0 million to $2.7 million. Adjusted EBITDA decreased by $0.8 million to $2.1 million.

Tax Summary

During the first quarter, the Company recorded an income tax rate of 67.3 percent, which was significantly impacted by the non-deductible nature of the non-cash impairment recorded in the quarter for the anticipated FPS divestiture as well as the mix of jurisdictional income and less positive impact of discrete tax items. The Company’s tax rate excluding the impact of adjustments was 30.7 percent. Note that the application of FIN 18 frequently causes fluctuations in our quarterly effective tax rates. For fiscal 2022, the Company expects its tax rate to range between 28.0 and 32.0 percent and its tax rate excluding adjustments to range between 22.0 and 25.0 percent.

Dividend Summary

On March 1, 2022, the Board of Directors declared quarterly cash dividends of $0.46 per share of Class A Common Stock and $0.69 per share of Class B Common Stock. Dividends are payable on April 1, 2022, to stockholders of record at the close of business on March 17, 2022.

Company Outlook

(in millions, except per share amounts)	**Fiscal 2022 Outlook Reported at Q1***
Class A earnings per share before adjustments	$6.30 - $6.90
Adjusted free cash flow	$380 - $440

* This fiscal 2022 outlook excludes contribution from the Flexible Products & Services joint venture after expected divestiture on March 31, 2022.

Note: Fiscal 2022 Class A earnings per share guidance on a GAAP basis is not provided in this release due to the potential for one or more of the following, the timing and magnitude of which we are unable to reliably forecast: restructuring-related activities; integration related costs; non-cash pension settlement charges; non-cash asset impairment charges due to unanticipated changes in the business; gains or losses on the disposal of businesses or properties, plants and equipment, net and the income tax effects of these items and other income tax-related events. No reconciliation of the fiscal 2022 Class A earnings per share before adjustments guidance, a non-GAAP financial measure which excludes restructuring charges, integration costs, non-cash asset impairment charges, non-cash pension settlement charges, (gain) loss on the disposal of properties, plants, equipment and businesses, net, is included in this release because, due to the high variability and difficulty in making accurate forecasts and projections of some of the excluded information, together with some of the excluded information not being ascertainable or accessible, we are unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measure without unreasonable efforts. A reconciliation of 2022 adjusted free cash flow guidance to forecasted net cash provided by operating activities, the most directly comparable GAAP financial measure, is included in this release.

(6) Customer satisfaction index (CSI) tracks a variety of internal metrics designed to enhance the customer experience in dealing with Greif.

(7) Primary products are manufactured steel, plastic and fibre drums; new and reconditioned intermediate bulk containers; 1&2 loop and 4 loop flexible intermediate bulk containers; linerboard, containerboard, corrugated sheets and corrugated containers; and boxboard and tube and core products.

Conference Call

The Company will host a conference call to discuss first quarter 2022 results on March 3, 2022, at 8:30 a.m. Eastern Time (ET). Participants may access the call using the following online registration link: https://conferencingportals.com/event/BDwosPDa. Registrants will receive a confirmation email containing dial in details and a unique conference call code for entry. Phone lines will open at 8:00 a.m. ET on March 3, 2022. A digital replay of the conference call will be available two hours following the call on the company's web site at http://investor.greif.com. To access the recording, guests can call (800) 770-2030 or (647) 362-9199 and use the conference ID 32605.

Investor Day 2022 Details

Investor Day 2022 will be held on Thursday, June 23, 2022 at Convene at 75 Rockefeller Plaza in New York City. Registration and breakfast will begin at 8AM ET and the event will start at 9AM ET. Greif's President and Chief Executive Officer Ole Rosgaard, Chief Financial Officer Larry Hilsheimer and members of Greif's executive leadership team will provide an overview of the Company; discuss ongoing business performance and the Build to Last strategy; and conduct a forum for questions and answers. A live webcast for the event will also be conducted and details will be provided in June 2022. For additional information or early registration, please contact InvestorDay@greif.com.

Investor Relations contact information

Matt Eichmann, Vice President, Chief Marketing and Sustainability Officer, 740-549-6067. Matt.eichmann@greif.com

Matt Leahy, Vice President, Corporate Development & Investor Relations, 740-549-6158. Matthew.leahy@greif.com

About Greif

Greif is a global leader in industrial packaging products and services and is pursuing its vision: to be the best performing customer service company in the world. The Company produces steel, plastic and fibre drums, intermediate bulk containers, reconditioned containers, flexible products, containerboard, uncoated recycled paperboard, coated recycled paperboard, tubes and cores and a diverse mix of specialty products. The Company also manufactures packaging accessories and provides filling, packaging and other services for a wide range of industries. In addition, Greif manages timber properties in the southeastern United States. The Company is strategically positioned in over 40 countries to serve global as well as regional customers. Additional information is on the Company's website at www.greif.com.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “aspiration,” “objective,” “project,” “believe,” “continue,” “on track” or “target” or the negative thereof and similar expressions, among others, identify forward-looking statements. All forward-looking statements are based on assumptions, expectations and other information currently available to management. Such forward-looking statements are subject to certain risks and uncertainties that could cause the Company’s actual results to differ materially from those forecasted, projected or anticipated, whether expressed or implied. The most significant of these risks and uncertainties are described in Part I of the Company’s Annual Report on Form 10-K for the fiscal year ended October 31, 2021. The Company undertakes no obligation to update or revise any forward-looking statements.

Although the Company believes that the expectations reflected in forward-looking statements have a reasonable basis, the Company can give no assurance that these expectations will prove to be correct. Forward-looking statements are subject to risks and uncertainties that could cause the Company’s actual results to differ materially from those forecasted, projected or anticipated, whether expressed in or implied by the statements. Such risks and uncertainties that might cause a difference include, but are not limited to, the following: (i) historically, our business has been sensitive to changes in general economic or business conditions, (ii) our global operations subject us to political risks, instability and currency exchange that could adversely affect our results of operations, (iii) the COVID-19 pandemic could continue to impact any combination of our business, financial condition, results of operations and cash flows, (iv) the current and future challenging global economy and disruption and volatility of the financial and credit markets may adversely affect our business, (v) the continuing consolidation of our customer base and suppliers may intensify pricing pressure, (vi) we operate in highly competitive industries, (vii) our business is sensitive to changes in industry demands and customer preferences, (viii) raw material, price fluctuations, global supply chain disruptions and inflation may adversely impact our results of operations, (ix) energy and transportation price fluctuations and shortages may adversely impact our manufacturing operations and costs, (x) the frequency and volume of our timber and timberland sales will impact our financial performance, (xi) we may not successfully implement our business strategies, including achieving our growth objectives, (xii) we may encounter difficulties or liabilities arising from acquisitions or divestitures, (xiii) we may incur additional rationalization costs and there is no guarantee that our efforts to reduce costs will be successful, (xiv) several operations are conducted by joint ventures that we cannot operate solely for our benefit, (xv) certain of the agreements that govern our joint ventures provide our partners with put or call options, (xvi) our ability to attract, develop and retain talented and qualified employees, managers and executives is critical to our success, (xvii) our business may be adversely impacted by work stoppages and other labor relations matters, (xviii) we may be subject to losses that might not be covered in whole or in part by existing insurance reserves or insurance coverage and general insurance premium and deductible increases, (xix) our business depends on the uninterrupted operations of our facilities, systems and business functions, including our information technology and other business systems, (xx) a security breach of customer, employee, supplier or Company information and data privacy risks and costs of compliance with new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows, (xxi) we could be subject to changes to our tax rates, the adoption of new U.S. or foreign tax legislation or exposure to additional tax liabilities, (xxii) full realization of our deferred tax assets may be affected by a number of factors, (xxiii) we have a significant amount of goodwill and long-lived assets which, if impaired in the future, would adversely impact our results of operations, (xxiv) our pension and post-retirement plans are underfunded and will require future cash contributions and our required future cash contributions could be higher than we expect, each of which could have a material adverse effect on our financial condition and liquidity, (xxv) legislation/regulation related to environmental and health and safety matters and corporate social responsibility could negatively impact our operations and financial performance, (xxvi) product liability claims and other legal proceedings could adversely affect our operations and financial performance, (xxvii) we may incur fines or penalties, damage to our reputation or other adverse consequences if our employees, agents or business partners violate, or are alleged to have violated, anti-bribery, competition or other laws, (xxviii) changing climate, global climate change regulations and greenhouse gas effects may adversely affect our operations and financial performance, (xxix) we may be unable to achieve our greenhouse gas emission reduction targets by 2030. The risks described above are not all-inclusive, and given these and other possible risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. For a detailed discussion of the most significant risks and uncertainties that could cause our actual results to differ materially from those forecasted, projected or anticipated, see “Risk Factors” in Part I, Item 1A of our most recently filed Form 10-K and our other filings with the Securities and Exchange Commission. All forward-looking statements made in this news release are expressly qualified in their entirety by reference to such risk factors. Except to the limited extent required by applicable law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

GREIF, INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
UNAUDITED

(in millions, except per share amounts)	Three months ended January 31, 2022	2021
Net sales	$ 1,564.3	$ 1,146.5
Cost of products sold	1,274.6	934.3
Gross profit	289.7	212.2
Selling, general and administrative expenses	151.6	134.3
Restructuring charges	3.5	3.1
Integration related costs	1.6	2.0
Non-cash asset impairment charges	62.4	1.3
(Gain) loss on disposal of properties, plants and equipment, net	(1.4)	1.6
Gain on disposal of businesses, net	—	(0.1)
Operating profit	72.0	70.0
Interest expense, net	17.1	25.2
Non-cash pension settlement charges	—	8.5
Other income, net	2.0	—
Income before income tax expense and equity earnings of unconsolidated affiliates, net	52.9	36.3
Income tax expense	35.6	6.1
Equity earnings of unconsolidated affiliates, net of tax	(1.3)	(0.7)
Net income	18.6	30.9
Net income attributable to noncontrolling interests	(8.3)	(7.5)
Net income attributable to Greif, Inc.	$ 10.3	$ 23.4
Basic earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	$ 0.17	$ 0.40
Class B common stock	$ 0.25	$ 0.59
Diluted earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	$ 0.18	$ 0.40
Class B common stock	$ 0.25	$ 0.59
Shares used to calculate basic earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	26.6	26.5
Class B common stock	22.0	22.0
Shares used to calculate diluted earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	26.8	26.5
Class B common stock	22.0	22.0

GREIF, INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED BALANCE SHEETS
UNAUDITED

(in millions)	January 31, 2022	October 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 119.7	$ 124.6
Trade accounts receivable	816.1	889.5
Inventories	488.3	499.2
Other current assets	279.9	150.8
	1,704.0	1,664.1
LONG-TERM ASSETS		
Goodwill	1,500.5	1,515.4
Intangible assets	628.0	648.4
Operating lease assets	287.0	289.4
Other long-term assets	190.3	177.3
	2,605.8	2,630.5
PROPERTIES, PLANTS AND EQUIPMENT	1,456.8	1,521.2
	$ 5,766.6	$ 5,815.8
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 619.6	$ 704.5
Short-term borrowings	37.4	50.5
Current portion of long-term debt	120.3	120.3
Current portion of operating lease liabilities	54.3	54.0
Other current liabilities	448.9	384.8
	1,280.5	1,314.1
LONG-TERM LIABILITIES		
Long-term debt	2,139.1	2,054.8
Operating lease liabilities	237.0	239.5
Other long-term liabilities	533.6	607.7
	2,909.7	2,902.0
REDEEMABLE NONCONTROLLING INTERESTS	19.1	24.1
EQUITY		
Total Greif, Inc. equity	1,493.3	1,514.3
Noncontrolling interests	64.0	61.3
	1,557.3	1,575.6
	$ 5,766.6	$ 5,815.8

GREIF, INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED

(in millions)	Three months ended January 31, 2022	Three months ended January 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 18.6	$ 30.9
Depreciation, depletion and amortization	59.4	59.3
Asset impairments	62.4	1.3
Pension settlement charges	—	8.5
Other non-cash adjustments to net income	19.2	15.9
Operating working capital changes	(58.1)	(52.6)
Decrease in cash from changes in other assets and liabilities	(79.1)	(51.8)
Net cash provided by operating activities	22.4	11.5
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of properties, plants and equipment	(44.5)	(27.4)
Purchases of and investments in timber properties	(4.8)	(1.0)
Collections of receivables held in special purpose entities	—	50.9
Payments for issuance of loans receivable	—	(15.0)
Other	3.5	(3.3)
Net cash (used in) provided by investing activities	(45.8)	4.2
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds on long-term debt, net	84.0	40.7
Dividends paid to Greif, Inc. shareholders	(27.2)	(25.9)
Payments for liabilities held in special purpose entities	—	(43.3)
Other	(2.8)	(1.5)
Net cash provided by (used in) financing activities	54.0	(30.0)
Effects of exchange rates on cash	(18.6)	9.8
Net decrease in cash and cash equivalents	12.0	(4.5)
Cash and cash equivalents, beginning of period	124.6	105.9
Cash and cash equivalents, end of period*	$ 136.6	$ 101.4

*Ending cash includes $16.9 million of cash presented within held for sale on the Condensed Consolidated Balance Sheet due to the expected FPS Divestiture

GREIF, INC. AND SUBSIDIARY COMPANIES
FINANCIAL HIGHLIGHTS BY SEGMENT
UNAUDITED

(in millions)	Three months ended January 31, 2022	2021
Net sales:		
Global Industrial Packaging	$ 949.1	$ 659.3
Paper Packaging & Services	610.0	480.9
Land Management	5.2	6.3
Total net sales	$ 1,564.3	$ 1,146.5
Gross profit:		
Global Industrial Packaging	$ 177.1	$ 130.3
Paper Packaging & Services	110.8	79.6
Land Management	1.8	2.3
Total gross profit	$ 289.7	$ 212.2
Operating profit:		
Global Industrial Packaging	$ 31.0	$ 54.0
Paper Packaging & Services	38.3	14.3
Land Management	2.7	1.7
Total operating profit	$ 72.0	$ 70.0
EBITDA[8]:		
Global Industrial Packaging	$ 51.0	$ 75.8
Paper Packaging & Services	76.2	42.9
Land Management	3.5	2.8
Total EBITDA	$ 130.7	$ 121.5
Adjusted EBITDA[9]:		
Global Industrial Packaging	$ 114.2	$ 79.5
Paper Packaging & Services	80.5	56.1
Land Management	2.1	2.9
Total Adjusted EBITDA	$ 196.8	$ 138.5

[8] EBITDA is defined as net income, plus interest expense, net, plus income tax expense, plus depreciation, depletion and amortization. However, because the Company does not calculate net income by segment, this table calculates EBITDA by segment with reference to operating profit by segment, which, as demonstrated in the table of Consolidated EBITDA, is another method to achieve the same result. See the reconciliations in the table of Segment EBITDA.

[9] Adjusted EBITDA is defined as net income, plus interest expense, net, plus income tax expense, plus depreciation, depletion and amortization expense, plus restructuring charges, plus integration related costs, plus non-cash asset impairment charges, plus non-cash pension settlement charges, plus incremental COVID-19 costs, net, plus (gain) loss on disposal of properties, plants, equipment and businesses, net.

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
CONSOLIDATED ADJUSTED EBITDA
UNAUDITED

	Three months ended January 31,	
(in millions)	**2022**	**2021**
Net income	$ 18.6	$ 30.9
Plus: Interest expense, net	17.1	25.2
Plus: Income tax expense	35.6	6.1
Plus: Depreciation, depletion and amortization expense	59.4	59.3
EBITDA	$ 130.7	$ 121.5
Net income	$ 18.6	$ 30.9
Plus: Interest expense, net	17.1	25.2
Plus: Income tax expense	35.6	6.1
Plus: Non-cash pension settlement charges	—	8.5
Plus: Other expense, net	2.0	—
Plus: Equity earnings of unconsolidated affiliates, net of tax	(1.3)	(0.7)
Operating profit	$ 72.0	$ 70.0
Less: Non-cash pension settlement charges	—	8.5
Less: Other expense, net	2.0	—
Less: Equity earnings of unconsolidated affiliates, net of tax	(1.3)	(0.7)
Plus: Depreciation, depletion and amortization expense	59.4	59.3
EBITDA	$ 130.7	$ 121.5
Plus: Restructuring charges	3.5	3.1
Plus: Integration related costs	1.6	2.0
Plus: Non-cash asset impairment charges	62.4	1.3
Plus: Non-cash pension settlement charges	—	8.5
Plus: Incremental COVID-19 costs, net [10]	—	0.6
Plus: (Gain) Loss on disposal of properties, plants, equipment, and businesses, net	(1.4)	1.5
Adjusted EBITDA	$ 196.8	$ 138.5

[10] Incremental COVID-19 costs, net includes costs directly attributable to COVID-19 such as costs incurred for incremental cleaning and sanitation efforts and employee safety measures, offset by economic relief received from foreign governments.

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
SEGMENT ADJUSTED EBITDA[11]
UNAUDITED

	Three months ended January 31,	
(in millions)	**2022**	**2021**
Global Industrial Packaging		
Operating profit	31.0	54.0
Less: Other expense (income), net	1.9	(0.1)
Less: Equity earnings of unconsolidated affiliates, net of tax	(1.3)	(0.7)
Plus: Depreciation and amortization expense	20.6	21.0
EBITDA	$ 51.0	$ 75.8
Plus: Restructuring charges	2.1	2.8
Plus: Non-cash asset impairment charges	62.4	1.3
Plus: Incremental COVID-19 costs, net	—	0.3
Plus: Gain on disposal of properties, plants, equipment and businesses, net	(1.3)	(0.7)
Adjusted EBITDA	$ 114.2	$ 79.5
Paper Packaging & Services		
Operating profit	38.3	14.3
Less: Non-cash pension settlement charges	—	8.5
Less: Other expense, net	0.1	0.1
Plus: Depreciation and amortization expense	38.0	37.2
EBITDA	$ 76.2	$ 42.9
Plus: Restructuring charges	1.4	0.3
Plus: Integration related costs	1.6	2.0
Plus: Non-cash pension settlement charges	—	8.5
Plus: Incremental COVID-19 costs, net	—	0.3
Plus: Loss on disposal of properties, plants, equipment and businesses, net	1.3	2.1
Adjusted EBITDA	$ 80.5	$ 56.1
Land Management		
Operating profit	2.7	1.7
Plus: Depreciation, depletion and amortization expense	0.8	1.1
EBITDA	$ 3.5	$ 2.8
Plus: (Gain) loss on disposal of properties, plants, equipment and businesses, net	(1.4)	0.1
Adjusted EBITDA	$ 2.1	$ 2.9
Consolidated EBITDA	$ 130.7	$ 121.5
Consolidated Adjusted EBITDA	$ 196.8	$ 138.5

[11] Adjusted EBITDA is defined as net income, plus interest expense, net, plus income tax expense, plus depreciation, depletion and amortization expense, plus restructuring charges, plus integration related costs, plus non-cash asset impairment charges, plus non-cash pension settlement charges, plus incremental COVID-19 costs, net, plus (gain) loss on disposal of properties, plants, equipment and businesses, net. However, because the Company does not calculate net income by segment, this table calculates adjusted EBITDA by segment with reference to operating profit by segment, which, as demonstrated in the table of consolidated adjusted EBITDA, is another method to achieve the same result.

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
ADJUSTED FREE CASH FLOW[12]
UNAUDITED

	Three months ended January 31,	
(in millions)	**2022**	**2021**
Net cash provided by operating activities	$ 22.4	$ 11.5
Cash paid for purchases of properties, plants and equipment	(44.5)	(27.4)
Free cash flow	$ (22.1)	$ (15.9)
Cash paid for integration related costs	1.6	2.0
Cash paid for incremental COVID-19 costs, net	—	0.6
Cash paid for integration related ERP systems	1.7	1.8
Adjusted free cash flow	$ (18.8)	$ (11.5)

[12]Adjusted free cash flow is defined as net cash provided by operating activities, less cash paid for purchases of properties, plants and equipment, plus cash paid for integration related costs, plus cash paid for incremental COVID-19 costs, net, plus cash paid for integration related ERP systems.

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
NET INCOME, CLASS A EARNINGS PER SHARE AND TAX RATE BEFORE ADJUSTMENTS
UNAUDITED

(in millions, except for per share amounts)	Income before Income Tax (Benefit) Expense and Equity Earnings of Unconsolidated Affiliates, net	Income Tax (Benefit) Expense	Equity Earnings	Non-Controlling Interest	Net Income (Loss) Attributable to Greif, Inc.	Diluted Class A Earnings Per Share	Tax Rate
Three months ended January 31, 2022	$ 52.9	$ 35.6	$ (1.3)	$ 8.3	$ 10.3	$ 0.18	67.3 %
Restructuring charges	3.5	0.8	—	—	2.7	0.05	
Integration related costs	1.6	0.4	—	—	1.2	0.02	
Non-cash asset impairment charges	62.4	—	—	—	62.4	1.05	
Gain on disposal of properties, plants, equipment and businesses, net	(1.4)	(0.3)	—	(0.1)	(1.0)	(0.02)	
Excluding Adjustments	$ 119.0	$ 36.5	$ (1.3)	$ 8.2	$ 75.6	$ 1.28	30.7 %
Three months ended January 31, 2021	$ 36.3	$ 6.1	$ (0.7)	$ 7.5	$ 23.4	$ 0.40	16.8 %
Restructuring charges	3.1	0.8	—	—	2.3	0.04	
Integration related costs	2.0	0.5	—	—	1.5	0.03	
Non-cash asset impairment charges	1.3	0.4	—	—	0.9	0.02	
Non-cash pension settlement charges	8.5	2.1	—	—	6.4	0.09	
Incremental COVID-19 costs, net	0.6	0.1	—	0.1	0.4	0.01	
Loss on disposal of properties, plants, equipment and businesses, net	1.5	0.5	—	—	1.0	0.02	
Excluding Adjustments	$ 53.3	$ 10.5	$ (0.7)	$ 7.6	$ 35.9	$ 0.61	19.7 %

The impact of income tax expense and non-controlling interest on each adjustment is calculated based on tax rates and ownership percentages specific to each applicable entity.

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
NET SALES TO NET SALES EXCLUDING THE IMPACT OF CURRENCY TRANSLATION
UNAUDITED

(in millions)	Three months ended January 31, 2022	Three months ended January 31, 2021	Increase (Decrease) in Net Sales ($)	Increase (Decrease) in Net Sales (%)
Consolidated				
Net Sales	$ 1,564.3	$ 1,146.5	$ 417.8	36.4 %
Currency Translation	25.2	N/A		
Net Sales Excluding the Impact of Currency Translation	$ 1,589.5	$ 1,146.5	$ 443.0	38.6 %
Global Industrial Packaging				
Net Sales	$ 949.1	$ 659.3	$ 289.8	44.0 %
Currency Translation	25.4	N/A		
Net Sales Excluding the Impact of Currency Translation	$ 974.5	$ 659.3	$ 315.2	47.8 %
Paper Packaging & Services				
Net Sales	$ 610.0	$ 480.9	$ 129.1	26.8 %
Currency Translation	(0.2)	N/A		
Net Sales Excluding the Impact of Currency Translation	$ 609.8	$ 480.9	$ 128.9	26.8 %

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
NET DEBT
UNAUDITED

(in millions)	January 31, 2022	January 31, 2021
Total Debt	$ 2,296.8	$ 2,539.4
Cash and cash equivalents	(119.7)	(101.4)
Net Debt	$ 2,177.1	$ 2,438.0

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
LEVERAGE RATIO
UNAUDITED

Trailing Twelve Month Credit Agreement EBITDA *(in millions)*	**Trailing Twelve Months Ended 1/31/2022**	**Trailing Twelve Months Ended 10/31/2021**	**Trailing Twelve Months Ended 1/31/2021**
Net income	$ 400.9	$ 413.2	$ 119.1
Plus: Interest expense, net	84.6	92.7	110.3
Plus: Income tax expense	99.1	69.6	58.0
Plus: Depreciation, depletion and amortization expense	234.5	234.4	240.5
EBITDA	$ 819.1	$ 809.9	$ 527.9
Plus: Restructuring charges	23.5	23.1	38.5
Plus: Integration related costs	8.7	9.1	13.9
Plus: Non-cash asset impairment charges	70.0	8.9	19.7
Plus: Non-cash pension settlement charges	0.6	9.1	8.9
Plus: Incremental COVID-19 costs, net	2.7	3.3	3.2
Plus: (Gain) loss on disposal of properties, plants, equipment, and businesses, net	(6.4)	(3.5)	21.6
Plus: Timberland gains, net	$ (95.7)	$ (95.7)	$ —
Adjusted EBITDA	$ 822.5	$ 764.2	$ 633.7
Credit Agreement adjustments to EBITDA[13]	33.1	33.6	(5.2)
Credit Agreement EBITDA	$ 855.6	$ 797.8	$ 628.5

Adjusted Net Debt *(in millions)*	**For the Period Ended 1/31/2022**	**For the Period Ended 10/31/2021**	**For the Period Ended 1/31/2021**
Total debt	$ 2,296.8	$ 2,225.6	$ 2,539.4
Cash and cash equivalents	(119.7)	(124.6)	(101.4)
Net debt	$ 2,177.1	$ 2,101.0	$ 2,438.0
Credit Agreement adjustments to debt[14]	(130.7)	(115.9)	(55.2)
Adjusted net debt	$ 2,046.4	$ 1,985.1	$ 2,382.8
Leverage Ratio	**2.39x**	**2.49x**	**3.79x**

[13]Adjustments to EBITDA are specified by the 2019 Credit Agreement and include certain timberland gains, equity earnings of unconsolidated affiliates, net of tax, certain acquisition savings, deferred financing costs, capitalized interest, and other items.

[14]Adjustments to net debt are specified by the 2019 Credit Agreement and include the European accounts receivable program, letters of credit, deferred financing costs, and derivative balances.

GREIF, INC. AND SUBSIDIARY COMPANIES
PROJECTED 2022 GUIDANCE RECONCILIATION
ADJUSTED FREE CASH FLOW
UNAUDITED

	Fiscal 2022 Guidance Range	
(in millions)	**Scenario 1**	**Scenario 2**
Net cash provided by operating activities	$ 518.0	$ 594.0
Cash paid for purchases of properties, plants and equipment	(150.0)	(170.0)
Free cash flow	$ 368.0	$ 424.0
Cash paid for integration related costs	6.0	8.0
Cash paid for integration related ERP systems	6.0	8.0
Adjusted free cash flow	$ 380.0	$ 440.0

Exhibit 99.2

Greif, Inc.
First Quarter 2022 Earnings Results Conference Call
March 3, 2022

COMPANY PARTICIPANTS

Matt Eichmann - Greif, Inc., Vice President - Investor Relations, External Relations and Sustainability

Ole G. Rosgaard - Greif, Inc., Chief Operating Officer

Lawrence A. Hilsheimer - Greif, Inc., Chief Financial Officer & Executive Vice President

OTHER PARTICIPANTS

Ghansham Panjabi - Robert W. Baird & Co. Incorporated, Research Division

Adam Josephson - KeyBanc Capital Markets Inc., Research Division

Gabe S. Hajde - Wells Fargo Securities, LLC, Research Division

Justin Bergner - Gabelli Funds, LLC

MANAGEMENT DISCUSSION SECTION

Operator

Good morning. My name is Chris and I'll be your conference operator today. At this time I'd like to welcome everyone to the Greif Q1 2022 Earnings Conference Call. All lines have been placed on mute to prevent any background noise. After the speakers' remarks there will be a question-and-answer session. If you would like to ask a question during this time, simply press * then the number 1 on your telephone keypad. If you would like to withdraw your question, please press *1 again. Thank you. Matt Eichmann, you may begin.

Matt Eichmann

Thanks, Chris, and good morning, everyone. Welcome to Greif's first quarter fiscal 2022 earnings conference call. This is Matt Eichmann. I'm joined by Ole Rosgaard, Greif's President and Chief Executive Officer; Larry Hilsheimer, Greif's Chief Financial Officer; and Matt Leahy, Greif's Vice President, Corporate Development & Investor Relations.

We will take questions at the end of today's call. In accordance with regulation on fair disclosure, please ask questions regarding issues you consider important because we're prohibited from discussing material non-public information with you on an individual basis. Please limit yourself to one question and one follow-up before returning to the queue.

Please turn to slide 2. As a reminder, during today's call, we will make forward-looking statements involving plans, expectations, and beliefs related to future events. Actual results could differ materially from those discussed. Additionally, we'll be referencing certain non-GAAP financial measures and reconciliation to the most directly comparable GAAP metrics can be found in the Appendix of today's presentation. And now I'll turn the presentation over to Ole on slide 3.

Ole G. Rosgaard

Thanks, Matt, and good morning, everyone. So, today is my first quarterly earnings call as Greif's President and Chief Executive Officer, and I'm excited to be with you. My plan today is to review the state of our business, to briefly share our new Build to Last strategy and its key components, to introduce Greif's new executive leadership team, and finally, to engage meaningfully in a Q&A session.

Big picture, our fiscal 2022 is off to an outstanding start. We delivered record financial results in the first quarter despite a challenging operating environment complicated by the pandemic, supply chain disruptions and inflationary pressures beyond our control. We also announced the pending divestiture of our 50% ownership in the Flexible Products & Services business for outstanding value, solidified our net leverage position and increased our profit expectations for fiscal 2022. These accomplishments results from disciplined operational execution and the commitment of our global Greif team, and I thank our colleagues for their hard work this past quarter. Finally, we announced plans to hold an Investor Day in June and details about the event can be found in the earnings release we published yesterday.

Please turn to slide 4. I would like to briefly share our new Build to Last strategy with you. I will summarize the strategy's high points today as we will dive much deeper into it at our Investor Day on June 23 and review our continued growth plans. The Build to Last strategy consists of four missions; creating thriving communities, delivering legendary customer service, protecting our future and ensuring financial strength. Mission one, creating thriving communities, is about achieving a zero harm environment and creating an even more engaged, diverse and inclusive workplace in the future. Thriving communities will help us win in the war for talent.

Our second mission, delivering legendary customer service, involves finding ways to serve customers better each day. This mission includes implementing new technologies that will increase our agility and help us deliver faster and more comprehensive customer solutions. Legendary customer service combined with Greif's unmatched global portfolio and product offerings forge a powerful business competitive advantage.

Mission three, protecting our future, it's about embracing a low carbon world and further enhancing our focus on product circularity. Greif is already a sustainability leader today evidenced by our recently awarded fourth consecutive EcoVadis Gold rating. But we will take additional steps to mitigate risks associated with climate changes and capture opportunities related to product circularity and sustainable solutions for our customers.

Finally, our fourth mission, ensuring financial strength, entails generating high margin EBITDA growth to deliver a growing sustainable profit and cash flow stream that enhances shareholder value creation. The Build to Last strategy is founded upon our bedrock, The Greif Way which has guided our business for many years, and remains the focal point of our culture. I look forward to sharing more about Build to Last with you at our Investor Day.

Please turn to slide 5. I'm fortunate to be surrounded by an exceptional team charged with helping to activate the Build to Last strategy. These extraordinary servant leaders possesses extensive industry knowledge and a demonstrated commitment to disciplined operational execution and customer service excellence. Their rich and diverse set of skills and experiences, along with proven records of performance, will drive even greater success at Greif in the future. I hope you will join us at Investor Day in June to interact with them.

Finally, before jumping into our results, I would like to announce some changes to our Investor Relations team. Matt Eichmann, who had done well, has been promoted to Chief Marketing and Sustainability Officer effective March 1. Matt has done an outstanding job representing Greif to the investment community the last six years, and I'm excited to have him take on this exciting leadership opportunity.

Matt Leahy, who currently leads our Corporate Development team, has added the role of Investor Relations to his responsibilities. Matt Leahy has extensive buy side experiences and has been instrumental in executing Greif's acquisition strategy and portfolio changes since joining our team almost four years ago. I'm confident that Matt Leahy will be a strong leader in the Investor Relations role and will build upon Matt Eichmann's efforts to improve investor communications, share insights on our business and financial condition, and ensure that leaders across Greif understand what our investors and owners expect of us.

Please turn to slide 6 to begin our business review. Global Industrial Packaging delivered an outstanding first quarter results. Global large plastic drums and IBC volumes grew by roughly 8% and 11% per day respectively versus the prior year quarter. Global steel drum volume fell by 4% per day versus the prior year due to customer supply chain and labor issues despite strong underlying demand. Similar to quarter four, the biggest volume shortfall was in APAC, reflective of our decision to implement strategic pricing actions and supply chain disruptions that negatively impacted our customers' operations.

Generally speaking, our end markets remain healthy. Customers report solid order backlogs and strong underlying demand but continue to face external supply chain disruptions and labor challenges. We also hear that our customers' customers have depleted inventory levels which should eventually translate to a tailwind for Greif. GIP's generally stronger volumes and higher average selling prices resulted in significantly higher segment sales year-over-year. The business' first quarter adjusted EBITDA rose by roughly $35 million due to higher sales partially offset by higher raw material costs.

During the quarter, we continue to experience favorable price cost conditions given timing, inventory cost, and the structure of our price adjustment mechanisms. We anticipate GIP's price/cost benefit to deteriorate as we move later into the fiscal year. Finally, we received several questions about our Ukrainian and Russian businesses that I want to address directly. This is an evolving situation that we continue to monitor and assess continuously with a dedicated task force. We are appalled by the ruthless aggression we have witnessed in the Ukraine over the last several days. We operate one Flexibles plant in the country that has been temporarily closed. Our primary focus has been and will continue to be the safety and well-being of our Ukrainian colleagues and assisting them and their families any way we can.

In Russia we operate nine facilities. The business predominantly source raw materials locally and services local customers. It processes very minimal cross-border exposure and contributes less than 3% to total company operating profit annually. We do hedge roughly half of our ruble exposure. In times of crisis we lean on our values and use the Greif Way to guide our direction. While extremely upset and aghast by the aggressive actions taken by the Russian government, as with our Ukrainian colleagues our focus is on all Greif people. We remain in full support of our Russian colleagues and continue to operate in Russia with also their well-being as our priority.

Please turn to slide 7. In January, we announced an agreement to divest our 50% ownership in FPS. Although we have worked closely with our joint venture partner the last 12 years, we evolved to have differing views on the future of this business. The sale of our 50% stake in Flexibles will generate net cash proceeds of approximately $123 million subject to customary closing conditions. We anticipate the deal closes by the end of March 2022 and have incorporated the divestiture's impact into our financial fiscal 2022 guidance. Until we refine this further, you can assume FPS ballpark annual adjusted EBITDA contribution to be roughly $35 million. For context, seven years ago when FPS was struggling, we tried to market it with virtually no interest. Now we're selling our half of FPS for substantially more than the best offer at that time for the entire business. On behalf of Greif's leadership team, I want to thank our Flexible colleagues for their hard work the past 12 years. The team has driven considerable improvements in the business and demonstrated professionalism throughout, and we thank them for their continued commitment during the transition period.

Please turn to slide 8. Paper Packaging's first quarter sales rose by roughly $129 million versus the prior year due to stronger volumes and higher published containerboard and boxboard prices. Adjusted EBITDA rose by roughly $24 million versus the prior year due to higher sales, partially offset by higher raw material transportation and utility costs, including a significant $42 million drag from significantly higher processing costs. Similar to the fourth quarter, volume demand across the business remains strong. At quarter end, our combined total backlogs still exceeded eight weeks. First quarter volumes in our CorrChoice sheet feeder system were up roughly 0.5% a day versus the prior year. E-commerce, automotive parts, food and durables demands all remain very solid. First quarter tube and core volumes were up by 4.6% per day versus the prior year, with demand strong across almost all end markets.

I will now turn you over to our CFO, Larry Hilsheimer, on slide 9.

Lawrence A. Hilsheimer

Thank you, Ole. Good morning, everyone. Thank you for joining us today. Like Ole, I want to start by thanking our colleagues for an outstanding first quarter with record financial results. By my count, this is the 13th consecutive quarter that we have met or exceeded consensus expectations. Along the way we've dealt with COVID, supply chain constraints and labor challenges, yet we continue to execute with excellence thanks to the Global Greif team's dedication.

First quarter adjusted EBITDA rose by $58 million year-over-year, despite an OCC index headwind of $42 million and roughly $33 million non-volume related transportation and manufacturing labor inflation. Absolute SG&A dollars rose $17 million versus the prior year quarter, mainly due to higher health, medical and incentives costs, but fell 200 basis points on a percentage of sales basis. Below the line, interest expense fell by $8 million versus the prior year quarter, due primarily to refinancing our 2021 euro notes with a lower rate bank debt. We expect interest expense to fall further as we utilize proceeds from the Flexibles divestment on debt repayment and also benefit from having refinanced on Tuesday our 6.5% 2027 senior notes with additional bank debt, utilizing a mix of floating and fixed rates below 3.5%.

Our first quarter non-GAAP tax rate was roughly 31% and significantly higher year-over-year due to increased pre-tax income with a higher proportion of that income in the US and less positive discrete items than the prior year. Even with significantly higher tax expense, our first quarter adjusted Class A earnings per share was still more than doubled to $1.28 per share. Finally, first quarter adjusted free cash flow was $19 million cash outflow and lower year-over-year primarily due to higher CapEx related maintenance and organic growth investments in IBCs, plastics and specialty corrugated products.

Please turn to slide 10. Our core capital priorities remain unchanged. Reinvest in the business to create value and support growth, return excess cash to shareholders via an attractive and growing dividend, and maintain a compliance leverage ratio between 2 to 2.5 times. Our balance sheet is in rock-solid shape. Thanks to aggressive deleveraging as promised we're back comfortably within our targeted leverage ratio range and anticipate further downward bias in the near future. Balance sheet strength provides us with financial flexibility to pursue value accretive opportunities and we are currently finalizing our strategic planning process to determine the focus of growth activities going forward. We will share more with you at Investor Day in June.

Please turn to slide 11. We are increasing our fiscal 2022 guidance despite eliminating Flexible income for the period April 1 to October 31 which was present in the guidance we issued at Q4. We have overcome that headwind and increased the midpoint of our adjusted earnings per share guidance by $0.45 to $6.60 a share for fiscal 2022, reflective of solid first quarter performance, announced paper price increases, and lower interest expense. We have deliberately kept a wider range than normal given uncertainty introduced by the unfortunate events in Europe. We now anticipate generating between $380 million and $440 million of adjusted free cash flow in fiscal 2022. While our profit expectations have increased since Q4, that improvement isn't fully reflected in free cash flow primarily due to higher anticipated cash taxes and increased working capital largely due to announced price increases. Finally, you will find a slide with key modeling assumptions in the Appendix of today's deck for use as needed.

Please turn to slide 12. It is important to take a step back from time to time and look at the bigger picture when considering investment opportunities. At Greif, we don't run our enterprise with the quarter in mind. Instead, our value creation model is focused on performance over the long term. As I have just shown on the prior slide, we have a track record of delivering on our guidance expectations. The execution discipline we've demonstrated to grow profits over the long haul, no matter the circumstance, has fueled sustained outperformance you will see here relative to a broader bucket of industrial companies.

Please turn to slide 13. Despite sustained outperformance, we continue to trade at a substantial discount relative to other packaging firms which mystifies us. We invite your thoughts and welcome your feedback about why we are situated this way, given we delivered on our financial commitments made in 2015, 2017 and 2019, and our record of exceeding consensus estimates is clear. Clearly I understand that it is investors who determine our value. However, our opinion is that our equity deserves a much closer look given the substantial discount present in our stock today. With that, I'll turn the call back to Ole for his closing comments on slide 14.

Ole G. Rosgaard

Thanks, Larry. Please turn to slide 14 for a few closing remarks before the Q&A. I am very proud of our team's first quarter performance as Greif's legendary customer service comes together with execution discipline and unmatched product portfolio, a proven and disciplined capital allocation strategy and sustainability leadership to form a value creation engine that benefits our shareholders and other stakeholders alike. Looking ahead, we are well positioned to benefit from ongoing strength and improving trends in our key end markets, and our future is bright. Thank you for your time and attention today. Operator, please open the line for questions.

QUESTION AND ANSWER SECTION

Operator

Thank you. Our first question is from Ghansham Panjabi with Baird. Your line is open.

Ghansham Panjabi

Question – Ghansham Panjabi: Hey, guys. Good morning. Thanks for all the details. Congrats to the two Matts as well as you, Ole. I guess first off on the GIP segment, at least as it relates to the first quarter and the operating profit outperformance, did that come in better than you thought? Certainly it came in better than our assumptions. Just take us through what perhaps drove the upside specific to that segment in the first quarter?

Lawrence A. Hilsheimer

So, Ghansham, I'd let Ole comment as well, but a couple of things, volume was as strong as we expected to be, slightly better. Pricing was much better and we had also thought that steel cost will drop in December which they did not really drop until January which worked out very well for us in terms of our price adjustment mechanisms. Those were the two key elements of it. We operate with a very disciplined pricing approach on all our markets and we continue to have value over volume in mind. You will see on our APAC volumes they are lower and that's really due to deselecting business that was in the red. We have a great team out there really executing hard on staying ahead of the inflationary price curve and they've done really well. We will continue to do that.

Ghansham Panjabi

Got it. Okay. And then last quarter on your conference call, you noted that the steel cost went up, added about $100 million to fiscal year 2021 specific to GIP on operating profit. And I think you assume that 2022 guidance basically embedded stable steel cost environment. The world has changed. Commodities are refloating again. So, can you just update us on that view for 2022?

Ole G. Rosgaard

Yeah. Your recollection is correct, Ghansham. We indicated we had a $100 million tailwind last year because of the rapid increase. We did indicate that we thought there would be some decrease in steel but that would remain fairly stable for the rest of this year. We've got that essentially built into our guidance going forward but after last week, yeah, we all are hearing potential for steel cost increases. Whether that creates a benefit for us or not will just depend on the timing and the pace, but it's not bad news for us.

Ghansham Panjabi

But you haven't changed it specific to the revised guidance, right?

Ole G. Rosgaard

We have not. We've just stayed with our prior view on the path of steel price for the year.

Ghansham Panjabi

Got it. Thanks so much.

Operator

The next question is from Adam Josephson with KeyBanc. Your line is open.

Adam Josephson

Ole, Larry, good morning, and congratulations to everyone on your new roles. Best of luck to you.

Ole G. Rosgaard

Thank you.

Lawrence A. Hilsheimer

Thank you.

Adam Josephson

Larry, just following up on Ghansham's final question, can you update us on your price/cost expectations for the year in the paper business? In other words, what were they three months ago, what are they now, how much have they gone up by just given lower OCC and the price increases that you're implementing? Any help there would be great.

Lawrence A. Hilsheimer

Yeah. We have not dramatically decreased our thoughts on OCC. It's now $158 million, so not a dramatic decrease. Relative to the upside in pricing, what we've got out on this is pretty – we basically built into our range about a $65 million net price/cost benefit for the rest of the year above what we had previously had in paper, Adam. And we've got ranges around that just to provide some upside downside given the uncertainties in the economy, but that's the analysis built in.

Adam Josephson

Just one follow-up on that, Larry, so $65 million higher than three months ago. What is your actual price/cost expectation for that segment for the year now?

Lawrence A. Hilsheimer

Well, it's consistent with what we put out in price increases. Obviously, we are fully expecting that we will achieve the $70 million and the containerboard the $50 million and the $50 million. And we're at $158 million on OCC.

Adam Josephson

I just mean, in terms of the price/cost relationship for the year in that business as embedded in your earnings guidance?

Lawrence A. Hilsheimer

I don't have that...

Ole G. Rosgaard

But it's going to improve.

Lawrence A. Hilsheimer

Yeah. Totally they are. Yes. We added up substantially in our initial guidance.

Ole G. Rosgaard

Yeah.

Adam Josephson

Got it. Okay. And just on the cash flow, Larry, so it seems like the same factors that are – some of the same factors that are resulting in increases in your earnings guidance, notably the improving price/cost relationship, is also resulting in lower cash flow expectations. The same was the case last year. I guess would you agree with that they're very much connected to each other? And if so, what would you expect beyond fiscal 2022 if these price/cost relationships normalize? In other words, would you expect cash flow to go up and then EBITDA to go down just the opposite of what's happening this year?

Lawrence A. Hilsheimer

I wouldn't necessarily say EBIT would go down, but I mean if the cost remains flat after going up because of the price increases it would stay flat and we would see an increase in cash flow because working capital would not change. And as a matter of fact we'd look for it to go down just through managing it better through our systems.

But if you look at it, we have a number of elements. The operational improvements obviously are going to increase cash flow, get a little pickup, say, that's somewhere north of approaching $55 million, we've got $28 million or so as a detriment from disposing of the FPS business, which had significant improvement in their working capital structure for the second half of the year. So you got those two nets to about $28 million. You've got interest expense as a positive $14 million. Change in working capital down about $42 million at the midpoint. And cash taxes up about $30 million over where we were previously. So the net of those takes you from where we were at $430 million down to $410 million as the midpoint.

Adam Josephson

Got it. Thanks so much, Larry.

Operator

Again that is *1 if you would like to ask a question. The next question is from Gabe Hajde with Wells Fargo Securities. Your line is open.

Gabe S. Hajde
Good morning, everyone. Congratulations on a good start to the year.

Ole G. Rosgaard
Thank you.

Lawrence A. Hilsheimer
Thanks.

Gabe S. Hajde
I'm curious, Ole, if you've heard anything not obviously specific, but anything in the external world that we should be mindful of in terms of competitive landscape on the GIP side. Whether it's locally or regionally?

Ole G. Rosgaard
I haven't. We don't really dwell on our competitors. Instead, we focus on serving our customers and our own people. But I've got nothing to report there.

Gabe S. Hajde
Okay. I think you guys are investing, call it $60 million to $70 million of return capital into the business. I think again most of it's on the IBC and plastics side. Is there anything that we should be again mindful of, I mean, external world whether it's supply chain delays or anything like that, that could push contribution from some of these in the fiscal 2023 or just supply chain disruptions in general?

Ole G. Rosgaard
Yeah, but we continue a very disciplined allocation strategy on CapEx and so our strategy is to grow in our resin-based products, and our URB system. In terms of challenges, the biggest challenge the market faces is still labor primarily in the US. Our customers report strong order books, strong demands, but they can't fulfill that because they lack certain raw materials, and they have labor challenges as well.

Lawrence A. Hilsheimer
Yeah. Gabe, we haven't specifically had anything happen yet to delay the execution of our CapEx projects. But obviously, we monitor it with the disruptions going on relative to Russia and Ukraine. Obviously, that could impact things, but as to-date, nothing.

Gabe S. Hajde
Great. Thank you.

Ole G. Rosgaard
Thanks, Gabe.

Operator
The next question is from Justin Bergner with Gabelli Funds. Your line is open.

Justin Bergner
Good morning. And congratulations, Ole.

Ole G. Rosgaard

Thank you.

Justin Bergner

And good morning, Larry. Good morning, Matt.

Lawrence A. Hilsheimer

Hi, Justin.

Justin Bergner

My first question relates to the price/cost dynamic in Paper Packaging. I just wanted to make sure I heard you correctly that you have a $65 million better outlook than you did a quarter ago in that segment, and if so does that mean that your view on Global Industrial Packaging has come down, or are there other offsets to that $65 million benefit in Paper Packaging?

Lawrence A. Hilsheimer

We do expect that the currently, in our current guidance we do expect that the GIP second half of the year will be less favorable just because of the dynamics of the play-through on the cost elements. But it's not significant. The bigger drop on ours was actually the divestiture loss of the FPS EBITDA that was in our original guidance, Justin. So I'd walk through that a little bit on the cash flow side with Adam's question. But on the EPS side, the FPS divestiture is about $0.28 a share dragged from our original guidance. So there's really no degradation against our original guidance on the GIP side, it's exactly what we had forecast originally.

Justin Bergner

Okay. And then the $0.28 loss from the divestiture reduction, that would be net of minority interest and the benefit of debt pay down or just...

Lawrence A. Hilsheimer

On the benefit of debt pay-down is reflected in our change in interest expense, it's not netted in there, but it is yes for the other elements, you're correct. One thing I did want to supplement is on the price/cost benefit in the paper business, that is offset by some incrementally higher transport and utility costs, which is why when I walked through that differential, the cash impact was less than you would have gotten just from the price and cost elements of OCC.

Justin Bergner

Okay. And then just one nuanced question, I saw that the basic share count for Class A shares was 26 million this quarter. There was 26.6 million shares in 4Q, but I didn't think I saw any repurchases. So is that correct, and if so, what caused that delta?

Lawrence A. Hilsheimer

No, it is incorrect. We had actually caught that. That will be fixed in our Q. It's an unfortunate error that was missed in the production of the earnings release. However, the earnings per share is correct.

Justin Bergner

Okay. Thank you.

Operator

The next question is from Adam Josephson with KeyBanc. Your line is open.

Adam Josephson

Thanks, everyone, for taking my follow-up. Larry, just one more on the paper price cut. I'm thinking that the price/cost benefit will be something on the neighborhood of $150 million or so. Does that sound particularly off the mark to you?

Lawrence A. Hilsheimer

Yeah. I mean that's probably high, Adam, I mean, for the part of the year that you're building.

Adam Josephson
Less than? Okay. So, I would list more than $100 million but less than $150 million. Is that fair?

Lawrence A. Hilsheimer
Yeah. And again, like the supplemental comment I made, we've got a lot of offset going in for just higher transport costs, utilities, and those elements.

Adam Josephson
Got it. Okay. Just one last one for Justin's question about the dilution of the sale. What is the net dilution relative to your previous guidance EPS?

Lawrence A. Hilsheimer
It's $0.28.

Adam Josephson
Okay. So, that is a net number just to be clear?

Lawrence A. Hilsheimer
Yeah. That's just everything.

Adam Josephson
So, in other words, the reduction in interest expense has absolutely nothing to do with the divestiture. Is what you're saying?

Lawrence A. Hilsheimer
We just incorporated it into the interest expense thing. So let me walk through just so you guys will have it. So, we gave $615 million and not just going down the midpoint, we've got ranges obviously but $0.28 down on FPS divestiture, $0.75 up on PPS pricing and $0.16 on OCC positive. You got interest expense benefit at $0.24 and taxes down $0.42.

Adam Josephson
Got it. I appreciate that, Larry. And just on the tax rate, it was much lower than what you were thinking last year, last couple of years for that matter. It was much higher than the midpoint of guidance in fiscal 1Q. Can you just talk about what your updated expectations are for the tax rate for the year and also about why the tax rate is so volatile? It seems that it defies even your own predictions about where it's going, and I'm just trying to understand that dynamic a little better.

Lawrence A. Hilsheimer
Yeah. And we always have stated because you have FIN18 it will jump all over the place quarter-to-quarter. But the guide for the year was 22% to 25% on adjusted basis. It's still 22% to 25%. We had said initially we thought it would be on the lower end of that range. We now think it will be on the higher end of that range. And the driving factors of the first quarter volatility is when you're trying to do dividend distributions, and so, like, we were getting cash out of Russia doing those kind of things, you end up with withholding taxes. Those withholding taxes are not income based. They're based on the amount of you distribute out, but they impact your rate. And so that was a discrete item in the first quarter.

And a year ago we had actually closed out some – US IRS exams and other exams and had some discrete items that were beneficial. But the bigger driver of the rate change is that the predominance of our, well, a much larger proportion of our income is in US now than what we had originally forecast, and that despite the reductions in corporate rates and the Trump administration, it's still higher than many countries in the world. And so, that's pushing our rate up.

Adam Josephson

Yeah. I appreciate that. And just one last one about the full-year range, so obviously, you said it's wider than normal. When you have the nine plants in Russia, there's just extraordinary volatility globally. I mean, what led you to increase the range as much as you did in light of all that uncertainty versus just keeping it where it was?

Lawrence A. Hilsheimer

Well, because when we go through our process each quarter obviously we update our forecast and we do an upside downside where we identify all of the areas we believe we have risk and the areas we have opportunity. To be frank, I lowered that range. I mean, even from where we think it could be to just put some conservativism, given the uncertainty in the world. So we're very confident of delivering on this, but we did build in extra buffer for sure because of that. And it's no big deal we lowered it a dime at the center for just uncertainty. And we had already built in upside downside, basically wiping out everything in Russia between the ruble and these operations. And so we feel comfortable with what we put out.

Adam Josephson

Got it. Thanks so much, Larry.

Operator

The next question is from Justin Bergner with Gabelli Funds. Your line is open.

Justin Bergner

Thanks for the follow-ups. I'm not sure I followed the earnings bridge correctly. Relative to your prior guide, there was a $0.42 headwind from the tax rate, and you get that from just being in the low end of the range, 22%, 25% range could be on the high end of the range?

Lawrence A. Hilsheimer

Correct.

Justin Bergner

Okay.

Lawrence A. Hilsheimer

Well, and we've got increased income, so it's not just the rate, it's the fact the income's way up.

Justin Bergner

Oh, okay. But that's relative to your prior guide, that's not relative to last year just...

Lawrence A. Hilsheimer

No, that's correct. Yeah, that's correct.

Justin Bergner

Okay. And then any material tax leakage from the Flexible products sale or should we expect net proceeds very close to that $123 million?

Lawrence A. Hilsheimer

No. No significant actually tax leakage. I mean, we'll have some but not significant.

Justin Bergner

Okay. Thank you.

Operator

We have no further questions at this time. I'll turn the call over to you, Matt Eichmann, for any closing remarks.

Matt Eichmann

Thanks very much, Chris, and thanks very much to the callers today who took part in our earnings call. We hope you have a safe, enjoyable rest of your week. Take care.

Operator

Ladies and gentlemen, this concludes today's conference call. Thank you for participating. You may now disconnect.