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 3, 2023 (March 1, 2023)

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 1, 2023, Greif, Inc. (the "Company") issued a press release (the “Earnings Release”) announcing the financial results for its first quarter ended January 31, 2023. 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 2023 and the first quarter of 2022, which is equal to the Company's consolidated net income for the applicable period, plus restructuring charges, plus acquisition and integration related costs, plus non-cash asset impairment 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;

(ii) the Company's earnings per diluted Class A share, excluding the impact of adjustments, for the first quarter of 2023 and the first quarter of 2022, which is equal to earnings per diluted Class A share of the Company for the applicable period, plus restructuring charges, plus acquisition and integration related costs, plus non-cash asset impairment 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;

(iii) the Company's consolidated adjusted EBITDA for the first quarter of 2023 and the first quarter of 2022, 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 acquisition and integration related costs, plus non-cash asset impairment charges, 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 2023 and the first quarter of 2022, 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 acquisition and integration related costs, plus cash paid for integration related Enterprise Resource Planning ("ERP") systems and equipment, each on a consolidated basis for the applicable period;

(v) the Company's net debt for the first quarter of 2023 and the first and fourth quarters of 2022, which is equal to the Company's consolidated total debt at the end of the applicable period less cash and cash equivalents at the end of the applicable period;

(vi) adjusted EBITDA for the Company’s Global Industrial Packaging business segment for the first quarter of 2023 and the first quarter of 2022, which is equal to that business segment’s operating profit less other (income) expense, net, less equity earnings of unconsolidated affiliates, net of tax, plus depreciation and amortization expense, plus restructuring charges, plus acquisition and integration related costs, plus non-cash asset impairment charges, plus (gain) loss on disposal of properties, plants, equipment and businesses, net, each for the applicable period;

(vii) adjusted EBITDA for the Company's Paper Packaging & Services business segment for the first quarter of 2023 and the first quarter of 2022, which is equal to that business segment's operating profit less other (income) expense, net, plus depreciation and amortization expense, plus restructuring charges, plus acquisition and integration related costs, plus (gain) loss on disposal of properties, plants, equipment and businesses, net, each for the applicable period; and

(viii) the Company's leverage ratio for the first quarter of 2023 and the first and fourth quarters of 2022, which is equal to net debt divided by trailing twelve month EBITDA, each as calculated under the terms of the Company's Second Amended and Restated Credit Agreement dated as of March 1, 2022, which has been filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2022.

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

(i) the Company's fiscal year 2023 low-end guidance estimate of Adjusted EBITDA, which is equal to the Company's consolidated net income for such period plus interest expense, net, plus income tax expense, plus depreciation, depletion and amortization expense, plus restructuring charges, plus acquisition and integration related costs, 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 2023 low-end guidance estimate of adjusted free cash flow, 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 acquisition and integration related costs, plus cash paid for integration related ERP systems and equipment, plus cash paid for taxes related to Tama, Iowa mill divestment for such period. 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, debt extinguishment charges, acquisition and integration related costs, non-cash asset impairment charges, non-cash pension settlement charges 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 purchases of properties, plants and equipment, cash paid for acquisition and integration related costs, and cash paid for integration related ERP systems and equipment 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 2, 2023, 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 third quarter ended January 31, 2023. 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 1, 2023 announcing the financial results for its first quarter ended January 31, 2023.
99.2	File transcript of conference call with interested investors and financial analysts held by management of Greif Inc. on March 2, 2023.

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 3, 2023

By /s/ Lawrence A. Hilsheimer

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

Exhibit 99.1

Greif Reports First Quarter 2023 Results

DELAWARE, Ohio (March 1, 2023) – Greif, Inc. (NYSE: GEF, GEF.B), a global leader in industrial packaging products and services, today announced first quarter 2023 results.

First Quarter Financial Highlights include (all results compared to the first quarter of 2022 unless otherwise noted):

- Net income of $89.9 million or $1.54 per diluted Class A share increased compared to net income of $10.3 million or $0.18 per diluted Class A share. Net income, excluding the impact of adjustments(1), of $61.9 million or $1.06 per diluted Class A share decreased compared to net income, excluding the impact of adjustments, of $75.6 million or $1.28 per diluted Class A share.
- Adjusted EBITDA(2) of $164.5 million decreased by $32.3 million compared to Adjusted EBITDA of $196.8 million.
- Net cash provided by operating activities increased by $10.5 million to $32.9 million. Adjusted free cash flow(3) increased by $11.2 million to a use of $7.6 million.
- Total debt decreased by $67.5 million to $2,229.3 million. Net debt(4) decreased by $108.8 million to $2,068.3 million. Our leverage ratio(5) increased to 2.11x from 1.73x sequentially, which is within our targeted leverage ratio range of 2.0x - 2.5x, but decreased from 2.39x in the prior year quarter.

Strategic Actions and Announcements

- Completed previously announced acquisition of Lee Container Corporation. Our Greif team, including our newly welcomed colleagues, is progressing ahead of schedule on planned integration, and we reaffirm our expectation to fully realize expected synergies of at least $6.0 million.
- Announced a definitive agreement to increase Greif's current 9% ownership interest in Centurion Container LLC, a leader in the North American IBC reconditioning industry, to an 80% stake in an all-cash transaction for $145.0 million, subject to customary purchase price adjustments for cash and debt, as well as customary closing conditions, including regulatory clearances. Greif has been a joint venture partner of Centurion since 2020 and is expanding our ownership as part of our ongoing commitment to grow in high margin, highly sustainable resin-based products.

CEO Commentary

"I am very proud of our team's execution in first quarter 2023 despite multiple headwinds: destocking, lower customer demand and continued inflationary pressures", said Ole Rosgaard, Chief Executive Officer of Greif. "The pace and severity of these headwinds progressed rapidly during the quarter and pressured results in both business segments. Despite these challenges, our teams around the world demonstrated resiliency in rapidly adapting to these changing conditions while continuing to deliver on our Build to Last strategy and making meaningful progress towards our long-term strategic missions."

Build to Last Mission Progress

Customer satisfaction surveys are a key component of our mission to deliver Legendary Customer Service. Our consolidated CSI(6) score was 95.0 at the end of the first quarter 2023, which is Greif's aspirational target. We look forward to building upon this achievement and continuing our focus on delivering exceptional service to our customers.

During the quarter, Greif recognized 122 of our global facilities for an accident-free year in 2022, with over 10 million safe hours worked. The safety of our people is our number one priority and the foundation of Creating Thriving Communities. We are very proud of our global Greif team for a record year of safety excellence.

Additionally, during the quarter we published our 2030 Sustainability Targets, highlighting our commitment to advancing a circular economy, reducing greenhouse gas emissions, and championing diversity, equity & inclusion initiatives. Protecting Our

Future is critical to the future success of Greif. More information on our 2030 targets is available at our sustainability homepage at https://www.greif.com/sustainability/ and will be a part of our 14th annual sustainability report, publicly available in April 2023.

(1) Adjustments that are excluded from net income before adjustments and from earnings per diluted Class A share before adjustments are restructuring charges, acquisition and integration related costs, non-cash asset impairment charges, (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 acquisition and integration related costs, plus non-cash asset impairment charges, 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 acquisition and integration related costs, plus cash paid for integration related Enterprise Resource Planning (ERP) systems and equipment.

(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 Second Amended and Restated Credit Agreement dated as of March 1, 2022, filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2022 (the "2022 Credit Agreement").

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

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.

Segment Results (all results compared to the first quarter of 2022 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 2023 as compared to the prior year quarter for the business segments with manufacturing operations. Net sales from Lee Container's primary products are not included in the table below, but will be included in the Global Industrial Packaging segment starting in the first quarter of fiscal 2024.

Net Sales Impact - Primary Products	Global Industrial Packaging	Paper Packaging & Services
Currency Translation	(3.2)%	(0.1)%
Volume	(13.8)%	(17.0)%
Selling Prices and Product Mix	(3.7)%	10.6 %
Total Impact of Primary Products	(20.7)%	(6.5)%

Global Industrial Packaging

Net sales decreased by $243.3 million to $705.8 million primarily due to approximately $89.4 million of prior year net sales attributable to the Flexible Products & Services business, negative foreign currency translation impacts, and lower volumes and selling prices.

Gross profit decreased by $51.8 million to $125.3 million. The decrease in gross profit was primarily due to the same factors that impacted net sales, partially offset by lower raw material, transportation, labor, utility and maintenance costs.

Operating profit increased by $14.9 million to $45.9 million primarily due to the $62.4 million non-cash impairment charge during the first quarter of 2022 for the Flexible Products & Services business divestiture, partially offset by the same factors that impacted gross profit. Adjusted EBITDA decreased by $42.4 million to $71.8 million primarily due to the same factors that impacted gross profit, partially offset by lower SG&A expenses.

Paper Packaging & Services

Net sales decreased by $49.8 million to $560.2 million primarily due to lower volumes, partially offset by higher published containerboard and boxboard prices.

Gross profit increased by $13.4 million to $124.2 million. The increase in gross profit was primarily due to higher published containerboard and boxboard prices and lower raw material, transportation, and labor costs, partially offset by lower volumes and higher manufacturing costs.

Operating profit increased by $70.8 million to $109.1 million primarily due to the same factors that impacted gross profit and the $54.6 million gain from the divestiture of the Tama, Iowa mill in the Paper Packaging & Services segment during the first quarter of 2023. Adjusted EBITDA increased by $10.2 million to $90.7 million primarily due to the same factors that impacted gross profit.

Tax Summary

During the first quarter, we recorded an income tax rate of 28.9 percent and a tax rate excluding the impact of adjustments of 24.9 percent. Note that the application of FIN 18 frequently causes fluctuations in our quarterly effective tax rates. For fiscal 2023, we expect our tax rate and our tax rate excluding adjustments to be towards the high-end of our 23.0 to 27.0 percent range.

Dividend Summary

On February 28, 2023, the Board of Directors declared quarterly cash dividends of $0.50 per share of Class A Common Stock and $0.75 per share of Class B Common Stock. Dividends are payable on April 1, 2023, to stockholders of record at the close of business on March 17, 2023.

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

Company Outlook

Given the significant deterioration of product demand in the past two quarters and the degree of uncertainty in the forward looking macro-economic environment, we are unable to determine the trajectory of product demand for the remainder of our fiscal year. As a result, we are providing only a low-end guidance estimate that is based on the continuation of demand trends reflected in the recent two quarters, modified only by normal lifts related to agricultural, construction, and other seasonal end markets. In addition, we have factored in the impact of potential negative price trends in our paper business that could result from extended negative demand trends. Lastly, the low-end guidance estimate does not factor in any contribution from the recently announced potential Centurion transaction or other near-term actionable opportunities in our M&A pipeline, which, if closed and depending on timing, could add an additional $20 million to $40 million in additional Adjusted EBITDA to fiscal 2023.

(in millions, except per share amounts)	**Fiscal 2023 Low-End Guidance Estimate Reported at Q1**
Adjusted EBITDA	$740
Adjusted free cash flow	$370

Note: Fiscal 2023 net income, the most directly comparable GAAP financial measure to Adjusted EBITDA 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; acquisition and 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. No reconciliation of the 2023 low-end guidance estimate of Adjusted EBITDA, a non-GAAP financial measure which excludes restructuring charges, acquisition and integration costs, non-cash asset impairment charges, non-cash pension settlement charges, and (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 net income, the most directly comparable GAAP financial measure, without unreasonable efforts. A reconciliation of the 2023 low-end guidance estimate of adjusted free cash flow to fiscal 2023 forecasted net cash provided by operating activities, the most directly comparable GAAP financial measure, is included in this release.

Conference Call

The Company will host a conference call to discuss first quarter 2023 results on March 2, 2023, at 8:30 a.m. Eastern Time (ET). Participants may access the call using the following online registration link: https://register.vevent.com/register/BIc53b9201ca324e28ad2e22c45b0142bc. 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 2, 2023. 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.

Investor Relations contact information

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, jerrycans and other small plastics, 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 35 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, 2022. 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 current and future challenging global economy and disruption and volatility of the financial and credit markets may adversely affect our business, (iv) the COVID-19 pandemic could continue to impact any combination of our business, financial condition, results of operations and cash flows, (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 increased 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) we may not successfully implement our business strategies, including achieving our growth objectives, (xi) we may encounter difficulties or liabilities arising from acquisitions or divestitures, (xii) we may incur additional rationalization costs and there is no guarantee that our efforts to reduce costs will be successful, (xiii) several operations are conducted by joint ventures that we cannot operate solely for our benefit, (xiv) certain of the agreements that govern our joint ventures provide our partners with put or call options, (xv) our ability to attract, develop and retain talented and qualified employees, managers and executives is critical to our success, (xvi) our business may be adversely impacted by work stoppages and other labor relations matters, (xvii) 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, (xviii) our business depends on the uninterrupted operations of our facilities, systems and business functions, including our information technology and other business systems, (xix) 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, (xx) 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, (xxi) full realization of our deferred tax assets may be affected by a number of factors, (xxii) we have a significant amount of goodwill and long-lived assets which, if impaired in the future, would adversely impact our results of operations, (xxiii) our pension and postretirement 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, (xxiv) changing climate, global climate change regulations and greenhouse gas effects may adversely affect our operations and financial performance, (xxv) we may be unable to achieve our greenhouse gas emission reduction targets by 2030, (xxvi) legislation/regulation related to environmental and health and safety matters and corporate social responsibility could negatively impact our operations and financial performance, (xxvii) product liability claims and other legal proceedings could adversely affect our operations and financial performance, (xxviii) 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.

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, 2023	2022
Net sales	$ 1,271.0	$ 1,564.3
Cost of products sold	1,019.4	1,274.6
Gross profit	251.6	289.7
Selling, general and administrative expenses	139.4	151.6
Restructuring charges	2.4	3.5
Acquisition and integration related costs	7.5	1.6
Non-cash asset impairment charges	0.5	62.4
(Gain) loss on disposal of properties, plants and equipment, net	—	(1.4)
(Gain) loss on disposal of businesses, net	(54.6)	—
Operating profit	156.4	72.0
Interest expense, net	22.8	17.1
Other (income) expense, net	3.3	2.0
Income before income tax expense and equity earnings of unconsolidated affiliates, net	130.3	52.9
Income tax expense	37.7	35.6
Equity earnings of unconsolidated affiliates, net of tax	(0.5)	(1.3)
Net income	93.1	18.6
Net income attributable to noncontrolling interests	(3.2)	(8.3)
Net income attributable to Greif, Inc.	$ 89.9	$ 10.3
Basic earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	$ 1.55	$ 0.17
Class B common stock	$ 2.31	$ 0.25
Diluted earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	$ 1.54	$ 0.18
Class B common stock	$ 2.31	$ 0.25
Shares used to calculate basic earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	25.7	26.6
Class B common stock	21.7	22.0
Shares used to calculate diluted earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	25.8	26.8
Class B common stock	21.7	22.0

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

(in millions)	January 31, 2023	October 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 161.0	$ 147.1
Trade accounts receivable	674.2	749.1
Inventories	441.1	403.3
Other current assets	195.2	199.9
	1,471.5	1,499.4
Long-term assets		
Goodwill	1,540.8	1,464.5
Intangible assets	695.9	576.2
Operating lease assets	240.9	254.7
Other long-term assets	233.1	220.1
	2,710.7	2,515.5
Properties, plants and equipment	1,508.4	1,455.0
	$ 5,690.6	$ 5,469.9
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 464.0	$ 561.3
Short-term borrowings	4.6	5.7
Current portion of long-term debt	80.8	71.1
Current portion of operating lease liabilities	47.4	48.9
Other current liabilities	283.7	360.9
	880.5	1,047.9
Long-term liabilities		
Long-term debt	2,143.9	1,839.3
Operating lease liabilities	196.9	209.4
Other long-term liabilities	571.8	563.2
	2,912.6	2,611.9
Redeemable noncontrolling interests	15.3	15.8
Equity		
Total Greif, Inc. equity	1,845.4	1,761.3
Noncontrolling interests	36.8	33.0
Total equity	1,882.2	1,794.3
	$ 5,690.6	$ 5,469.9

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

(in millions)	Three months ended January 31, 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 93.1	$ 18.6
Depreciation, depletion and amortization	55.1	59.4
Asset impairments	0.5	62.4
Other non-cash adjustments to net income	(40.4)	19.2
Operating working capital changes	6.3	(58.1)
Decrease in cash from changes in other assets and liabilities,	(81.7)	(79.1)
Net cash (used) provided by operating activities	32.9	22.4
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of companies, net of cash acquired	(301.9)	—
Purchases of properties, plants and equipment	(49.3)	(44.5)
Proceeds from the sale of properties, plant and equipment and businesses, net of impacts from the purchase of acquisitions:	106.1	8.2
Payments for deferred purchase price of acquisitions	(21.7)	(4.7)
Other	(2.3)	(4.8)
Net cash (used) provided by investing activities	(269.1)	(45.8)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds on long-term debt, net	303.2	84.0
Dividends paid to Greif, Inc. shareholders	(28.9)	(27.2)
Payments for share repurchases	(17.8)	—
Tax withholding payments for stock-based awards	(12.4)	—
Other	(4.6)	(2.8)
Net cash (used) provided by financing activities	239.5	54.0
Effects of exchange rates on cash	10.6	(18.6)
Net increase (decrease) in cash and cash equivalents	13.9	12.0
Cash and cash equivalents, beginning of period	147.1	124.6
Cash and cash equivalents, end of period	$ 161.0	$ 136.6

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

(in millions)	Three months ended January 31, 2023	Three months ended January 31, 2022
Net sales:		
Global Industrial Packaging	$ 705.8	$ 949.1
Paper Packaging & Services	560.2	610.0
Land Management	5.0	5.2
Total net sales	$ 1,271.0	$ 1,564.3
Gross profit:		
Global Industrial Packaging	$ 125.3	$ 177.1
Paper Packaging & Services	124.2	110.8
Land Management	2.1	1.8
Total gross profit	$ 251.6	$ 289.7
Operating profit:		
Global Industrial Packaging	$ 45.9	$ 31.0
Paper Packaging & Services	109.1	38.3
Land Management	1.4	2.7
Total operating profit	$ 156.4	$ 72.0
EBITDA[8]:		
Global Industrial Packaging	$ 64.2	$ 51.0
Paper Packaging & Services	142.5	76.2
Land Management	2.0	3.5
Total EBITDA	$ 208.7	$ 130.7
Adjusted EBITDA[9]:		
Global Industrial Packaging	$ 71.8	$ 114.2
Paper Packaging & Services	90.7	80.5
Land Management	2.0	2.1
Total adjusted EBITDA	$ 164.5	$ 196.8

[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 acquisition and integration related costs, plus non-cash asset impairment charges, 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

(in millions)	Three months ended January 31, 2023	Three months ended January 31, 2022
Net income	$ 93.1	$ 18.6
Plus: Interest expense, net	22.8	17.1
Plus: Income tax expense	37.7	35.6
Plus: Depreciation, depletion and amortization expense	55.1	59.4
EBITDA	$ 208.7	$ 130.7
Net income	$ 93.1	$ 18.6
Plus: Interest expense, net	22.8	17.1
Plus: Income tax expense	37.7	35.6
Plus: Other expense (income), net	3.3	2.0
Plus: Equity earnings of unconsolidated affiliates, net of tax	(0.5)	(1.3)
Operating profit	$ 156.4	$ 72.0
Less: Other expense (income), net	3.3	2.0
Less: Equity earnings of unconsolidated affiliates, net of tax	(0.5)	(1.3)
Plus: Depreciation, depletion and amortization expense	55.1	59.4
EBITDA	$ 208.7	$ 130.7
Plus: Restructuring charges	2.4	3.5
Plus: Acquisition and integration related costs	7.5	1.6
Plus: Non-cash asset impairment charges	0.5	62.4
Plus: (Gain) loss on disposal of properties, plants, equipment, and businesses, net	(54.6)	(1.4)
Adjusted EBITDA	$ 164.5	$ 196.8

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
SEGMENT ADJUSTED EBITDA[10]
UNAUDITED

(in millions)	Three months ended January 31, 2023	Three months ended January 31, 2022
Global Industrial Packaging		
Operating profit	45.9	31.0
Less: Other (income) expense, net	3.6	1.9
Less: Equity earnings of unconsolidated affiliates, net of tax	(0.5)	(1.3)
Plus: Depreciation and amortization expense	21.4	20.6
EBITDA	$ 64.2	$ 51.0
Plus: Restructuring charges	2.1	2.1
Plus: Acquisition and integration related costs	5.0	—
Plus: Non-cash asset impairment charges	0.5	62.4
Plus: (Gain) loss on disposal of properties, plants, equipment and businesses, net	—	(1.3)
Adjusted EBITDA	$ 71.8	$ 114.2
Paper Packaging & Services		
Operating profit	109.1	38.3
Less: Other (income) expense, net	(0.3)	0.1
Plus: Depreciation and amortization expense	33.1	38.0
EBITDA	$ 142.5	$ 76.2
Plus: Restructuring charges	0.3	1.4
Plus: Acquisition and integration related costs	2.5	1.6
Plus: (Gain) loss on disposal of properties, plants, equipment and businesses, net	(54.6)	1.3
Adjusted EBITDA	$ 90.7	$ 80.5
Land Management		
Operating profit	1.4	2.7
Plus: Depreciation and depletion expense	0.6	0.8
EBITDA	$ 2.0	$ 3.5
Plus: (Gain) loss on disposal of properties, plants, equipment and businesses, net	—	(1.4)
Adjusted EBITDA	$ 2.0	$ 2.1
Consolidated EBITDA	$ 208.7	$ 130.7
Consolidated adjusted EBITDA	$ 164.5	$ 196.8

[10] 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 acquisition and integration related costs, plus non-cash asset impairment charges, 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[11]
UNAUDITED

(in millions)	Three months ended January 31, 2023	Three months ended January 31, 2022
Net cash provided by operating activities	$ 32.9	$ 22.4
Cash paid for purchases of properties, plants and equipment	(49.3)	(44.5)
Free cash flow	$ (16.4)	$ (22.1)
Cash paid for acquisition and integration related costs	7.5	1.6
Cash paid for integration related ERP systems and equipment[12]	1.3	1.7
Adjusted free cash flow	$ (7.6)	$ (18.8)

[11] 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 acquisition and integration related costs, plus cash paid for integration related ERP systems and equipment.

[12] Cash paid for integration related ERP systems and equipment is defined as cash paid for ERP systems and equipment required to bring the acquired facilities to Greif's standards.

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, 2023	$ 130.3	$ 37.7	$ (0.5)	$ 3.2	$ 89.9	$ 1.54	28.9 %
Restructuring charges	2.4	0.6	—	0.1	1.7	0.03	
Acquisition and integration related costs	7.5	1.8	—	—	5.7	0.09	
Non-cash asset impairment charges	0.5	0.1	—	—	0.4	0.01	
(Gain) loss on disposal of properties, plants, equipment and businesses, net	(54.6)	(18.8)	—	—	(35.8)	(0.61)	
Excluding adjustments	$ 86.1	$ 21.4	$ (0.5)	$ 3.3	$ 61.9	$ 1.06	24.9 %
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	
Acquisition and integration related costs	1.6	0.4	—	—	1.2	0.02	
Non-cash asset impairment charges	62.4	—	—	—	62.4	1.05	
(Gain) loss 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 %

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 DEBT
UNAUDITED

(in millions)	January 31, 2023	October 31, 2022	January 31, 2022
Total debt	$ 2,229.3	$ 1,916.1	$ 2,296.8
Cash and cash equivalents	(161.0)	(147.1)	(119.7)
Net debt	$ 2,068.3	$ 1,769.0	$ 2,177.1

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 1/31/2023**	**Trailing Twelve Months Ended 10/31/2022**	**Trailing Twelve Months Ended 1/31/2022**
Net income	$ 468.5	$ 394.0	$ 400.9
Plus: Interest expense, net	66.9	61.2	84.6
Plus: Debt extinguishment charges	25.4	25.4	—
Plus: Income tax expense	139.2	137.1	99.1
Plus: Depreciation, depletion and amortization expense	212.3	216.6	234.5
EBITDA	$ 912.3	$ 834.3	$ 819.1
Plus: Restructuring charges	11.9	13.0	23.5
Plus: Acquisition and integration related costs	14.6	8.7	8.7
Plus: Non-cash asset impairment charges	9.1	71.0	70.0
Plus: Non-cash pension settlement charges	—	—	0.6
Plus: Incremental COVID-19 costs, net	—	—	2.7
Plus: (Gain) loss on disposal of properties, plants, equipment, and businesses, net	(62.7)	(9.5)	(6.4)
Plus: Timberland gains, net	—	—	(95.7)
Adjusted EBITDA	$ 885.2	$ 917.5	$ 822.5
Credit agreement adjustments to EBITDA[13]	21.7	(17.7)	33.1
Credit agreement EBITDA	$ 906.9	$ 899.8	$ 855.6

Adjusted net debt *(in millions)*	**For the Period Ended 1/31/2023**	**For the Period Ended 10/31/2022**	**For the Period Ended 1/31/2022**
Total debt	$ 2,229.3	$ 1,916.1	$ 2,296.8
Cash and cash equivalents	(161.0)	(147.1)	(119.7)
Net debt	$ 2,068.3	$ 1,769.0	$ 2,177.1
Credit agreement adjustments to debt[14]	(150.5)	(214.2)	(130.7)
Adjusted net debt	$ 1,917.8	$ 1,554.8	$ 2,046.4
Leverage ratio	**2.11x**	**1.73x**	**2.39x**

[13] Adjustments to EBITDA are specified by the 2022 Credit Agreement and include certain timberland gains, equity earnings of unconsolidated affiliates, net of tax, certain acquisition savings, deferred financing costs, capitalized interest, income and expense in connection with asset dispositions, and other items.

[14] Adjustments to net debt are specified by the 2022 Credit Agreement and include the European accounts receivable program, letters of credit, and balances for swap contracts.

GREIF, INC. AND SUBSIDIARY COMPANIES
2023 LOW-END GUIDANCE ESTIMATE RECONCILIATION
ADJUSTED FREE CASH FLOW
UNAUDITED

(in millions)		Fiscal 2023 Low-End Guidance Estimate
Net cash provided by operating activities	$	523.3
Cash paid for purchases of properties, plants and equipment		(204.0)
Free cash flow	$	319.3
Cash paid for acquisition and integration related costs		20.0
Cash paid for integration related ERP systems and equipment		9.0
Cash paid for taxes related to Tama, Iowa mill divestment		21.7
Adjusted free cash flow	$	370.0

Exhibit 99.2

Greif, Inc.
First Quarter 2023 Earnings Results Conference Call
March 2, 2023

COMPANY PARTICIPANTS

Ole G. Rosgaard – Greif, Inc., Chief Executive Officer
Lawrence A. Hilsheimer – Greif, Inc., Chief Financial Officer & Executive Vice President
Matt Leahy – Greif, Inc., Vice President, Corporate Development and Investor Relations

OTHER PARTICIPANTS

Aadit Shrestha – Stifel, Nicolaus & Company, Incorporated, Research Division
Gabe Shane Hajde – Wells Fargo Securities, LLC, Research Division
Ghansham Panjabi – Robert W. Baird & Co. Incorporated, Research Division
Justin Laurence Bergner – Gabelli Funds, LLC

MANAGEMENT DISCUSSION SECTION

Operator
Good day and thank you for standing by. Welcome to the Greif's First Quarter 2023 Earnings Conference Call.
Please be advised that today's conference is being recorded. I would now like to hand the conference over to your speaker today, Matt Leahy. Please go ahead.

Matt Leahy
Vice President of Corporate Development & Investor Relations

Thanks, and good morning, everyone. Welcome to Greif's First Fiscal Quarter 2023 Earnings Conference Call. This is Matt Leahy, Greif's Vice President of Corporate Development and Investor Relations. And I am joined by Ole Rosgaard, Greif's President and Chief Executive Officer; and Larry Hilsheimer, Greif's Chief Financial Officer.

We will take questions at the end of today's call. In accordance with Regulation Fair Disclosure, please ask questions regarding issues you consider important because we are prohibited from discussing material nonpublic information with you on an individual basis. Please limit yourself to 1 question and 1 follow-up before returning to the queue.

Please turn to Slide 2. As a reminder, during today's call, we'll 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
President, CEO & Director

Thanks, Matt, and good morning, everyone. During our first quarter 2023, Greif took several important steps towards advancing our Build to Last strategy. We completed the acquisition of Lee Container in mid-December and are rapidly integrating this new growth business into Greif.

We proudly announced our new 2030 science-aligned sustainability targets, a road map for achieving our goals around climate, waste reduction and circularity. We divested one of our higher-cost CRB mills and today announced that we will be reinvesting that capital into another growth platform with a significant majority ownership in Centurion Container, our IBC reconditioning joint venture. We are increasing our ownership from approximately 9% to 80% with a path to full ownership in the next few years. I am proud of the progress made so far in 2023. And I look forward to building on this new foundation in the year to come.

Now on to our first quarter results. Our global businesses clearly felt the impact of several headwinds in the first quarter. In our fourth quarter call, we cautioned against a weaker start to the 2023 year specifically highlighting the volume softness we were seeing as well as the steel price cost headwinds in GIP and their impact to first quarter margins.

Actual volume trends in both businesses came in below our low original expectations, and the net impact was a challenging first quarter result relative to fiscal 2022, though it was the second best first quarter in Greif's 145-year history. Also noting Q1 fiscal 2022 included full quarter EBITDA contribution from the FPS business, which was subsequently sold.

While the demand environment remains uncertain, our teams acted swiftly on cost-out actions, working to match production with demand, rationalizing and optimizing our footprint and tightly managing working capital. We will continue to aggressively manage costs during this period of volume softness and yet will remain agile enough to respond and support our customers when demand improves. I'm proud of our team's ability to adapt to the changing demand environment and our commitment to taking actions to right-size our costs while still focusing on growth and disciplined execution of our Build to Last strategy.

Please turn to Slide 4. On Tuesday, we signed an acquisition agreement to increase our ownership stake in Centurion Container to 80%, subject to customary closing conditions and regulatory clearances. As I mentioned a few months ago, regarding our acquisition strategy, our most attractive targets are close to our core business of Industrial Packaging, add diversification benefits and product offerings or end markets and are margin accretive. We also want to grow with businesses that have a strong sustainability component. Centurion Container meets all those criteria. And I'm even more excited about the future of our partnership than when Greif made its initial investment almost 3 years ago in April of 2020.

The Centurion partnership helps accelerate our growth in resin-based products with a sustainable offering of both new and reconditioned IBCs. Since inception in 2020, the joint venture has grown EBITDA by nearly eightfold through both organic and inorganic top line growth and a scalable business model with strong margins and exceptional cash flow conversion. I'm excited about the continued growth potential of this business, and I look forward to formally welcoming the Centurion colleagues as part of Greif after we conclude the transaction.

Let's now turn back to our quarterly results on Slide 5, please. As mentioned earlier, in our fiscal first quarter, our Global Industrial Packaging business experienced dual headwinds in decelerating demand and temporary margin compression from rapid steel price deflation. Steel, plastic and IBC volumes were each down low double digits year-over-year on a global basis. The North American market was weakest largely due to lower demand within the chemical and coating end markets.

Our LatAm region remains solid, essentially flat against a strong Q1 2022 on continued strong demand from the ag chem and food markets. EMEA and APAC volumes were weak through most of the quarter, but we saw some isolated sequential improvements in order patterns in February that gives us some hope that demand may be on a path to recovery in Q2.

In the face of these challenges, I commend our global GIP team for their decisive actions taken in managing costs and maintaining our price discipline. Our expectation is that the combined impact of our team's actions along with normalization in steel prices, should result in sequential margin improvements in GIP next quarter.

Please turn to Slide 6. Paper Packaging's first quarter sales declined by approximately $50 million in the quarter due to lower mill and converting volumes throughout the quarter despite a year-on-year pricing tailwind. First quarter volumes in our CorrChoice sheet feeder system and tube and core system were down low double digits per day compared to the very strong Q1 2022.

Tube and core volumes suffered from particularly slow demand in the paper, film core and protective-board end markets. In the quarter, Greif took approximately 94,000 tons of economic downtime across our mill system with approximately 40,000 tons taken in containerboard, 35,000 tons in URB and the rest in CRB.

As in our GIP business, our PPS team is responding quickly to the changes in demand, taking actions on costs across the network with shifts in labor cost reductions temporary furloughs and advancing our footprint consolidation plans. In both businesses, teams remain laser-focused on working capital management and we expect to capitalize on incremental opportunities to improve margins and cash flow in the coming quarters.

I will now turn it over to our CFO, Larry Hilsheimer, on Slide 7, to discuss our Q1 financial review as well as our 2022 guidance. Larry?

Lawrence Allen Hilsheimer
Executive VP & CFO

Thank you, Ole. Good morning, everyone. As Ole mentioned, our first quarter fiscal faced several challenging headwinds more than we anticipated when we provided guidance in December. I too want to commend our teams for acting swiftly to manage cost as we faced a tougher demand environment.

The first quarter of 2023 was Greif's second-best start to the year ever, bested only by our record Q1 '22, which included the $12 million EBITDA contribution attributable to FPS which was sold in April of 2022. I am proud of our performance to date, given the strong economic headwinds. Net sales were down $293.3 million in the fiscal first quarter, driven primarily by volume declines and the impact of $89.4 million of prior year net sales attributable to the FPS business, which we divested last April.

Gross profit declined by $38.1 million, primarily due to lower volumes and the impact of the previously mentioned steel price cost headwinds in our GIP business which we expect will abate in the second half as price trends have stabilized. Adjusted EBITDA was $164.5 million in the quarter, down $32.3 million year-over-year though only down approximately $20 million when factoring in the prior year contribution of FPS with consolidated EBITDA margins of 12.9%, a 30-basis point improvement versus Q1 '22.

CapEx came in line with our plan at $48 million for the quarter, a slight increase versus our first quarter of 2022. Our organic growth plans remain intact and teams are finding it easier to execute on our capital projects as the wait times on new machinery constrict and more engineering staff becomes available.

As Ole mentioned, we improved our free cash flow over prior year, which is especially notable given the pronounced volume weaknesses we've seen in the -- and highlights the solid execution of our teams on reducing working capital and generating cash. We are still challenging our teams to drive further on working capital reduction initiatives even if demand improves. We believe we can capture additional efficiencies throughout our supply chain.

Now let's turn to Slide 8 to discuss guidance. Setting guidance in 2023 has posed a particularly difficult challenge. In our Q4 call, we provided a guidance range of $820 million to $906 million in EBITDA and $410 million to $460 million in free cash flow, admittedly a wide range with a great deal of caution given the uncertainty and demand in the macro environment. We also tried to frame Q1 weaknesses for you based on the volume trends we were seeing through November and into December that we would -- we expected would level out and improve in January based on discussions with customers.

However, that did not happen. Volumes in both businesses finished worse than our expectations through January and that weakness has continued into February in North America while stabilizing in our other regions. As we contemplated guidance for the remainder of the year, we determined we have insufficient data to expect an inflection point in the demand trends, which we have experienced in the past 2 quarters beyond normal seasonal drivers in end markets, including agriculture and construction. As a result, we cannot establish a high end of guidance and consequently determined that we could choose to either provide no guidance or provide guidance assuming the trends we have been experiencing with adjustments for the seasonal drivers.

We chose to provide low-end only guidance based on that determination, concluding that some guidance is better than none. We also believe that if the demand pattern continues, further deterioration in pricing in the paper industry could emerge. On an overall basis, we have reflected volume impact in the low-end guidance of $42 million in our GIP business and $62 million in our PPS business relative to the midpoint of our prior guidance range, inclusive of 1Q results.

In addition, we have included a pricing impact in the paper business of $33 million. We will not be providing the breakdown by paper grade. While this approach may seem draconian when compared to our prior guidance and especially our record results in 2022, I do want to reframe things with a broader look at history to highlight the improvements we've made in the business model and our earnings power.

Looking back at our Investor Day last year, we presented a recession downside case of $600 million to $700 million of EBITDA and $260 million to $320 million of free cash flow. The volume trends we're seeing at present are significantly worse than those scenarios, and our earnings and cash flow outlook is better. This low-end guide is above our fiscal 2021 results, excluding FPS. And yet again, our volumes are currently trending materially worse than during that year.

We have simply raised the bar and performance at Greif by taking action to right size our cost by maintaining our strict pricing discipline in the marketplace and by using our balance sheet to continue to grow the business.

I'll close by saying we are hopeful that current volume pressures subside, and we see the demand recovery in the second half of 2023, in line with our view in December. We have aggressive working capital goals in place as well as some exciting targets in our M&A pipeline, including Centurion that, if closed and depending on timing, could add an additional $20 million to $40 million of EBITDA in 2023. And even if our low-end guidance is realized due to the negative economic environment, we find comfort in the strength of our balance sheet and cash flow generation to continue to provide growth capital to fund our business in the years ahead.

With that closing thought on guidance, I'd like to share again our capital allocation strategy on Slide 9. As mentioned in Ole's opening remarks, even with the $300 million acquisition of Lee Container and a slower first quarter, we are still towards the low end of our target leverage ratio range. We plan to continue to invest in our long-term strategic objectives and look to be opportunistic when attractive targets become available. I am confident given our balance sheet strength and cash flow generation that Greif will be able to continue to grow our dividend and repurchase shares while simultaneously funding our critical maintenance CapEx and executing on our strategic growth plan. I am excited about the strategic opportunities captured thus far in 2023 and the growing list of attractive businesses in our M&A pipeline. We will maintain our strict discipline around capital allocation and acquisitions and continue to pursue only the highest quality businesses that fit our strategy and culture and elevate the breadth and competitive positioning of the Greif portfolio.

With that, I'll turn things back to Ole on Slide 10.

Ole G. Rosgaard
President, CEO & Director

Thanks, Larry. To build off Larry's comments, one final comment, Build to Last is about long-term growth and a strategic vision to be the best customer service company in the world. That means executing with discipline regardless of where we are in the business cycle, but it also doesn't happen without thoughtful and continued capital investments.

Despite our slow start to 2023, we are confident in the global Greif team to execute well in full year 2023 and post strong financial results to continue fueling our growth and business objectives. We are excited for the year ahead and will work to continue to produce results worthy of your investment in our company.

We thank you for your interest in Greif. Michelle, you can open the line to questions.

QUESTION AND ANSWER SECTION

Operator
Our first question comes from the line of Ghansham Panjabi with Robert W. Baird.

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

I guess just building off your comments on destocking, do you have a sense as to where we are in that process? And then as it relates to your comments on February, clearly, China is starting to reopen, some of the early data points seem pretty positive as it relates to economic pickup, et cetera. Are you starting to see that in specific regions, including Europe? Or is it just too early at this point?

Ole G. Rosgaard
President, CEO & Director

Yes. Probably a bit too early, Ghansham, but what I can say is that we do see some improvement, especially in APAC and in Northwestern Europe. LatAm remains fairly strong, but North America is really where we don't see any improvements. It's not getting worse, but it's not getting better either.

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

Got you. And then on the destocking, where do you think we are on that?

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes. It's been extremely difficult to get any clarity on that, Ghansham. I mean it is clear through discussions with our customers that there has been an impact of destocking but it's not clear whether we're through it yet. I mean -- and given what we've seen in February relative to volume trends in December and January, there's certainly no indication to us that anything has shifted yet.

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

Got it. And then just for my second question on Centurion, can you just give us a sense as to what's so unique about the asset that underlies the EBITDA margin profile of 23% and the outsized growth since the joint venture was formed.

Ole G. Rosgaard
President, CEO & Director

It's essentially -- it's a service business, where we collect used containers from our customers. And then either we recondition them or we put a new container into the steel cage. When we recondition them or when we use the old plastic to manufacture new products, so it's a circle of products very sustainable. And because it's a service business, it comes with solid margins as well. And it plays into our strategy of high-margin EBITDA growth.

Operator
Our next question comes from the line of Gabe Hajde with Wells Fargo.

Gabe Shane Hajde
Wells Fargo Securities, LLC, Research Division

Yes. I wanted to -- I think, Larry, in your prepared remarks, you talked about opportunities. I think it was specific to PPS to take out cost as well as improve working capital. I'm just -- if you could expand on that a little bit. I'm curious what you're referencing. You did talk about some footprint consolidation. I don't know if that's part of what you're talking about, but just help us there.

Ole G. Rosgaard
President, CEO & Director

Gabe, it's Ole here. I can talk a little bit about that. We have been planning some rooftop consolidations primarily on the converting sites and we're speeding them up and executing them. And they are in flight at the moment. And we're also looking at our shift structure to make -- taking some shifts out, consolidating shifts so that we can maximize production when we are running. And then we have furloughed 2 mills. We don't know when or how long, but we have furloughed them until further notice.

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes. And part of the other thing that comes with that revamping of our shift structure, Gabe, is -- in this industry, there's been a lot of structural over time built into the way that they -- workers work. And we've been addressing that to take out some of that structural overtime cost.

Gabe Shane Hajde
Wells Fargo Securities, LLC, Research Division

Yes. Understood. Okay. The other one is -- or second question, I guess, on the low end of guide. Maybe just so we frame it up correctly or make sure that we're hearing everything properly. You're sort of extrapolating out down, I guess, low double digits in GIP and, and call it, low teens in PPS and then kind of holding price constant from where we're at today. And then you gave us the OCC assumption. So, I guess, a, can you confirm that? And then, is there a scenario that you look at when you guys kind of did your re-budget or recast that could come in lower than that? And maybe what could be the drivers there?

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes. We believe that -- well, first of all, let me get to some of your specific numbers. Just to clarify, you're right, maybe on the GIP side. On the PPS side, you're actually light. I mean we've been -- our mill volumes are low 20% down year-over-year. So now that's over some strong performance in -- particularly in Q2 of last year. So, it'd be still pretty significant volume roll forwards on that, that are going to be painful.

Could it be worse? I guess -- yes, I guess, you can always have worse. We think what we've laid out, we don't have any indications to us that things are going to get worse than where they are. We just don't have any indication it's going to get better. And so that's where -- how we planned and where we are.

But I did also want to restate something I said in my prepared remarks, -- we believe that if this volume trend in paper continues like this, it's inevitable that there would be some price pressure and so we did build in, relative to the midpoint of our prior guide, about $33 million of impact of further price erosion from where we were in our assumptions in our guidance midpoint.

Gabe Shane Hajde
Wells Fargo Securities, LLC, Research Division

Okay. And then the last one...

Matt Leahy
Vice President of Corporate Development & Investor Relations

Gabe, this is Matt. I just want to clarify your question first. Were you asking the view on paper volumes for the full year or where they were trending currently?

Gabe Shane Hajde
Wells Fargo Securities, LLC, Research Division

Well, I guess if you offer that up, that would be great. But it was more just to clarify to make sure I understood what's embedded in the $740 million number, which it sounds like it's sort of down consistent with what you reported in fiscal Q1.

Matt Leahy
Vice President of Corporate Development & Investor Relations

Yes, I think -- so the comment is for the full year, it's not down as much as it was down in Q1...

Lawrence Allen Hilsheimer
Executive VP & CFO

Because they're seasonal.

Matt Leahy
Vice President of Corporate Development & Investor Relations

Because there's -- and the comps get easier in the back half. So, I just want to be clear there that, that's more what we're referring to is the volumes we saw down in Q1 are off a pretty strong comp and then comps get easier in the back half. So, things kind of normalize throughout the year. So, it's not the same percentage decline every quarter and through the full year.

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes. My point was, we saw a pretty significant drag in -- as we talked about on the last call in 3Q beginning and then 4Q was bad. So you had overall volumes for fiscal '22 as you remember, down about almost 3%. So now if you then add the rest of this year, it's even further down.

Gabe Shane Hajde
Wells Fargo Securities, LLC, Research Division

Understood. Okay. And then I guess the February trends, it sounds like it -- not much has changed, but just to confirm that.

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes, that's correct.

Gabe Shane Hajde
Wells Fargo Securities, LLC, Research Division

Okay. And last one, it looks like there's, call it, I don't know, $45 million left on the share repo authorization. Is it -- I guess tough question to ask, not asking exact timing. But just maybe that would be on pause until we get a little more clarity on the macro?

Lawrence Allen Hilsheimer
Executive VP & CFO

No. No, we're very comfortable with our balance sheet position. We're moving forward on our stock repurchase.

Operator
Our next question comes from the line of Aadit Shrestha with Stifel.

Aadit Shrestha
Stifel, Nicolaus & Company, Incorporated, Research Division

So, my first question is just about Centurion. So, when do you actually expect that to close? And sort of what is the annual EBITDA. I know you gave $20 million to $40 million, but sort of the timeline we're pretty uncertain about? And the margins kind of -- are they expected to be in line with Greif's IBC business already?

Lawrence Allen Hilsheimer
Executive VP & CFO

So, we've got just the standard timeline to get close to -- through the regulatory process. We expect it to close near term. And just to clarify that $20 million to $40 million was not Centurion, alone, that $20 million to $40 million was Centurion and some other near- term opportunities in our M&A pipeline if they materialize. So, it's looking at all of that together. And as to Centurion, the slide in our deck does a good job of laying out what it is on an annual basis and the margin profile of it.

Aadit Shrestha
Stifel, Nicolaus & Company, Incorporated, Research Division

I'll take a look at that. And the divestment of the CRB mill. So how much sort of volume, sales, EBITDA, free cash, can we get sort of color on how much is actually being lost on the divestment?

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes. The -- so we -- that is a high cost mill for us. The purchaser, it was more valuable to them than it was to us. We had built in for this year, an EBITDA realization for the full year that would make that a very, very attractive multiple but we sold that at -- given current volume trends that we've seen. I don't really want to go into exact numbers on the EBITDA on that mill, but it was a very nice multiple.

Matt Leahy
Vice President of Corporate Development & Investor Relations

And. It was in our prior guidance, too, by the way.

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes.

Matt Leahy
Vice President of Corporate Development & Investor Relations

That not being in the number.

Operator

Our next question comes from the line of Justin Bergner with Gabelli.

Justin Laurence Bergner
Gabelli Funds, LLC

First question just is in regard to the $600 million to $700 million of downside EBITDA at the Investor Day and the $740 million being sort of a new low-end guide tracking above that. Can you sort of help handicap -- I mean, the Investor Day wasn't that long ago. Can you help handicap what is allowing the business to perform better than that $600 million to $700 million scenario despite you experiencing recessionary volume conditions at least for your business this year?

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes. Justin, it's a whole combination of things I mentioned, but it's operating efficiency. We've improved things in supply chain. We have done some -- we're doing these footprint consolidation activities that Ole mentioned, and it's managing our shift structures. It's just a whole combination of things. But probably the biggest one is even stronger and better execution on our value over volume strategy and really good strength on pricing discipline among our team.

Justin Laurence Bergner
Gabelli Funds, LLC

Great. That's helpful. Second question relates to, I think, the bridge from the midpoint of the prior EBITDA guide range to the $740 million. I think you said $42 million in GIP volume, $62 million in Paper Packaging volumes and $33 million pricing impact. That would lead me a positive $10 million delta to get to the $740 million. Is that just sort of cost containment actions? Or is that something else?

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes. We've got -- yes, you're right on the math. We've got about over $40 million of actions of improvement related to the items that we mentioned. And then we just got $26 million going the other way of items that are mix, product mix, margins, stuff like that. And just some inflationary cost elements that offset that.

Justin Laurence Bergner
Gabelli Funds, LLC

Got it. And then lastly, the Centurion transaction, I mean, given that it was a JV structure, did you actually have to bid against other parties? Or did you sort of have the right of first refusal?

Lawrence Allen Hilsheimer
Executive VP & CFO

It was a -- when we entered into the deal to acquire the initial piece, we had a buyout mechanism set forth in that, that provided the multiple on trailing EBITDA, which is based is -- what we ended up paying on.

Justin Laurence Bergner
Gabelli Funds, LLC

Okay. So, it's sort of like a put call provision from when the JV was entered into...

Lawrence Allen Hilsheimer
Executive VP & CFO

Yes, more of a put, but yes.

Operator
Our next question is a follow-up question from Gabe Hajde with Wells Fargo.

Gabe Shane Hajde
Wells Fargo Securities, LLC, Research Division

I wanted to ask one on Centurion, just because you did kind of give us a little bit of detail here on Slide 4. I guess just to calibrate properly, we make our own assumption in terms of when things might close, let's just say, I don't know, for modeling purposes, May or something like that. Is it -- I don't want to throw water on here. But is it safe to say that this business is likely kind of experiencing similar trends that you are all seeing in your base business, so we may need to adjust that?

And then secondly, is part of the magic for how this thing has been able to kind of 8x EBITDA since like April 2020, I think as you made your initial investment. Then just the network overlap and sort of synergy with Greif? Or is that what you expect sort of from a conventional refurbished business if that makes sense. So, meaning that the synergy number is sort of already baked in there, on that $24 million or 23% EBITDA margin.

Ole G. Rosgaard
President, CEO & Director

Well, in terms of the network, obviously, we are leveraging our footprint and our customer base in the business. So that has helped, and we will continue to do that. In terms of -- I can't really comment on -- we can't comment on their volume, but it's safe to assume that it still is in line with the rest of the macro deteriorations that we see in the markets.

Lawrence Allen Hilsheimer
Executive VP & CFO

The one thing I would add to that is there -- with us now having 80% ownership, assuming this closes, which we assume it will, we will then be supplying all of the bottles for their needs, which has not been the case to date. So, there is some synergy pickup for us there.

Ole G. Rosgaard
President, CEO & Director
And we'll be able to provide a full service to all our customers directly, rather than them receiving their services separately.

Operator
I would now like to turn the conference back to Matt Leahy for any closing remarks.

Matt Leahy
Vice President of Corporate Development & Investor Relations

Very good. Thank you, everyone, for joining today, and have a nice day.

Operator

This concludes today's conference call. Thank you for participating. You may now disconnect.