# 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**

**February 26, 2021** **(February 23, 2021)**

**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 February 24, 2021, Greif, Inc. ("the Company") issued a press release (the "Earnings Release") announcing the financial results for its first quarter ended January 31, 2021. 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 2021 and the first quarter of 2020, 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 non-cash pension settlement charges (income), plus incremental COVID-19 costs, net, plus loss (gain) 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 2021 and the first quarter of 2020, 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 non-cash pension settlement charges (income), plus incremental COVID-19 costs, net, plus loss (gain) 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 2021 and the first quarter of 2020, 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 non-cash pension settlement charges (income), plus incremental COVID-19 costs, net, plus loss (gain) 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 2021 and the first quarter of 2020, 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 incremental COVID-19 costs, net, plus cash paid for acquisition and 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 2021 and the first quarter of 2020, 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 2021 and the first quarter of 2020, which is equal to that business segment's net sales for the applicable quarter, after adjusting such sales for the first quarter of 2021 for foreign currency translation;

(vii) adjusted EBITDA for the Company's Global Industrial Packaging business segment for the first quarter of 2021 and the first quarter of 2020, 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 non-cash asset impairment charges, plus incremental COVID-19 costs, net, plus (gain) loss on disposal of properties, plants, equipment and businesses, net, each for the applicable period;

(viii) adjusted EBITDA for the Company's Paper Packaging & Services business segment for the first quarter of 2021 and the first quarter of 2020, which is equal to that business segment's operating profit less non-cash pension settlement charges (income), less other expense (income), net, plus depreciation and amortization expense, plus restructuring charges, plus acquisition and integration related costs, plus non-cash pension settlement charges (income), plus incremental COVID-19 costs, net, plus loss (gain) on disposal of properties, plants, equipment and businesses, net, each for the applicable period; and

(ix) adjusted EBITDA for the Company's Land Management business segment for the first quarter of 2021 and the first quarter of 2020, which is equal to that business segment's operating profit plus depreciation, depletion and amortization expense, plus loss on disposal of properties, plants, equipment and businesses, net, each for the applicable period.

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

(i) the Company's second quarter 2021 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 acquisition and integration related costs, plus incremental COVID-19 costs, net, plus loss (gain) on disposal of properties, plants, equipment, net, less gain on sale of timberlands, each net of tax, noncontrolling interest and equity earnings of unconsolidated affiliates and on a consolidated basis for the applicable period.

No reconciliation of the forward-looking non-GAAP financial measure was included in the Earnings Release for item (i) 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, acquisition and integration related costs, non-cash asset impairment charges, non-cash pension settlement charges (income), incremental COVID-19 costs, net, and disposals 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, acquisition and integration related costs, incremental COVID-19 costs, net, and cash paid for acquisition and integration related ERP systems from the Company's consolidated net cash provided by (used in) 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 5 – Corporate Governance and Management**

**Item 5.01. Submission of Matters to a Vote of Security Holders**

The Annual Meeting of Stockholders (the "Annual Meeting") of the Company was held virtually on February 23, 2021. At the Annual Meeting, the holders of the Company's Class B Common Stock voted on the following proposal and cast their votes as described below.

To elect as directors for one-year terms Vicki L. Avril-Groves, Bruce A. Edwards, Mark A. Emkes, John F. Finn, Michael J. Gasser, Daniel J. Gunsett, Judith D. Hook, John W. McNamara, Robert M. Patterson and Peter G. Watson, the ten persons recommended by the Nominating and Corporate Governance Committee, all of whom are currently directors of the Company.

| *** | FOR | WITHHELD |
|---|---|---|
| Vicki L. Avril-Groves | 16,163,053 | 185,472 |
| Bruce A. Edwards | 16,259,531 | 88,994 |
| Mark A. Emkes | 16,235,454 | 113,071 |
| John F. Finn | 15,923,175 | 425,350 |
| Michael J. Gasser | 14,934,703 | 1,413,822 |
| Daniel J. Gunsett | 15,726,428 | 622,097 |
| Judith D. Hook | 15,724,875 | 623,650 |
| John W. McNamara | 16,276,755 | 71,770 |
| Robert M. Patterson | 16,310,855 | 37,670 |
| Peter G. Watson | 16,310,827 | 37,698 |

**Section 7 – Regulation FD**

**Item 7.01. Regulation FD Disclosure.**

i. Transcript of Conference Call

On February 25, 2021, 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, 2021. The file transcript of the Conference Call is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

ii. Agreement to Sell Timberlands

On February 24, 2021, the Company entered into an agreement to sell approximately 69,200 acres of timberlands in southwest Alabama to Weyerhaeuser Company and a subsidiary for approximately $149 million in cash. The full text of the press release announcing this agreement is furnished as Exhibit 99.3 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 February 24, 2021 announcing the financial results for its first quarter ended January 31, 2021. |
| 99.2 | File transcript of conference call with interested investors and financial analysts held by management of Greif Inc. on February 25, 2021. |
| 99.3 | Press release issued by Greif Inc. on February 25, 2021 announcing an agreement for the sale of timberlands. |

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: February 26, 2021 | By /s/ Lawrence A. Hilsheimer |
| | Lawrence A. Hilsheimer,<br>Executive Vice President and Chief Financial Officer |

**Exhibit 99.1**

Contact:
Matt Eichmann
740-549-6067
matt.eichmann@greif.com

## Greif Reports First Quarter 2021 Results

DELAWARE, Ohio (February 24, 2021) – Greif, Inc. (NYSE: GEF, GEF.B), a global leader in industrial packaging products and services, today announced first quarter 2021 results.

**First Quarter Financial Highlights include (all results compared to the first quarter of 2020 unless otherwise noted):**

- Net income of $23.4 million or $0.40 per diluted Class A share decreased compared to net income of $32.3 million or $0.55 per diluted Class A share. Net income, excluding the impact of adjustments[(1)], of $35.9 million or $0.61 per diluted Class A share decreased compared to net income, excluding the impact of adjustments, of $37.9 million or $0.64 per diluted Class A share. Adjusted EBITDA[(2)] decreased by $8.9 million to $138.5 million.

- Net cash provided by operating activities decreased by $8.0 million to a source of $11.5 million. Adjusted free cash flow[(3)] increased by $1.8 million to a use of $11.5 million.

- Total debt decreased by $268.7 million to $2,539.4 million. Net debt[(4)] decreased by $279.3 million to $2,438.0 million.

**Strategic Actions and Announcements**

- The Company has made changes to the Rigid Industrial Packaging & Services ("RIPS") and Flexible Products & Services ("FPS") operational and financial management practices and procedures and combined the two segments under a single global leadership team. These changes were made to enhance cross-selling and service offerings to customers within similar markets and enhance Greif Business System effectiveness. As a result of these changes, during the first quarter of 2021, the RIPS segment and the FPS segment have been combined into a single reportable segment known as Global Industrial Packaging. Prior to close of business on February 24, 2021 the Company filed a Current Report on Form 8-K with the SEC to furnish certain historical GAAP and non-GAAP financial information in a revised presentation aligned with the Company's new reportable segment structure described above.

- Awarded an A- Leadership ranking for the third consecutive year by CDP as part of their annual climate change assessment and named to CDP's 2020 Supplier Engagement Leaderboard, placing Greif in the top 7% of suppliers assessed. Also recognized as one of America's most responsible companies for the second consecutive year by Newsweek.

Pete Watson, Greif's President and Chief Executive Officer, commented:

"Greif delivered solid first quarter results despite continued challenging circumstances due to the pandemic. Volumes grew across most of our packaging substrates as many of our key end markets improved and were particularly robust in our corrugated business. In response to strong demand for our products and cost inflation experienced in our key raw materials and transportation services, we are actively implementing price increases across our broad global product portfolio.

Looking ahead, Greif is well positioned to benefit as the world recovers from the pandemic. We remain laser focused on managing those areas within our control to drive value creation."

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(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, non-cash pension settlement charges (income), incremental COVID-19 costs, net and loss (gain) 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 non-cash pension settlement charges (income), plus incremental COVID-19 costs, net, plus loss (gain) 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 incremental COVID-19 costs, net, plus cash paid for acquisition and integration related Enterprise Resource Planning (ERP) systems.
(4) Net debt is defined as total debt less cash and cash equivalents.

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[5] score was 92.1 during the fiscal first quarter 2021 and 92.6 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, which was roughly flat to the prior year quarter. CSI for the Paper Packaging & Services segment was 88.8, which was roughly 4% lower compared to the prior year quarter as a result of strong product demand that impacted customer delivery timing.

**Liquidity and Balance Sheet**

As of January 31, 2021, the Company had $420.9 million of available borrowing capacity[6] under its $800.0 million revolving credit facility. During the quarter the Company entered into a delayed draw term loan with the intent to utilize the proceeds to pay down the Company's Euro 200 million 7.375% senior notes at maturity in July of 2021. Based on the provisions of the applicable loan documents and a series of forward interest rate swaps entered into by the Company, if this term loan was drawn down today, the interest rate would be approximately 2.5% per annum. Other than the Euro 200 million senior notes, the Company has no other sizable debt maturities due until 2024.

**Segment Results (all results compared to the first quarter of 2020 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 2021 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** | 1.1 % | — % |
| **Volume** | 2.4 % | 12.6 % |
| **Selling Prices and Product Mix** | 1.1 % | 2.2 % |
| **Total Impact of Primary Products** | 4.6 % | 14.8 % |

**Global Industrial Packaging**

Net sales increased by $27.6 million to $659.3 million. Net sales excluding foreign currency translation increased by $18.9 million primarily due to higher volumes and higher average sale prices partly driven by contractual price adjustment mechanisms related to raw material price increases.

Gross profit increased by $10.2 million to $130.3 million. The increase in gross profit was primarily due to the same factors that impacted net sales, partially offset by higher transportation expenses.

Operating profit increased by $9.2 million to $54.0 million. Adjusted EBITDA increased by $12.9 million to $79.5 million primarily due to the same factors that impacted gross profit.

**Paper Packaging & Services**

Net sales increased by $7.2 million to $480.9 million primarily due to higher published containerboard prices and higher volumes. Net sales for the first quarter 2020 included $53.0 million of net sales attributable to the divested Consumer Packaging Group business, which was sold on April 1, 2020.

Gross profit decreased by $20.5 million to $79.6 million. The decrease in gross profit was primarily due to higher old corrugated container and other raw material input costs and higher transportation expenses.

Operating profit decreased by $18.2 million to $14.3 million. Adjusted EBITDA decreased by $21.8 million to $56.1 million primarily due to the same factors that impacted gross profit.

**Land Management**

Net sales decreased by $0.7 million to $6.3 million.

Operating profit decreased by $0.2 million to $1.7 million. Adjusted EBITDA remained flat at $2.9 million.

**Tax Summary**

During the first quarter, the Company recorded an income tax rate of 16.8 percent. The Company’s tax rate excluding the impact of adjustments was 19.7 percent. The application of FIN 18 frequently causes fluctuations in our quarterly effective tax rates.

**Dividend Summary**

On February 23, 2021, the Board of Directors declared quarterly cash dividends of $0.44 per share of Class A Common Stock and $0.66 per share of Class B Common Stock. Dividends are payable on April 1, 2021, to stockholders of record at the close of business on March 19, 2021.

**Company Outlook**

The Company is utilizing quarterly outlook given the continued market unpredictability caused by the COVID-19 pandemic.

| Second Quarter 2021 Outlook | |
|---|---|
| Class A earnings per share before adjustments | $0.96 - $1.06 |

Note: Fiscal second quarter 2021 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: gains or losses on the disposal of businesses, timberland or properties, plants and equipment, net; non-cash asset impairment charges due to unanticipated changes in the business; restructuring-related activities; non-cash incremental COVID-19 costs, net; non-cash pension settlement (income) charges; or acquisition and integration costs, and the income tax effects of these items and other income tax-related events. No reconciliation of the fiscal second quarter 2021 Class A earnings per share before adjustments guidance, a non-GAAP financial measure which excludes gains and losses on the disposal of businesses, timberland and properties, plants and equipment, non-cash pension settlement (income) charges, acquisition and integration costs, incremental COVID-19 costs, net, restructuring and impairment charges, 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.

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

(6) Available borrowing capacity is determined by the lesser of the available capacity on the Company's secured revolving credit facility or the amount which could be borrowed without causing the Company's leverage ratio to exceed 4.5.

(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 the first quarter of 2021 results on February 25, 2021, at 8:30 a.m. Eastern Time (ET). Participants may access the call using the following online registration link: http://www.directeventreg.com/registration/event/3884044. 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. The conference call will also be available through a live webcast, including slides, which can be accessed at http://investor.greif.com by clicking on the Events and Presentations tab and searching under the events calendar. A replay of the conference call will be available on the Company's website approximately two hours following the call.

**About Greif**

Greif is a global leader in industrial packaging products and services and is pursuing its vision: in industrial packaging, 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, 2020. 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 currency exchange and political risks 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, energy and transportation price fluctuations and shortages may adversely impact our manufacturing operations and costs, (ix) the frequency and volume of our timber and timberland sales will impact our financial performance, (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) the acquisition of Caraustar Industries, Inc. and its subsidiaries subjects us to various risks and uncertainties, (xiii) we may incur additional restructuring 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 may have a material adverse effect on our business, financial condition, results of operations and cash flows, (xxi) changes in U.S. generally accepted accounting principles (GAAP) and SEC rules and regulations concerning the maintenance of effective internal controls could materially impact our reported financial results, (xxii) we could be subject to changes in our tax rates, the adoption of new U.S. or foreign tax legislation or exposure to additional tax liabilities, (xxiii) full realization of our deferred tax assets may be affected by a number of factors, (xxiv) our level of indebtedness could adversely affect our liquidity, limit our flexibility in responding to business opportunities, and increase our vulnerability to adverse changes in economic and industry conditions, (xxv) we have a significant amount of goodwill and long-lived assets which, if impaired in the future, would adversely impact our results of operations, (xxvi) 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, (xxvii) legislation/regulation related to environmental and health and safety matters and corporate social responsibility could negatively impact our operations and financial performance, (xxviii) product liability claims and other legal proceedings could adversely affect our operations and financial performance, (xxix) 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, (xxx) changing climate, climate change regulations and greenhouse gas effects may adversely affect our operations and financial performance. 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, 2021 | 2020 |
|---|---|---|
| Net sales | $ 1,146.5 | $ 1,112.4 |
| Cost of products sold | 934.3 | 889.8 |
| Gross profit | 212.2 | 222.6 |
| Selling, general and administrative expenses | 134.3 | 135.4 |
| Restructuring charges | 3.1 | 3.3 |
| Acquisition and integration related costs | 2.0 | 5.1 |
| Non-cash asset impairment charges | 1.3 | 0.1 |
| Loss (gain) on disposal of properties, plants and equipment, net | 1.6 | (0.5) |
| Gain on disposal of businesses, net | (0.1) | — |
| Operating profit | 70.0 | 79.2 |
| Interest expense, net | 25.2 | 30.7 |
| Non-cash pension settlement charges (income) | 8.5 | (0.1) |
| Other expense, net | — | 1.3 |
| Income before income tax expense and equity earnings of unconsolidated affiliates, net | 36.3 | 47.3 |
| Income tax expense | 6.1 | 11.4 |
| Equity earnings of unconsolidated affiliates, net of tax | (0.7) | (0.2) |
| Net income | 30.9 | 36.1 |
| Net income attributable to noncontrolling interests | (7.5) | (3.8) |
| Net income attributable to Greif, Inc. | $ 23.4 | $ 32.3 |
| **Basic earnings per share attributable to Greif, Inc. common shareholders:** | | |
| Class A common stock | $ 0.40 | $ 0.55 |
| Class B common stock | $ 0.59 | $ 0.81 |
| **Diluted earnings per share attributable to Greif, Inc. common shareholders:** | | |
| Class A common stock | $ 0.40 | $ 0.55 |
| Class B common stock | $ 0.59 | $ 0.81 |
| **Shares used to calculate basic earnings per share attributable to Greif, Inc. common shareholders:** | | |
| Class A common stock | 26.5 | 26.3 |
| 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 | 26.5 | 26.4 |
| Class B common stock | 22.0 | 22.0 |

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

| *(in millions)* | January 31, 2021 | October 31, 2020 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ 101.4 | $ 105.9 |
| Trade accounts receivable | 679.7 | 636.6 |
| Inventories | 335.7 | 293.6 |
| Assets held by special purpose entities | — | 50.9 |
| Other current assets | 229.5 | 215.8 |
| | 1,346.3 | 1,302.8 |
| LONG-TERM ASSETS | | |
| Goodwill | 1,530.4 | 1,518.4 |
| Intangible assets | 700.1 | 715.3 |
| Operating lease assets | 299.8 | 307.5 |
| Other long-term assets | 175.1 | 140.0 |
| | 2,705.4 | 2,681.2 |
| PROPERTIES, PLANTS AND EQUIPMENT | 1,514.9 | 1,526.9 |
| | $ 5,566.6 | $ 5,510.9 |
| **LIABILITIES AND EQUITY** | | |
| CURRENT LIABILITIES | | |
| Accounts payable | $ 468.0 | $ 450.7 |
| Short-term borrowings | 46.2 | 28.4 |
| Current portion of long-term debt | 133.6 | 123.1 |
| Current portion of operating lease liabilities | 51.8 | 52.3 |
| Current portion of liabilities held by special purpose entities | — | 43.3 |
| Other current liabilities | 290.9 | 302.3 |
| | 990.5 | 1,000.1 |
| LONG-TERM LIABILITIES | | |
| Long-term debt | 2,359.6 | 2,335.5 |
| Operating lease liabilities | 250.5 | 257.7 |
| Other long-term liabilities | 684.2 | 696.9 |
| | 3,294.3 | 3,290.1 |
| REDEEMABLE NONCONTROLLING INTERESTS | 19.2 | 20.0 |
| EQUITY | | |
| Total Greif, Inc. equity | 1,205.3 | 1,152.2 |
| Noncontrolling interests | 57.3 | 48.5 |
| | 1,262.6 | 1,200.7 |
| | $ 5,566.6 | $ 5,510.9 |

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

| *(in millions)* | Three months ended January 31, 2021 | Three months ended January 31, 2020 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net income | $ 30.9 | $ 36.1 |
| Depreciation, depletion and amortization | 59.3 | 61.3 |
| Asset impairments | 1.3 | 0.1 |
| Pension settlement charges (income) | 8.5 | (0.1) |
| Other non-cash adjustments to net income | 15.9 | 7.6 |
| Operating working capital changes | (52.6) | (27.7) |
| Decrease in cash from changes in other assets and liabilities | (51.8) | (57.8) |
| Net cash provided by operating activities | 11.5 | 19.5 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchases of properties, plants and equipment | (27.4) | (37.5) |
| Purchases of and investments in timber properties | (1.0) | (1.6) |
| Collections of receivables held in special purpose entities | 50.9 | — |
| Payments for issuance of loans receivable | (15.0) | — |
| Other | (3.3) | 1.5 |
| Net cash provided by (used in) investing activities | 4.2 | (37.6) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from issuance of debt, net | 40.7 | 58.5 |
| Dividends paid to Greif, Inc. shareholders | (25.9) | (25.9) |
| Payments for liabilities held in special purpose entities | (43.3) | — |
| Other | (1.5) | (0.8) |
| Net cash provided by (used in) financing activities | (30.0) | 31.8 |
| Effects of exchange rates on cash | 9.8 | (0.2) |
| Net (decrease) increase in cash and cash equivalents | (4.5) | 13.5 |
| Cash and cash equivalents, beginning of period | 105.9 | 77.3 |
| Cash and cash equivalents, end of period | $ 101.4 | $ 90.8 |

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

| *(in millions)* | Three months ended January 31, 2021 | Three months ended January 31, 2020 |
|---|---|---|
| **Net sales:** | | |
| Global Industrial Packaging | $ 659.3 | $ 631.7 |
| Paper Packaging & Services | 480.9 | 473.7 |
| Land Management | 6.3 | 7.0 |
| Total net sales | $ 1,146.5 | $ 1,112.4 |
| **Gross profit:** | | |
| Global Industrial Packaging | $ 130.3 | $ 120.1 |
| Paper Packaging & Services | 79.6 | 100.1 |
| Land Management | 2.3 | 2.4 |
| Total gross profit | $ 212.2 | $ 222.6 |
| **Operating profit:** | | |
| Global Industrial Packaging | $ 54.0 | $ 44.8 |
| Paper Packaging & Services | 14.3 | 32.5 |
| Land Management | 1.7 | 1.9 |
| Total operating profit | $ 70.0 | $ 79.2 |
| **EBITDA[8]:** | | |
| Global Industrial Packaging | $ 75.8 | $ 63.6 |
| Paper Packaging & Services | 42.9 | 73.0 |
| Land Management | 2.8 | 2.9 |
| Total EBITDA | $ 121.5 | $ 139.5 |
| **Adjusted EBITDA[9]:** | | |
| Global Industrial Packaging | $ 79.5 | $ 66.6 |
| Paper Packaging & Services | 56.1 | 77.9 |
| Land Management | 2.9 | 2.9 |
| Total Adjusted EBITDA | $ 138.5 | $ 147.4 |

[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 impairment charges, plus non-cash pension settlement charges (income), plus incremental COVID-19 costs, net, plus loss (gain) 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)* | **2021** | **2020** |
| Net income | $ 30.9 | $ 36.1 |
| Plus: Interest expense, net | 25.2 | 30.7 |
| Plus: Income tax expense | 6.1 | 11.4 |
| Plus: Depreciation, depletion and amortization expense | 59.3 | 61.3 |
| EBITDA | $ 121.5 | $ 139.5 |
| Net income | $ 30.9 | $ 36.1 |
| Plus: Interest expense, net | 25.2 | 30.7 |
| Plus: Income tax expense | 6.1 | 11.4 |
| Plus: Non-cash pension settlement charges (income) | 8.5 | (0.1) |
| Plus: Other expense, net | — | 1.3 |
| Plus: Equity earnings of unconsolidated affiliates, net of tax | (0.7) | (0.2) |
| Operating profit | $ 70.0 | $ 79.2 |
| Less: Non-cash pension settlement charges (income) | 8.5 | (0.1) |
| Less: Other expense, net | — | 1.3 |
| Less: Equity earnings of unconsolidated affiliates, net of tax | (0.7) | (0.2) |
| Plus: Depreciation, depletion and amortization expense | 59.3 | 61.3 |
| EBITDA | $ 121.5 | $ 139.5 |
| Plus: Restructuring charges | 3.1 | 3.3 |
| Plus: Acquisition and integration related costs | 2.0 | 5.1 |
| Plus: Non-cash asset impairment charges | 1.3 | 0.1 |
| Plus: Non-cash pension settlement charges (income) | 8.5 | (0.1) |
| Plus: Incremental COVID-19 costs, net [10] | 0.6 | — |
| Plus: Loss (gain) on disposal of properties, plants, equipment, and businesses, net | 1.5 | (0.5) |
| Adjusted EBITDA | $ 138.5 | $ 147.4 |

[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

| *(in millions)* | Three months ended January 31, 2021 | 2020 |
|---|---|---|
| **Global Industrial Packaging** | | |
| Operating profit | 54.0 | 44.8 |
| Less: Other (income) expense, net | (0.1) | 2.5 |
| Less: Equity earnings of unconsolidated affiliates, net of tax | (0.7) | (0.2) |
| Plus: Depreciation and amortization expense | 21.0 | 21.1 |
| EBITDA | $ 75.8 | $ 63.6 |
| Plus: Restructuring charges | 2.8 | 2.3 |
| Plus: Non-cash asset impairment charges | 1.3 | 0.1 |
| Plus: Incremental COVID-19 costs, net | 0.3 | — |
| Plus: (Gain) loss on disposal of properties, plants, equipment, and businesses, net | (0.7) | 0.6 |
| Adjusted EBITDA | $ 79.5 | $ 66.6 |
| **Paper Packaging & Services** | | |
| Operating profit | 14.3 | 32.5 |
| Less: Non-cash pension settlement charges (income) | 8.5 | (0.1) |
| Less: Other expense (income), net | 0.1 | (1.2) |
| Plus: Depreciation and amortization expense | 37.2 | 39.2 |
| EBITDA | $ 42.9 | $ 73.0 |
| Plus: Restructuring charges | 0.3 | 1.0 |
| Plus: Acquisition and integration related costs | 2.0 | 5.1 |
| Plus: Non-cash pension settlement charges (income) | 8.5 | (0.1) |
| Plus: Incremental COVID-19 costs, net | 0.3 | — |
| Plus: Loss (gain) on disposal of properties, plants, equipment, and businesses, net | 2.1 | (1.1) |
| Adjusted EBITDA | $ 56.1 | $ 77.9 |
| **Land Management** | | |
| Operating profit | 1.7 | 1.9 |
| Plus: Depreciation, depletion and amortization expense | 1.1 | 1.0 |
| EBITDA | $ 2.8 | $ 2.9 |
| Plus: Loss on disposal of properties, plants, equipment, and businesses, net | 0.1 | — |
| Adjusted EBITDA | $ 2.9 | $ 2.9 |
| Consolidated EBITDA | $ 121.5 | $ 139.5 |
| Consolidated Adjusted EBITDA | $ 138.5 | $ 147.4 |

[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 acquisition and integration related costs, plus non-cash impairment charges, plus non-cash pension settlement charges (income), plus incremental COVID-19 costs, net, plus loss (gain) 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)* | **2021** | **2020** |
| **Net cash provided by operating activities** | $ 11.5 | $ 19.5 |
| Cash paid for purchases of properties, plants and equipment | (27.4) | (37.5) |
| **Free cash flow** | $ (15.9) | $ (18.0) |
| Cash paid for acquisition and integration related costs | 2.0 | 4.1 |
| Cash paid for incremental COVID-19 costs, net | 0.6 | — |
| Cash paid for acquisition and integration related ERP systems | 1.8 | 0.6 |
| **Adjusted free cash flow** | $ (11.5) | $ (13.3) |

[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 acquisition and integration related costs, plus cash paid for incremental COVID-19 costs, net, plus cash paid for acquisition and 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, 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 | |
| Acquisition and 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 % |
| **Three months ended January 31, 2020** | $ 47.3 | $ 11.4 | $ (0.2) | $ 3.8 | $ 32.3 | $ 0.55 | 24.1 % |
| Restructuring charges | 3.3 | 0.9 | — | 0.3 | 2.1 | 0.04 | |
| Acquisition and integration related costs | 5.1 | 1.2 | — | — | 3.9 | 0.06 | |
| Non-cash asset impairment charges | 0.1 | — | — | — | 0.1 | — | |
| Non-cash pension settlement income | (0.1) | — | — | — | (0.1) | — | |
| Gain on disposal of properties, plants, equipment and businesses, net | (0.5) | (0.1) | — | — | (0.4) | (0.01) | |
| Excluding Adjustments | $ 55.2 | $ 13.4 | $ (0.2) | $ 4.1 | $ 37.9 | $ 0.64 | 24.3 % |

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

| | Three months ended January 31, | | | |
|---|---|---|---|---|
| *(in millions)* | **2021** | **2020** | **Increase (Decrease) in Net Sales ($)** | **Increase (Decrease) in Net Sales (%)** |
| **Consolidated** | | | | |
| Net Sales | $ 1,146.5 | $ 1,112.4 | $ 34.1 | 3.1 % |
| Currency Translation | (8.8) | N/A | | |
| Net Sales Excluding the Impact of Currency Translation | $ 1,137.7 | $ 1,112.4 | $ 25.3 | 2.3 % |
| **Global Industrial Packaging** | | | | |
| Net Sales | $ 659.3 | $ 631.7 | $ 27.6 | 4.4 % |
| Currency Translation | (8.7) | N/A | | |
| Net Sales Excluding the Impact of Currency Translation | $ 650.6 | $ 631.7 | $ 18.9 | 3.0 % |
| **Paper Packaging & Services** | | | | |
| Net Sales | $ 480.9 | $ 473.7 | $ 7.2 | 1.5 % |
| Currency Translation | (0.1) | N/A | | |
| Net Sales Excluding the Impact of Currency Translation | $ 480.8 | $ 473.7 | $ 7.1 | 1.5 % |

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

| *(in millions)* | January 31, 2021 | January 31, 2020 |
|---|---|---|
| Total Debt | $ 2,539.4 | $ 2,808.1 |
| Cash and cash equivalents | (101.4) | (90.8) |
| **Net Debt** | $ 2,438.0 | $ 2,717.3 |

**Exhibit 99.2**

**Greif, Inc.**

**First Quarter 2021 Earnings Results Conference Call**

**February 25, 2021**

## CORPORATE PARTICIPANTS

**Lawrence Allen Hilsheimer** *Greif, Inc. - Executive VP & CFO*

**Matt Eichmann** *Greif, Inc. - VP of IR & Corporate Communications*

**Peter G. Watson** *Greif, Inc. - President, CEO & Director*

## CONFERENCE CALL PARTICIPANTS

**Adam Jesse Josephson** *KeyBanc Capital Markets Inc., Research Division - Director and Senior Equity Research Analyst*

**Gabrial Shane Hajde** *Wells Fargo Securities, LLC, Research Division - Senior Analyst*

**John Babcock** - *BofA Securities, Research Division - Research Analyst*

**Jesse Barone** *BMO Capital Markets Equity Research - Associate*

**Matthew T. Krueger** *Robert W. Baird & Co. Incorporated, Research Division - Junior Analyst*

## PRESENTATION

**Operator**

Ladies and gentlemen, thank you for standing by, and welcome to the Greif First Quarter Earnings Call. At this time all participants are in a listen only mode. After the speaker's remarks there will be a question and answer session. To ask questions during the session you will need to press star one on your telephone. If you would like to withdraw your question, press the pound key. Please be advised that today's conference is being recorded. If you require further assistance please press star zero. I would not like to hand the conference over to your speaker today, Matt Eichmann. Thank you. You may begin.

**Matt Eichmann** - *Greif, Inc. - VP of IR, External Relations & Sustainability*

Thank you, Dorothy, and good morning, everyone. Welcome to Greif's First Quarter Fiscal 2021 Earnings Conference Call. This is Matt Eichmann. I'm joined by Pete Watson, Greif's President and Chief Executive Officer; and Larry Hilsheimer, Greif's Chief Financial Officer. Pete and Larry will take questions at the end of today's call. In accordance with regulation Fair Disclosure, we encourage you to ask questions regarding issues you consider important because we're prohibited from discussing any material, nonpublic 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 will be referencing certain non-GAAP financial measures and reconciliations to the most directly comparable GAAP metrics can be found in the appendix of today's presentation. And now I turn the presentation over to Pete on Slide 3.

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Thanks, Matt, and good morning, everyone. Greif delivered solid first quarter results, and we're well positioned for longer-term success as the world recovers from the COVID-19 pandemic. Our performance is being delivered despite continued challenging circumstances due to the pandemic, and I want to thank the Greif global team for their resilience and dedication over the last 3 months.

From an operational standpoint, we generated strong year-over-year volume growth across most of our packaging substrates and saw continued robust demand in our containerboard and corrugated sheet feeder network. We're experiencing inflationary cost headwinds across our portfolio and will overcome them through commercial activities, contractual arrangements and a continued laser focus on performance levers that are within our control.

We also continue to make strong progress across our strategic priorities. We reduced our net debt by approximately $279 million versus the prior year quarter and were once again recognized for our sustainability leadership by several well-respected third parties.

We also formed a new reporting segment, Global Industrial Packaging, to align our leadership and our organizational structure to common end market segments, which I'll discuss more in a moment.

Finally, we decided to take advantage of favorable market dynamics to address the COVID-related shortfall on our deleveraging plans by entering into an agreement to divest 69,200 acres of timberlands in Alabama to Weyerhaeuser Company for approximately $149 million. Proceeds from the sale will be applied to debt repayment.

I'd ask if you please turn to Slide 4. We recently combined our Rigid Industrial Packaging and Flexible Products & Services business into a new reporting segment called Global Industrial Packaging. This new business, led by Ole Rosgaard, will build upon the considerable improvement we've made to our global portfolio over the last several years. Combining our Rigid and Flexible business into Global Industrial Packaging aligns operational practices and procedures as well as go-to-market strategies under a single global leadership team. This results in a business with unmatched product offering capable of exceeding customer needs throughout the world.

It also enhances cross-selling and service offering to customers in common end-use markets and enhances Greif Business System effectiveness. To assist with modeling, we recast our 2020 financial performance for certain segment information and filed an 8-K with that data yesterday.

If I could ask you to please turn to Slide 5. First quarter volumes were strong across much of the Global Industrial Packaging business. Global Rigid IBC volumes rose by roughly 6% on a per day basis versus the prior year, while global Flexible IBCs rose by more than 15%. Global steel drum volumes declined by roughly 1% on a per day basis versus the prior year.

Product demand was strongest in APAC, where steel drums rose by 3.5% on a per day basis versus the prior year and benefited from improved industrial trends and a favorable comp in China.

Demand conditions also showed improvement throughout most of Europe. Specifically, we experienced strong demand throughout Eastern Europe where steel drums and Rigid IBCs rose by roughly 9% and 11%, respectively. Volume demand was most challenged in North America, where COVID impact was present in this year's volumes that was not in the prior year.

We're seeing broad-based improvement in many of our key end markets, but their pace of recovery varies. For example, sales to lubricant and bulk chemical customers rose by single digits globally versus the prior year quarter due to better auto demand and generally improving industrial conditions worldwide. Paints and coating sales were up low double digits versus the prior year due to better auto and construction demand, while sales to pharma and personal care markets remain robust.

Juice and beverage sales were weaker versus the prior year as COVID-19 continues to constrain restaurants and other similar entertainment venues. TIP stronger volumes and higher average selling prices drove higher segment sales. First quarter adjusted EBITDA rose by roughly $13 million versus the prior year quarter, primarily due to the higher sales, partially offset by higher transportation expenses. The business did benefit from $3.5 million FX headwind -- excuse me, tailwind and opportunistic sourcing behind our roughly $1.5 million.

Similar to last quarter, we are closely monitoring steel and resin prices as tight supply conditions exist for our key raw materials. A majority of our business is covered by price adjustment mechanisms, which pass along raw material inflation, albeit at a lag. While supply conditions remain tight, to date, we have not experienced any material financial impact relative to sourcing raw materials in the current market.

If I could ask you to please turn to Slide 6. Paper Packaging's first quarter sales rose by roughly $7 million versus the prior year quarter, despite the divestiture of a consumer packaging group, due to stronger volumes in our mill network, corrugated sheet and tube and core business. Paper Packaging's first quarter adjusted EBITDA fell by roughly $22 million versus prior year, primarily due to a significant $30 million OCC, transport and chemical cost headwind.

We recently announced a new set of price increases for containerboard and uncoated recycled boxboard grades in response to strong demand and expect full realization of those in our fiscal Q3. Our converting operations continue to experience robust demand. Volumes in CorrChoice, our corrugated sheet feeder system, were up nearly 36% per day versus the prior year quarter due to strong durables, e-commerce growth, auto supply chain and food and beverage demand. Backlogs in that business continue to grow, and specialty product backlogs are especially long.

Volumes in our tube and core business were up roughly 5% per day versus the prior year quarter, with strong demand seen specifically in film and construction end market segments. Demand for paper mill cores improved sequentially, while textile demand remained soft versus the prior year quarter.

I'd like to now turn over the presentation to our Chief Financial Officer, Larry Hilsheimer.

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Thank you, Pete. Good morning, everyone. Please turn to Slide 7 to review our quarterly financial performance.

First quarter net sales, excluding the impact of foreign exchange, rose by roughly 2% versus the prior year due to volume improvement and higher average selling prices in the Global Industrial Packaging and Paper Packaging segments, overcoming the $53 million sales reduction related to the divestiture of the Consumer Packaging Group.

First quarter adjusted EBITDA fell by roughly 6% versus the prior year quarter. While sales were higher and SG&A slightly lower year-over-year despite a negative FX impact, cost inflation, especially in transportation and OCC, was a drag on profits. The strong demand for our products has led us to implement price increases to return to appropriate levels of profitability.

Our non-GAAP tax rate for the quarter was 19.7%, and the first quarter adjusted Class A earnings per share was $0.61 per share. Consistent with prior years, first quarter adjusted free cash flow was a cash outflow and was roughly flat to that prior year.

Please turn to Slide 8 to review our guidance. In fiscal Q2 '21, we expect to generate between $0.96 and $1.06 in adjusted Class A earnings per share. We anticipate Global Industrial Packaging second quarter adjusted EBITDA to improve sequentially from the seasonally-weak first quarter, but it will not be quite as strong as the prior year second quarter, during which we benefited from pandemic-related prebuying and an opportunistic sourcing benefit of $7 million.

We anticipate the paper business' second quarter adjusted EBITDA to increase sequentially from quarter 1 primarily due to continued strong volumes and the flow-through of announced price increases, partially offset by additional mill maintenance downtime. We assume OCC averages $82 a ton in fiscal Q2, roughly $26 per ton higher than the prior year quarter. This equates to a year-over-year headwind of roughly $11 million.

Finally, I'll share a couple of thoughts on fiscal 2021 as a whole. We anticipate that interest expense will be in the range of $99 million to $104 million, or roughly $14 million lower year-over-year as a result of lower debt levels and the favorable rates we locked in on our term loan A3. We plan to draw on the term loan in July of 2021 to refinance our existing 7.375% Euro 200 million Senior Notes, which matured that month. We anticipate depreciation and amortization to be in the range of $238 million to $248 million, and we expect our non-GAAP tax rate to fall between 23% and 27% this year.

Finally, we anticipate spending between $150 million and $170 million on CapEx with the bulk related to maintenance needs. We anticipate working capital to be a cash use commensurate with our announced price increases and raw material inflation.

Please turn to Slide 9. As Pete mentioned in his opening remarks, we have entered into an agreement with Weyerhaeuser to sell them 69,200 acres of timberland for approximately $149 million in cash. This will be a very tax-efficient sale as taxable gains on the transaction will be completely offset for federal taxes through other identified tax losses.

The negative financial impact we've experienced from COVID, coupled with robust current timberland prices seen in the market, made this an opportunistic time to bring acreage to market. Land monetization provides an accelerant to our ongoing deleveraging process. Subject to the satisfaction of customary closing conditions, we anticipate the transaction will close in calendar second quarter of 2021.

Please turn to Slide 10. We have a 3-pronged capital deployment strategy focused on reinvesting in the business, returning cash to our shareholders and delevering the balance sheet. As we continue to generate cash, pay down debt and reduce leverage towards, our targeted range of 2 to 2.5x, we will shift enterprise value to the benefit of our equity holders and move to a steadily increasing dividend policy.

With that, I'll turn the call back to Pete for his closing comments before our Q&A.

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Thank you, Larry, and I'd ask everyone to turn to Slide 11. So in summary, Greif delivered a solid first quarter performance despite continued challenging circumstances due to COVID-19. But looking ahead, our key end markets are rebounding, volumes are strong and we're taking proactive steps to offset and recoup cost inflation. We are laser-focused on operating levers within our control to drive value, and we're well positioned to benefit as the world recovers from the pandemic.

Thank you for your interest in Greif. And Dorothy, if you could please open the lines for questions.

## QUESTIONS AND ANSWERS

**Operator**

To ask a question press star plus the number one on your touch tone phone. To remove yourself from the queue press the pound key. In the interest of time we ask that you please limit yourself to one question and one follow-up. If you have more questions, press star one to get back into the queue and we will address additional questions as time permits. Please hold while we compile the Q&A roster. Our first question comes from the line of Gabe Hajde with Wells Fargo.

**Gabrial Shane Hajde** - *Wells Fargo Securities, LLC, Research Division - Senior Analyst*

Pete, Larry, Matt. I guess on the second quarter guide, Larry, can you give us a sense for the maintenance downtime, I guess, both on a tonnage basis as well as expense and then kind of maybe compare it to last year? I see I remember that, that happened later in the year, but just from a timing perspective. .

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

The Q2-to-Q2 basis, year-over-year, it will be similar amount of downtime tonnage production and cost. However, on a sequential basis from Q1 to Q2, it's about 7,000 tons, about $2.5 million to $3 million of incremental cost in the second quarter over the first quarter.

**Gabrial Shane Hajde** - *Wells Fargo Securities, LLC, Research Division - Senior Analyst*

Okay. And then I didn't hear -- I mean, I heard pretty robust volumes for IBC, and I think part of that is obviously some industrial markets kind of perking back up a little bit. And you guys had a reasonably aggressive expansion plan there, where you're just kind of co-locating with some of your RIPS facilities.

Can you update us on where those are, where they stand? Are they complete at this point? And do you envision kind of continuing to add capacity on the IBC side?

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Yes, Gabe, thanks for the question. So we had 6% growth in Rigid IBCs and really good strength in Asia and in Europe. And that's -- we're really pleased with the expansions we've done so far.

As you remember, we've done a couple of small tuck-in reconditioning IBC businesses, which has aided our profitability as well. So we don't have any new announced IBC expansion, but it's certainly a high strategic priority for us, and we're evaluating the right opportunities to do it in the future.

**Operator**

Your next question comes from the line of Mark Wilde with BMO Capital Markets.

**Jesse Barone** - *BMO Capital Markets Equity Research - Associate*

It's Jesse Barone on for Mark. First question, just kind of thinking about the new Global Industrial Packaging segment. Could you kind of talk about what you're expecting from a margin basis there? Should we still kind of expect that low to kind of mid-teens margin there?

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Yes. We -- this really isn't a synergy play. This is more a market play, it's how Pete and I thought about running the business and we have been running it for some time. We match up. We have a lot of overlapping customers, we get to go-to-market together. So it, in and of itself, is not going to drive margin expansion. However, our objective is to continually increase our GIP margins and expect to do so over the next 1.5 years in excess of another 2 points. So -- but unrelated.

**Jesse Barone** - *BMO Capital Markets Equity Research - Associate*

Okay. Great. And then just a quick follow-up. Can you just talk about kind of the impact of the U.S. Gulf Coast shutdowns on your drums and barrel business? And I'll turn it over.

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Yes. Sure will. So in the weather impact, obviously, it affected both businesses in our Rigid and Paper operations. We had about 8 plants that were shut down for 5 days in Texas and Arkansas. It really encompassed both steel drum, Rigid IBCs and plastic operations.

The important note in the Gulf Coast on our steel production for our U.S. business, North America business, that's roughly 30% of our production is in that Gulf region. So that will negatively impact volumes in February for that North America business. We do believe the strength in other regions around the world will offset that loss on buying. From a packaging -- paper packaging standpoint, weather affected 5 operations in our industrial tube and core business. It included 5 large customers that were down, we expect, for several weeks. So it will impact our volumes in tube and core in late February and early March. We had no material damage to our operations due to that.

**Operator**

As a reminder if you would like to ask a question please press star then the number one on your telephone keypad. Your next question comes from the line of Ghansham Panjabi with Baird.

**Matthew T. Krueger** - *Robert W. Baird & Co. Incorporated, Research Division - Junior Analyst*

This is actually Matt Krueger sitting in for Ghansham. So I guess for my first question, given the level of inflation that's kind of permeating throughout the market, can you talk a bit about what has changed from a price cost recovery scenario for Greif versus the last time you saw kind of this cost inflation cycle in 2017 and 2018?

I guess I'm asking specifically related to how the Rigid Industrial business has changed. But any details on the other businesses would be helpful as well.

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Yes. We've made a number of improvements as we've gone through our transformation efforts over the last number of years. One of the biggest was really more tightly aligning the timing of our PAM adjustments to market realities. We used to lag a lot more. We've got them now where the lag is very limited. And so the -- some of the unusual timing things that we ran into in the past are much less likely to be significantly impacting us. So the vast majority of our business is on the PAM contracts.

The other big improvement that we made was the introduction of annual openers for other than raw material price increases. And we have that now in over half of our business in the GIP portfolio. And that permits us to go in and address issues like rapidly increasing transportation costs and other elements. So we think we're much better positioned than we were then, and we're seeing that play through our business.

**Matthew T. Krueger** - *Robert W. Baird & Co. Incorporated, Research Division - Junior Analyst*

Great. That's very helpful, and that makes sense. And just as a follow-up question. Given the significant year-over-year variability from a demand and from a volume perspective in kind of the 2020-2021 time frame for you, can you give us a sense as to how volumes are likely to progress kind of by segment throughout the remainder of your fiscal 2021? What are some of the puts and takes that we should think about as we think about that kind of year-over-year variability?

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Yes. So I'll comment on February volumes because we're almost through there. And again, we guide just through Q2. So I'll make some comments about our volume assumptions in that Q2 guidance.

In Global Industrial Packaging business, the volumes are really similar to what we experienced in Q1. The exception of that will be what I reference the North America steel volumes that were impacted to the weather in the Gulf Coast. And again, 30% of our production in North America is impacted on the Gulf Coast.

As I also said, we expect other regions in the world to offset that, both on volume and margins. So from a Paper Packaging standpoint, again, we have really strong demand, and our backlogs and the mill system remain strong. We expect a similar scenario in February to Q1. CorrChoice remains robust, consistent with Q1. Again, our industrial tubes and cores will be flat in February, primarily due to the longer impact that are referenced inside of those operations that were in the Southwest.

In Q2, from a volume assumption standpoint, while our steel volumes were project to be flat, resin-based products, which are plastic drums, Rigid IBCs and Flexible IBCs, were forecasting our Q2 guidance to grow by mid-single digits. And it's also important to note in the Global Industrial Packaging side that the supply chain continues to be really challenging, particularly on steel.

In Paper Packaging, our volumes in our mills and CorrChoice are -- we expect to be very robust over the Q1. And in industrial solutions for us, we expect low single digit growth for our assumptions in Q2.

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Before we go into the next question, I just want to clarify something on Gabe's question. I think I misstated something. We will actually have a headwind on year-over-year Q2 maintenance tons Gabe of about 15,000 tons. Some of that was actually later in the year, as you had actually stated.

**Operator**

Your next question comes from the line of Adam Josephson with KeyBanc Capital Markets.

**Adam Jesse Josephson** - *KeyBanc Capital Markets Inc., Research Division - Director and Senior Equity Research Analyst*

Pete, Larry and Matt. One question, Larry, on the timberland sale. Can you just talk about what the EBITDA associated with that timberland is? And can you compare, I guess, the value per acre of your remaining, call it, 200,000 acres to the $2,150 that you're getting from Weyerhaeuser in this transaction, just given the different geographies, et cetera?

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Yes. So good questions, Adam. The EBITDA associated with this acreage is less than $2 million a year. And in terms of the comparable valuation of the acreage, I mean, obviously, you don't know until you go to market, but they're very similar portfolios. And we have just an outstanding timber management team with outstanding assets across all of them, which is what drove that value. And so I would say it's fair to assume they'd be similarly valued.

**Adam Jesse Josephson** - *KeyBanc Capital Markets Inc., Research Division - Director and Senior Equity Research Analyst*

Got it. And just in terms of the 2Q guidance, just based on your interest expense guidance, tax rate guidance, et cetera, I'm getting to an EBITDA number of, call it, mid to high 170s. Am I thinking about it -- which would imply a slight decline year-over-year compared to the $181 million last year. Am I thinking about it the right way?

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Yes, you are. One thing I'd mentioned, just to remind people, on the interest expense in our first quarter, we actually received a relatively significant patronage dividend from our farm credit lenders of roughly $4 million to $5 million. So when you try to annualize it, then you might get some distortion there. And then obviously, we will have the benefit of the reductions related to the use of the proceeds from the land sale.

**Operator**

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

**Gabrial Shane Hajde** - *Wells Fargo Securities, LLC, Research Division - Senior Analyst*

Real quick. I was just curious if you can give us a sense -- you gave us, obviously, the underlying assumptions for volumes. But I'm just curious more on the automotive side, if you're seeing any kind of disruptions from the chip shortages that we're reading about and/or you mentioned not experiencing to date any sort of, I guess, cost headwinds or material availability issues. But as it relates to ocean freight or anything like that, any kind of hesitation? Or have you guys been able to maybe buy steel ahead or anything like that? Just give us a sense from a risk mitigation standpoint, I guess?

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Yes. So Gabe, in the auto industry, semiconductor shortages, to date, we have not had any material impact to Greif. We are watching it closely. We're really keyed in to our customers. And again, we supply customers whose customers serve that auto supply chain. So to date, nothing material or no impact, and we'll just have to watch it closely.

In regard to steel, conditions are very, very tight all around the world. We have a regional supply chain. So we have good redundancy and balance across it. So we're not dependent upon one region, which mitigates some of that transportation, freight, transportation and ocean-going vessels. But it is tight. We expect it to continue to be tight probably through the second -- through the first half of the calendar year. At that point, I think some of the steel mills that were down for maintenance and some of the blast furnaces that are restarting should improve that.

Another factor in that is the auto makers have pretty good demand, and that pulls a big amount of steel. So tight conditions, we've had no material impact at this point, but we are operating with very low inventories, and the lead times are growing. So we'll have more to report to you in the second -- end of the second quarter.

**Operator**

Your next question comes from the line of George Staphos with Bank of America Securities.

**John Babcock** - *BofA Securities, Research Division - Research Analyst*

Hey thanks for taking my questions, it’s actually John Babcock on for George. Starting out, I was just wondering if you can discuss -- and discuss the cost and other one-off pressures in the paper for 1Q, how large that effect was, and then also how big of a burden you're expecting in fiscal 2Q?

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Yes. In the first quarter, the impact between OCC and the chemical cost and some of the related other raw materials is about $30 million year-over-year drag. And as we go into 2Q, the OCC cost year-over-year based on our $82 assumption works out to about $11 million headwind year-over-year.

**John Babcock** - *BofA Securities, Research Division - Research Analyst*

Okay. And then I was wondering if you might be able to provide some color on the soft North American global industrial business.

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Yes. So in the North America business, the one positive note was in our resin-based products. So large plastic drums were up mid-single digits. Our fiber business was up 4%. So we did see growth in those segments. Steel was the weakest segment. But a part of that, weak demand also was related to COVID, and we had some lower operating rates in a few of our plants due to the impact of staffing. So we see that sequentially, that business in steel growing but predominantly, the other main substrates seem to be improving sequentially from our Q4 to Q1. And we expect to see similar sequential improvement aside from the challenges we had with weather in Q2.

**Operator**

Your next question comes from the line of Adam Josephson with KeyBanc Capital Market.

**Adam Jesse Josephson** - *KeyBanc Capital Markets Inc., Research Division - Director and Senior Equity Research Analyst*

Larry, just on working capital. Can you quantify roughly or precisely what kind of drag you're anticipating this year?

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

It's clearly going to be a use this year. Our teams did such a phenomenal job last year of really improving our management of working capital so that our year-end inventory levels were low, our receivables were improved, and our payables were stretched. So making a year-over-year improvement of any kind is going to be extremely challenging, and I don't anticipate it right now.

In addition to that, with the price and cost elements going up fairly dramatically because of the ag matters we've talked about in steel as well as in resin and then, of course, in the paper business, it's clear that we're going to see a use of working capital year-over-year. The magnitude of it is difficult to be super accurate about right now. But obviously, if we had clarity for what we thought the last 2 quarters of the year were going to be, we'd be giving guidance for the full year. Because of the uncertainty with that, it's difficult to give you a real good idea on range because that will be dependent on what the sales levels are.

**Adam Jesse Josephson** - *KeyBanc Capital Markets Inc., Research Division - Director and Senior Equity Research Analyst*

Yes. No, I appreciate that. Just 2 others for me. One on OCC. So based on your guidance, it seems like you're not expecting much, if any, movement in the latter, 2 months in the quarter. One might think that OCC prices would be going up rather significantly, just given how good demand is, given the new capacity coming on. But obviously, that's not happening. And I don't know if you attribute it to the fact that China is not taking anything or that there have been some supply disruptions in the U.S. What do you attribute the still low OCC prices to?

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

First of all, we don't consider them too low. But because we still believe long term, when you get the economy back open and retail establishments and restaurants and all of that come back that we will see more supply side because it's just way more efficient on that than in the residential collection that's tied to the e-commerce stream.

That said, all of the -- and we've had discussions with some of the national players and even regional players in recycling businesses. And all of them have plans to enhance their collection systems residentially. That's part of what we're -- we believe will help mitigate further increases. And as the economy is just slowly starting to reopen, we think all of that will help.

Our -- like we said, we've got $82 in our assumption. We don't think there's risk of a significant increase. Is there some risk in that? Yes. And do we have something built into our range for that. Yes.

**Adam Jesse Josephson** - *KeyBanc Capital Markets Inc., Research Division - Director and Senior Equity Research Analyst*

Got it. I appreciate that. And just one last one. So if I think about implied 2Q guidance for EBITDA. I think 1H EBITDA would be down about $15 million. Then I think in the proxy, you set out a target, a management incentive target of EBIT growth of about $30 million. So if I'm right about that, then that would imply second half EBIT/EBITDA growth of about $45 million to hit that number.

So I'm thinking that what's embedded in there is that Paper Packaging would be dramatically better year-over-year in the second half because of all these price increases. Am I thinking about it generally the right way?

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Yes. So Adam, I wouldn't tie too much back to that incentive target. I mean we work with our comp committee, and we provide them information, and they come up with what they think is a reasonable target.

So like we said, we don't have a clear picture on the second half of the year. And if we did, we'd be providing guidance for the rest of the year. So it's probably all I can say about it.

**Operator**

Your next question comes from the line of George Staphos with Bank of America Securities.

**John Babcock** - *BofA Securities, Research Division - Research Analyst*

I just wanted to ask one follow-on question. Just overall, I know you talked about Global Industrial Packaging, and you're not expecting any significant synergies associated with that. I was just wondering what opportunities there might be for efficiencies there.

**Peter G. Watson** - *Greif, Inc. - President, CEO & Director*

Yes. So from an efficiency standpoint, when you look at all the number of operations we have around the world, there's a lot of opportunities to continue to standardize practices, particularly around the Greif Business System. So operational effectiveness, best practice in our operations and also sharing those best practices regardless of where they are around the world.

So I think when you have one single global leadership under Ole Rosgaard, you get more aligned improvement in both commercial and operational effectiveness.

**Lawrence Allen Hilsheimer** - *Greif, Inc. - Executive VP & CFO*

Yes. I would add on to that. If you look at our -- the results that we're really starting to have in our GIP business. I mean the improvement in our gross profit over the last 4 years, not just gives you first quarter numbers and I'll do adjusted EBITDA, actually. So first quarter '18, $7.6 million; first quarter '19, $8.4 million; first quarter '20, $10.5 million; first quarter '21, $12.1 million. We've shuttered over 42 GIP plants. We walked away from $450 million of revenue and only $9 million of EBITDA.

We also, by closing those, and you look at what we spend on an average plant for CapEx yes, to say, $270,000, $300,000 a year, that's $11 million to $12 million of CapEx that was going to be required that we walked away from by shuttering those plants.

So those are the type of things, as we've driven that improvement through our old RIPS business, we put this together. We'll continue to drive forward and see continued improvement in our operating metrics.

**Operator**

And if there are no further questions, I will turn the call back over to Matt.

**Matt Eichmann** - *Greif, Inc. - VP of IR, External Relations & Sustainability*

Thanks very much, Dorothy, and thanks for the audience for joining us today. We hope you have a good remainder to your week.

**Operator**

Thank you, ladies and gentlemen. That does conclude today's conference call. You may now disconnect.

**Exhibit 99.3**

**Greif, Inc. Announces Agreement to Sell 69,200 Acres of Timberlands to Weyerhaeuser Company**

Greif, Inc. (NYSE: GEF, GEF.B), a global leader in industrial packaging products and services, today announced an agreement to sell 69,200 acres of timberlands in southwest Alabama to Weyerhaeuser Company (NYSE: WY) for approximately $149 million in cash. Proceeds from the transaction will be applied to debt repayment. While this transaction is subject to tax, the Company has tax losses from other transactions which will substantially mitigate the tax associated with this land sale.

Pete Watson, Greif's President and Chief Executive Officer, commented, "We are pleased to enter into this agreement with Weyerhaeuser Company. Proceeds from the transaction will help to de-lever our balance sheet and accelerate the transfer of Greif's enterprise value from debt to equity holders in line with our stated financial priorities."

The transaction is subject to customary closing conditions and is expected to close in the second quarter of 2021. Perella Weinberg Partners LP acted as financial advisor and Adams and Reese LLP acted as legal advisor to Greif on this transaction.

**About Greif, Inc.**

Greif is a global leader in industrial packaging products and services and is pursuing its vision: In industrial packaging, 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. 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. 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, 2020. The Company undertakes no obligation to update or revise any forward-looking statements.

Contacts:
Matt Eichmann
Office: 740–549–6067
Email: matt.eichmann@greif.com