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, 2025 (February 26, 2025)
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

Former name, former address and former fiscal year, if changed since last report: Not Applicable

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 26, 2025, Greif, Inc. (the "Company") issued a press release (the “Earnings Release”) announcing the financial results for its first quarter ended January 31, 2025. The full text of the Earnings Release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The Earnings Release includes various non-GAAP financial measures, including measures such as net income excluding the impact of certain adjustments, earnings per diluted Class A share excluding the impact of certain adjustments, consolidated adjusted EBITDA, adjusted free cash flow and net debt. Management of the Company uses these non-GAAP financial measures to evaluate ongoing operations and believes that these non-GAAP financial measures are useful to investors. The exclusion of the impact of the identified adjustments 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.

The non-GAAP financial measures included in the Earnings Release should be read together with our financial results. These non-GAAP financial 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 financial measures included in the Earnings Release.

Section 7 – Regulation FD

Item 7.01. Regulation FD Disclosure.

On February 27, 2025, 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, 2025. 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 February 26, 2025 announcing the financial results for its first quarter ended January 31, 2025.
99.2	File transcript of conference call with interested investors and financial analysts held by management of Greif Inc. on February 27, 2025.

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, 2025

By /s/ Lawrence A. Hilsheimer

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

Exhibit 99.1

Greif Reports Fiscal First Quarter 2025 Results

DELAWARE, Ohio (February 26, 2025) – Greif, Inc. (NYSE: GEF, GEF.B), a global leader in industrial packaging products and services, today announced fiscal first quarter 2025 results.

Fiscal First Quarter 2025 Financial Highlights:

(all results compared to the first quarter of 2024 unless otherwise noted)

- Net income decreased 87.2% to $8.6 million or $0.15 per diluted Class A share compared to net income of $67.2 million or $1.17 per diluted Class A share, primarily due to a non-recurring income tax benefit of $48.1 million in the prior year quarter. Net income, excluding the impact of adjustments(1), decreased 69.1% to $22.5 million or $0.39 per diluted Class A share compared to net income, excluding the impact of adjustments, of $72.7 million or $1.27 per diluted Class A share.
- Adjusted EBITDA(2) increased 5.9% to $145.1 million compared to Adjusted EBITDA of $137.0 million.
- Net cash provided by operating activities decreased by $35.3 million to a use of $30.8 million. Adjusted free cash flow(3) decreased by $13.7 million to a use of $61.9 million.
- Total debt of $2,840.2 million increased by $548.4 million, primarily as a result of the acquisition of Ipackchem. Net debt(4) increased by $526.6 million to $2,639.1 million. Our leverage ratio(5) increased to 3.63x from 2.46x in the prior year quarter.

Strategic Actions and Announcements

- Intend to divest our approximately 176,000 acres of timberland in the Southeastern United States. Proceeds will be applied towards debt reduction.
- Announced closure of A1 uncoated recycled paperboard machine in Austell, GA as well as the containerboard and uncoated recycled paperboard mill in Fitchburg, MA.
- Progress on announced cost optimization project proceeding on target, with $13.0 million of annual run-rate savings achieved through the end of first quarter 2025.

Commentary from CEO Ole Rosgaard

“Greif is actively managing a historical period of industrial activity contraction while simultaneously transforming our internal processes and our portfolio mix for optimal alignment to long-term profitable earnings growth.” said Ole Rosgaard, Chief Executive Officer of Greif. “This quarter highlights the resilience of our new business model amid multiple headwinds and demonstrates our willingness to invest in the long-term future of Greif while managing the present. We’re excited for what the future holds and for accelerating our growth in both the near and long-term. Our announcement to seek the sale of our Soterra land management holdings demonstrates our commitment to constantly assessing our business portfolio for maximum value creation and taking decisive action to pursue long-term sustainable earnings growth.”

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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 acquisition and integration related costs, restructuring charges, non-cash asset impairment charges, (gain) loss on disposal of properties, plants and equipment, net, (gain) loss on disposal of businesses, net, and other costs.

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

(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, plus cash paid for fiscal year-end change costs.

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

(5) Leverage ratio for the periods indicated is defined as adjusted net debt divided by trailing twelve month Adjusted 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"). As calculated under the 2022 Credit Agreement, adjusted net debt was $2,558.4 million and $1,989.9 million as of January 31, 2025 and January 31, 2024, respectively, and trailing twelve month Credit Agreement adjusted EBITDA was $705.7 million and $807.4 million as of January 31, 2025 and January 31, 2024, respectively.

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.

Fiscal First Quarter 2025 Segment Results:
(all results compared to the first quarter of 2024 unless otherwise noted)

Net sales are impacted mainly by the volume of products sold, selling prices and 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 fiscal first quarter of 2025 as compared to the prior year quarter for the business segments with manufacturing operations. Net sales from completed acquisition of Ipackchem Group SAS ("Ipackchem") products are not included in the table below, but will be included in its respective segment starting in the fiscal third quarter 2025.

Net Sales Impact	Customized Polymer Solutions	Durable Metal Solutions	Sustainable Fiber Solutions	Integrated Solutions
Currency Translation	(2.6)%	(4.6)%	(0.1)%	(1.7)%
Volume	2.7 %	(2.8)%	1.4 %	11.2 %
Selling Prices and Product Mix	3.7 %	(0.3)%	4.9 %	(9.6)%
Total Impact	3.8 %	(7.7)%	6.2 %	(0.1)%

Customized Polymer Solutions

Net sales increased by $67.1 million to $295.1 million primarily due to $58.5 million of contributions from recent acquisitions.

Gross profit increased by $16.4 million to $60.6 million. The increase in gross profit was primarily due to the same factors that impacted net sales, partially offset by higher raw material, transportation and manufacturing costs.

Operating profit increased by $2.1 million to $13.8 million primarily due to the same factors that impacted gross profit, partially offset by higher SG&A expenses due to recent acquisitions.

Adjusted EBITDA increased by $13.7 million to $39.5 million primarily due to the same factors that impacted gross profit.

Durable Metal Solutions

Net sales decreased by $28.3 million to $342.2 million primarily due to $16.9 million of negative foreign currency translation impacts and $10.3 million attributable to lower volumes.

Gross profit decreased by $2.7 million to $63.1 million. The decrease in gross profit was primarily due to the same factors that impacted net sales, offset by lower raw material costs.

Operating profit increased by $0.7 million to $37.6 million primarily due to lower SG&A expenses, partially offset by the same factors that impacted gross profit.

Adjusted EBITDA increased by $0.5 million to $45.2 million primarily due to the same factors that impacted operating profit.

Sustainable Fiber Solutions

Net sales increased by $32.6 million to $561.4 million primarily due to $25.8 million from higher published containerboard and boxboard prices.

Gross profit increased by $15.1 million to $103.4 million. The increase in gross profit was primarily due to the same factors that impacted net sales, partially offset by higher raw material costs.

Operating profit decreased by $4.6 million to $3.6 million primarily due to higher SG&A expenses and higher impairment charges related to plant closures, partially offset by the same factors that impacted gross profit.

Adjusted EBITDA decreased by $1.5 million to $51.5 million primarily due to higher SG&A expenses, partially offset by the same factors that impacted gross profit, excluding impacts from depreciation and amortization.

Integrated Solutions

Net sales decreased by $11.4 million to $67.1 million primarily due to an $11.3 million impact from the divestiture of Delta Petroleum Company, Inc. (the “Delta Divestiture”) during the third quarter of 2024.

Gross profit decreased by $4.9 million to $18.4 million. The decrease in gross profit was primarily due to the Delta Divestiture.

Operating profit decreased by $7.2 million to $4.9 million primarily due to the same factors that impacted gross profit and lower gains on disposal of properties, plants and equipment, net.

Adjusted EBITDA decreased by $4.6 million to $8.9 million primarily due to the same factors that impacted gross profit.

Tax Summary

During the first quarter, we recorded an income tax rate of 35.8 percent and a tax rate excluding the impact of adjustments of 30.3 percent. Note that the application of FIN 18 frequently causes fluctuations in our quarterly effective tax rates. For fiscal 2025, we expect our tax rate and our tax rate excluding adjustments to range between 27.0 to 32.0 percent.

Dividend Summary

On February 24, 2025, the Board of Directors declared quarterly cash dividends of $0.54 per share of Class A Common Stock and $0.81 per share of Class B Common Stock. Dividends are payable on April 1, 2025, to stockholders of record at the close of business on March 17, 2025.

Company Outlook

Our markets have now experienced a multi-year period of industrial contraction, and we have not identified any compelling demand inflection on the horizon, despite slightly improved year-over-year volumes. While we believe we are well positioned for an eventual recovery of the industrial economy, at this time we believe it is appropriate to provide only low-end guidance based on the continuation of demand trends reflected in the past year, current price/cost factors in Sustainable Fiber Solutions, and other identifiable discrete items.

(in millions)	**Fiscal 2025 Low-End Guidance Estimate Reported at Q1**
Adjusted EBITDA	$710
Adjusted free cash flow	$245

Note: Fiscal 2025 net income guidance, 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: gains or losses on the disposal of businesses or properties, plants and equipment, net; non-cash asset impairment charges due to unanticipated changes in the business; restructuring-related activities; acquisition and integration related costs; and ongoing initiatives under our Build to Last strategy. No reconciliation of the 2025 low-end guidance estimate of Adjusted EBITDA, a non-GAAP financial measure which excludes restructuring charges, acquisition and integration related costs, non-cash asset impairment charges, (gain) loss on the disposal of properties, plants, equipment and businesses, net, and other costs, 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 2025 low-end guidance estimate of Adjusted free cash flow to fiscal 2025 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 2025 results on February 27, 2025, at 8:30 a.m. Eastern Time (ET). Participants may access the call using the following online registration link: https://register.vevent.com/register/BI2fb5239ea557490fb8756f191727bda0. 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 February 27, 2025. 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

Bill D'Onofrio, Vice President, Corporate Development & Investor Relations, 614-499-7233. Bill.Donofrio@greif.com

About Greif

Greif is a global leader in industrial packaging products and services and is pursuing its vision: to be the best 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 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. 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. 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.

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 continuing consolidation of our customer base and suppliers may intensify pricing pressure, (v) we operate in highly competitive industries, (vi) our business is sensitive to changes in industry demands and customer preferences, (vii) raw material shortages, price fluctuations, global supply chain disruptions and increased inflation may adversely impact our results of operations, (viii) energy and transportation price fluctuations and shortages may adversely impact our manufacturing operations and costs, (ix) we may encounter difficulties or liabilities arising from acquisitions or divestitures, (x) we may incur additional rationalization costs and there is no guarantee that our efforts to reduce costs will be successful, (xi) several operations are conducted by joint ventures that we cannot operate solely for our benefit, (xii) certain of the agreements that govern our joint ventures provide our partners with put or call options, (xiii) our ability to attract, develop and retain talented and qualified employees, managers and executives is critical to our success, (xiv) our business may be adversely impacted by work stoppages and other labor relations matters, (xv) 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, (xvi) our business depends on the uninterrupted operations of our facilities, systems and business functions, including our information technology and other business systems, (xvii) a cyber-attack, 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, (xviii) 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, (xix) we have a significant amount of goodwill and long-lived assets which, if impaired in the future, would adversely impact our results of operations, (xx) changing climate, global climate change regulations and greenhouse gas effects may adversely affect our operations and financial performance, (xxi) we may be unable to achieve our greenhouse gas emission reduction target by 2030, (xxii) legislation/regulation related to environmental and health and safety matters could negatively impact our operations and financial performance, (xxiii) product liability claims and other legal proceedings could adversely affect our operations and financial performance, and (xxiv) 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

	Three months ended January 31,	
(in millions, except per share amounts)	**2025**	**2024**
Net sales	$ 1,265.8	$ 1,205.8
Cost of products sold	1,020.3	984.2
Gross profit	245.5	221.6
Selling, general and administrative expenses	167.7	145.8
Acquisition and integration related costs	2.2	2.6
Restructuring charges	2.7	5.7
Non-cash asset impairment charges	13.7	1.3
(Gain) loss on disposal of properties, plants and equipment, net	(1.6)	(2.7)
(Gain) loss on disposal of businesses, net	0.9	—
Operating profit	59.9	68.9
Interest expense, net	37.7	24.2
Other (income) expense, net	0.4	9.1
Income before income tax (benefit) expense and equity earnings of unconsolidated affiliates, net	21.8	35.6
Income tax (benefit) expense	7.8	(38.2)
Equity earnings of unconsolidated affiliates, net of tax	(0.4)	(0.5)
Net income	14.4	74.3
Net income attributable to noncontrolling interests	(5.8)	(7.1)
Net income attributable to Greif, Inc.	$ 8.6	$ 67.2
Basic earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	$ 0.15	$ 1.17
Class B common stock	$ 0.22	$ 1.75
Diluted earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	$ 0.15	$ 1.17
Class B common stock	$ 0.22	$ 1.75
Shares used to calculate basic earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	25.9	25.5
Class B common stock	21.3	21.3
Shares used to calculate diluted earnings per share attributable to Greif, Inc. common shareholders:		
Class A common stock	26.0	25.6
Class B common stock	21.3	21.3

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

(in millions)	January 31, 2025	October 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 201.1	$ 197.7
Trade accounts receivable	706.0	746.9
Inventories	416.7	399.5
Other current assets	273.3	205.3
	1,597.1	1,549.4
Long-term assets		
Goodwill	1,941.6	1,953.7
Intangible assets	908.3	937.1
Operating lease right-of-use assets	269.7	284.5
Other long-term assets	251.7	270.8
	3,371.3	3,446.1
Properties, plants and equipment	1,617.3	1,652.1
	$ 6,585.7	$ 6,647.6
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 473.3	$ 521.9
Short-term borrowings	322.2	18.6
Current portion of long-term debt	95.8	95.8
Current portion of operating lease liabilities	55.4	56.5
Other current liabilities	271.1	321.6
	1,217.8	1,014.4
Long-term liabilities		
Long-term debt	2,422.2	2,626.2
Operating lease liabilities	216.3	230.2
Other long-term liabilities	519.5	529.4
	3,158.0	3,385.8
Redeemable noncontrolling interests	131.0	129.9
Equity		
Total Greif, Inc. equity	2,040.4	2,082.4
Noncontrolling interests	38.5	35.1
Total equity	2,078.9	2,117.5
	$ 6,585.7	$ 6,647.6

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

(in millions)	Three months ended January 31, 2025	Three months ended January 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 14.4	$ 74.3
Depreciation, depletion and amortization	66.6	60.4
Asset impairments	13.7	1.3
Deferred income tax expense (benefit)	(0.6)	(49.2)
Other non-cash adjustments to net income	2.0	17.6
Operating working capital changes	(23.1)	(27.6)
Increase (decrease) in cash from changes in other assets and liabilities	(103.8)	(72.3)
Net cash provided by (used in) operating activities	(30.8)	4.5
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of companies, net of cash acquired	(4.6)	—
Purchases of properties, plants and equipment	(35.7)	(55.6)
Proceeds from the sale of properties, plant and equipment and businesses, net of impacts from the purchase of acquisitions	1.6	5.0
Payments for deferred purchase price of acquisitions	(1.2)	(1.2)
Proceeds from hedging derivatives	22.5	—
Other	(1.6)	(1.8)
Net cash provided by (used in) investing activities	(19.0)	(53.6)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds (payments) on long-term debt, net	103.8	74.1
Dividends paid to Greif, Inc. shareholders	(31.0)	(29.7)
Tax withholding payments for stock-based awards	(6.4)	(6.8)
Other	(3.9)	(1.5)
Net cash provided by (used in) financing activities	62.5	36.1
Effects of exchange rates on cash	(9.3)	11.4
Net increase (decrease) in cash and cash equivalents	3.4	(1.6)
Cash and cash equivalents, beginning of period	197.7	180.9
Cash and cash equivalents, end of period	$ 201.1	$ 179.3

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

	Three months ended January 31,	
(in millions)	2025	2024
Net sales:		
Customized Polymer Solutions	$ 295.1	$ 228.0
Durable Metal Solutions	342.2	370.5
Sustainable Fiber Solutions	561.4	528.8
Integrated Solutions	67.1	78.5
Total net sales	$ 1,265.8	$ 1,205.8
Gross profit:		
Customized Polymer Solutions	$ 60.6	$ 44.2
Durable Metal Solutions	63.1	65.8
Sustainable Fiber Solutions	103.4	88.3
Integrated Solutions	18.4	23.3
Total gross profit	$ 245.5	$ 221.6
Operating profit:		
Customized Polymer Solutions	$ 13.8	$ 11.7
Durable Metal Solutions	37.6	36.9
Sustainable Fiber Solutions	3.6	8.2
Integrated Solutions	4.9	12.1
Total operating profit	$ 59.9	$ 68.9
Adjusted EBITDA[6]:		
Customized Polymer Solutions	$ 39.5	$ 25.8
Durable Metal Solutions	45.2	44.7
Sustainable Fiber Solutions	51.5	53.0
Integrated Solutions	8.9	13.5
Total Adjusted EBITDA	$ 145.1	$ 137.0

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

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

(in millions)	Three months ended January 31, 2025	Three months ended January 31, 2024
Net income	$ 14.4	$ 74.3
Plus: Interest expense, net	37.7	24.2
Plus: Income tax (benefit) expense	7.8	(38.2)
Plus: Other (income) expense, net	0.4	9.1
Plus: Equity earnings of unconsolidated affiliates, net of tax	(0.4)	(0.5)
Operating profit	$ 59.9	$ 68.9
Less: Equity earnings of unconsolidated affiliates, net of tax	(0.4)	(0.5)
Plus: Depreciation, depletion and amortization expense	66.6	60.4
Plus: Acquisition and integration related costs	2.2	2.6
Plus: Restructuring charges	2.7	5.7
Plus: Non-cash asset impairment charges	13.7	1.3
Plus: (Gain) loss on disposal of properties, plants and equipment, net	(1.6)	(2.7)
Plus: (Gain) loss on disposal of businesses, net	0.9	—
Plus: Other costs*	0.3	0.3
Adjusted EBITDA	$ 145.1	$ 137.0

*includes fiscal year-end change costs and share-based compensation impact of disposals of businesses

GREIF, INC. AND SUBSIDIARY COMPANIES
GAAP TO NON-GAAP RECONCILIATION
SEGMENT ADJUSTED EBITDA[7]
UNAUDITED

	Three months ended January 31, 2025				
(in millions)	**Customized Polymer Solutions**	**Durable Metal Solutions**	**Sustainable Fiber Solutions**	**Integrated Solutions**	**Consolidated**
Operating profit	13.8	37.6	3.6	4.9	59.9
Less: Equity earnings of unconsolidated affiliates, net of tax	—	—	—	(0.4)	(0.4)
Plus: Depreciation and amortization expense	22.9	6.8	34.3	2.6	66.6
Plus: Acquisition and integration related costs	2.2	—	—	—	2.2
Plus: Restructuring charges	0.5	0.5	1.6	0.1	2.7
Plus: Non-cash asset impairment charges	—	1.5	12.2	—	13.7
Plus: (Gain) loss on disposal of properties, plants and equipment, net	—	(1.2)	(0.4)	—	(1.6)
Plus: (Gain) loss on disposal of businesses, net	—	—	—	0.9	0.9
Plus: Other costs*	0.1	—	0.2	—	0.3
Adjusted EBITDA	$ 39.5	$ 45.2	$ 51.5	$ 8.9	145.1

	Three months ended January 31, 2024				
(in millions)	**Customized Polymer Solutions**	**Durable Metal Solutions**	**Sustainable Fiber Solutions**	**Integrated Solutions**	**Consolidated**
Operating profit	11.7	36.9	8.2	12.1	68.9
Less: Equity earnings of unconsolidated affiliates, net of tax	—	—	—	(0.5)	(0.5)
Plus: Depreciation and amortization expense	12.0	7.3	38.0	3.1	60.4
Plus: Acquisition and integration related costs	1.8	—	0.8	—	2.6
Plus: Restructuring charges	0.2	0.4	4.6	0.5	5.7
Plus: Non-cash asset impairment charges	—	—	1.3	—	1.3
Plus: (Gain) loss on disposal of properties, plants and equipment, net	—	—	—	(2.7)	(2.7)
Plus: Other costs*	0.1	0.1	0.1	—	0.3
Adjusted EBITDA	$ 25.8	$ 44.7	$ 53.0	$ 13.5	137.0

*includes fiscal year-end change costs and share-based compensation impact of disposals of businesses

[7] Adjusted EBITDA is defined as net income, plus interest expense, net, plus income tax (benefit) expense, plus other (income) expense, net, plus depreciation, depletion and amortization expense, plus acquisition and integration related costs, plus restructuring charges, plus non-cash asset impairment charges, plus (gain) loss on disposal of properties, plants and equipment, net, plus (gain) loss on disposal of businesses, net, plus other costs. 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[8]
UNAUDITED

(in millions)	Three months ended January 31, 2025	Three months ended January 31, 2024
Net cash provided by (used in) operating activities	$ (30.8)	$ 4.5
Cash paid for purchases of properties, plants and equipment	(35.7)	(55.6)
Free cash flow	$ (66.5)	$ (51.1)
Cash paid for acquisition and integration related costs	2.2	2.6
Cash paid for integration related ERP systems and equipment[9]	2.3	0.3
Cash paid for fiscal year-end change costs	0.1	—
Adjusted free cash flow	$ (61.9)	$ (48.2)

[8] 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, plus cash paid for fiscal year-end change costs.

[9] 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, 2025	$ 21.8	$ 7.8	$ (0.4)	$ 5.8	$ 8.6	$ 0.15	35.8 %
Acquisition and integration related costs	2.2	0.5	—	—	1.7	0.03	
Restructuring charges	2.7	0.6	—	—	2.1	0.04	
Non-cash asset impairment charges	13.7	3.3	—	—	10.4	0.18	
(Gain) loss on disposal of properties, plants and equipment, net	(1.6)	(0.4)	—	—	(1.2)	(0.02)	
(Gain) loss on disposal of businesses, net	0.9	0.2	—	—	0.7	0.01	
Other costs*	0.3	0.1	—	—	0.2	—	
Excluding adjustments	$ 40.0	$ 12.1	$ (0.4)	$ 5.8	$ 22.5	$ 0.39	30.3 %
Three months ended January 31, 2024	$ 35.6	$ (38.2)	$ (0.5)	$ 7.1	$ 67.2	$ 1.17	(107.3)%
Acquisition and integration related costs	2.6	0.6	—	—	2.0	0.03	
Restructuring charges	5.7	1.4	—	—	4.3	0.08	
Non-cash asset impairment charges	1.3	0.3	—	—	1.0	0.02	
(Gain) loss on disposal of properties, plants and equipment, net	(2.7)	(0.7)	—	—	(2.0)	(0.04)	
Other costs*	0.3	0.1	—	—	0.2	0.01	
Excluding adjustments	$ 42.8	$ (36.5)	$ (0.5)	$ 7.1	$ 72.7	$ 1.27	(85.3)%

*includes fiscal year-end change costs and share-based compensation impact of disposals of businesses

The impact of income tax (benefit) 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, 2025	January 31, 2024
Total debt	$ 2,840.2	$ 2,291.8
Cash and cash equivalents	(201.1)	(179.3)
Net debt	$ 2,639.1	$ 2,112.5

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 1/31/2025**	**Trailing Twelve Months Ended 1/31/2024**
Net income	$ 228.8	$ 360.3
Plus: Interest expense, net	148.4	97.7
Plus: Income tax (benefit) expense	79.9	41.9
Plus: Other (income) expense	1.4	16.8
Plus: Equity earnings of unconsolidated affiliates, net of tax	$ (2.9)	$ (2.2)
Plus: Non-cash pension settlement charge	—	3.5
Operating profit	$ 455.6	$ 518.0
Less: Equity earnings of unconsolidated affiliates, net of tax	(2.9)	(2.2)
Plus: Depreciation, depletion and amortization expense	267.5	235.9
Plus: Acquisition and integration related costs	18.1	14.1
Plus: Restructuring charges	2.4	22.0
Plus: Non-cash asset impairment charges	15.0	21.1
Plus: (Gain) loss on disposal of properties, plants and equipment, net	(7.7)	(5.2)
Plus: (Gain) loss on disposal of businesses, net	(45.1)	(9.4)
Plus: Other costs*	3.7	3.7
Adjusted EBITDA	$ 712.4	$ 802.4
Credit Agreement adjustments to EBITDA(10)	(6.7)	5.0
Credit Agreement EBITDA	$ 705.7	$ 807.4

Adjusted net debt *(in millions)*	**For the Period Ended 1/31/2025**	**For the Period Ended 1/31/2024**
Total debt	$ 2,840.2	$ 2,291.8
Cash and cash equivalents	(201.1)	(179.3)
Net debt	$ 2,639.1	$ 2,112.5
Credit Agreement adjustments to debt(11)	(80.7)	(122.6)
Adjusted net debt	$ 2,558.4	$ 1,989.9
Leverage ratio(12)	**3.63x**	**2.46x**

*includes fiscal year-end change costs and share-based compensation impact of disposals of businesses

(10) Adjustments to EBITDA are specified by the 2022 Credit Agreement and include 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.

(11) Adjustments to net debt are specified by the 2022 Credit Agreement and include the European accounts receivable program, letters of credit, balances for swap contracts, and other items.

(12) Leverage ratio is defined as Credit Agreement adjusted net debt divided by Credit Agreement adjusted EBITDA.

GREIF, INC. AND SUBSIDIARY COMPANIES
PROJECTED 2025 GUIDANCE RECONCILIATION
ADJUSTED FREE CASH FLOW
UNAUDITED

(in millions)		Fiscal 2025 Low-End Guidance Estimate
Net cash provided by operating activities	$	391.0
Cash paid for purchases of properties, plants and equipment		(171.0)
Free cash flow	$	220.0
Cash paid for acquisition and integration related costs		17.0
Cash paid for integration related ERP systems and equipment		6.0
Cash paid for fiscal year-end change costs		2.0
Adjusted free cash flow	$	245.0

Exhibit 99.2

Greif, Inc.
Fiscal First Quarter 2025 Earnings Results Conference Call
February 27, 2025

COMPANY PARTICIPANTS

Ole G. Rosgaard – Greif, Inc., President, Chief Executive Officer & Director
Lawrence A. Hilsheimer – Greif, Inc., Chief Financial Officer & Executive Vice President
Bill D'Onofrio – Greif, Inc., Vice President, Investor Relations & Corporate Development

OTHER PARTICIPANTS

Aadit Lall Shrestha – Stifel, Nicolaus & Company, Incorporated, Research Division
Daniel Scott Harriman - Sidoti & Company, Research Division
Ghansham Punjabi - Robert W. Baird & Company, Incorporated, Research Division
Matthew Burke Roberts – Raymond James & Associates, Inc., Research Division
Niccolo Andreas Piccini – Truist Securities, Inc., Research Division
Richard Clayton Carlson – Wells Fargo Securities, LLC, Research Division

MANAGEMENT DISCUSSION SECTION

Operator
Good day, and thank you for standing by. Welcome to the Greif, Inc. First Quarter 2025 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, Bill D'Onofrio, Vice President of Investor Relations and Corporate Development. Please go ahead.

Bill D'Onofrio
Vice President of Investor Relations & Corporate Development
Thank you, and good day, everyone. Welcome to Greif's First Quarter 2025 Earnings Conference Call. During the call today, our Chief Executive Officer, Ole Rosgaard, will provide a recap of our recent Investor Day and an update on our announced optimization initiatives. He will then discuss an additional key strategic announcement before providing an overview of current markets within our new reporting segments. Afterward, our Chief Financial Officer, Larry Hilsheimer, will provide an overview of our first quarter financial results as well as 2025 guidance.

Please turn to Slide 2. In accordance with Regulation Fair Disclosure, please ask questions regarding topics you consider important because we are prohibited from discussing material nonpublic information with you on an individual basis.
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 the reconciliation to the most directly comparable GAAP metrics that can be found in the appendix of today's presentation.

I'll now turn the presentation over to Ole on Slide 3.

Ole G. Rosgaard
President, CEO & Director
Thank you, Bill, and hello, everyone. I was pleased to meet so many of you at our Investor Day last December. As a reminder, at that event, we announced our new 2027 financial commitments of $1 billion EBITDA and $500 million free cash flow. Our bridge to $1 billion is very simple. First, over $100 million of known positive discrete items, which will impact EBITDA in 2025 and beyond. Notably, the run rate impact of index paper pricing as of December 2024. Second, volume recovery, which, as discussed at Investor Day, will be accelerated by our enhanced business model once the industrial economy begins to recover. And finally, we announced a $100 million cost optimization effort we are undertaking, which I will touch on in just a moment. We have a high conviction in these 3 levers, and we are confident in meeting or exceeding the commitments we laid out.

Please turn to Slide 4. At Investor Day, we demonstrated how we lead with our packaging solutions in essential industries and how we are well positioned to grow through capitalizing on our new business model, leveraging our deep competitive advantages and continuously improving our business through the Greif Business System 2.0 and our $100 million cost optimization program. We combined this earning growth with responsible capital allocation designed to maximize return on invested capital and drive profitability towards our long-term target of 18% plus EBITDA margin and 50% plus free cash flow conversion. While current industrial economics provide some uncertainty on near-term volume growth, we demonstrated in 2023, and again, in 2024 that we can produce solid financial results regardless of the negative macroeconomic cycle.

Today, I'd like to highlight the strength of our business in the context of a timely topic making headlines: tariffs. As you know, our supply channels are generally local to local. Additionally, thanks to our restructured business model, we have embedded flexibility and adaptability into our global supply chain allowing us to seamlessly navigate disruptions without any material impacts. At Greif, we view our key suppliers as critical partners and by fostering strong collaborative partnerships, we respond swiftly and effectively to volatility. Our supply chain team has conducted a thorough impact assessments across multiple tariff scenarios and developed a robust action plan to effectively mitigate any P&L exposure. Regardless of potential tariff changes, our global scale, operational agility and supplier relationships ensure we continue delivering legendary customer service while driving sustainable, profitable growth.

Please turn to Slide 5. At our Investor Day only two months ago, by the way, with the holiday season in between, Larry announced our commitment of at least $15 million to $25 million of run rate savings identified by the end of fiscal 2025. Today, I'm pleased to update you that we have already identified $5 million of savings on a run rate basis and reaffirm our expectation to achieve at least $15 million to $25 million on a run rate basis by the end of this year. These savings, which are primarily SG&A related will fully benefit full year 2026 results and will also provide an incremental impact to the remainder of this year, which Larry will touch on in guidance.

You may also have noticed we referenced $13 million achieved within our press release. That incremental $8 million is related to our recently announced mill closures. However, we did not want to include that in our full year 2026 run rate yet as we are still assessing the timing of closure costs, which may offset that benefit in the short term. Larry will touch on that in a moment. We favor a bias for action and so expect to continue making good progress while also planning for near-term accelerated growth. As we refine our road map to realize the full $100 million, we will continue to provide you with updates.

Let's now turn to Slide 6 to discuss another recent decision. The organizational realignment we executed in 2024, resulting in our new 7 SBUs provided us the opportunity to step back and visualize how each piece of our portfolio fits into the greater enterprise and how that translates into meeting our aspirational growth objectives. This work also expands beyond our SBUs and focuses on what is core to the long-term growth of Greif, including our capital deployment strategy. As such, while we have a long history with our landholding business, Soterra, it has also become clear to us that this is better suited under new ownership. As such, we are announcing today our intention to sell the entire timber portfolio of approximately 176,000 acres and used the proceeds to reduce debt.

We sincerely thank our Soterra colleagues for their years of dedicated service and for their world-class execution mindsets. We are fully committed to supporting the business and our colleagues during this transitionary period. We will provide updates when available on this process.

Let's now turn to Slide 7 to discuss current quarter trends. In our first quarter of 2025, we continue to see changing demand trends in every product and region. However, as with the past 24 months, the products we are investing in continue to outperform our legacy business. Polymers was up 2.7% driven by small containers and IBC demand in the Ag and food sectors, particularly in EMEA. Integrated solutions likewise saw volume growth with both of our key product groups, caps and closures and paints, linings and adhesives, experiencing low double-digit growth. A reminder that these volume figures are presented on a same-store basis. In other words, agnostic of recent acquisitions.

Fiber was the next strongest solution with volumes slightly up and operating rates in both paper grades in line with the industry. Metals continue to be impacted most by the soft industrial economy due to the high exposure to bulk chemicals, petrochemicals and lubricant markets. As you may have seen in some of our key customers' earnings reports earlier this February, those customers continue to suffer from this extended industrial contraction. It was encouraging to see January PMI bumps slightly above 50%. However, we still feel the underlying demand in those sectors is uncertain.

While we greatly appreciate our relationships with these important customers, it's important for us to balance out the cyclical nature of their needs by continuing our focus on growing in pharma, flavors and fragrances, food and agrochemical segments.
Although we are shifting towards discussing our business on a solutions basis as opposed to a regional basis, I know a regional view is helpful to our investors. And so I will offer some brief comments. EMEA continues to demonstrate the highest level of resilience, followed by APAC. LatAm has started to trend slightly downwards, which is something we are monitoring, but the clear outlier remains North America, where demand sentiment continues to be the most bearish.

With that, I will turn things over to Larry to discuss our first quarter results on Slide 8.

Lawrence Allen Hilsheimer
Executive VP & CFO
Thank you, Ole. Following up on Ole's comments on taking strategic actions towards our long-term goals, I'd first like to briefly touch on another strategic announcement. In late January, we announced the planned closure of our A1 Paperboard machine in Austell, Georgia as well as our containerboard and URB Flex machine in Fitchburg, Massachusetts.

At Investor Day, our Chief Operations Officer, Kim Kellermann, talked about our quadrant analysis to assess plants as either invest to grow, protect the core, transform or fix and divest or close. Despite the continued excellent work by our colleagues, at the end of the day, these 2 facilities fell into the lower quadrant and did not achieve the level of earnings necessary to support continued operations.

The 2 closures will reduce our containerboard mill capacity by 100,000 tons and our URB capacity by 90,000 tons. In the short term, this action will be an EBITDA headwind of $3 million in fiscal '25 versus our prior guidance due to onetime closure costs and the timing of shifting tons to other facilities. We expect this closure to be EBITDA positive of $8 million by 2027 due to the increased efficiency of those tons being redeployed into our remaining mill network. As we are still working through the closure and not certain of the exact timing of the benefits, we have not yet included it in the run rate cost optimization achievement that Ole touched on earlier.

While building for the future, we have also remained resilient in our day-to-day execution. Adjusted EBITDA for the quarter was $145 million, an improvement of $7 million over the prior year quarter and in line with our expectations for Q1. Adjusted EPS for the quarter was $0.39, which was lower than prior year due primarily to the non-recurrence of a onetime tax benefit of $48 million as well as $14 million of higher interest expense this year due to higher debt from recent acquisitions. Working capital management was solid in the quarter. However, our adjusted free cash flow was a net use of $62 million, slightly higher of a use than prior year due primarily to the higher interest expense.

Please turn to Slide 9, where I'll provide some additional context to our performance at a segment level. Gross profit margins in 3 of our 4 segments increased year-over-year due to effective cost management and GBS 2.0 gains despite the stagnant demand environment that Ole touched on earlier. Integrated Solutions gross profit margins were down year-over-year primarily due to product mix. Note also that Q1 results for our now divested Delta filling business are presented in integrated solutions prior year results and was an EBITDA contributor of $2.8 million.

While the overall gross profit improvement did drive $7 million of positive EBITDA year-over-year, EBITDA margins were also impacted by higher year-over-year SG&A cost. As we discussed throughout 2024, we anticipated short-term SG&A cost inflation as we reallocate and invest resources to areas of maximum long-term value creation. Right now, we are at the peak of that curve. We have completed our business reorganization in 2024, our new structure and SBUs are in place and now is when we will start aggressively pursuing streamlining of those processes. This short-term divergence between gross profit and EBITDA margin percentage is mostly due to higher SG&A costs, which is one of the key opportunities listed in our $100 million cost optimization initiative, which Ole discussed earlier.

Please turn to Slide 10 to discuss 2025 guidance. As a reminder, this fiscal year is only 11 months and will conclude on September 30, following a 2-month fourth quarter. In Q4, we presented a low-end only view of guidance, which incorporates only known upside year-over-year, but all downsides of which we have visibility.

Given the lack of any compelling demand inflections, we concluded that low-end guidance continues to be appropriate. However, we also feel it is warranted to raise the low end for specific known upsides. First, an additional $27 million of positive price cost, which reflects the $40 per ton containerboard price increase announced by RISI last Friday as well as our lower full year OCC assumption of $85 per ton. It additionally factors in better price cost in our polymers and metals business, which is trending better than our original low-end guidance assumed.

As I mentioned during our Q4 call, we anticipated a short-term headwind in Q1 related to the flow-through of high-priced steel in our balance sheet. Our supply chain team did a good job of neutralizing that impact. Additionally, our metals team has had great success with value over volume discipline in the quarter. Those two factors drove the metal's price cost tailwind in the quarter. Second, $8 million of lower transport and manufacturing costs, which are actualizing lower than assumed in our original low-end guidance due to continued solid day-to-day management by our GBS group.

Lastly, we are including $3 million, which reflects the portion of run rate impact of the cost initiatives savings Ole touched on earlier, which will be beneficial to fiscal '25. However, that is offset by the $3 million headwind from the recent mill closures I discussed earlier. This net change results in a new low-end EBITDA guidance of $710 million for fiscal '25. Our low-end free cash flow guidance is also raised by $20 million to $245 million for the full year.

Partially offsetting our EBITDA increase of $35 million is an assumption of $20 million higher working capital costs, which reflects the working capital impact of improving paper price costs that additionally being low-end guidance, we have contemplated some downside for further cost inflation without the benefit of offsetting mitigating actions.

Separately, we assume a small $6 million incremental tailwind in other operating costs, which balances to the $20 million free cash flow guidance increase. This is a low-end view. And so our expectation is not that the business will end the year at this performance, but it's the only data point which we have conviction in sharing at this point. In subsequent quarters, we will reassess returning to a range guidance for our usual approach.

With that, let me turn it over to Ole to close on Slide 11.

Ole G. Rosgaard
President, CEO & Director
Thanks, Larry. As demonstrated at our recent Investor Day, we continue optimizing and fine-tuning our business. We are transitioning from good to great. We are a market leader in our chosen markets. We have strong track records and we’re very disciplined in the way we execute our strategy. In other words, we are well positioned for growth. We are helping ourselves to grow in a very depressed market. And when that market just returns even the slightest, we are in an ideal situation to take off. Thank you for taking the time to listen in today. Operator, please open the lines for questions.

QUESTION AND ANSWER SECTION

Operator

Our first question will be coming from Ghansham Panjabi of Baird.

Ghansham Panjabi

Robert W. Baird & Co. Incorporated, Research Division

I just want to go back to the first quarter results specific to fiber. And just your view as it relates to whether that came in on an operating profit basis or EBITDA or whichever way you want to look at it, in line with your plan because it was quite a bit below our expectation in context of your price increases, etc.

Lawrence Allen Hilsheimer

Executive VP & CFO

Yes. Thanks for the question. Let me go to that. It came in line with our expectations, actually a little bit slightly better. Here's the issue that's confusing the matter. We have a protocol for allocating SG&A across the businesses. And we ask all of your patience as we've transitioned to this new business model because it's having impact. And the way that we allocate our SG&A is based on value add, which is just our price versus less raw material.

But I would tell you that gross profit is a really good proxy. So what happens is as margins are expanding in the fiber business, it gets allocated a bigger portion of our SG&A. And somebody might say, "Well, why do you do that?" Well, if you talk to virtually any CFO or a controller and you talk about getting into allocations among your internal businesses, it is a rabbit hole you'd go down forever. I mean people will argue about how you allocate. So we have a basic protocol for how we've done it.

And it's in our former operating model, you really didn't see it because it goes across geographies and you had all of the different segments going into those geographies. So again, I ask you to be patient, but yes, fiber was good for us. it's picked up a higher allocation of SG&A and then SG&A was higher than what most of you build in your models. We thought we had done a good job of articulating the fact that we were going to have SG&A costs for example, for Ipackchem in this first quarter since we didn't have it last year. We thought we'd explained we'd make some investments that we're going to turn around. Obviously, we didn't explain it enough. And so that one falls on us. We weren't doing as well as we hope relative to all of you as our customers/investors.

Ghansham Panjabi

Robert W. Baird & Co. Incorporated, Research Division

And then Ole, your comments on the global businesses, EMEA being the most resilient and North America, maybe at the other extreme in terms of being the weakest, is it a difference in terms of end market exposure that would explain the two because that certainly counterintuitive relative to the macroeconomic strength between the two regions. And then related to that, what is your expectation in terms of volume assumptions as it relates to your guidance?

Ole G. Rosgaard

President, CEO & Director

Well, thanks, Ghansham. Well, first of all, as we laid out even in 2022 and then at our recent Investor Day, which end segments and end markets we are targeting for growth. And all of those are GDP plus growth markets. One of those is the agrochemical markets. And that's really where you have seen significant growth here recently coming out of both EMEA, but also North America for starters. And we continue to focusing on those markets. And just to remind you, it's food and beverage, it's pharma, medical and its flavor and fragrance in addition to agrochemicals.

As to your second question, just remind me again, Ghansham?

Ghansham Panjabi

Robert W. Baird & Co. Incorporated, Research Division

Yes, the embedded volume assumptions as you kind of think about the portfolio for fiscal year '25.

Ole G. Rosgaard

President, CEO & Director

Yes. So we have seen, obviously, in some of these end markets I just mentioned, especially in the polymer end markets, we have seen some sequential improvements, but I would say I would caution being too optimistic. Generally, we don't see any difference from the previous quarter sequentially. So I haven't seen any inflection point yet.

Ghansham Panjabi

Robert W. Baird & Co. Incorporated, Research Division

We'll keep looking for green shoots.

Ole G. Rosgaard

President, CEO & Director

Yes, you could call this green shoots, but it's too early to say anything on that. So I'm cautiously optimistic about the future.

Operator

Our next question will be coming from Matt Roberts of Raymond James.

Matthew Burke Roberts

Raymond James & Associates, Inc., Research Division

Maybe Larry, to that point on the SG&A that some of us might have missed in there. Could you just help us frame the margin expectation going into 2Q and maybe how that progresses through the year? And any lingering impacts we should expect in the next quarter? I just don't want to be caught on guard on my own internal model there.

Lawrence Allen Hilsheimer
Executive VP & CFO
Yes. It's a good question, Matt. Thanks. So if you look, just to give some perspective and a little more color back on some of this element. When we look at SG&A sort of year-over-year in Ipackchem is like $11 million, which $5 million was amortization related to purchase price allocations on appreciable items, goodwill, that kind of stuff, intangibles.

You've got another element that's a little bit less clear, but when we went to this new structure, re-looking at all of our enabling functions and where costs resided, we ended up moving some people out of our manufacturing channels into enabling functions like in Kim Kellermann's group or into supply chain. That ended up with us just doing a shift of $3 million of cost of goods sold into SG&A levels on a full year basis, it's like $10 million. So I'm just talking about a quarter right now.

And so you've got those two items. As we go through the year, obviously, once we get to when we bought Ipackchem, you're going to not have that year-over-year increment. And just generally, our EBITDA margins are going to steadily improve through the year, which is typical for us. You get volume lift, which leverages our fixed cost leverage and those kind of things. So steady increase to margins through the remainder of the year and then that year-over-year comparison matching on Ipackchem.

Matthew Burke Roberts
Raymond James & Associates, Inc., Research Division
And then secondly, maybe if I could ask on the timberland sale. Can you give any additional color? I know it's early in the process, but any additional color on this asset and how may compare to the timberland that was sold in 2021? I believe Soterra was million in EBITDA last year versus I think less than $2 million of what you sold in 2021. So what are any differences that we should consider when thinking about proceeds there in terms of either age or productivity of the timber there or any other business considerations of this asset that make a difference?

Ole G. Rosgaard
President, CEO & Director
So Ole here, I mean, we can't comment on timing or value at this time. And 2021 is a long time ago. And when you look at the different tracks of Timberland and so on, it's very different. You can't really compare them. We are highly confident in both interest and value and efforts. We, on an ongoing basis, receive unsolicited offers for our Timberland. And we know we can get a very good price for it, but we can't comment on that either at this moment in time.

Matthew Burke Roberts
Raymond James & Associates, Inc., Research Division
That's certainly fair, Ole. But maybe if I could -- kind of a different angle on that. I believe we talked recently about that increasing polymer mix and even getting to 30% organically. So maybe once land is gone and some of the fiber closures, can you talk about what the polymer mix will be? Or what the remaining gap to get to that level will be? Is it largely due to higher growth end markets from polymers or just where you see that shaping out?

Ole G. Rosgaard
President, CEO & Director
Well, yes. But as we explained that both Investor Day and '22 and last year, we are shaping our portfolio and we have identified the end segment markets like I mentioned before, ag, chem, food and pharma and so on as GDP plus growth end segments. Those end segments are serviced with basically polymer solutions. And that's why we talk so much about Polymer Solutions.

The sale of our land is not linked to that, the sale of our land -- because the proceeds will be used to pay down debt, basically. That's it, and they will take our leverage down and give us more firepower for the future. But we will continue to focus on those segments I mentioned and anchor our customized Polymer business.

Lawrence Allen Hilsheimer
Executive VP & CFO
Yes. Matt, I'll supplement what Ole said earlier, just a little bit is while the prior sale was so long ago, it's not indicative and all pieces of land are different. It's like 5 pieces of city, downtown properties different than out in the suburbs, but everything is different.

That said, a lot of things have been happening in land management. And our team is really good at what they do. So things like carbon sequestration, solar farms, all of those things have actually been increasing the value of timberland. Does that mean every one of our acres is going to be worth more than the last time? We don't know. But like Ole said, we've gotten a lot of just inbound calls with broad offers.

Most of the time, they are at higher values than what we saw before, but that doesn't guarantee anything. The other part of that is that we will have a tax haircut. We've said before, we always have low tax basis. And just as a perspective of time, the last time it took us about 8 months to do the transaction. Whether it's 8 months, 10 months, 6 months we don't know. But what we're going to do is maximize value. And that's the primary focus of this.

Operator
And our next question will be coming from Aadit Shrestha of Stifel.

Aadit Lall Shrestha
Stifel, Nicolaus & Company, Incorporated, Research Division
Just going back to the guide, maybe could you help us also bridge sort of the $27 million price cost spread? How much of that is actually going fiber versus polymer and metals? And just so that I understand it clearly, the $15 million to $25 million run rate saving that's actually not built into the guidance. So that creates some sort of upside. I think you've captured $3 million of that. Is that correct?

Lawrence Allen Hilsheimer
Executive VP & CFO
Yes, that's correct. So just to bridge, you're going from the $675 million guide, the price/cost element of it is about $27 million. We have roughly 800 million tons of containerboard, $40. That would be $32 million a year, half a year is $16 million, pick up another $3 million on our OCC cost assumption going down for the full year averaged $87 million to $82 million gets you $3 million. So that's $19 million of that $27 million. The other is split across the remaining substrates, a little bit actually price increase in integrated products and benefit in both polymers and steel at relatively small levels.

Aadit Lall Shrestha
Stifel, Nicolaus & Company, Incorporated, Research Division
And in terms of volume, so that we get it right, how should we think about the cadence for going to 2Q and into sort of the second half and for the full year, how should we think about volume year-over-year based on..

Lawrence Allen Hilsheimer
Executive VP & CFO
Yes, I think the way to look at it, I mean, first of all, you got to build in Ipackchem because we acquired it last April. So that impacts things for the next 1.5 months, February, March and part of April. You then have, I would say, we don't have a clear picture of what we think is going to happen on volumes. If we did, we'd have a range. I mean that's the whole constraint here. We don't know when the inflection is going to come.

But I would say the best guide to use is just look at the same path that we've had for the past 2 years. I mean, that's what we've got built in our guidance, and that's what I'd say you should utilize in your -- so slight pickup in Q2, Q3, a slight fall off in Q4. Generally, that's the high-level stuff.

Operator
Our next question will be coming from Michael Roxland of Truist.

Niccolo Andreas Piccini
Truist Securities, Inc., Research Division
This is Nico Piccini on for Mike. First off, can you maybe elaborate on some of the demand trends in boxboard, specifically as your closure announcement for Austell, I think it include some commentary that specific subsegments of demand were declining. And then maybe an early read on trends you're seeing right now in boxboard and container board.

Ole G. Rosgaard
President, CEO & Director
Nico, it's Ole here. So total boxboard, especially flat year-on-year. And when you look at the URB business, then the edge protection is softest but the tube and cores themselves like the spiral bound products, they're actually up year-on-year. Until we see a paper market inflection, we don't really see a big driver of demand. And the biggest product we have is actually core for paper. So we're selling that to paper mills. So when we see a demand inflection there, then that business will take off as well.

Niccolo Andreas Piccini
Truist Securities, Inc., Research Division
And then I guess covering all your strategic actions. And in the framework of that Quadrant analysis you laid at the Investor Day. I mean, are there -- if you can answer more mills that fall into that kind of correction or invest to grow, divest to close buckets, or how much...

Lawrence Allen Hilsheimer
Executive VP & CFO
Yes, Nico, we couldn't comment on that right now. We're looking at all of our footprint. Obviously, that impacts human beings and jobs. So I'm not going to talk about what's on a list at this point in time. But everything we have is under review as part of this cost optimization.

Operator
Next question will be coming from Richard Carlson of Wells Fargo.

Richard Clayton Carlson
Wells Fargo Securities, LLC, Research Division
I just wanted to revisit the Timberland sale. And I wonder if that is an indication that you have a full pipeline and some capital that you can redeploy there. And then secondly, I also wanted to ask about the competitive landscape, specifically to polymers and metals. Just wondering if you're seeing any signs of stress in some of your smaller competitors.

Lawrence Allen Hilsheimer
Executive VP & CFO

I'll address the first part. Ole said it before. We're selling the Timberland because we looked at our portfolio. We had these incoming calls. We think it's the decision that it's a better asset for somebody else than us and we're going to use the proceeds to pay down debt. As Ole has also said before, our M&A pipeline always is robust. But that doesn't mean you're going to spend it tomorrow either. It means we're analyzing a lot of things and looking at a lot of things. Our first priority right now is always paying down debt.

Ole G. Rosgaard
President, CEO & Director
And with that, Richard, a lot -- we continue to work on our pipeline. And as Larry said, it's solid. I spent a lot of time with targets on all that. And we're not going to let up on that, but we don't always decide the timing of these things. And with regard to competition, basically, we focus on value over volume, and that served us well in times like this when you have more macroeconomic parameters in the market.

And that competition tends to be more hungry for volume, and if we can't get a fair price for what we do and the service we provide, we walk away. Those customers tend to come back to us because our service and our product quality is very, very high compared to a local player who want some volume. So we don't see that as an issue. And we do probably ask, have we lost market share? And my answer to that is a big no, we haven't. So in other words, we're confident in our ability to maintain our market position due to our differentiated value proposition.

Operator
Our next question will be coming from Daniel Harriman of Sidoti & Company.

Daniel Scott Harriman
Sidoti & Company, LLC
Kind of following up from an earlier question with kind of shift in focus now towards end markets, over geographies and all the announcements from the Investor Day. I was hoping maybe you could talk a little bit about the end markets in which you're most excited about and have the greatest level of confidence as we go out through 2025. And then on the flip side, where you have the most concerns? And then with your ability to continue to execute and operate in a difficult environment, and the increase in the low end of the guide. I'd just be curious to hear your thoughts about where you are, how you feel about your current net leverage ratio?

Ole G. Rosgaard
President, CEO & Director
I'll take the first question and then hand you over to Larry. So just to talk about the end markets. The one we are most excited about is agrochemical. That's the one we went into agrochemical in a big way when we acquired Reliance, Lee and Ipackchem and basically became the global leader in that market, providing very special solutions to the customers.

Another one that we have grown in is food and beverage, where we have some very large global customers as well, we provide solutions to. The end market that excites us as well where -- but which takes a fair amount of time to get into is the pharma space. We do have some solutions that we provide to some pharma customers, but the runway there is very, very long, and it takes time, but obviously, that end market excites us as well.

Lawrence Allen Hilsheimer
Executive VP & CFO
And Daniel, relative to our leverage ratio, first of all, I mean, obviously, we were thrilled that our Board was whole-heartedly supportive of us moving forward on selling our land business, although it's hard to part ways with our colleagues who are so wonderful and great down there. But it's the right thing for us.

Obviously, those net proceeds are going to help us lower our debt ratio quite significantly. That said, even if we weren't, I have not been at a discomfort level at all because we're operating well in a very difficult environment and as we've said before, if we recovered to just normal volume levels out of this industrial recession whenever this happens, I mean we're looking at $150 million of EBITDA lift from just that. And that doesn't even take into impact our cost optimization efforts.

And even that $1 billion bridge we showed at Investor Day, didn't include the most recent price increase. So we've got lots of factors here that are driving EBITDA up. So that debt leverage ratio is going to come down very rapidly as the industrial economy improves.

Operator
Thank you. And I'm showing no further questions at this time. I would now like to turn the call back to Ole Rosgaard for closing remarks.

Ole G. Rosgaard
President, CEO & Director
Thank you. And I would like to thank our analysts and our investors for your time today and for your continued interest and investment in Greif. We remain committed to delivering exceptional results and are focused on accelerating our performance towards our 2027 commitments of $1 billion EBITDA and $500 million in free cash flow. We're confident that our relentless pursuit of operational excellence and our customer-centric growth will create continuing value for all our stakeholders. Thank you.

Operator
And this concludes today's conference call. Thank you for participating. You may all disconnect.