GLATFELTER

2020 Fourth Quarter Earnings Conference Call

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NYSE: GLT

Forward Looking Statements and Use of Non-GAAP Financial Measures

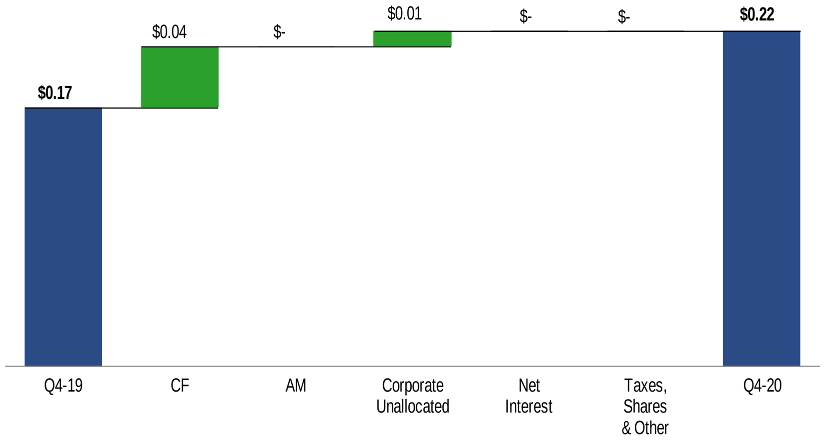
Any statements included in this presentation which pertain to future financial and business matters are "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. The Company uses words such as "anticipates", "believes", "expects", "future", "intends" and similar expressions to identify forward-looking statements. Any such statements are based on management's current expectations and are subject to numerous risks, uncertainties and other unpredictable or uncontrollable factors that could cause future results to differ materially from those expressed in the forward-looking statements including, but not limited to: the impacts of the COVID-19 pandemic, changes in industry, business, market, political and economic conditions globally, demand for or pricing of its products, changes in tax legislation, governmental laws, regulations and policies, initiatives of regulatory authorities, technological changes and innovations, market growth rates, and currency exchange rates. In light of these risks, uncertainties and other factors, the forward-looking matters discussed in this presentation may not occur and readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements speak only as of the date of this presentation and Glatfelter undertakes no obligation, and does not intend, to update these forward-looking statements to reflect events or circumstances occurring after the date of this presentation. More information about these factors is contained in Glatfelter's filings with the U.S. Securities and Exchange Commission, which are available at www.glatfelter.com.

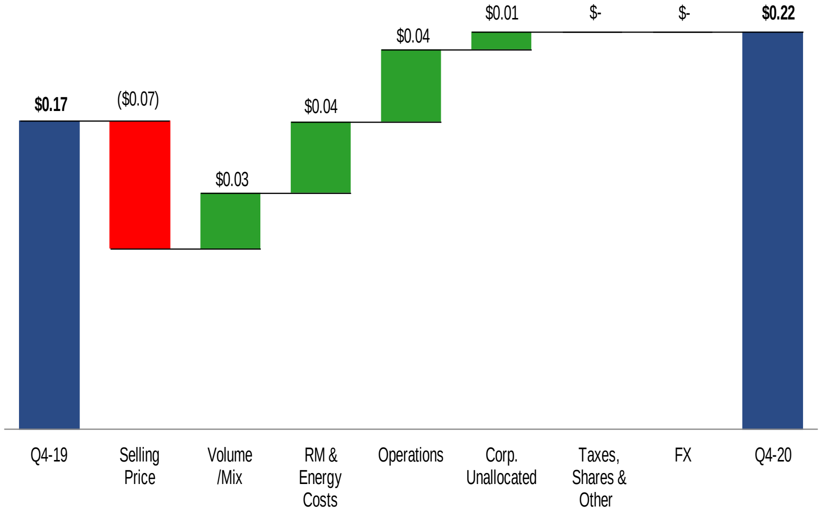
During the course of this presentation, certain non-U.S. GAAP financial measures will be presented. A reconciliation of these measures to U.S. GAAP financial measures is included in the appendix of this presentation.

Highlights – Q4 2020

- **Adjusted EBITDA of $30 million and Adjusted EPS of $0.22, ahead of expectations**
- **Airlaid Materials saw higher shipments versus Q4 2019 in all product categories except COVID-impacted tabletop**
  - Additional downtime required to manage tabletop inventory which negatively impacted profitability
- **Composite Fibers outperformed expectations for the quarter**
  - Improved mix and elevated production driven by strong customer demand boosted profitability
- **All production locations remained operational**
- **Adjusted free cash flow $33 million higher versus prior year mainly driven by stronger earnings, lower working capital usage and lower cash taxes**
- **Strong Balance Sheet - Net Leverage at 1.8x as of December 31, 2020**
- **Progressing transformation with January 6th announcement to acquire Georgia-Pacific's US nonwovens business for $175 million**

Adjusted EPS – Q4 2020 vs. Q4 2019

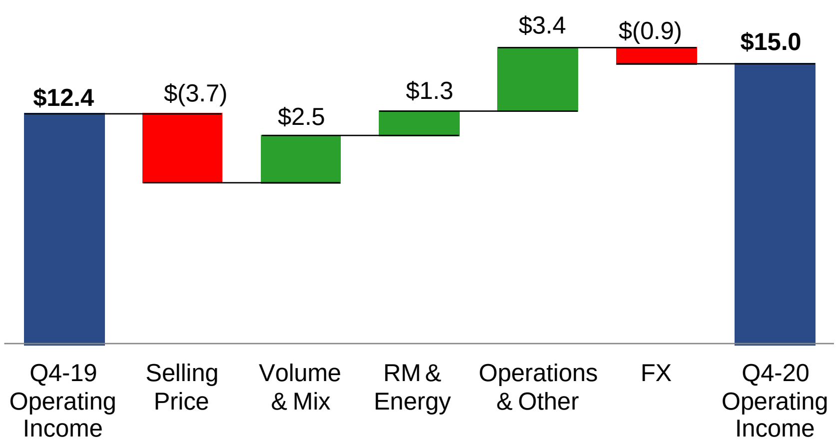




On a GAAP basis, net income from continuing operations for Q4 2020 was $9.1 million or $0.20 per share compared to net loss from continuing operations of $44.8 million or ($1.01) per share in Q4 2019.

Composite Fibers Q4 2020 Highlights

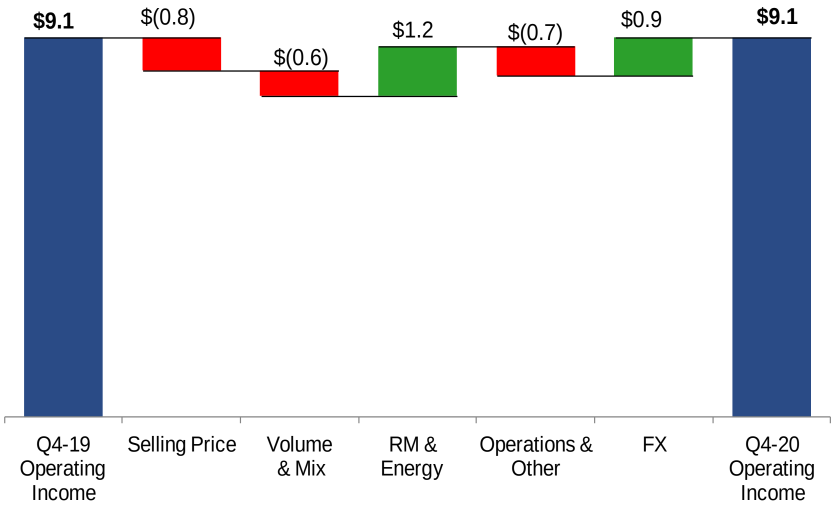
Dollars in Thousands	Q4 2019	Q3 2020	Q4 2020
Tons shipped (MT)	**34,027**	**35,009**	**34,734**
Net sales	**$132,664**	**$132,419**	**$137,822**
Operating income	**$12,422**	**$10,464**	**$15,041**
EBITDA	**$18,855**	**$17,220**	**$21,564**
EBITDA margin	**14.2%**	**13.0%**	**15.6%**



- **Revenue down 1.4% versus Q4 2019 on constant currency**
  - Volume up 2%
    - Food & Beverage up slightly
    - Technical Specialties up 3%
    - Wallcover up 16%
    - Composite Laminates up 19%
    - Metallized products down 40% (restructured in Q2 2020)
  - Selling prices decreased $3.7 million versus Q4 2019
- **Raw material and energy prices favorable $1.3 million versus Q4 2019 – primarily wood pulp**
- **Operations favorable $3.4 million versus Q4 2019 driven by strong production to support higher demand**
- **FX unfavorable $0.9 million driven by unfavorable impact from currency**
- **Outlook (Q1 2021 versus Q4 2020)**
  - Expect shipments to be lower 5%, primarily driven by wallcover
  - Selling prices expected to be in-line
  - Raw material prices expected to increase slightly
  - Expect higher production to improve operating profit by approximately $1 million
  - Expect operating profit to be in-line with Q4 2020

Airlaid Materials Q4 2020 Highlights

Dollars in Thousands	Q4 2019	Q3 2020	Q4 2020
Tons shipped (MT)	**34,470**	**34,752**	**33,593**
Net sales	**$98,308**	**$101,054**	**$97,460**
Operating income	**$9,123**	**$12,917**	**$9,073**
EBITDA	**$14,427**	**$18,591**	**$14,891**
EBITDA margin	**14.7%**	**18.4%**	**15.3%**



- **Revenue down 5.2% versus Q4 2019 on constant currency**
  - Volume down 3%
    - Fem Hygiene up 3%
    - Wipes up 12%
    - Home Care products up 59%
    - Tabletop down 34% (impact from pandemic)
- **Lower selling prices reflect the contractual pass-through of lower raw material prices**
- **Operations unfavorable $0.7 million mainly driven by lower tabletop production**
- **FX favorably impacted results by $0.9 million driven by stronger Euro**
- **Outlook (Q1 2021 versus Q4 2020)**
  - Expect shipments to be lower 5%, primarily driven by tabletop
  - Expect higher selling prices to be offset by lower production to manage inventory levels
  - Raw material prices expected to be in-line
  - Expect operating profit to be approximately $1 million lower versus Q4 2020

Corporate Costs and Other Financial items

Details of Other and Unallocated

The following sets forth details of ‘Other and Unallocated’ amounts presented in the Company’s Segment Financial Information included in total operating income in the earnings release.

(in millions)	Q4'19	Q4'20	2019	2020
Restructuring charge – Metallized operations	$-	$-	$-	($11.1)
Cost optimization actions	($0.9)	($1.6)	($8.6)	($6.0)
COVID 19 incremental costs	-	($0.9)	-	($2.7)
Timberland sales and related costs	$0.5	$0.4	$1.6	$1.4
Strategic initiatives	-	($0.7)	($0.2)	($1.6)
Asset impairment charge	-	-	-	($0.9)
Corporate headquarters relocation	-	($0.4)	-	($1.1)
Airlaid capacity expansion costs	-	-	($1.0)	-
Fox River environmental matter	-	-	$2.5	-
Special items excluded from adjusted earnings	($0.5)	($3.4)	($5.8)	($21.9)
Corporate costs*	($7.7)	($7.0)	($28.6)	($27.3)
Total corporate costs & other financial items	**($8.2)**	**($10.4)**	**($34.4)**	**($49.2)**

- **Corporate costs $0.7 million lower than Q4 2019 and $1.3 million lower for full year**
- **Strategic initiatives Q4 costs of $0.7 million related to Georgia-Pacific acquisition**
- **Corporate HQ relocation costs of $0.4 million during the quarter**
- **Outlook (FY 2021)**
  - Corporate costs estimated to be approximately $27 million in 2021
  - Interest expense & other financial costs estimated to be ~$10 million, or ~$1 million lower in 2021

*Notes: * Corporate costs are primarily comprised of employee costs, legal fees, and professional services fees. The sum of individual amounts set forth above may not agree to the column totals due to rounding.*

Cash Flow

- **Q4 Adjusted Free Cash Flow higher by ~$33 million**
- **Cash flow from continuing operations favorable by $6.2 million for the full year**
- **Adjusted Free Cash Flow of $80.3 million in 2020 is $29.1 million favorable compared to 2019**
  - Adjusted EBITDA improved by $12.9 million
  - Working capital usage improved by $21.7 million
  - Cash interest is favorable by $4 million
  - Adjustments to Free Cash Flow (1) for 2020 and 2019 are $0.5 million and $23.9 million, respectively
- **2021 Outlook:**
  - Expect capital expenditures to be approximately $38 to $42 million
  - Expect depreciation and amortization expense to be approximately $56 million

(in millions)	Q4'19	Q4'20	2019	2020
Adjusted EBITDA	$25.6	$29.6	$106.7	$119.6
Change in working capital (*)	22.0	46.8	(12.5)	9.2
Taxes refunded (paid)	(3.5)	18.6	(14.2)	10.0
Interest paid	(1.0)	(1.5)	(10.2)	(6.2)
Other	44.1	(9.0)	33.1	(23.6)
Cash Flow from continuing Operations	**$87.2**	**$84.5**	**$102.8**	**$109.0**
Less: Capital expenditures	(9.7)	(8.0)	(27.8)	(28.1)
Free Cash Flow	**$77.5**	**$76.5**	**$75.1**	**$80.9**
Less: Adjustments to Free Cash Flow	(51.8)	(18.0)	(23.9)	(0.5)
Adjusted Free Cash Flow	**$25.7**	**$58.5**	**$51.2**	**$80.3**

Notes:
(*) - Working capital is defined as accounts receivable plus inventories less accounts payable.
The sum of individual amounts set forth above may not agree to the column totals due to rounding.

(1) – Slide 26 in appendix includes the details for the Adjustments to Free Cash Flow and recasts prior quarters to align with full year presentation

Balance Sheet and Liquidity

- **Liquidity improved significantly in 2020 driven by strong EBITDA growth**
- **Leverage lowered to 1.8x versus December 2019 of 2.2x driven by higher EBITDA and cash flow**
- **Dec 2019 Cash includes ~ $53.4 million related to pension settlement**
- **Paid excise tax on cash reversion of ~ $8 million in 2020**

(in millions)	31-Dec-18	31-Dec-19	31-Dec-20
Cash	**$142.7**	**$126.2**	**$99.6**
Debt			
Current portion of long term debt	10.8	22.9	25.1
5⅜% Notes, due October 2020	250.0	-	-
Term Loans 1.3% - 2.4% due 2022 - 2025	37.7	255.1	253.5
Revolving credit agreement	114.5	84.3	36.8
Unamortized deferred financing costs	(1.3)	(2.4)	(1.9)
Total Debt	**$411.7**	**$359.9**	**$313.5**
Net Debt	**$269.1**	**$233.7**	**$213.9**
Shareholders' Equity	**$538.9**	**$556.0**	**$577.9**
TTM Adj. EBITDA	**$88.6**	**$106.7**	**$119.6**
Net Leverage*	**3.0**	**2.2**	**1.8**
Available Liquidity	**$152.9**	**$200.4**	**$274.8**

Notes: ( ) -For leverage calculation, "31-Dec-18" column includes full year of Steinfurt financials for TTM EBITDA calculation,*
The above calculation is not intended to be used for purposes of calculating debt covenant compliance.
The sum of individual amounts set forth above may not agree to the column totals due to rounding.

2020 Accomplishments

- Kept employees safe and all facilities operating throughout pandemic
- Airlaid Materials – Delivered record profitability through health and hygiene growth
- Composite Fibers – Operational and commercial excellence drove profit growth
- Consolidated Metallized operations optimizing footprint
- Operating model generated speed, agility and cost savings
- De-levered balance sheet to increase capacity for future growth opportunities
- Published first GLT Sustainability Report formalizing ESG priorities

Georgia-Pacific US Nonwovens Acquisition
Strategic Fit for Airlaid Segment Growth

- **Signed definitive agreement to purchase Georgia-Pacific's US nonwovens business for $175M**
  - Airlaid facility located in Mount Holly, NC and R&D center located in Memphis, TN (~150 non-union employees total)
  - 2 production lines with ~37K MT total capacity, pilot line to accelerate ongoing innovation efforts
- **Annual Revenues and Adjusted EBITDA of approximately $100M and $20M, respectively**
- **Expected annual cost synergies of $4M to $6M within 3 years**
- **Transaction and integration costs expected to be ~$10M**
- **Acquisition to be financed with combination of cash and borrowings under revolving credit facility**
- **Business and customer base complementary to existing Glatfelter Airlaid segment**
  - Wipes and tabletop product categories comprise approximately 90% of 2020 estimated sales
- **Synergistic acquisition that enables capacity optimization, increased output, operational improvements and cost reduction**
- **Expands Glatfelter's footprint and income generation in the US and balances sales mix between Airlaid and Composite Fibers segments**
  - Post acquisition, Airlaid segment within Glatfelter will comprise:
    - ~48% of total sales (vs. 43%)
    - ~53% of EBITDA (vs. 47%)

The New Glatfelter

Strategic Transformation → **Drivers and Outcomes** → **Value Creation**

Strategic Transformation

Redefining Who We Are

A Leading Engineered Materials Company

Multiple Growth Vectors

Accelerating Innovation and Sustainability

Drivers and Outcomes

Unlocking Value through Portfolio Realignment	Sale of Specialty Papers - $360M ~85% of Revenues in Essential Consumer Staples Pension Plan Reversion - ~$33M
Investing in Strategic Growth	<u>Acquisitions</u> $185M (G-P EU) & $175M (G-P US*) <u>Organic</u> $90M (Ft. Smith)
Delivering Shareholder Distributions	Dividends of ~$25M annually Targeting 4% annual dividend growth
Creating Financial Capacity for Strategic Flexibility	Debt Reduced by ~$170M since 2018 <u>Leverage Ratio</u> Q1 2019 – 3.5x Q4 2020 – 1.8x

Value Creation

Portfolio of GDP/GDP+ Businesses

Improved Free Cash Flows

Strong Adj. EBITDA Generation:
2018 - $80M
2019 - $107M
2020 - $120M

Enhancing Everyday Life™... Sustainably

* Pending closing of transaction

Appendix

GLATFELTER ESSENTIAL for Everyday Life

FOOD & BEVERAGE

Tea Bag; Single-serve Coffee; Food Pad

ESSENTIAL – as you brew your favorite beverage and prepare nutritious meals for your family:


High-performance tea bag filters for superior infusion


Coffee solutions suitable for all common brewing devices


Safe, absorbent packaging for meat, poultry & fish

PERSONAL CARE

Feminine Hygiene; Adult Incontinence; Baby Wipes

ESSENTIAL - for maintaining a healthy and active lifestyle even as we practice social distancing:


Absorbent cores trusted by hygiene industry leaders


Comfortable and discreet adult consumer products


Soft and strong cleaning solutions for our little ones

CONSUMER SOLUTIONS

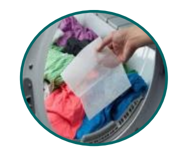
Floor & Home Care; Table Top; Dispersible Wipes

ESSENTIAL - for maintaining a clean and safe environment for your family:


Disinfect hard surfaces, keyboards, cell phones


Dust, absorb spills and scrub hard to clean surfaces


Replace linens with disposable napkins and table cloth


Protect laundry loads with color-catching sheets

Over 85% of Glatfelter Revenue is tied to Essential Consumer Staples

Effective Tax Rate

- **Q4 2020 tax rate on adjusted earnings is 34.2%**
- **Guiding to 2021 tax rate of ~ 38% - 40% on adjusted earnings**
  - 2021 Rate Drivers:
    - Currently generating losses in U.S. with no tax benefit due to U.S. valuation allowance
    - U.S. tax on foreign earnings (Global Intangible Low Taxed Income – GILTI)
    - Due to utilization of U.S. tax loss carryforwards the 50% GILTI deduction and use of foreign tax credits is not available
- **CARES Act signed into law allows for the carry back of certain prior losses creating a tax provision benefit of $1.1 million in Q4 2020 and $6.1 million for 2020**
  - Tax benefit excluded from adjusted earnings
  - Tax refund of $20.1 million received in December 2020

Georgia-Pacific US Nonwovens Acquisition Effective Tax Rate Impacts

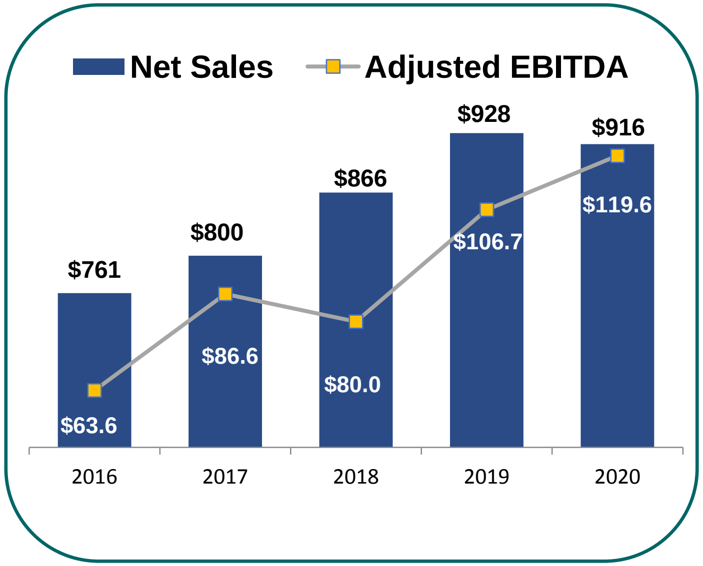
- **Acquisition to be treated as a purchase of assets for tax purposes, utilizing a section 338(h)(10) tax election under the Internal Revenue Code**
  - Election will provide an NPV of future tax benefits of ~$3 million
- **Effective tax rate guidance will remain unchanged for 2021**
  - U.S. will remain in overall loss position with a full valuation allowance, however acquisition meaningfully reduces annual losses in U.S.
  - Expect slight rate benefit after 2021
- **No increase to U.S. cash taxes in the foreseeable future**
  - Significant tax losses from tax election will offset additional taxable income from acquisition

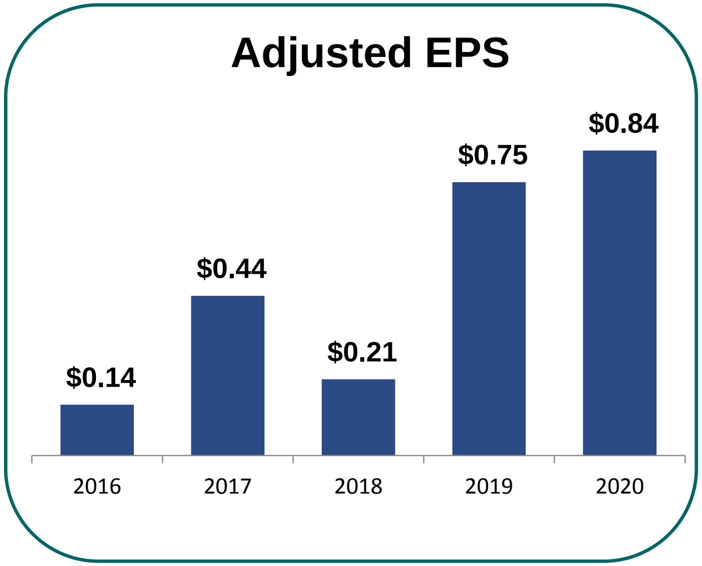
Financial Overview

(in millions)	Q4'19	Q4'20
Net Sales	$231.0	$235.3
Adjusted operating income	$13.8	$17.1
Adjusted EBITDA	$25.6	$29.6
Free Cash Flow	$77.5	$76.5
Adjusted Free Cash Flow	$25.7	$58.5

(in millions)	Dec 31 2019	Dec 31 2020
Net Debt	$233.7	$213.9
Cash	$126.2	$99.6

Earnings Trends

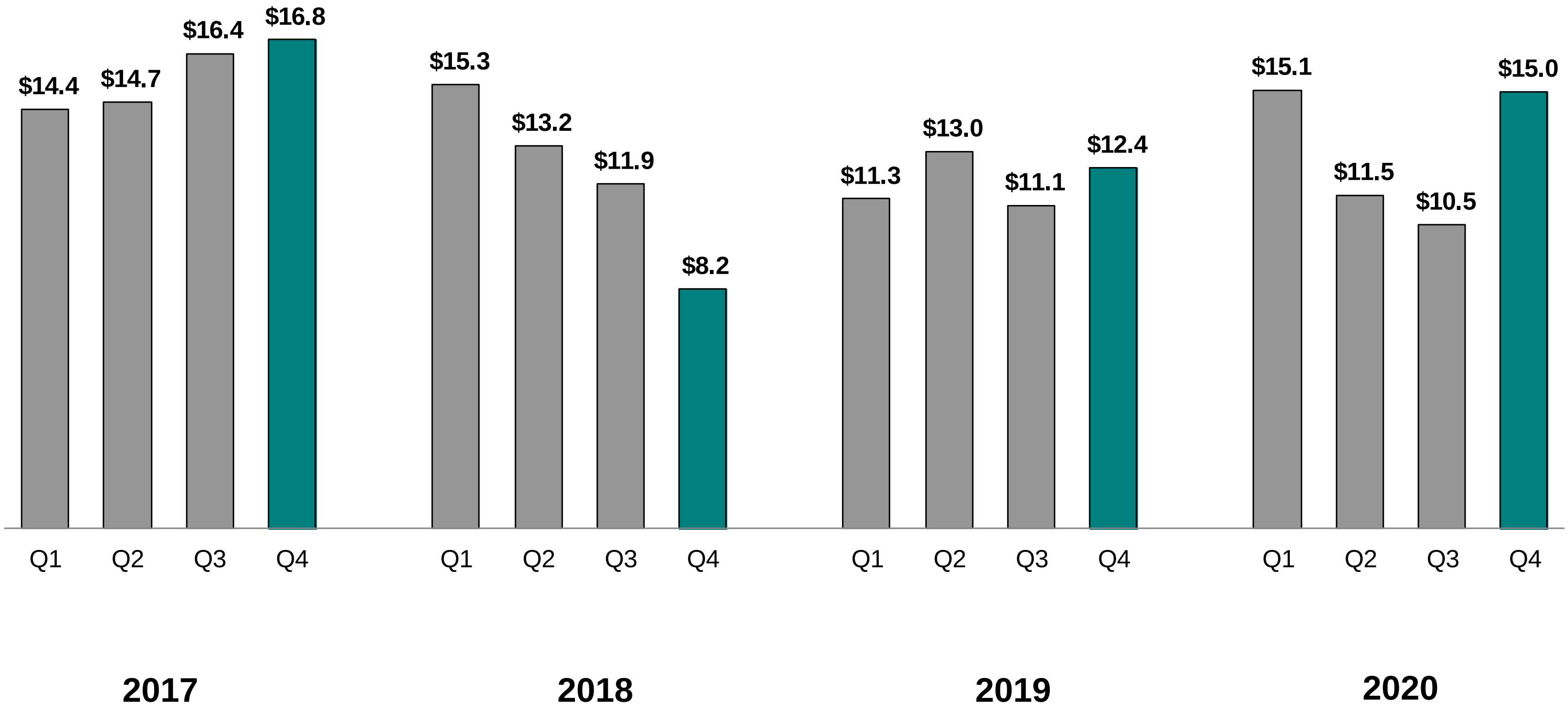




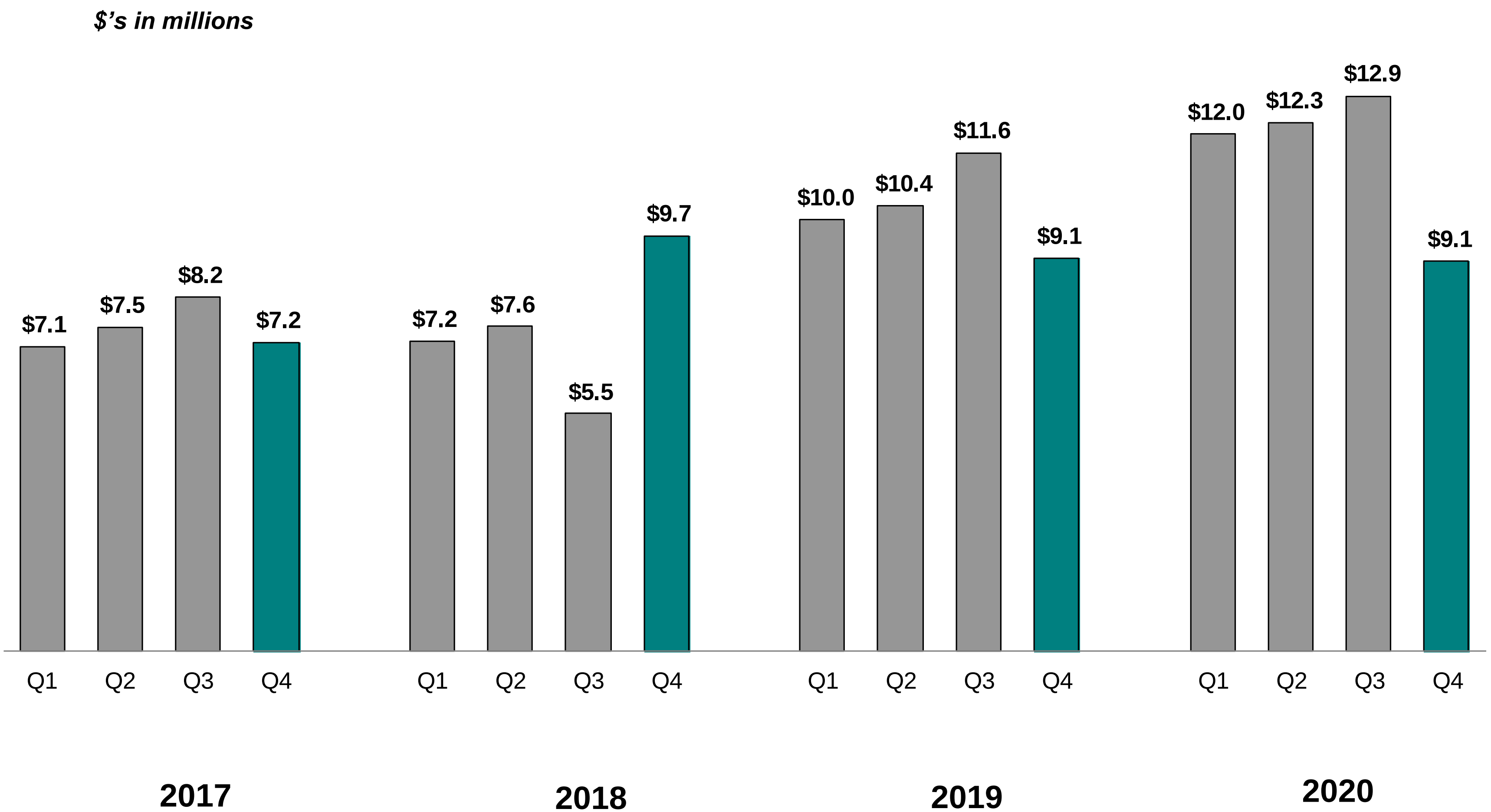
Note: Results are from continuing operations with an assumed tax rate of 40% for 2016 – 2017 (without the Specialty Papers business) ; Net sales and Adjusted EBITDA in millions

Composite Fibers Operating Income

$'s in millions



Airlaid Materials Operating Income



Reconciliation of Non-GAAP measures

Adjusted EBITDA and Adjusted Operating Income from continuing operations

In millions	Q4 2019	Q4 2020	2019	2020
Net Income (loss)	$ (44.9)	$ 9.8	$ (21.5)	$ 21.3
Adjust: Discontinued ops	0.1	(0.7)	(3.7)	(0.5)
Add: Taxes	(19.9)	2.8	(9.2)	11.6
Add: Depreciation and Amortization(1)	12.7	13.3	50.8	56.6
Add: Net Interest Expense	1.7	1.7	9.3	6.6
EBITDA	$ (50.2)	$ 26.9	$ 25.7	$ 95.6
Adjustments / Exclusions:				
Pension settlement expenses, net	75.3	(0.6)	75.3	6.2
Gains on Timberland Sales and Transaction Related Costs	(0.5)	(0.4)	(1.6)	(1.4)
Restructuring charge - Metallized operations (net of asset write-off)	-	1.5	-	7.2
Airlaid Capacity Expansion	-	-	1.0	-
COVID-19 incremental costs	-	0.9	-	2.7
Cost optimization actions	0.9	0.4	8.6	6.0
Asset impairment charge	-	-	-	0.9
Costs related to strategic initiatives	-	0.7	0.2	1.6
Corporate headquarters relocation (net of asset write off)	-	0.2	-	0.9
Fox River environmental matter	-	-	(2.5)	-
Adjusted EBITDA from continuing operations	**$ 25.6**	**$ 29.6**	**$ 106.7**	**$ 119.6**
Depreciation and Amortization(2)	(12.7)	(13.3)	(50.8)	(52.5)
Other (Income)/Expense	0.9	0.8	4.5	4.0
Adjusted Operating Income from continuing operations	**$ 13.8**	**$ 17.1**	**$ 60.4**	**$ 71.1**

(1) – 2020 includes accelerated depreciation incurred in connection with restructuring of Composite Fibers' Metallized operations of $4.1 million, not included in adjusted operating income (2)

Note: The sum of individual amounts set forth above may not agree to the column totals due to rounding.

Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

In millions	2016	2017	2018	2019	2020
Net Income (loss)	**$ 21.6**	**$ 7.9**	**$ (177.6)**	**$ (21.5)**	**$ 21.3**
Adjust: Discontinued ops	(35.7)	(13.5)	177.2	(3.7)	(0.5)
Add: Taxes from continuing operations	(28.4)	25.1	7.7	(9.2)	11.6
Add: Depreciation and Amortization	39.5	42.1	47.5	50.8	56.6
Add: Net Interest Expense	13.6	13.1	15.0	9.3	6.6
EBITDA from continuing operations	$ 10.6	$ 74.6	$ 69.8	$ 25.7	$ 95.6
Adjustments / Exclusions:					
Pension settlement expenses, net	7.3	-	-	75.3	6.2
Gains on Timberland Sales and Transaction Related Costs	-	(0.2)	(3.2)	(1.6)	(1.4)
Asset impairment charge	-	-	-	-	0.9
Airlaid Capacity Expansion	2.7	10.9	7.1	1.0	-
Restructuring charge - Metallized operations (net of asset write off)	-	-	-	-	7.2
Cost optimization actions	3.1	1.3	0.4	8.6	6.0
COVID-19 incremental costs	-	-	-	-	2.7
Corporate headquarters relocation (net of asset write off)	-	-	-	-	0.9
Costs related to strategic initiatives [(1)]	-	-	5.9	0.2	1.6
Fox River environmental matter	40.0	-	-	(2.5)	-
Adjusted EBITDA from continuing operations	**$ 63.6**	**$ 86.6**	**$ 80.0**	**$ 106.7**	**$ 119.6**

(1) The amount for 2018 includes approximately $2.9 million of foreign currency gains associated with the financing for the Steinfurt acquisition.

Note: The sum of individual amounts set forth above may not agree to the column totals due to rounding.

Reconciliation of Non-GAAP measures

Adjusted EBITDA used for leverage calculation

In millions	2018		2019	2020
Net Income (loss)	**$ (177.6)**		**$ (21.5)**	**$ 21.3**
Adjust: Discontinued ops	177.2		(3.7)	(0.5)
Add: Taxes from continuing operations	7.7		(9.2)	11.6
Add: Depreciation and Amortization	47.5		50.8	56.6
Add: Net Interest Expense	15.0		9.3	6.6
EBITDA	$ 69.8		$ 25.7	$ 95.6
EBITDA from Steinfurt operations	8.6		-	-
Adjustments / Exclusions:				
Gains on Timberland Sales and Transaction Related Costs	(3.2)		(1.6)	(1.4)
Asset impairment charge	-		-	0.9
Pension settlement expenses, net	-		75.3	6.2
Airlaid Capacity Expansion	7.1		1.0	-
Restructuring charge - Metallized operations (net of asset write off)	-		-	7.2
Cost optimization actions	0.4		8.6	6.0
COVID-19 incremental costs	-		-	2.7
Corporate headquarters relocation (net of asset write off)	-		-	0.9
Costs related to strategic initiatives [(1)]	5.9		0.2	1.6
Fox River environmental matter	-		(2.5)	-
Adjusted EBITDA	**$ 88.6**	**(*)**	**$ 106.7**	**$ 119.6**

(1) The amount for 2018 includes approximately $2.9 million of foreign currency gains associated with the financing for the Steinfurt acquisition.

Notes: ( ) -For leverage calculation, EBITDA includes applicable Steinfurt financials add back; The sum of individual amounts set forth above may not agree to the column totals due to rounding.*

Reconciliation of Non-GAAP measures
Adjusted EPS from continuing operations

In millions	2016	2017	2018	2019	2020
Net Income (loss)	**$ 21.6**	**$ 7.9**	**$ (177.6)**	**$ (21.5)**	**$ 21.3**
Adjust: Discontinued ops, net of tax	(35.7)	(13.5)	177.2	(3.7)	(0.5)
Income (loss) from continuing operations	**(14.2)**	**(5.6)**	**(0.4)**	**(25.2)**	**20.8**
Adjustments / Exclusions:					
Pension settlement expenses, net	7.3	-	-	75.3	6.2
Gains on Timberland Sales and Transaction Related Costs	-	(0.2)	(3.2)	(1.6)	(1.4)
Asset impairment charge	-	-	-	-	0.9
Airlaid Capacity Expansion	2.7	10.9	7.1	1.0	-
COVID-19 incremental costs	-	-	-	-	2.7
Debt refinancing fees	-	-	-	1.0	-
Cost optimization actions	3.1	2.6	0.4	8.6	6.0
Restructuring charge - Metallized operations	-	-	-	-	11.1
Costs related to strategic initiatives (1)	-	-	5.9	0.2	1.6
Fox River environmental matter	40.0	-	-	(2.5)	-
Corporate headquarters relocation	-	-	-	-	1.1
Income Tax impact on adjustments	(19.4)	18.8	(0.5)	(23.7)	(11.5)
Total adjustments	33.6	32.0	9.6	58.4	16.6
Adjusted income from continuing operations	**19.4**	**26.4**	**9.2**	**33.2**	**37.4**
Normalizing tax rate to 40% provision (2016 - 2017)	13.1	6.8	-	-	-
Adjusted earnings for continuing operations	**$ 6.4**	**$ 19.6**	**$ 9.2**	**$ 33.2**	**$ 37.4**
Adjusted EPS for continuing operations	**$ 0.14**	**$ 0.44**	**$ 0.21**	**$ 0.75**	**$ 0.84**
Weighted average shares	*44,129*	*44,439*	*43,768*	*44,132*	*44,614*

(1) The amount for 2018 includes approximately $2.9 million of foreign currency gains associated with the financing for the Steinfurt acquisition.

Note: The sum of individual amounts set forth above may not agree to the column totals due to rounding.

Reconciliation of Non-GAAP measures

Adjusted EPS from continuing operations

In millions	Q4'19	Q4'20
Net Income (loss)	**$ (44.9)**	**$ 9.8**
Adjust: Discontinued ops, net of tax	0.1	(0.7)
Income (loss) from continuing operations	**(44.7)**	**9.1**
Adjustments / Exclusions:		
Pension settlement expenses, net	75.3	(0.6)
Gains on Timberland Sales and Transaction Related Costs	(0.5)	(0.4)
COVID-19 incremental costs	-	0.9
Corporate headquarters relocation	-	0.4
Cost optimization actions	0.9	1.6
Costs related to strategic initiatives	-	0.7
Income Tax impact on adjustments (*)	(23.4)	(2.2)
Total adjustments	52.4	0.5
Adjusted income from continuing operations	**$ 7.7**	**$ 9.6**
Adjusted EPS for continuing operations	**$ 0.17**	**$ 0.22**
Weighted average shares - QTD	*44,189*	*44,714*

(*) – Income tax adjustments for Q4'20 includes $1.1 million "CARE" Act net benefit
Note: The sum of individual amounts set forth above may not agree to the column totals due to rounding.

Reconciliation of Non-GAAP measures

Adjusted Free Cash Flow from Continuing Operations

(in millions)	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Adjusted EBITDA (1)	$25.6	$28.0	$27.6	$25.6	$32.2	$29.0	$28.8	$29.6	$106.7	$119.6
Change in working capital	(21.5)	(18.4)	5.5	22.0	(22.5)	(16.6)	1.5	46.8	(12.5)	9.2
Taxes refunded (paid)	(3.0)	(4.2)	(3.6)	(3.5)	(3.4)	(1.2)	(3.9)	18.6	(14.2)	10.0
Interest paid	(6.0)	(1.8)	(1.5)	(1.0)	(1.4)	(1.7)	(1.5)	(1.5)	(10.2)	(6.2)
Other	(19.2)	1.3	6.9	44.1	(10.4)	(4.7)	0.6	(9.0)	33.1	(23.6)
Cash Flow from continuing Operations	**($24.1)**	**$4.9**	**$34.9**	**$87.2**	**($5.6)**	**$4.7**	**$25.5**	**$84.5**	**$102.8**	**$109.0**
Less: Capital expenditures	(5.9)	(4.8)	(7.4)	(9.7)	(7.0)	(5.0)	(8.2)	(8.0)	(27.8)	(28.1)
Free Cash Flow	**($30.0)**	**$0.1**	**$27.5**	**$77.5**	**($12.6)**	**($0.3)**	**$17.3**	**$76.5**	**$75.1**	**$80.9**
Fox River Payments	20.5	-	0.9	-	0.1	2.1	1.0	0.4	21.5	3.5
Pension Settlement	-	-	-	(53.4)	-	6.3	0.4	(0.5)	(53.4)	6.2
Strategic Initiatives	0.1	0.1	-	-	-	-	0.8	0.4	0.2	1.2
Airlaid Expansion	0.9	-	-	-	-	-	-	-	0.9	-
Cost Optimization	0.6	2.4	2.2	1.5	1.9	0.4	0.7	0.9	6.7	3.8
Metallized Restructuring	-	-	-	-	-	4.3	0.9	-	-	5.3
HQ Relocation	-	-	-	-	-	0.1	0.4	0.6	-	1.1
COVID19 related costs	-	-	-	-	-	1.2	0.6	0.8	-	2.5
Taxes (Refunds)/Paid on adjusting items(2)	-	-	0.1	0.1	-	(1.9)	(1.8)	(20.4)	0.2	(24.1)
Adjusted Free Cash Flow	**($7.9)**	**$2.6**	**$30.7**	**$25.7**	**($10.6)**	**$12.1**	**$20.3**	**$58.4**	**$51.2**	**$80.3**

(1) – Reconciliations for adjusted EBITDA to net income not included in this presentation, are included in prior quarter earnings presentations
(2) – Tax refunds of $24.1 million in 2020 includes $20.1 million from CARES Act
Note: The sum of individual amounts set forth above may not agree to the column totals due to rounding

Reconciliation of Non-GAAP measures

Adjusted EBITDA from continuing operations

In thousands	Q4'19	Q3'20	Q4'20
Composite Fibers Operating Profit	$12,422	$10,464	$15,041
Addback: Depreciation & Amortization	6,433	6,755	6,523
Composite Fibers EBITDA	$18,855	$17,220	$21,564
Airlaid Materials Operating Profit	$9,123	$12,917	$9,073
Addback: Depreciation & Amortization	5,304	5,674	5,818
Airlaid Materials EBITDA	$14,427	$18,591	$14,891

Note: The sum of individual amounts set forth above may not agree to the column totals due to rounding.

Reconciliation of Non-GAAP measures

Net Debt and Leverage

Net debt & Leverage ***In millions***	**December 31 2018**	**December 31 2019**	**December 31 2020**
Current Portion of Long-Term Debt	$10.8	$22.9	$25.1
Long-Term Debt	401.0	336.9	288.5
Total Debt	411.7	359.9	313.5
Less: Cash	(142.7)	(126.2)	(99.6)
Net Debt	$269.1	$233.7	$213.9
Net Debt	$269.1	$233.7	$213.9
Divided by: Adjusted EBITDA	88.6	106.7	119.6
Net Leverage*	3.0x	2.2x	1.8x

Notes: ( ) -For leverage calculation, "December 31 2018" column includes full year of Steinfurt financials for TTM EBITDA calculation*
The above calculation is not intended to be used for purposes of calculating debt covenant compliance.
The sum of individual amounts set forth above may not agree to the column totals due to rounding.