



G L A T F E L T E R

2021 Third Quarter Earnings Conference Call

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November 2, 2021

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”, “plans”, “targets”, and similar expressions to identify forward-looking statements. Any such statements are based on the Company’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, which are described in the Company’s filings with the U.S. Securities and Exchange Commission (“SEC”), including those set forth in the Risk Factors section and under the heading “Forward-Looking Statements” in the Company’s most recently filed Annual Report on Form 10-K and Quarterly Report on Form 10-Q, which are available on the SEC’s website at www.sec.gov. 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 the Company 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.

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.



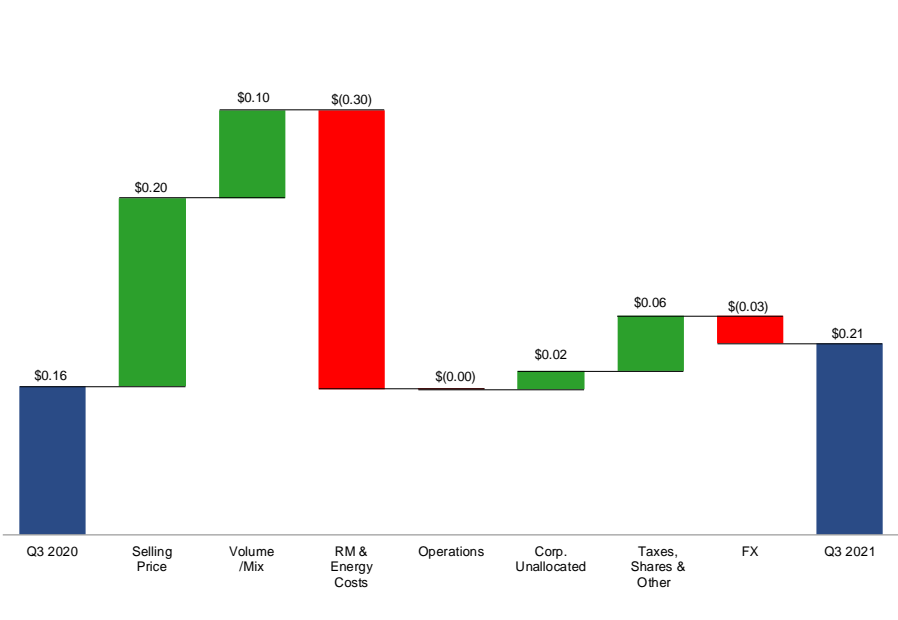
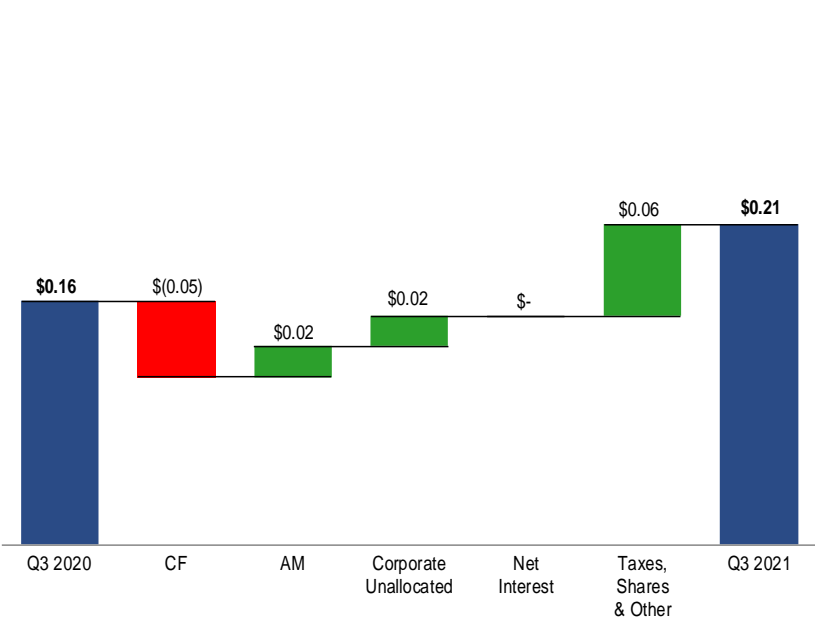
Highlights – Q3 2021

- **Adjusted EBITDA of \$32 million and adjusted EPS of \$0.21**
- **Airlaid Materials delivered a record operating profit quarter following the Mount Holly acquisition, outperforming expectations driven by improving demand for wipes and tabletop categories**
- **Composite Fibers profitability well below expectations despite higher selling prices**
 - Energy prices in Europe escalated throughout the quarter impacting sequential earnings by \$3 million
 - Raw materials and logistics inflation also continued to increase impacting sequential earnings by \$2.7 million
 - New price increases of 12% announced in mid-September across the Composite Fibers portfolio to offset the energy, raw material and freight inflationary pressures
- **All production sites remained operational**
- **Completed acquisition of Jacob Holm, now known as Glatfelter's Spunlace segment, a leading global manufacturer of premium quality spunlace nonwovens**
 - Executed \$500 million bond offering to finance the closing of Jacob Holm and pay down our existing revolver
 - Near-term priorities to successfully integrate Jacob Holm, realize synergies and actively de-lever balance sheet

Note: Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement. (see full reconciliation on slide 19)



Adjusted EPS – Q3 2021 vs. Q3 2020



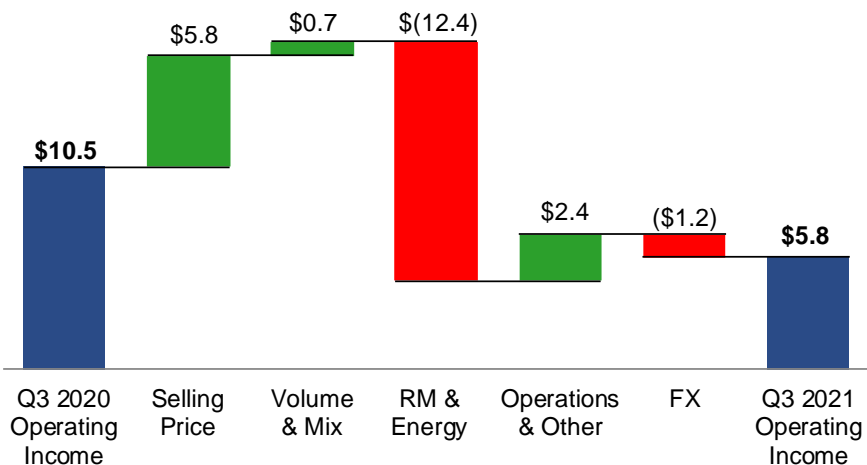
On a GAAP basis, net income from continuing operations for Q3 2021 was \$7.5 million or \$0.17 per share compared to net income from continuing operations of \$6.5 million or \$0.15 per share in Q3 2020.



Composite Fibers Q3 2021 Highlights

Dollars in Thousands

	Q3 2020	Q2 2021	Q3 2021
Tons shipped (MT)	35,009	34,471	32,737
Net sales	\$132,419	\$141,598	\$138,118
Operating income	\$10,464	\$11,063	\$5,812
EBITDA	\$17,220	\$18,063	\$12,716
EBITDA margin	13.0%	12.8%	9.2%

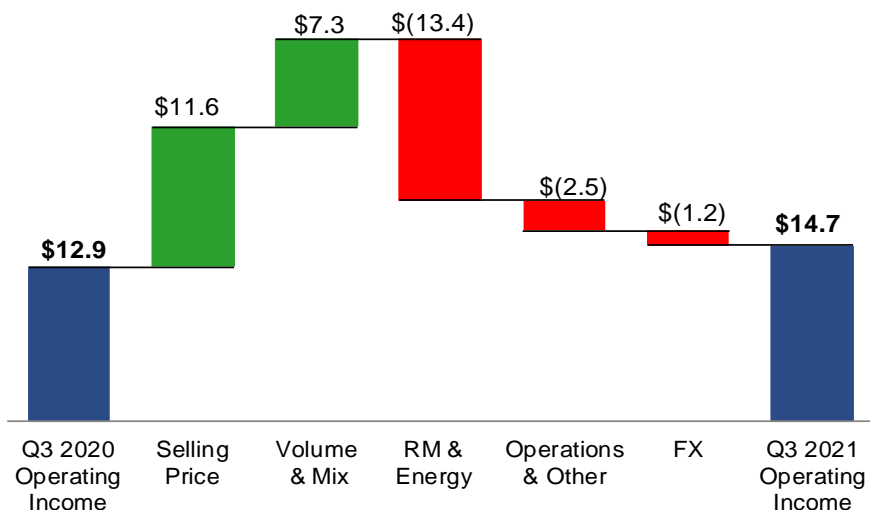


- **Revenue up 3.4% versus Q3 2020 on constant currency**
 - Selling prices higher by \$6 million to offset inflationary pressures
 - Volume down 6%
 - Wallcover down 19%
 - Composite Laminates up 17%
 - Food & Beverage up 2%
- **Raw material and energy prices unfavorable \$12.4 million mainly due to significant inflationary pressure in wood pulp, energy and freight prices**
- **Operations favorable \$2.4 million driven by strong inclined wire production to meet customer demand**
- **FX unfavorable \$1.2 million mainly due to favorable hedging gains in 2020**
- **Outlook (Q4 2021 versus Q3 2021)**
 - Expect shipments to be in-line
 - Selling prices are expected to be higher by ~\$6 million
 - Raw material and energy prices are expected to be \$1 million to \$2 million higher
 - Operations expected to be in-line with the third quarter

Airlaid Materials Q3 2021 Highlights

Dollars in Thousands

	Q3 2020	Q2 2021	Q3 2021
Tons shipped (MT)	34,752	34,315	43,526
Net sales	\$101,054	\$103,313	\$141,533
Operating income	\$12,917	\$8,431	\$14,742
EBITDA	\$18,591	\$15,198	\$22,505
EBITDA margin	18.4%	14.7%	15.9%



- **Revenue up 39.5% versus Q3 2020 on constant currency, including full quarter of Mount Holly acquisition**
 - Volume up 25% including favorable mix
 - Tabletop up 105%
 - Wipes up 92%
 - Home Care products down 4%
 - Hygiene products down 5%
- **Higher selling prices reflect the contractual pass-through of higher raw material prices**
 - Higher energy costs in our European facilities mostly not passed through in contractual pass-through agreements
 - Initiated 10% price increases as of October 1st for customers with no cost pass-through provisions
- **Operations unfavorable \$2.5 million mainly driven by lower production and higher inflationary pressures**
- **FX unfavorable \$1.2 million mainly due to favorable hedging gains in 2020**
- **Outlook (Q4 2021 versus Q3 2021)**
 - Expect shipments to be ~3% lower with unfavorable mix negatively impacting operating profit by \$1 million
 - Higher selling prices expected to fully offset higher raw material inflation
 - Expect energy costs to be higher by \$1 million to \$1.5 million
 - Operations expected to be in-line with the third quarter



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.

- **Corporate costs \$1.7 million lower than Q3 2020 and \$4.6 million lower September YTD 2021**
- **Strategic initiatives costs of \$11.2 million YTD related to acquisition activities including Mount Holly and Jacob Holm**
- **Outlook (FY 2021)**
 - Corporate costs estimated to be approximately \$22 million in 2021
 - Interest expense & other financial costs estimated to be ~\$15 million (reflects Mount Holly and bond offering related to Jacob Holm acquisition)
 - Expect full year tax rate to be approximately 38% to 40% and Q4 2021 tax rate of ~42%
- **Jacob Holm Guidance (Nov 2021 & Dec 2021)**
 - Expect shipments of ~13kMT
 - Expect operating profit of approximately \$1 million
 - Includes D&A of \$3.0 million to \$3.5 million including acquisition step-up to fixed and intangible assets
 - Excludes impact of inventory step-up
 - Estimates subject to change upon completion of purchase accounting
 - Expect \$20 million of synergies in next 2 years

(in millions)	Q3 2020	Q3 2021	YTD 2020	YTD 2021
Restructuring charge – Metallized operations	(\$0.1)	\$-	(\$11.1)	\$-
Cost optimization actions	(1.3)	(0.7)	(4.4)	(0.7)
Timberland sales and related costs	0.4	2.2	1.0	4.6
COVID-19 incremental costs	(0.6)	-	(1.8)	-
Strategic initiatives	(0.8)	(2.8)	(0.8)	(11.2)
Asset impairment charge	-	-	(0.9)	-
Corporate headquarters relocation	(0.6)	(0.1)	(0.6)	(0.4)
Special items excluded from adjusted earnings	(3.0)	(1.3)	(18.6)	(7.7)
Corporate costs*	(6.4)	(4.7)	(20.3)	(15.7)
Total corporate costs & other financial items	(9.4)	(6.0)	(38.9)	(23.3)

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

- **YTD Cash Flow from continuing operations \$14.0 million higher versus last year**
- **YTD Adjusted Free Cash Flow higher by ~\$9 million**
- **2021 Outlook:**
 - Expect capital expenditures to be approximately \$30 to \$35 million
 - Includes capital spending at Mount Holly for initial development to stand up an integrated IT system as well as on-going capital for the remainder of 2021
 - Includes capital spending at Jacob Holm related to on-going capital for the remainder of 2021
 - Expect depreciation and amortization expense to be approximately \$63 million (includes Mount Holly for 7.5 months and Jacob Holm for 2 months)

(in millions)	Q3 2020	Q3 2021	YTD'20	YTD'21
Adjusted EBITDA	\$30.4	\$32.1	\$94.0	\$93.9
Change in working capital (*)	1.5	3.8	(37.6)	(34.1)
Taxes paid	(3.9)	(2.7)	(8.6)	(9.8)
Interest paid	(1.5)	(1.8)	(4.7)	(4.7)
Other	(1.0)	5.7	(18.5)	(6.8)
Cash Flow from continuing Operations	\$25.5	\$37.1	\$24.5	\$38.5
Less: Capital expenditures	(8.2)	(7.3)	(20.2)	(18.5)
Free Cash Flow	\$17.3	\$29.8	\$4.4	\$20.0
Less: Adjustments to Free Cash Flow	3.0	5.4	17.5	10.5
Adjusted Free Cash Flow	\$20.3	\$35.2	\$21.9	\$30.4

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 24 in appendix includes the details for the Adjustments to Free Cash Flow and recasts prior quarters to align with full year presentation

Note: Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement.



Balance Sheet and Liquidity

- Higher leverage of 2.8x as of September 30, 2021 versus 1.7x as of December 31, 2020 driven by Mount Holly acquisition in Q2 2021 for \$175 million
- Executed \$500 million bond financing in October 2021
- Pro forma Glatfelter's net leverage including Jacob Holm acquisition of approximately 4.0x, inclusive of \$20 million synergies and \$25 million of transaction costs
- December 2019 cash includes ~ \$53.4 million related to pension settlement
- Available liquidity of ~\$280 million

(in millions)	31-Dec-19	31-Dec-20	30-Sep-21
Cash	\$126.2	\$99.6	\$100.0
Debt			
Current portion of long term debt	22.9	25.1	27.4
Short term debt	-	-	11.6
Term Loans 1.3% - 2.4% due 2022 - 2025	255.1	253.5	228.2
Revolving credit agreement	84.3	36.8	200.5
Unamortized deferred financing costs	(2.4)	(1.9)	(5.7)
Total Debt	359.9	313.5	462.1
Net Debt	\$233.7	\$213.9	\$362.1
Shareholders' Equity	\$556.0	\$577.9	\$563.3
TTM Adj. EBITDA (*)	110.3	125.3	130.5
Net Leverage	2.1x	1.7x	2.8x
Available Liquidity	\$200.4	\$274.8	\$280.5

Notes:

(*) TTM Pro forma Adjusted EBITDA as of September 30, 2021, includes \$5.4 million of Mount Holly EBITDA for 7.5 months not under Glatfelter ownership and modified to add back share-based compensation consistent with the newly amended credit agreement. 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.



Appendix

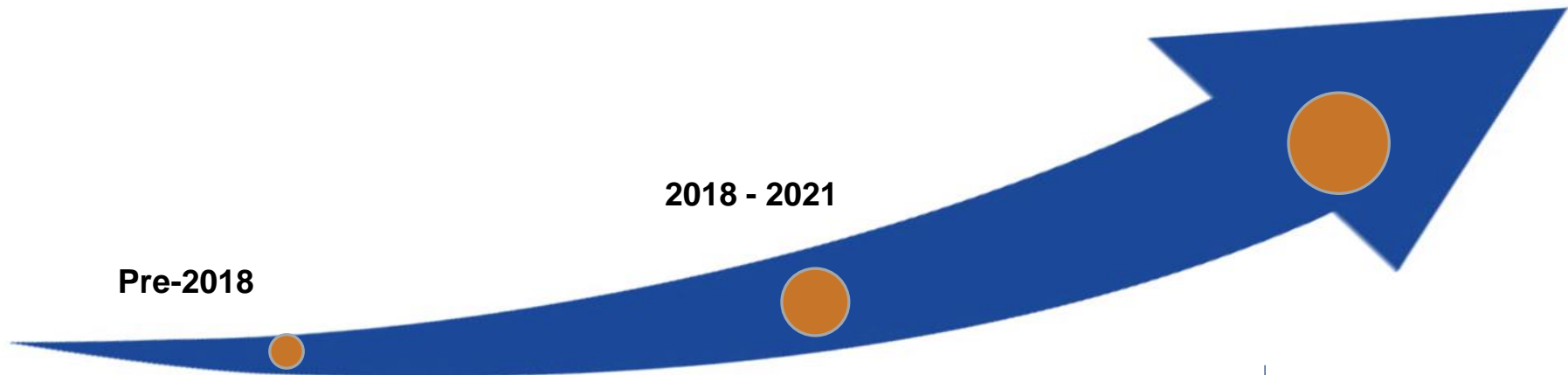


Glatfelter's Ongoing Strategic Transformation

2022 & Beyond

2018 - 2021

Pre-2018



- **Expanded internationally** acquiring Schoeller & Hoesch GmbH creating Composite Fibers business

- **Acquired Lydney, UK facility** to expand tea and coffee business

- **Acquisition of Concert Industries** creates Airlaid Materials business

- **Dresden acquisition** adds Nonwoven Wallcover product line

- **Completed capacity expansions** in Composite Fibers to serve Tea, Coffee, and consumer growth markets

- **Oberschmitt acquisition** expands Electrical product line

- **Sale of Specialty Papers business** creates more growth focused and stable Engineered Materials platform

- **Terminated and settled qualified pension plan** and reverted \$33 million cash back to company

- **Fox River liability settled** and paid \$20.5 million as part of final settlement

- **New airlaid facility** in Fort Smith, AR expanded capacity by 20%

- **Acquired 2 Georgia-Pacific Airlaid facilities** to capture and service long term demand for health and hygiene products

- **Issued first "Sustainability" report in 2020** formalizing our ESG priorities

- **Relocated Corporate headquarters to Charlotte, North Carolina** to enhance access to resources and more diverse talent

- **Recently closed acquisition of Jacob Holm** to add scale and best-in-class suite of nonwovens technologies, applications, and products

- **Execute on integration** of recently announced acquisitions with a focus on synergy capture and deleveraging

- **Accelerate innovation** to further expand engineered materials product portfolio

- **Continue to pursue attractive growth investment opportunities** as balance sheet permits

Product Portfolio - Enhancing 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; Tabletop; Dispersible Wipes



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

- **Q3 2021 tax rate on adjusted earnings is 26.5%**
 - Lower tax rate primarily due to release of valuation allowance

- **Guiding to 2021 tax rate of ~ 38% - 40% on adjusted earnings and Q4 2021 tax rate of ~42%**
 - 2021 Rate Drivers:
 - Tax rate changes: Q1 local German rate change and Q2 UK rate change negatively impacting full year rate by ~ 3%
 - 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 carry forwards, the 50% GILTI deduction and use of foreign tax credits is not available



Jacob Holm Financing and Tax Summary

- **Executed \$500 million bond offering to finance the closing of Jacob Holm for \$302 million**
 - Excess proceeds from the bond offering to repay outstandings under the Revolving Credit Facility (used to finance Mount Holly acquisition)
- **Pro forma for the acquisition, Glatfelter's net leverage is expected to increase to approximately 4.0x, inclusive of \$20 million of synergies and \$25 million of transaction costs**
 - GLT net leverage as of September 30, 2021 of 2.8x
 - Synergies expected to be realized over 24 months
- **Glatfelter amended and extended its existing \$400 million 5-year revolving credit facility**
- **Effective tax rate guidance will remain unchanged for 2021**
 - Expect rate benefit of ~2% after 2023 once U.S. tax losses are fully utilized
 - U.S. will remain in overall loss position with a full valuation allowance
- **Decrease to global cash tax rate**
 - Cash tax rate will decrease by ~5% beginning in 2022



Financial Overview

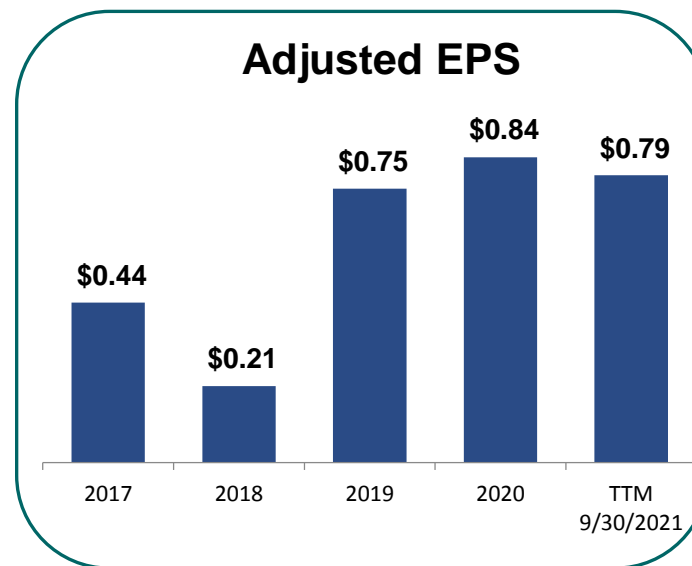
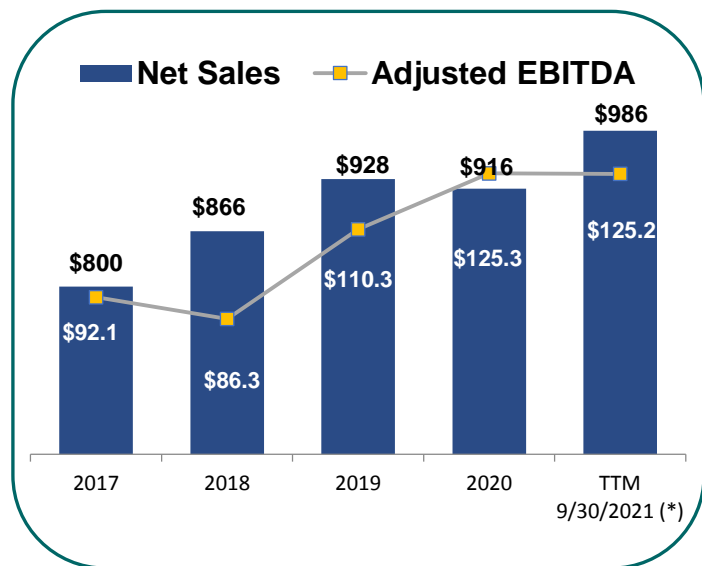
(in millions)	Q3 2020	Q3 2021
Net Sales	\$233.5	\$279.7
Adjusted operating income	\$17.0	\$15.8
Adjusted EBITDA	\$30.4	\$32.1
Free Cash Flow	\$17.3	\$29.8
Adjusted Free Cash Flow	\$20.3	\$35.2

(in millions)	Dec 31 2020	Sep 30 2021
Net Debt	\$213.9	\$362.1
Cash	\$99.6	\$100.0

Note: Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement



Earnings Trends



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

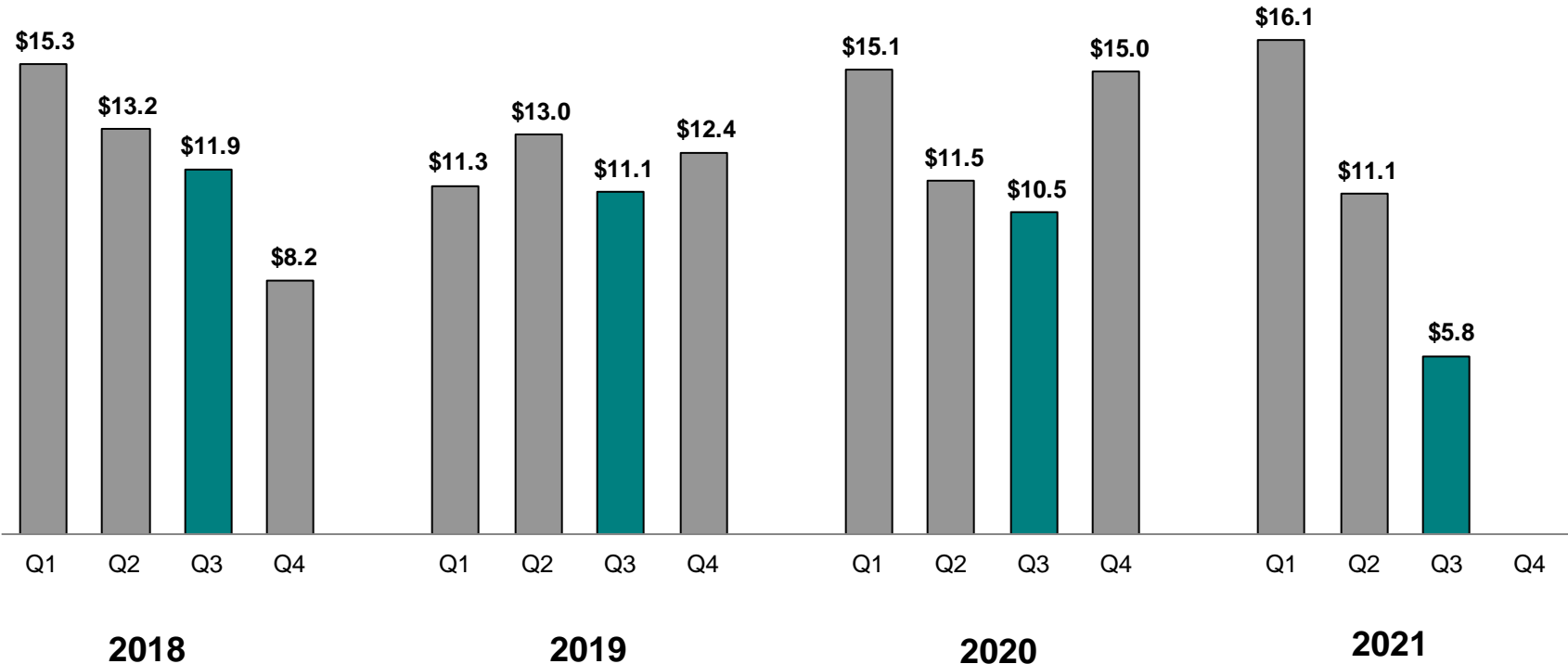
Note: Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement

(*) – TTM 9/30/2021 of \$125.2 million includes Mount Holly prospectively from May 13, 2021 acquisition date



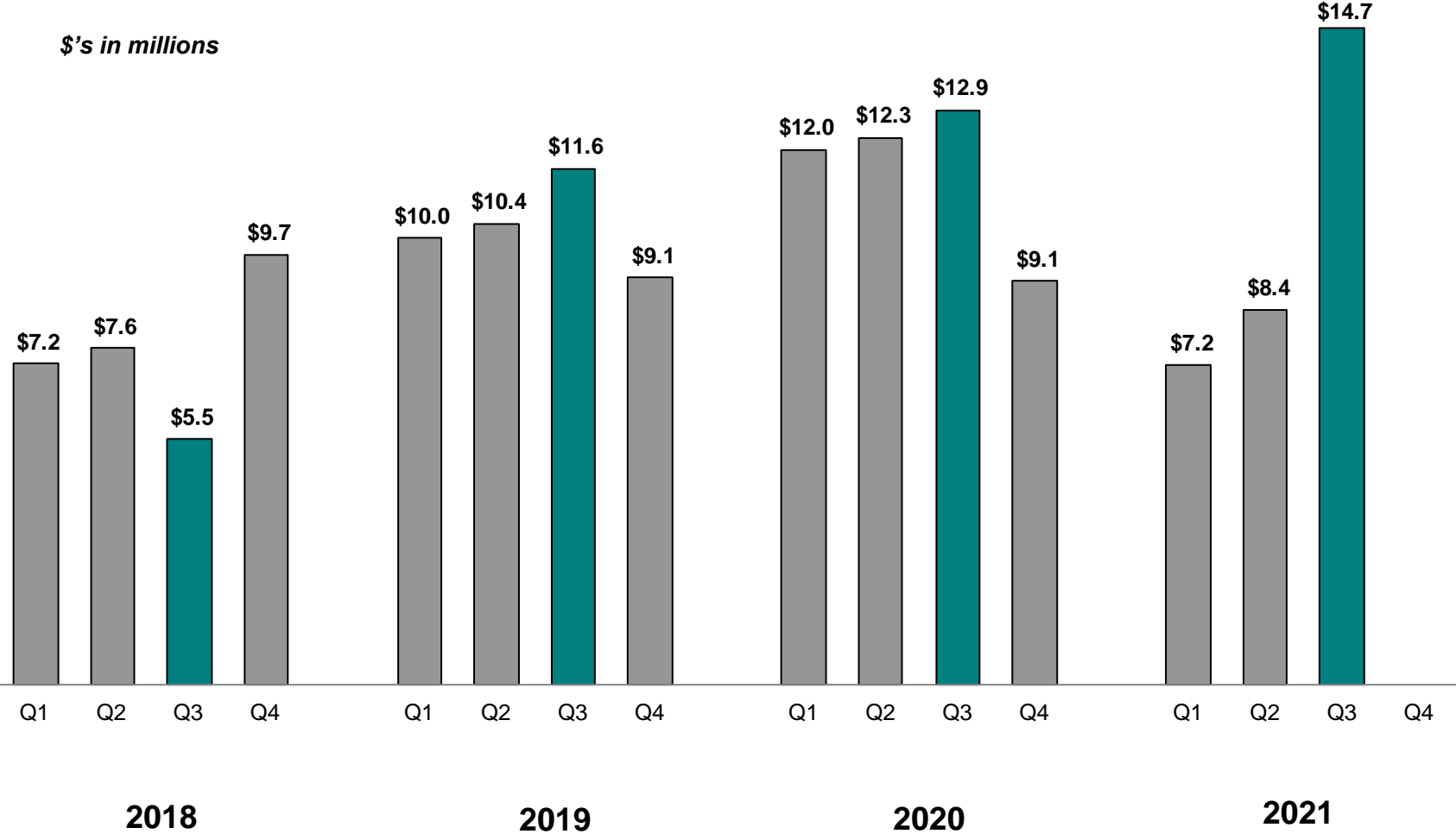
Composite Fibers Operating Income

\$'s in millions



Airlaid Materials Operating Income

\$'s in millions



Reconciliation of Non-GAAP measures

Adjusted EBITDA and Adjusted Operating Income from continuing operations

<i>In millions</i>	Q3 2020	Q3 2021	YTD 2020	YTD 2021
Net Income	\$ 6.5	\$ 7.5	\$ 11.5	\$ 17.3
Adjust: Discontinued ops	-	0.5	0.1	0.6
Add: Taxes	3.6	3.6	8.8	14.8
Add: Depreciation and Amortization ⁽¹⁾	13.7	15.7	43.3	44.2
Add: Net Interest Expense	1.8	2.0	5.0	5.3
EBITDA	\$ 25.6	\$ 29.4	\$ 68.7	\$ 82.2
<u>Adjustments / Exclusions:</u>				
Share-based compensation ⁽³⁾	1.6	1.5	4.0	4.0
Pension settlement expenses, net	0.4	-	6.8	-
Gains on Timberland Sales and Transaction Related Costs	(0.4)	(2.2)	(1.0)	(4.6)
Restructuring charge - Metallized operations (net of accelerated depreciation)	0.1	-	7.2	-
COVID-19 incremental costs	0.6	-	1.8	-
Cost optimization actions	1.4	0.7	4.4	0.7
Asset impairment charge	-	-	0.9	-
Costs related to strategic initiatives	0.8	2.8	0.8	11.2
Corporate headquarters relocation (net of asset write off)	0.4	0.1	0.4	0.4
Adjusted EBITDA from continuing operations⁽³⁾	\$ 30.4	\$ 32.1	\$ 94.0	\$ 93.9
Depreciation and Amortization ⁽²⁾	(13.5)	(15.7)	(39.2)	(44.2)
Other (Income)/Expense	1.7	0.9	3.2	1.9
Share-based compensation ⁽³⁾	(1.6)	(1.5)	(4.0)	(4.0)
Adjusted Operating Income from continuing operations	\$ 17.0	\$ 15.8	\$ 54.0	\$ 47.7

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

(3) Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement

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

<i>In millions</i>	2017	2018	2019	2020	TTM 9/30/2021
Net Income (loss)	\$ 7.9	\$ (177.6)	\$ (21.5)	\$ 21.3	\$ 27.1
Exclude: Loss from discontinued operations, net of tax	(13.5)	177.2	(3.7)	(0.5)	-
Add: Taxes from continuing operations	25.1	7.7	(9.2)	11.6	17.6
Add: Depreciation and Amortization	42.1	47.5	50.8	56.6	57.5
Add: Net Interest Expense	13.1	15.0	9.3	6.6	7.0
EBITDA from continuing operations	\$ 74.6	\$ 69.8	\$ 25.7	\$ 95.6	\$ 109.1
<u>Adjustments / Exclusions:</u>					
Share-based compensation	5.5	6.3	3.6	5.7	5.7
Pension settlement expenses, net	-	-	75.3	6.2	(0.6)
Gains on Timberland Sales and Transaction Related Costs	(0.2)	(3.2)	(1.6)	(1.4)	(5.0)
Asset impairment charge	-	-	-	0.9	-
Airlaid Capacity Expansion	10.9	7.1	1.0	-	-
Restructuring charge - Metallized operations (net of accelerated depreciation)	-	-	-	7.2	-
Cost optimization actions	1.3	0.4	8.6	6.0	2.3
COVID-19 incremental costs	-	-	-	2.7	0.9
Corporate headquarters relocation (net of asset write off)	-	-	-	0.9	0.9
Costs related to strategic initiatives ⁽¹⁾	-	5.9	0.2	1.6	11.9
Fox River environmental matter	-	-	(2.5)	-	-
Adjusted EBITDA from continuing operations ⁽²⁾	\$ 92.1	\$ 86.3	\$ 110.3	\$ 125.3	\$ 125.2

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

(2) Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement

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



Reconciliation of Non-GAAP measures

Pro-forma Adjusted EBITDA used for leverage calculation

<i>In millions</i>	2019	2020	Pro forma TTM 9/30/2021
Net Income (loss)	\$ (21.5)	\$ 21.3	\$ 27.1
Exclude: Loss from discontinued operations, net of tax	(3.7)	(0.5)	-
Add: Taxes from continuing operations	(9.2)	11.6	17.6
Add: Depreciation and Amortization	50.8	56.6	57.5
Add: Net Interest Expense	9.3	6.6	7.0
EBITDA	\$ 25.7	\$ 95.6	\$ 109.1
EBITDA from Mount Holly Operations	-	-	5.4
<u>Adjustments / Exclusions:</u>			
Share-based compensation	3.6	5.7	5.7
Gains on Timberland Sales and Transaction Related Costs	(1.6)	(1.4)	(5.0)
Asset impairment charge	-	0.9	-
Pension settlement expenses, net	75.3	6.2	(0.6)
Airlaid Capacity Expansion	1.0	-	-
Restructuring charge - Metallized operations (net of accelerated depreciation)	-	7.2	-
Cost optimization actions	8.6	6.0	2.3
COVID-19 incremental costs	-	2.7	0.9
Corporate headquarters relocation (net of asset write off)	-	0.9	0.9
Costs related to strategic initiatives	0.2	1.6	11.9
Fox River environmental matter	(2.5)	-	-
Adjusted EBITDA from continuing operations ⁽¹⁾	\$ 110.3	\$ 125.3	\$ 130.5 (*)

(1) Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement

(*) TTM Pro forma Adjusted EBITDA as of September 30, 2021, includes \$5.4 million of Mount Holly EBITDA for 7.5 months not under Glatfelter ownership



Reconciliation of Non-GAAP measures

Adjusted EPS from continuing operations

<i>In millions</i>	2017	2018	2019	2020	TTM 9/30/2021
Net Income (loss)	\$ 7.9	\$ (177.6)	\$ (21.5)	\$ 21.3	\$ 27.1
Adjust: Discontinued ops, net of tax	(13.5)	177.2	(3.7)	(0.5)	(0.0)
Income (loss) from continuing operations	(5.6)	(0.4)	(25.2)	20.8	27.1
<u>Adjustments / Exclusions:</u>					
Pension settlement expenses, net	-	-	75.3	6.2	(0.6)
Gains on Timberland Sales and Transaction Related Costs	(0.2)	(3.2)	(1.6)	(1.4)	(5.0)
Asset impairment charge	-	-	-	0.9	-
Airlaid Capacity Expansion	10.9	7.1	1.0	-	-
COVID-19 incremental costs	-	-	-	2.7	0.9
Debt refinancing fees	-	-	1.0	-	-
Cost optimization actions	2.6	0.4	8.6	6.0	1.8
Restructuring charge - Metallized operations	-	-	-	11.1	-
Costs related to strategic initiatives ⁽¹⁾	-	5.9	0.2	1.6	11.9
Fox River environmental matter	-	-	(2.5)	-	-
Corporate headquarters relocation	-	-	-	1.1	1.0
Income Tax impact on adjustments	18.8	(0.5)	(23.7)	(11.5)	(1.9)
Total adjustments	32.0	9.6	58.4	16.6	8.2
Adjusted income from continuing operations	26.4	9.2	33.2	37.4	35.2
Normalizing tax rate to 40% provision (2017)	6.8	-	-	-	-
Adjusted earnings for continuing operations	\$ 19.6	\$ 9.2	\$ 33.2	\$ 37.4	\$ 35.2
Adjusted EPS for continuing operations	\$ 0.44	\$ 0.21	\$ 0.75	\$ 0.84	\$ 0.79
<i>Weighted average shares</i>	<i>44,439</i>	<i>43,768</i>	<i>44,132</i>	<i>44,614</i>	<i>44,640</i>

(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

<i>In millions</i>	Q3 2020	Q3 2021
Net Income	\$ 6.5	\$ 7.5
Adjust: Discontinued ops, net of tax	-	0.5
Net Income from continuing operations	6.5	8.1
<u>Adjustments / Exclusions:</u>		
Pension settlement expenses, net	0.4	-
Gains on Timberland Sales and Transaction Related Costs	(0.4)	(2.2)
COVID-19 incremental costs	0.6	-
Corporate headquarters relocation	0.6	0.1
Cost optimization actions	1.3	0.7
Restructuring charge - Metallized operations	0.1	-
Costs related to strategic initiatives	0.8	2.8
Income Tax impact on adjustments (*)	(2.8)	0.1
Total adjustments	0.5	1.4
Adjusted income from continuing operations	\$ 7.0	\$ 9.5
Adjusted EPS for continuing operations	\$ 0.16	\$ 0.21
<i>Weighted average shares - QTD</i>	44,636	44,939

(*) Income tax adjustments for Q3 2021 includes \$0.1 million expense for CARES Act of 2020
 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	Q3 2020	Q3 2021	YTD'20	YTD'21
Adjusted EBITDA ⁽¹⁾	\$30.4	\$32.1	\$94.0	\$93.9
Change in working capital	1.5	3.8	(37.6)	(34.1)
Taxes paid	(3.9)	(2.7)	(8.6)	(9.8)
Interest paid	(1.5)	(1.8)	(4.7)	(4.7)
Other	(1.0)	5.7	(18.5)	(6.8)
Cash Flow from continuing Operations	\$25.5	\$37.1	\$24.5	\$38.5
Less: Capital expenditures	(8.2)	(7.3)	(20.2)	(18.5)
Free Cash Flow	\$17.3	\$29.8	\$4.4	\$20.0
Fox River Payments	1.0	0.8	3.2	1.6
Pension Settlement	0.4	-	6.7	-
Strategic Initiatives	0.8	3.6	0.8	5.2
Cost Optimization	0.7	1.1	2.9	2.8
Metallized Restructuring	0.9	(0.2)	5.2	1.0
HQ Relocation	0.4	0.1	0.5	0.9
COVID19 related costs	0.6	-	1.8	-
Taxes (Refunds) on adjusting items	(1.8)	0.0	(3.6)	(1.0)
Less: Adjustments to Free Cash Flow	3.0	5.4	17.5	10.5
Adjusted Free Cash Flow	\$20.3	\$35.2	\$21.9	\$30.4

(1) Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement
 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

<i>In thousands</i>	Q3 2020	Q2 2021	Q3 2021
Composite Fibers Operating Profit	\$10,464	\$11,063	\$5,812
Addback: Depreciation & Amortization	6,755	7,000	6,904
Composite Fibers EBITDA	<u>\$17,220</u>	<u>\$18,063</u>	<u>\$12,716</u>
Airlaid Materials Operating Profit	\$12,917	\$8,431	\$14,742
Addback: Depreciation & Amortization	5,674	6,767	7,763
Airlaid Materials EBITDA	<u>\$18,591</u>	<u>\$15,198</u>	<u>\$22,505</u>

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	December 31	December 31	September 30
<i>In millions</i>	2019	2020	2021
Current Portion of Long-Term Debt	\$22.9	\$25.1	\$27.4
Short-Term Debt	-	-	11.6
Long-Term Debt	336.9	288.5	423.1
Total Debt	359.9	313.5	462.1
Less: Cash	(126.2)	(99.6)	(100.0)
Net Debt	\$233.7	\$213.9	\$362.1
Net Debt	\$233.7	\$213.9	\$362.1
Divided by: TTM Adjusted EBITDA	110.3	125.3	130.5
Net Leverage (*)	2.1x	1.7x	2.8x

Notes:

(*) Pro forma TTM Adjusted EBITDA as of September 30, 2021, includes \$5.4 million of Mount Holly EBITDA for 7.5 months not under Glatfelter ownership

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.

Adjusted EBITDA for all periods presented has been modified to add back share-based compensation consistent with the newly amended credit agreement

