REFINITIV

DELTA REPORT

10-Q

AMERICOLD REALTY TRUST

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1839
CHANGES	310
DELETIONS	776
ADDITIONS	753

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☐ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June September 30, 2023

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to ,

Commission File Number: 001-34723

AMERICOLD REALTY TRUST, INC.

(Exact name of registrant as specified in its charter)

Maryland	**93-0295215**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

10 Glenlake Parkway, Suite 600, South Tower **Atlanta Georgia**	**30328**
(Address of principal executive offices)	(Zip Code)

(678) 441-1400
(Registrant’s telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	COLD	New York Stock Exchange (NYSE)

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

Class	Outstanding at August 1, 2023 November 1, 2023
Common Stock, $0.01 par value per share	270,254,951 283,519,907

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter periods that the registrant was required to submit such files).

Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act (check one):

x	Large accelerated filer	☐	Accelerated filer
☐	Non-accelerated filer	☐	Smaller reporting company
		☐	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.

Yes ¨ No ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934)

Yes ☐ No x

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PART I - FINANCIAL INFORMATION

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains statements about future events and expectations that constitute forward-looking statements. Forward-looking statements are based on our beliefs, assumptions and expectations of our future financial and operating performance and growth plans, taking into account the information currently available to us. These statements are not statements of historical fact. Forward-looking statements involve risks and uncertainties that may cause our actual results to differ materially from the expectations of future results we express or imply in any forward-looking statements, and you should not place undue reliance on such statements. Factors that could contribute to these differences include the following:

- *rising inflationary pressures, increased interest rates and operating costs;*
- *labor and power costs;*
- *labor shortages;*
- *our relationship with our associates, the occurrence of any work stoppages or any disputes under our collective bargaining agreements and employment related litigation;*
- *the impact of supply chain disruptions, including, among others, the impact on labor availability, raw material availability, manufacturing and food production and transportation;*
- *risks related to rising construction costs;*
- *risks related to expansions of existing properties and developments of new properties, including failure to meet budgeted or stabilized returns within expected time frames, or at all, in respect thereof;*
- *uncertainty of revenues, given the nature of our customer contracts;*
- *acquisition risks, including the failure to identify or complete attractive acquisitions or the failure of acquisitions to perform in accordance with projections and to realize anticipated cost savings and revenue improvements;*
- *our failure to realize the intended benefits from our recent acquisitions including synergies, or disruptions to our plans and operations or unknown or contingent liabilities related to our recent acquisitions;*
- *difficulties in expanding our operations into new markets, including international markets;*
- *uncertainties and risks related to public health crises, such as the COVID-19 pandemic;*
- *a failure of our information technology systems, systems conversions and integrations, cybersecurity attacks or a breach of our information security systems, networks or processes which could result in business disruptions, loss of critical and confidential information, an adverse impact on our results and reputation, incurring additional and significant costs to address any malicious attack including costs to remediate and implement proactive, preventative actions against cyber breaches including those related to the cyber matter which occurred on April 26, 2023. Also (also see Part 4, Controls and Procedures; Procedures);*
- *disruption caused by implementation of the new ERP system (defined herein) and the new human capital management system, potential cost overruns, timing and control risks and failure to recognize anticipated cost savings and increased productivity from the implementation of the new systems;*
- *defaults or non-renewals of significant customer contracts;*
- *risks related to privacy and data security concerns, and data collection and transfer restrictions and related foreign regulations;*
- *changes in applicable governmental regulations and tax legislation, including in the international markets;*
- *risks related to current and potential international operations and properties;*
- *actions by our competitors and their increasing ability to compete with us;*
- *changes in foreign currency exchange rates;*

- *the potential liabilities, costs and regulatory impacts associated with our in-house trucking services and the potential disruptions associated with our use of third-party trucking service providers to provide transportation services to our customers;*
- *liabilities as a result of our participation in multi-employer pension plans;*
- *risks related to the partial ownership of properties, including as a result of our lack of control over such investments, financial condition of JV partners, disputes with JV partners, regulatory risks, brand recognition risks and the failure of such entities to perform in accordance with projections;*
- *risks related to natural disasters such as fires, floods, tornadoes, hurricanes and earthquakes;*

- *adverse economic or real estate developments in our geographic markets or the temperature-controlled warehouse industry;*
- *changes in real estate and zoning laws and increases in real property tax rates;*
- *general economic conditions;*
- *risks associated with the ownership of real estate generally and temperature-controlled warehouses in particular;*
- *possible environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently or previously owned by us;*
- *uninsured losses or losses in excess of our insurance coverage;*
- *financial market fluctuations;*
- *our failure to obtain necessary outside financing;*
- *risks related to, or restrictions contained in, our debt financings;*
- *decreased storage rates or increased vacancy rates;*
- *the impact of anti-takeover provisions in our constituent documents and under Maryland law, which could make an acquisition of us more difficult, limit attempts by our stockholders to replace our directors and affect the price of our common stock, $0.01 par value per share;*
- *the potential dilutive effect of our common stock offerings;*
- *the cost and time requirements as a result of our operation as a publicly traded REIT; and*
- *our failure to maintain our status as a REIT.*

The risks included here are not exhaustive, and additional factors could adversely affect our business and financial performance, including factors and risks included in other sections of this Quarterly Report on Form 10-Q. Words such as "anticipates," "believes," "continues," "estimates," "expects," "goal," "objectives," "intends," "may," "opportunity," "plans," "potential," "near-term," "long-term," "projections," "assumptions," "projects," "guidance," "forecasts," "outlook," "target," "trends," "should," "could," "would," "will" and similar expressions are intended to identify such forward-looking statements. Examples of forward-looking statements included in this Quarterly Report on Form 10-Q include, among others, statements about our expected expansion and development pipeline and our targeted return on invested capital on expansion and development opportunities; estimates related to the impact of the lost business and operational disruption of the cybersecurity incident on our warehouse and transportation segment, as well as estimates of cybersecurity recovery costs; statements related to expected recoveries from cyber and business interruption insurance, and potential disputes over the extent of insurance coverage, and timing for receipt of any insurance proceeds; statements related to potential additional recovery costs; statements related to continued investments in information technology with the intention of strengthening our information security infrastructure; and statements related to actions we are taking in response to the findings of the forensic investigation and to improve the resiliency of our information security infrastructure. We qualify any forward-looking statements entirely by these cautionary factors. Other risks, uncertainties and factors, including those discussed under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 and our Quarterly Report Reports on Form 10-Q for the quarter quarters ended March 31, 2023 and June 30, 2023, could cause our actual results to differ materially from those projected in any forward-looking statements we make. We assume no obligation to update or revise these forward-looking

forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

As used in this report, unless the context otherwise requires, references to "we," "us," "our" and "the Company" refer to Americold Realty Trust, Inc., a Maryland corporation, and its consolidated subsidiaries, including Americold Realty Operating Partnership, L.P., a Delaware limited partnership and the subsidiary through which we conduct our business, which we refer to as "our Operating Partnership" or "the Operating Partnership," and references to "common stock" refer to our common stock, $0.01 par value per share.

In addition, unless otherwise stated herein, when we refer to "cubic feet" in one of our temperature-controlled facilities, we refer to refrigerated cubic feet (as opposed to total cubic feet, refrigerated and otherwise) therein.

Item 1. Financial Statements | Americold Realty Trust, Inc. and Subsidiaries | Condensed Consolidated Balance Sheets (Unaudited) | *(In thousands, except shares and per share amounts)*

		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Assets	Assets			Assets		
Property, buildings and equipment:	Property, buildings and equipment:			Property, buildings and equipment:		
Land	Land	$ 797,381	$ 786,975	Land	$ 794,776	$ 786,975
Buildings and improvements	Buildings and improvements	4,373,257	4,245,607	Buildings and improvements	4,390,940	4,245,607
Machinery and equipment	Machinery and equipment	1,438,824	1,407,874	Machinery and equipment	1,501,899	1,407,874
Assets under construction	Assets under construction	494,617	526,811	Assets under construction	452,557	526,811
		7,104,079	6,967,267		7,140,172	6,967,267
Accumulated depreciation	Accumulated depreciation	(2,042,566)	(1,901,450)	Accumulated depreciation	(2,107,133)	(1,901,450)
Property, buildings and equipment – net	Property, buildings and equipment – net	5,061,513	5,065,817	Property, buildings and equipment – net	5,033,039	5,065,817
Operating lease right-of-use assets	Operating lease right-of-use assets	356,636	352,553	Operating lease right-of-use assets	342,031	352,553
Accumulated depreciation – operating leases	Accumulated depreciation – operating leases	(91,095)	(76,334)	Accumulated depreciation – operating leases	(88,851)	(76,334)
Operating leases – net	Operating leases – net	265,541	276,219	Operating leases – net	253,180	276,219
Financing leases:	Financing leases:			Financing leases:		
Buildings and improvements	Buildings and improvements	13,544	13,546	Buildings and improvements	13,548	13,546
Machinery and equipment	Machinery and equipment	139,629	127,009	Machinery and equipment	137,038	127,009
		153,173	140,555		150,586	140,555
Accumulated depreciation – financing leases	Accumulated depreciation – financing leases	(67,163)	(57,626)	Accumulated depreciation – financing leases	(71,121)	(57,626)
Financing leases – net	Financing leases – net	86,010	82,929	Financing leases – net	79,465	82,929
Cash, cash equivalents and restricted cash	Cash, cash equivalents and restricted cash	48,873	53,063	Cash, cash equivalents and restricted cash	53,831	53,063
Accounts receivable – net of allowance of $15,891 and $15,951 at June 30, 2023 and December 31, 2022, respectively		465,571	430,042			

Accounts receivable – net of allowance of $18,470 and $15,951 at September 30, 2023 and December 31, 2022, respectively				Accounts receivable – net of allowance of $18,470 and $15,951 at September 30, 2023 and December 31, 2022, respectively	424,540	430,042
Identifiable intangible assets – net	Identifiable intangible assets – net	914,173	925,223	Identifiable intangible assets – net	897,238	925,223
Goodwill	Goodwill	1,036,332	1,033,637	Goodwill	1,022,989	1,033,637
Investments in partially owned entities and other	Investments in partially owned entities and other	36,957	78,926	Investments in partially owned entities and other	36,249	78,926
Other assets	Other assets	194,421	158,705	Other assets	213,188	158,705
Assets held for sale		106,368	—			
Total assets	Total assets	$8,215,759	$8,104,561	Total assets	$8,013,719	$8,104,561
Liabilities and equity	Liabilities and equity			Liabilities and equity		
Liabilities:	Liabilities:			Liabilities:		
Borrowings under revolving line of credit	Borrowings under revolving line of credit	$ 723,436	$ 500,052	Borrowings under revolving line of credit	$ 359,201	$ 500,052
Accounts payable and accrued expenses	Accounts payable and accrued expenses	527,073	557,540	Accounts payable and accrued expenses	501,662	557,540
Senior unsecured notes and term loans – net of deferred financing costs of $11,848 and $13,044, in the aggregate, at June 30, 2023 and December 31, 2022, respectively		2,590,127	2,569,281			
Senior unsecured notes and term loans – net of deferred financing costs of $11,173 and $13,044, in the aggregate, at September 30, 2023 and December 31, 2022, respectively				Senior unsecured notes and term loans – net of deferred financing costs of $11,173 and $13,044, in the aggregate, at September 30, 2023 and December 31, 2022, respectively	2,560,927	2,569,281
Sale-leaseback financing obligations	Sale-leaseback financing obligations	166,654	171,089	Sale-leaseback financing obligations	164,372	171,089
Financing lease obligations	Financing lease obligations	76,502	77,561	Financing lease obligations	70,170	77,561
Operating lease obligations	Operating lease obligations	255,819	264,634	Operating lease obligations	245,034	264,634
Unearned revenue	Unearned revenue	31,180	32,046	Unearned revenue	29,865	32,046

Pension and postretirement benefits	Pension and postretirement benefits	1,580	1,531	Pension and postretirement benefits	2,398	1,531
Deferred tax liability – net	Deferred tax liability – net	133,236	135,098	Deferred tax liability – net	125,890	135,098
Multi-employer pension plan withdrawal liability	Multi-employer pension plan withdrawal liability	7,641	7,851	Multi-employer pension plan withdrawal liability	7,550	7,851
Liabilities held for sale		112,752	—			
Total liabilities	Total liabilities	4,626,000	4,316,683	Total liabilities	4,067,069	4,316,683
Commitments and contingencies (Note 8)	Commitments and contingencies (Note 8)			Commitments and contingencies (Note 8)		
Equity	Equity			Equity		
Stockholders' equity:	Stockholders' equity:			Stockholders' equity:		
Common stock, $0.01 par value per share – 500,000,000 authorized shares; 270,186,276 and 269,814,956 shares issued and outstanding at June 30, 2023 and December 31, 2022, respectively		2,702	2,698			
Common stock, $0.01 par value per share – 500,000,000 authorized shares; 283,517,013 and 269,814,956 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively				Common stock, $0.01 par value per share – 500,000,000 authorized shares; 283,517,013 and 269,814,956 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	2,835	2,698
Paid-in capital	Paid-in capital	5,203,891	5,191,969	Paid-in capital	5,622,152	5,191,969
Accumulated deficit and distributions in excess of net earnings	Accumulated deficit and distributions in excess of net earnings	(1,641,872)	(1,415,198)	Accumulated deficit and distributions in excess of net earnings	(1,706,591)	(1,415,198)
Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss)	10,377	(6,050)	Accumulated other comprehensive income (loss)	11,459	(6,050)
Total stockholders' equity	Total stockholders' equity	3,575,098	3,773,419	Total stockholders' equity	3,929,855	3,773,419
Noncontrolling interests:	Noncontrolling interests:			Noncontrolling interests:		
Noncontrolling interests in Operating Partnership	Noncontrolling interests in Operating Partnership	14,661	14,459	Noncontrolling interests in Operating Partnership	16,795	14,459
Total equity	Total equity	3,589,759	3,787,878	Total equity	3,946,650	3,787,878

Total liabilities and equity	Total liabilities and equity	$8,215,759	$8,104,561	Total liabilities and equity	$8,013,719	$8,104,561
See accompanying notes to Condensed Consolidated Financial Statements.	*See accompanying notes to Condensed Consolidated Financial Statements.*			*See accompanying notes to Condensed Consolidated Financial Statements.*		

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		Three Months Ended June 30,		Six Months Ended June 30,		
		2023	2022	2023	2022	
Revenues:	Revenues:					Reven
Rent, storage and warehouse services	Rent, storage and warehouse services	$ 581,170	$ 564,379	$ 1,176,222	$ 1,105,304	Rent and wareho services
Transportation services	Transportation services	58,072	81,891	126,150	160,801	Tran services
Third-party managed services	Third-party managed services	10,368	83,486	23,727	169,346	Third managed se
Total revenues	Total revenues	649,610	729,756	1,326,099	1,435,451	To revenues
Operating expenses:	Operating expenses:					Operat expenses:
Rent, storage and warehouse services cost of operations	Rent, storage and warehouse services cost of operations	408,328	413,394	828,553	808,061	Rent and wareho services cost operations
Transportation services cost of operations	Transportation services cost of operations	48,263	68,306	104,681	138,687	Tran services cost operations
Third-party managed services cost of operations	Third-party managed services cost of operations	8,968	79,765	21,248	162,124	Third managed se of operation
Depreciation and amortization	Depreciation and amortization	84,892	82,690	169,916	165,310	Depr and amortiz
Selling, general and administrative	Selling, general and administrative	53,785	56,273	116,640	113,875	Sellir and adminis
Acquisition, cyber incident and other, net	Acquisition, cyber incident and other, net	27,235	5,663	34,382	15,738	Acqu cyber incider other, net
Gain from sale of real estate		(2,528)	—	(2,337)	—	
Impairment of indefinite and long-lived assets						Impa indefinite an lived assets
Loss (gain) from sale of real estate						Loss from sale of

Total operating expenses	Total operating expenses	628,943	706,091	1,273,083	1,403,795	To operating
Operating income	Operating income	20,667	23,665	53,016	31,656	Operat income
Other (expense) income:	Other (expense) income:					Other income:
Interest expense	Interest expense	(36,431)	(26,545)	(70,854)	(52,318)	Inter expense
Loss on debt extinguishment, modifications and termination of derivative instruments	Loss on debt extinguishment, modifications and termination of derivative instruments	(627)	(627)	(1,172)	(1,244)	Loss extinguishm modification termination derivative ins
Loss from investments in partially owned entities		(709)	(359)	(1,357)	(823)	
(Loss) gain from investments in partially owned entities						(Los from investn partially owr entities
Impairment of related party loan receivable	Impairment of related party loan receivable	(21,972)	—	(21,972)	—	Impa related party receivable
Loss on put option	Loss on put option	(56,576)	—	(56,576)	—	Loss option
Other, net	Other, net	(415)	(962)	1,018	1,396	Othe
Loss from continuing operations before income taxes	Loss from continuing operations before income taxes	(96,063)	(4,828)	(97,897)	(21,333)	Loss fr continuing ope before income
Income tax (expense) benefit:	Income tax (expense) benefit:					Incom (expense) bene
Current	Current	(1,923)	(817)	(3,900)	(1,998)	Curr
Deferred	Deferred	1,459	12,886	5,080	14,775	Defe
Total income tax (expense) benefit		(464)	12,069	1,180	12,777	
Total income tax benefit						Total i benefit
Net (loss) income:	Net (loss) income:					Net (lo income:
Net (loss) income from continuing operations		(96,527)	7,241	(96,717)	(8,556)	
Loss from discontinued operations, net of tax		(8,275)	(3,288)	(10,656)	(4,936)	
Net (loss) income		$ (104,802)	$ 3,953	$ (107,373)	$ (13,492)	
Net (loss) income attributable to noncontrolling interests		(78)	18	(87)	(20)	
Net (loss) income attributable to Americold Realty Trust, Inc.		$ (104,724)	$ 3,935	$ (107,286)	$ (13,472)	
Loss from continuing operations						Los continuing
Gain (loss) from discontinued operations, net of tax						Gair from discon operations,
Net loss						Net los
Net loss attributable to noncontrolling interests						Net attributable noncontroll interests

Net loss attributable to Americold Realty Trust, Inc.						Net los attributable to Realty Trust, Ir
Weighted average common stock outstanding – basic	Weighted average common stock outstanding – basic	270,462	269,497	270,387	269,464	Weight average comm outstanding –
Weighted average common stock outstanding – diluted	Weighted average common stock outstanding – diluted	270,462	270,384	270,387	269,464	Weight average comm outstanding –
Net (loss) income per common share from continuing operations - basic		$ (0.36)	$ 0.03	$ (0.36)	$ (0.03)	
Net loss per common share from continuing operations - basic						Net los common share continuing ope basic
Net loss per common share from discontinued operations - basic	Net loss per common share from discontinued operations - basic	(0.03)	(0.02)	(0.04)	(0.02)	Net los common share discontinued c - basic
Basic (loss) earnings per share[1]		$ (0.39)	$ 0.01	$ (0.40)	$ (0.05)	
Basic loss per share						Basic l share
Net (loss) income per common share from continuing operations - diluted		$ (0.36)	$ 0.03	$ (0.36)	$ (0.03)	
Net loss per common share from continuing operations - diluted						Net los common share continuing ope diluted
Net loss per common share from discontinued operations - diluted	Net loss per common share from discontinued operations - diluted	(0.03)	(0.02)	(0.04)	(0.02)	Net los common share discontinued c - diluted
Diluted (loss) earnings per share[1]		$ (0.39)	$ 0.01	$ (0.40)	$ (0.05)	
Diluted loss per share						Dilutec share

See accompanying notes to Condensed Consolidated Financial Statements.

Americold Realty Trust, Inc. and Subsidiaries

Condensed Consolidated Statements of Comprehensive Loss (Unaudited)

(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net (loss) income	$(104,802)	$ 3,953	$(107,373)	$(13,492)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss	$(2,096)	$ (8,937)	$(109,469)	$(22,429)

Other comprehensive (loss) income - net of tax:	Other comprehensive (loss) income - net of tax:					Other comprehensive (loss) income - net of tax:				
Adjustment to accrued pension liability	Adjustment to accrued pension liability	(388)	(113)	310	(46)	Adjustment to accrued pension liability	(832)	66	(522)	20
Change in unrealized net gain (loss) on foreign currency		6,143	(23,867)	6,322	(12,681)					
Change in unrealized net loss on foreign currency						Change in unrealized net loss on foreign currency	(10,467)	(25,038)	(4,145)	(37,720)
Unrealized gain on cash flow hedges	Unrealized gain on cash flow hedges	22,359	1,558	9,795	1,709	Unrealized gain on cash flow hedges	12,381	8,274	22,176	9,984
Other comprehensive income (loss) - net of tax attributable to Americold Realty Trust, Inc.	Other comprehensive income (loss) - net of tax attributable to Americold Realty Trust, Inc.	28,114	(22,422)	16,427	(11,018)	Other comprehensive income (loss) - net of tax attributable to Americold Realty Trust, Inc.	1,082	(16,698)	17,509	(27,716)
Other comprehensive income (loss) attributable to noncontrolling interests	Other comprehensive income (loss) attributable to noncontrolling interests	112	(73)	77	(50)	Other comprehensive income (loss) attributable to noncontrolling interests	101	(53)	178	(103)
Total comprehensive loss	Total comprehensive loss	$ (76,576)	$(18,542)	$ (90,869)	$(24,560)	Total comprehensive loss	$ (913)	$(25,688)	$ (91,782)	$(50,248)
See accompanying notes to Condensed Consolidated Financial Statements.	*See accompanying notes to Condensed Consolidated Financial Statements.*					*See accompanying notes to Condensed Consolidated Financial Statements.*				

	Common Stock								Common Stock			
	Number of Shares	Par Value	Paid-in Capital	Accumulated Deficit and Distributions in Excess of Net Earnings	Accumulated Other Comprehensive (Loss) Income	Noncontrolling Interests in Operating Partnership	Noncontrolling Interests in		Number of Shares	Par Value	Paid-in Capital	Accum Defic Distril in Exc Net E

Balance - December 31, 2022	Balance - December 31, 2022	269,814,956	$2,698	$5,191,969	$ (1,415,198) $	(6,050) $	14,459	**Operating Partnership**	Balance - December 31, 2022	269,814,956	$2,698	$5,191,969	$ (1,4
Net loss	Net loss	—	—	—	(2,562)	—	(9)		Net loss	—	—	—	
Other comprehensive loss	Other comprehensive loss	—	—	—	—	(11,687)	(35)		Other comprehensive loss	—	—	—	
Distributions on common stock, restricted stock and OP units	Distributions on common stock, restricted stock and OP units	—	—	—	(59,692)	—	(240)	(59,932)	Distributions on common stock, restricted stock and OP units	—	—	—	(5
Stock-based compensation expense	Stock-based compensation expense	—	—	5,273	—	—	1,697	6,970	Stock-based compensation expense	—	—	5,273	
Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	221,084	2	(801)	—	—	—	(799)	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	221,084	2	(801)	
Common stock issuance related to employee stock purchase plan	Common stock issuance related to employee stock purchase plan	60,393	1	1,452	—	—	—	1,453	Common stock issuance related to employee stock purchase plan	60,393	1	1,452	
Balance - March 31, 2023	Balance - March 31, 2023	270,096,433	$2,701	$5,197,893	$ (1,477,452) $	(17,737) $	15,872 $	3,721,277	Balance - March 31, 2023	270,096,433	$2,701	$5,197,893	$ (1,47
Net loss	Net loss	—	—	—	(104,724)	—	(78)	(104,802)	Net loss	—	—	—	(10
Other comprehensive income	Other comprehensive income	—	—	—	—	28,114	112	28,226	Other comprehensive income	—	—	—	
Distributions on common stock, restricted stock and OP units	Distributions on common stock, restricted stock and OP units	—	—	—	(59,696)	—	(225)	(59,921)	Distributions on common stock, restricted stock and OP units	—	—	—	(5
Stock-based compensation expense	Stock-based compensation expense	—	—	3,476	—	—	1,163	4,639	Stock-based compensation expense	—	—	3,476	
Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	15,035	—	340	—	—	—	340	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	15,035	—	340	
Conversion of OP units to common stock	Conversion of OP units to common stock	74,808	1	2,182	—	—	(2,183)	—	Conversion of OP units to common stock	74,808	1	2,182	
Balance - June 30, 2023	Balance - June 30, 2023	270,186,276	$2,702	$5,203,891	$ (1,641,872) $	10,377 $	14,661 $	3,589,759	Balance - June 30, 2023	270,186,276	$2,702	$5,203,891	$ (1,64

	Number of Shares	Par Value	Paid-in Capital	
Net loss	—	—	—	
Other comprehensive income	—	—	—	
Distributions on common stock, restricted stock and OP units	—	—	—	(6
Stock-based compensation expense	—	—	3,925	
Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	20,030	—	(43)	
Common stock issuance related to employee stock purchase plan	65,802	1	1,593	
Net proceeds from issuance of common stock	13,244,905	132	412,786	
Balance - September 30, 2023	283,517,013	$2,835	$5,622,152	$ (1,70

	Common Stock			Accumulated Deficit and Distributions			
	Number of Shares	Par Value	Paid-in Capital	in Excess of Net Earnings	Accumulated Other Comprehensive (Loss) Income	Noncontrolling Interests in Operating Partnership	Noncontrolling Interests in Operating Partnership
Balance - December 31, 2021	268,282,592	$2,683	$5,171,690	$ (1,157,888)	$ 4,522	$ 8,069	
Net loss	—	—	—	(17,407)	—	(38)	
Other comprehensive income	—	—	—	—	11,404	23	
Distributions on common stock, restricted stock and OP units	—	—	—	(59,580)	—	(180)	(59,760)

	Common Stock			Acc De Dis
	Number of Shares	Par Value	Paid-in Capital	in Ne
Balance - December 31, 2021	268,282,592	$2,683	$5,171,690	$ (1
Net loss	—	—	—	
Other comprehensive income	—	—	—	
Distributions on common stock, restricted stock and OP units	—	—	—	

Stock-based compensation expense	Stock-based compensation expense	—	—	6,108	—	—	1,985	8,093	Stock-based compensation expense	—	—	6,108	
Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	318,729	3	(2,140)	—	—	—	(2,137)	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	318,729	3	(2,140)	
Common stock issuance related to employee stock purchase plan	Common stock issuance related to employee stock purchase plan	71,144	1	1,984	—	—	—	1,985	Common stock issuance related to employee stock purchase plan	71,144	1	1,984	
Balance - March 31, 2022	Balance - March 31, 2022	268,672,465	$2,687	$5,177,642	$ (1,234,875) $	15,926 $	9,859 $	3,971,239	Balance - March 31, 2022	268,672,465	$2,687	$5,177,642	$ (1
Net income	Net income	—	—	—	3,935	—	18	3,953	Net income	—	—	—	
Other comprehensive loss	Other comprehensive loss	—	—	—	—	(27,392)	(73)	(27,465)	Other comprehensive loss	—	—	—	
Distributions on common shares, restricted stock and OP units	Distributions on common shares, restricted stock and OP units	—	—	—	(59,571)	—	(188)	(59,759)	Distributions on common shares, restricted stock and OP units	—	—	—	
Stock-based compensation expense	Stock-based compensation expense	—	—	5,115	—	—	2,173	7,288	Stock-based compensation expense	—	—	5,115	
Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	618,176	6	(448)	—	—	—	(442)	Common stock issuance related to stock-based payment plans, net of shares withheld for employee taxes	618,176	6	(448)	
Deconsolidation of previously consolidated entities	Deconsolidation of previously consolidated entities	—	—	—	—	4,970	(204)	4,766	Deconsolidation of previously consolidated entities	—	—	—	
Balance - June 30, 2022	Balance - June 30, 2022	269,290,641	$2,693	$5,182,309	$ (1,290,511) $	(6,496) $	11,585 $	3,899,580	Balance - June 30, 2022	269,290,641	$2,693	$5,182,309	$ (1
Net loss									Net loss	—	—	—	
Other comprehensive loss									Other comprehensive loss	—	—	—	
Distributions on common shares, restricted stock and OP units									Distributions on common shares, restricted stock and OP units	—	—	—	
Stock-based compensation expense									Stock-based compensation expense	—	—	5,065	

Common share issuance related to stock-based payment plans, net of shares withheld for employee taxes	Common share issuance related to stock-based payment plans, net of shares withheld for employee taxes	30,791	—	(53)	
Common shares issuance related to employee stock purchase plan	Common shares issuance related to employee stock purchase plan	74,142	1	1,894	
Other	Other	—	—	—	
Balance - September 30, 2022	Balance - September 30, 2022	269,395,574	$2,694	$5,189,215	$ (1

See accompanying notes to Condensed Consolidated Financial Statements.

Americold Realty Trust, Inc. and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(In thousands, See accompanying notes to Condensed Consolidated Financial Statements)

(In thousands)		Six Months Ended June 30,		*(In thousands)*	Nine Months Ended September 30,	
		2023	**2022**		**2023**	**2022**
Operating activities:	Operating activities:			Operating activities:		
Net loss	Net loss	$(107,373)	$(13,492)	Net loss	$(109,469)	$(22,429)
Adjustments to reconcile net loss to net cash provided by operating activities:	Adjustments to reconcile net loss to net cash provided by operating activities:			Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	Depreciation and amortization	169,916	165,310	Depreciation and amortization	259,644	248,979
Loss on debt extinguishment, modifications and termination of derivative instruments	Loss on debt extinguishment, modifications and termination of derivative instruments	1,172	1,244	Loss on debt extinguishment, modifications and termination of derivative instruments	1,855	2,284
Loss from investments in partially owned entities	Loss from investments in partially owned entities	5,468	5,759	Loss from investments in partially owned entities	5,727	7,199
Gain on extinguishment of New Market Tax Credit structure	Gain on extinguishment of New Market Tax Credit structure	—	(3,410)	Gain on extinguishment of New Market Tax Credit structure	—	(3,410)

Loss on deconsolidation of subsidiary contributed to LATAM joint venture	Loss on deconsolidation of subsidiary contributed to LATAM joint venture	—	4,148	Loss on deconsolidation of subsidiary contributed to LATAM joint venture	—	4,148
Stock-based compensation expense	Stock-based compensation expense	11,609	15,381	Stock-based compensation expense	17,812	22,101
Deferred income taxes benefit	Deferred income taxes benefit	(5,080)	(14,775)	Deferred income taxes benefit	(7,553)	(19,149)
Gain from sale of real estate		(2,337)	—			
(Gain) loss from sale of real estate				(Gain) loss from sale of real estate	(2,259)	5,710
Impairment of indefinite and long-lived assets				Impairment of indefinite and long-lived assets	—	6,616
Provision for doubtful accounts receivable	Provision for doubtful accounts receivable	2,255	1,966	Provision for doubtful accounts receivable	3,241	3,866
Impairment of related party loan receivable	Impairment of related party loan receivable	21,972	—	Impairment of related party loan receivable	21,972	—
Loss on put option	Loss on put option	56,576	—	Loss on put option	56,576	—
Loss on classification as held for sale		4,000	—			
Loss on classification of Comfrio as held for sale				Loss on classification of Comfrio as held for sale	4,616	—
Other reconciling items	Other reconciling items	4,098	4,232	Other reconciling items	3,826	9,685
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:			Changes in operating assets and liabilities:		
Accounts receivable	Accounts receivable	(37,877)	(40,414)	Accounts receivable	(2,436)	(84,761)
Accounts payable and accrued expenses	Accounts payable and accrued expenses	(38,961)	6,809	Accounts payable and accrued expenses	(61,157)	(19,382)
Other	Other	(2,670)	484	Other	818	21,426
Net cash provided by operating activities	Net cash provided by operating activities	82,768	133,242	Net cash provided by operating activities	193,213	182,883
Investing activities:	Investing activities:			Investing activities:		
Additions to property, buildings and equipment	Additions to property, buildings and equipment	(127,974)	(181,709)	Additions to property, buildings and equipment	(188,317)	(254,112)

Business combinations		(40,743)	812			
Business combinations and deferred consideration paid				Business combinations and deferred consideration paid	(46,652)	(15,228)
Acquisitions of property, buildings and equipment	Acquisitions of property, buildings and equipment	(20,081)	(6,876)	Acquisitions of property, buildings and equipment	(43,577)	(14,581)
Investments in partially owned entities and other	Investments in partially owned entities and other	(18,487)	(4,427)	Investments in partially owned entities and other	(20,025)	(4,427)
Net payments for sale of business (discontinued operations)				Net payments for sale of business (discontinued operations)	(4,616)	—
Proceeds from sale of property, buildings and equipment	Proceeds from sale of property, buildings and equipment	7,715	240	Proceeds from sale of property, buildings and equipment	7,913	340
Proceeds from sale of investments in partially owned entities	Proceeds from sale of investments in partially owned entities	36,896	—	Proceeds from sale of investments in partially owned entities	36,896	—
Net cash used in investing activities	Net cash used in investing activities	(162,674)	(191,960)	Net cash used in investing activities	(258,378)	(288,008)
Financing activities:	Financing activities:			Financing activities:		
Distributions paid on common stock, restricted stock units and noncontrolling interests in OP	Distributions paid on common stock, restricted stock units and noncontrolling interests in OP	(119,806)	(119,525)	Distributions paid on common stock, restricted stock units and noncontrolling interests in OP	(179,562)	(179,623)
Proceeds from stock options exercised	Proceeds from stock options exercised	1,565	651	Proceeds from stock options exercised	1,734	887
Proceeds from employee stock purchase plan	Proceeds from employee stock purchase plan	1,453	1,985	Proceeds from employee stock purchase plan	3,047	3,880
Remittance of withholding taxes related to employee stock-based transactions	Remittance of withholding taxes related to employee stock-based transactions	(2,024)	(3,746)	Remittance of withholding taxes related to employee stock-based transactions	(2,236)	(4,031)
Proceeds from revolving line of credit	Proceeds from revolving line of credit	439,665	253,340	Proceeds from revolving line of credit	545,421	404,604

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Repayment on revolving line of credit	(219,941)	(55,000)	(679,155)	(303,860)
Repayment of sale-leaseback financing obligations	(4,435)	(3,584)	(6,717)	(5,580)
Repayment of financing lease obligations	(19,964)	(17,189)	(26,390)	(24,758)
Payment of debt issuance and extinguishment costs	—	(1,084)	—	(11,593)
Repayment of term loan and mortgage notes	—	(3,629)	—	(5,453)
Proceeds from term loan			—	200,000
Net proceeds from issuance of common stock			412,918	—
Net cash provided by financing activities	76,513	52,219	69,060	74,473
Net decrease in cash, cash equivalents and restricted cash	(3,393)	(6,499)		
Net increase (decrease) in cash, cash equivalents and restricted cash			3,895	(30,652)
Effect of foreign currency translation on cash, cash equivalents and restricted cash	(797)	(1,843)	(3,127)	(6,613)
Cash, cash equivalents and restricted cash:				
Beginning of period	53,063	82,958	53,063	82,958
End of period	$ 48,873	$ 74,616	$ 53,831	$ 45,693

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Americold Realty Trust, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows, Continued (Unaudited) *(In thousands)*

	Six Months Ended June 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**

Supplemental disclosures of non-cash investing and financing activities:	*Supplemental disclosures of non-cash investing and financing activities:*			*Supplemental disclosures of non-cash investing and financing activities:*		
Addition of property, buildings and equipment on accrual	Addition of property, buildings and equipment on accrual	54,891	44,559	Addition of property, buildings and equipment on accrual	$ 37,823	$ 37,271
Addition of property, buildings and equipment under financing lease obligations	Addition of property, buildings and equipment under financing lease obligations	18,601	15,760	Addition of property, buildings and equipment under financing lease obligations	$ 23,786	$ 18,088
Addition of property, buildings and equipment under operating lease obligations	Addition of property, buildings and equipment under operating lease obligations	5,622	6,025	Addition of property, buildings and equipment under operating lease obligations	$ 6,049	$ 6,306
Supplemental cash flow information:	*Supplemental cash flow information:*			*Supplemental cash flow information:*		
Interest paid – net of amounts capitalized	Interest paid – net of amounts capitalized	68,128	50,987	Interest paid – net of amounts capitalized	$116,411	$ 98,292
Income taxes paid – net of refunds	Income taxes paid – net of refunds	3,582	4,026	Income taxes paid – net of refunds	$ 5,480	$ 6,958
		As of June 30,			**As of September 30,**	
		2023	**2022**		**2023**	**2022**
Allocation of purchase price of property, buildings and equipment to:						
Allocation of purchase price of property, buildings and equipment:				**Allocation of purchase price of property, buildings and equipment:**		
Land	Land	$ 7,887	1,322	Land	$ 11,447	$ 3,628
Buildings and improvements	Buildings and improvements	7,605	4,082	Buildings and improvements	22,300	8,289
Machinery and equipment	Machinery and equipment	4,589	1,472	Machinery and equipment	9,830	2,664
Cash paid for acquisition of property, buildings and equipment	Cash paid for acquisition of property, buildings and equipment	**$20,081**	**$ 6,876**	Cash paid for acquisition of property, buildings and equipment	**$ 43,577**	**$ 14,581**
					As of September 30,	
		2023	**2022**			
Allocation of purchase price to business combinations:				**Allocation of purchase price to business combinations:**		

Land	Land	$ —	$ 967
Buildings and improvements	Buildings and improvements	—	8,567
Machinery and equipment	Machinery and equipment	—	3,354
Goodwill	Goodwill	—	2,339
Other assets	Other assets	—	166
Assets of discontinued operations - held for sale	Assets of discontinued operations - held for sale	86,085	—
Accounts payable and accrued expenses(1)	Accounts payable and accrued expenses(1)	46,652	(165)
Liabilities of discontinued operations - held for sale	Liabilities of discontinued operations - held for sale	(86,085)	—
Total consideration	Total consideration	**$ 46,652**	**$ 15,228**
(1)Accounts payable and accrued expenses activity as of September 30, 2023 represents the relief of the remaining put option liability for Comfrio.	(1)Accounts payable and accrued expenses activity as of September 30, 2023 represents the relief of the remaining put option liability for Comfrio.		

		As of June 30,			As of September 30,	
		2023	2022		2023	2022
Deconsolidation of Chile upon contribution to LATAM JV:	**Deconsolidation of Chile upon contribution to LATAM JV:**			**Deconsolidation of Chile upon contribution to LATAM JV:**		
Land	Land	$ —	$ (19,574)	Land	$ —	$(19,574)
Buildings and improvements	Buildings and improvements	—	(10,118)	Buildings and improvements	—	(10,118)
Machinery and equipment	Machinery and equipment	—	(8,395)	Machinery and equipment	—	(8,395)
Assets under construction	Assets under construction	—	(20)	Assets under construction	—	(20)
Accumulated depreciation	Accumulated depreciation	—	1,959	Accumulated depreciation	—	1,959
Cash, cash equivalents and restricted cash	Cash, cash equivalents and restricted cash	—	(2,483)	Cash, cash equivalents and restricted cash	—	(2,483)
Accounts receivable	Accounts receivable	—	(1,422)	Accounts receivable	—	(1,422)
Goodwill	Goodwill	—	(6,653)	Goodwill	—	(6,653)
Other assets	Other assets	—	(309)	Other assets	—	(309)

Accounts payable and accrued expenses	Accounts payable and accrued expenses	—	1,105	Accounts payable and accrued expenses	—	1,105
Senior unsecured notes and term loans – net of deferred financing costs	Senior unsecured notes and term loans – net of deferred financing costs	—	9,633	Senior unsecured notes and term loans – net of deferred financing costs	—	9,633
Accumulated other comprehensive loss	Accumulated other comprehensive loss	—	(4,766)	Accumulated other comprehensive loss	—	(4,766)
Net carrying value of Chile assets and liabilities deconsolidated	Net carrying value of Chile assets and liabilities deconsolidated	**$ —**	**$ (41,043)**	Net carrying value of Chile assets and liabilities deconsolidated	**$ —**	**$ (41,043)**
Recognition of investment in unconsolidated LATAM joint venture	Recognition of investment in unconsolidated LATAM joint venture	**$ —**	**$ 36,896**	Recognition of investment in unconsolidated LATAM joint venture	**$ —**	**$ 36,896**

See accompanying notes to Condensed Consolidated Financial Statements.

1. General

The Company

Americold Realty Trust, Inc. together with its subsidiaries ("ART", "Americold", the "Company", "us" or "we") is a Maryland corporation that operates as a real estate investment trust ("REIT") for U.S. federal income tax purposes. The Company is a global leader in temperature-controlled storage, logistics, real estate and value added services, focused on the ownership, operation, acquisition and development of temperature-controlled warehouses. The Company is organized as a self-administered and self-managed REIT with proven operating, acquisition and development experience.

Basis of Presentation and Principles of Consolidation

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the U.S. ("U.S. GAAP") for interim financial information, and with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). These unaudited Condensed Consolidated Financial Statements do not include all disclosures associated with the Company's Consolidated Annual Financial Statements included in its 2022 Annual Report on Form 10-K as filed with the SEC, and, accordingly, should be read in conjunction with the referenced annual report. In the opinion of management, the Condensed Consolidated Financial Statements reflect all adjustments (all of which are normal and recurring in nature) considered necessary for a fair presentation. The accompanying Condensed Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries where the Company exerts control. Intercompany balances and transactions have been eliminated. Operating results for the interim periods presented are not necessarily indicative of the results that may be expected for the full year. Investments in which the Company does not have control, and is not the primary beneficiary of a Variable Interest Entity ("VIE"), but where the Company exercises significant influence over the operating and financial policies of the investee, are accounted for using the equity method of accounting.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of (1) assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and (2) revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

As further described in Note 2 to the Condensed Consolidated Financial Statements, the Comfrio business met the held for sale criteria upon acquisition and as such is presented as discontinued operations. Newly acquired businesses that meet the held for sale criteria, at the acquisition date, are classified as discontinued operations. The Company has reclassified financial results associated with the Comfrio business as discontinued operations for all periods presented. For periods prior to the acquisition, The Company successfully sold the Comfrio business was accounted in August of 2023 and the related gain on sale has been classified within discontinued operations on the Condensed Consolidated Statement of Operations. In conjunction with the sale, the Company also removed the related assets and liabilities of the business previously classified as assets and liabilities held for as an equity method investment. sale.

Cybersecurity Incident

On April 26, 2023, the Company became aware of a cybersecurity incident impacting a certain number of our systems and partially impacting operations for a limited period of time (the “Cyber Incident”). The Company engaged an external cyber security expert to initiate responses to contain, remediate, and commence a forensic investigation . investigation. Actions taken included preventative measures such as shutting down certain operating systems and supplementing existing security monitoring with additional scanning and other protective measures. The Company also notified law enforcement and its customers, informing them of both the incident and management’s efforts to minimize its impact on the Company’s daily operations. Technology information systems were reintroduced in a controlled phased approach and all locations have successfully resumed normal operations at pre-cyberattack levels as of prior to June 30, 2023.

The Company is continuing to invest in information technology with the intent of strengthening its information security infrastructure. We engaged a leading cybersecurity defense firm that is completing completed a forensic investigation of the incident and has begun providing provided recommended actions in response to the findings, which the findings. The Company has begun to implement during the quarter. completed many of recommended remediation activities. For example, the Company reset all credentials across the enterprise and strengthened security tooling across its servers and workstations. The Company has also reinforced its strategy to further strengthen the resiliency of its information security infrastructure, which is intended to accelerate the detection, response, and recovery from security and technical incidents. The Company is also engaged with cyber security experts to manage the recovery and remediation. The Company will continue its remediation efforts throughout the remainder of the year. Incremental charges recorded in conjunction with remediation and response efforts associated with the Cyber Incident were $19.0 $5.4 million and $24.4 million during the three and nine months ended June 30, 2023 September 30, 2023, respectively, and have been recorded within “Acquisition, cyber incident, and other, net” in the Condensed Consolidated Financial Statements. This amount was primarily comprised of incremental internal labor costs, professional fees, customer claims, and related insurance deductibles.

Termination of Certain Employee Benefit Plans

On February 28, 2023, the Company’s Board of Directors approved a plan to effect the termination of the Americold Retirement Income Plan (“ARIP”). Additionally, on February 28, 2023, the Company amended the ARIP plan agreements in order to provide for a limited lump-sum window for eligible participants.The participants. The Company filed the Application for Determination Upon Termination with the Internal Revenue Service in July 2023. The Company has chosen to proceed with the distributions without waiting for the final letter of favorable determination. The Company plans to file filed the appropriate documents related to the termination of the ARIP with the Pension Benefit Guaranty Corporation and any other appropriate parties during the third quarter of 2023.

The Company will recognize a gain or loss upon settlement when an irrevocable action to terminate the ARIP has occurred, the Company is relieved of the primary responsibility of the ARIP, and the significant risks related to the obligations of the plan and the assets used to effect the settlement is eliminated for the Company.

The Company expects to make cash contributions in 2023 in order to fully fund the ARIP on a liquidation basis, and the ARIP will be dissolved upon completion of lump sum distributions and purchase of annuity contracts. The actual amount of this cash contribution requirement will depend upon the nature and timing of participant settlements, interest rates, as well as prevailing market conditions. In addition, the Company expects to recognize pre-tax non-cash pension settlement charges related to actuarial losses currently in Accumulated other comprehensive income (loss) in the Condensed Consolidated Balance Sheets, upon settlement of the obligations of the ARIP. These charges are currently expected to occur in 2023, with the specific timing and final amounts dependent upon completion of the activities enumerated above.

Americold Realty Trust, Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements - (Unaudited)

The termination of the plan will be accounted for under the liquidation basis of accounting. The gain or loss resulting from the liquidation is not expected to be material and will be recorded to “Other, (income) expense, net” in the Condensed Consolidated Financial Statements.

Recent Capital Markets Activity

Universal Shelf Registration Statement

On March 17, 2023, the Company and the Operating Partnership filed with the SEC an automatic shelf registration statement on Form S-3 (Registration No. 333-270664 and 333-270664-01) (the “Registration Statement”), registering an indeterminate amount of (i) the Company’s common stock, $0.01 par value per share, (ii) the Company’s preferred stock, $0.01 par value per share, (iii) depositary shares representing entitlement to all rights and preferences of fractions of the Company’s preferred shares of a specified series and represented by depositary receipts, (iv) warrants to purchase the Company’s common stock or preferred stock or depositary shares and (v) debt securities of the Operating Partnership, which will be fully and unconditionally guaranteed by the Company.

At the Market (ATM) Equity Program

On March 17, 2023, the Company entered into an equity distribution agreement pursuant to which we may sell, from time to time, up to an aggregate sales price of $900.0 million of our common stock through an ATM Equity Program (the “2023 ATM Equity Program”). Sales of the Company’s common stock made pursuant to the 2023 ATM Equity Program may be made in negotiated transactions or transactions that are deemed to be “at the market” offerings as defined in Rule 415 under the Securities Act, including sales made directly on the NYSE, or sales made to or through a market maker other than on an exchange, or as otherwise agreed between the applicable Agent named therein and us. Sales may also be made on a forward basis pursuant to separate forward sale agreements. There was no activity during During the six three and nine months ended June 30, 2023 September 30, 2023, the Company issued 13,244,905 shares under the 2023 ATM Equity Program.

Universal Shelf Registration Statement

In connection with establishing Program, resulting in net proceeds of $412.9 million after paying the 2023 ATM Equity Program on March 17, 2023, the Company and the Operating Partnership filed with the SEC an automatic shelf registration statement on Form S-3 (Registration No. 333-270664 and 333-270664-01) (the “Registration Statement”), registering an indeterminate amount sales agents $6.0 million of (i) the Company’s common stock, $0.01 par value per share, (ii) the Company’s preferred stock, $0.01 par value per share, (iii) depositary shares representing entitlement to all rights and preferences of fractions of the Company’s preferred shares of a specified series and represented by depositary receipts, (iv) warrants to purchase the Company’s common stock or preferred stock or depositary shares and (v) debt securities of the Operating Partnership, which will be fully and unconditionally guaranteed by the Company. commissions.

Recently Adopted Accounting Standards

Accounting for Revenue Contracts Acquired in a Business Combination

In 2021, the FASB issued ASU 2021-08, Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (Topic 805). The changes require entities to apply Accounting Standards Codification (ASC) 606 to recognize and measure contract assets and contract liabilities from contracts with customers in a business combination, rather than acquisition date fair value. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. Adoption of ASU 2021-08 did not have a material impact on the Company’s Condensed Consolidated Financial Statements.

Significant Risks and Uncertainties

The For the three and six nine months ended June 30, 2022 were negatively impacted by the contributory effects of September 30, 2022, the COVID-19 pandemic and the resulting negatively impacted our operations due to disruptions in (i) the food supply chain; (ii) our customers’ chain, customer production of goods; (iii) the goods, labor market which impacts associate turnover, availability conditions, and cost; and (iv) the impact of inflation on the cost to provide our services. costs inflation. Over the last twelve months, there have been gradual improvements in food production and the food supply chain has begun to recover storage levels, reaching pre-COVID-19 pandemic levels. While our business shown gradual improvements, although inflation continues to be impacted persist. The Company has mitigated the impacts of such challenges by rising implementing contractual rate escalations which, in part, offsets the impact of inflationary pressures we are well-situated due and costs.

Refer to “Item 1A - Risk Factors” of our strong financial position and our ability to pass along price increases to our customers. 2022 Annual Report on Form 10-K as filed with the SEC.

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2. Acquisitions, Held for Sale, Discontinued Operations and Dispositions

Purchase of Comfrio Joint Venture

In connection with the 2020 Agro acquisition, the Company acquired 22% of equity ownership in Agrofundo Brazil II Fundode Investimento em Participações or the “Comfrio” joint venture (“JV”) on June 1, 2020. The remaining interests were held by the general partner and two minority shareholders. The JV agreement included a fair value call/put option which would allow the remaining 78% interest in Comfrio to be either purchased by or sold to the Company through either the exercise of the Company’s call option or the exercise of the general partner’s put option. Once the exercise of the put was deemed probable, the Company remeasured its equity interest, which was deemed to be nominal, and the fair value of the put option, which resulted in a loss of $56.6 million. The fair value of the put option was determined using inputs classified as Level 3 within the fair value hierarchy. In April 2023, the two parties received regulatory approval from the Brazilian government, and the acquisition closed on May 30, 2023 (the “Acquisition Date”). Total consideration paid was $56.6 million, of which $40.7 $46.7 million was paid funded during the three nine months ended June 30, 2023 September 30, 2023. Prior to the Acquisition Date, the Company’s 22% equity interest was accounted for as an equity method investment. Given the financial condition of the acquiree, the Company remeasured its interest and determined no gain or loss should be recognized upon the closing of the acquisition.

The estimated final asset and liability fair values associated with the preliminary acquisition accounting primarily include $32.8 were each $87.0 million of property, buildings and equipment, $38.0 million of operating lease right of use assets, $17.1 million of accounts receivable, debt of $14.8 million and other liabilities of $56.0 million.

including measurement period adjustments recorded during the three months ended September 30, 2023. The final fair values of the assets acquired and liabilities assumed and the related preliminary acquisition accounting are based on management’s estimates and assumptions, as well as other information compiled by management, including information from prior valuations of similar entities and the books and records of Comfrio. The Company’s estimates and assumptions are subject to change during Given the measurement period, not to exceed one year from financial condition of Comfrio, the Acquisition Date. As Company, in collaboration with the initial acquisition accounting is based on preliminary assessments, actual values may materially differ when final information becomes available. The Company believes third party valuation specialist, determined that the information gathered liquidation valuation approach is most appropriate to date provides a reasonable basis for estimating measure the preliminary fair value of the assets and liabilities of Comfrio. Accordingly, the Company estimated the fair values of the assets acquired and liabilities assumed. acquired based on what was determined to be recoverable if Comfrio were liquidated.

Upon acquisition, the Company committed to a plan to sell Comfrio in its present condition and has initiated a program to locate a buyer and complete the disposition. As Comfrio is was a newly acquired business that meets met the held-for-sale criteria upon acquisition, the Company has classified the associated assets acquired and liabilities assumed as held for sale and the operations as discontinued operations. In August of 2023, the Company sold the assets and liabilities of Comfrio. The corresponding proceeds and gain related to the sale were insignificant.

The primary components of the net losses gain (loss) from discontinued operations during the three and six nine months ended June 30, 2023 September 30, 2023 and 2022 are included in the table below.

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
(In Thousands)	*(In Thousands)*	2023	2022	2023	2022	*(In Thousands)*	2023	2022	2023	2022
Results of discontinued operations	**Results of discontinued operations**					**Results of discontinued operations**				
Revenue	Revenue	$ 14,237	$ —	$ 14,237	$ —	Revenue	$ 15,234	$ —	$ 29,471	$ —

Operating expenses	Operating expenses	16,541	—	16,541	—	Operating expenses	15,547	—	32,088	—
Estimated costs of disposal	Estimated costs of disposal	4,000	—	4,000	—	Estimated costs of disposal	616	—	4,616	—
Loss from partial investment pre-acquisition	Loss from partial investment pre-acquisition	1,730	3,288	4,111	4,936	Loss from partial investment pre-acquisition	—	1,484	4,111	6,420
Pre-tax loss		(8,034)	(3,288)	(10,415)	(4,936)					
Income tax expense		(241)	—	(241)	—					
Loss from discontinued operations, net of tax		**$ (8,275)**	**$ (3,288)**	**$ (10,656)**	**$ (4,936)**					
Gain from sale of Comfrio						Gain from sale of Comfrio	(1,082)	—	(1,082)	—
Pre-tax gain (loss)						Pre-tax gain (loss)	153	(1,484)	(10,262)	(6,420)
Income tax benefit (expense)						Income tax benefit (expense)	50	—	(191)	—
Gain (loss) - discontinued operations, net of tax						**Gain (loss) - discontinued operations, net of tax**	**$ 203**	**$ (1,484)**	**$ (10,453)**	**$ (6,420)**

During the fourth quarter of 2022, the Company entered into a loan agreement with Comfrio, in which Comfrio borrowed $25.0 million from Americold (of which $15 $15.0 million was borrowed during the first quarter of 2023) at a 10% annual fixed interest rate. During the three months ended June 30, 2023, second quarter of 2023, the Company fully impaired the outstanding balance.

Sale of Outstanding Minority Ownership in LATAM JV

On May 30, 2023, the Company sold its remaining 15% equity interest to the LATAM JV partner for total proceeds of $36.9 million and recognized a corresponding gain of $0.3 million in "Other, (income) expense, net," in the Condensed Consolidated Statement of Operations.

3. Acquisition, cyber incident and other, net

The components of the charges and credits included in "Acquisition, cyber incident and other, net" in our Condensed Consolidated Statements of Operations are as follows (in thousands):

		Three Months Ended June 30,		**Six Months Ended June 30,**			**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
Acquisition, cyber incident and other, net	**Acquisition, cyber incident and other, net**	**2023**	**2022**	**2023**	**2022**	**Acquisition, cyber incident and other, net**	**2023**	**2022**	**2023**	**2022**
Acquisition and integration related costs	Acquisition and integration related costs	$ 2,402	$ 3,786	$ 4,188	$ 10,071	Acquisition and integration related costs	$ 648	$ 5,808	$ 4,837	$ 15,879

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Cyber incident related costs, net of insurance recoveries	Cyber incident related costs, net of insurance recoveries	18,998	(819)	18,998	(793)	Cyber incident related costs, net of insurance recoveries	5,405	8	24,403	(785)
Severance costs	Severance costs	2,793	910	6,209	3,474	Severance costs	3,263	1,586	9,471	5,060
Project Orion expenses	Project Orion expenses	2,543	—	4,488	—	Project Orion expenses	3,215	—	7,703	—
Litigation	Litigation	499	1,179	499	2,379	Litigation	(100)	(2,200)	399	179
Terminated site operations costs	Terminated site operations costs	—	767	—	767	Terminated site operations costs	—	(328)	—	439
Other, net	Other, net	—	(160)	—	(160)	Other, net	1,500	—	1,500	(160)
Total acquisition, cyber incident and other, net	**Total acquisition, cyber incident and other, net**	**$ 27,235**	**$ 5,663**	**$ 34,382**	**$ 15,738**	**Total acquisition, cyber incident and other, net**	**$ 13,931**	**$ 4,874**	**$ 48,313**	**$ 20,612**

Project Orion expenses represent the non-capitalizable portion of our Project Orion costs, which is an investment in and transformation of our technology systems, business processes and customer solutions. The project includes the implementation of a new, state-of-the-art, cloud-based enterprise resource planning ("ERP") software system.

Cyber incident related costs, net of insurance recoveries represents costs related to the cyber incident further described in Note 1 to these Condensed Consolidated Financial Statements, partially offset by recoveries received related to the cyber event in 2020.

4. Debt

The following table reflects a summary of our outstanding indebtedness as of June 30, 2023 September 30, 2023 and December 31, 2022 (in thousands):

	June 30, 2023		December 31, 2022	
	Weighted Average Effective Interest Rate	**Carrying Amount**	**Weighted Average Effective Interest Rate**	**Carrying Amount**
Senior Unsecured Notes	3.25%	$ 1,768,175	3.27%	$ 1,752,875
Senior Unsecured Term Loans	4.66%	833,800	4.67%	829,450
Senior Unsecured Revolving Credit Facility	6.03%	723,436	5.12%	500,052
Total principal amount of indebtedness		$ 3,325,411		$ 3,082,377
Less: unamortized deferred financing costs		(11,848)		(13,044)
Total indebtedness, net of deferred financing costs		$ 3,313,563		$ 3,069,333

The weighted-average interest rates shown represent interest rates at the end of the periods for the debt outstanding and include the impact of designated interest rate swaps, which effectively lock-in the interest rates on certain variable rate debt under our Senior Unsecured Term Loans.

	September 30, 2023	December 31, 2022
	Carrying Amount	**Carrying Amount**
Senior Unsecured Notes	$ 1,742,975	$ 1,752,875
Senior Unsecured Term Loans	829,125	829,450
Senior Unsecured Revolving Credit Facility	359,201	500,052

Total principal amount of indebtedness	$	2,931,301	$	3,082,377
Less: unamortized deferred financing costs		(11,173)		(13,044)
Total indebtedness, net of deferred financing costs	$	2,920,128	$	3,069,333

The following table provides the details of our Senior Unsecured Notes (balances in (in thousands):

				June 30, 2023		December 31, 2022					September 30, 2023		December 31, 2022	
		Stated Maturity Date	Contractual Interest Rate	Borrowing Currency	Carrying Amount (USD)	Borrowing Currency	Carrying Amount (USD)		Stated Maturity Date	Contractual Interest Rate	Borrowing Currency	Carrying Amount (USD)	Borrowing Currency	Carrying Amount (USD)
Series A Notes	Series A Notes	01/2026	4.68%	$ 200,000	$ 200,000	$ 200,000	$ 200,000	Series A Notes	01/2026	4.68%	$ 200,000	$ 200,000	$ 200,000	$ 200,000
Series B Notes	Series B Notes	01/2029	4.86%	$ 400,000	400,000	$ 400,000	400,000	Series B Notes	01/2029	4.86%	$ 400,000	400,000	$ 400,000	400,000
Series C Notes	Series C Notes	01/2030	4.10%	$ 350,000	350,000	$ 350,000	350,000	Series C Notes	01/2030	4.10%	$ 350,000	350,000	$ 350,000	350,000
Series D Notes	Series D Notes	01/2031	1.62%	€ 400,000	436,360	€ 400,000	428,200	Series D Notes	01/2031	1.62%	€ 400,000	422,920	€ 400,000	428,200
Series E Notes	Series E Notes	01/2033	1.65%	€ 350,000	381,815	€ 350,000	374,675	Series E Notes	01/2033	1.65%	€ 350,000	370,055	€ 350,000	374,675
Total Senior Unsecured Notes	**Total Senior Unsecured Notes**				$ 1,768,175		$ 1,752,875	**Total Senior Unsecured Notes**				$ 1,742,975		$ 1,752,875

The following table provides the details of our Senior Unsecured Term Loans (balances in thousands):

		June 30, 2023			December 31, 2022				September 30, 2023			December 31, 2022		
		Contractual Interest Rate(1)	Borrowing Currency	Carrying Amount (USD)	Contractual Interest Rate(1)	Borrowing Currency	Carrying Amount (USD)		Contractual Interest Rate(1)	Borrowing Currency	Carrying Amount (USD)	Contractual Interest Rate(1)	Borrowing Currency	Carrying Amount (USD)
Tranche A-1	Tranche A-1	SOFR+ 0.94%	$ 375,000	$ 375,000	SOFR + 0.95%	$ 375,000	$ 375,000	Tranche A-1	SOFR + 0.94%	$ 375,000	$ 375,000	SOFR + 0.95%	$ 375,000	$ 375,000
Tranche A-2	Tranche A-2	CDOR+ 0.94%	C$ 250,000	188,800	CDOR+0.95%	C$ 250,000	184,450	Tranche A-2	CDOR + 0.94%	C$ 250,000	184,125	CDOR + 0.95%	C$ 250,000	184,450
Delayed Draw Tranche A-3	Delayed Draw Tranche A-3	SOFR+ 0.94%	$ 270,000	270,000	SOFR + 0.95%	$ 270,000	270,000	Delayed Draw Tranche A-3	SOFR + 0.94%	$ 270,000	270,000	SOFR + 0.95%	$ 270,000	270,000
Total Senior Unsecured Term Loan Facility	**Total Senior Unsecured Term Loan Facility**			$ 833,800			$ 829,450	**Total Senior Unsecured Term Loan Facility**			$ 829,125			$ 829,450

(1) S = one-month Adjusted Term SOFR; C = one-month CDOR. Tranche A-1 and Tranche A-3 SOFR includes an adjustment of 0.10%, in addition to the margin. While the above reflects the contractual rate, refer to the description below of the Senior Unsecured Credit Facility for details of the portion of these Term Loans that are hedged, therefore, at a fixed interest rate for the duration of the respective swap agreement. Refer to Note 5 for details of the related interest rate swaps.

The following table provides the details of our Senior Unsecured Revolving Credit Facility (in thousands):

	September 30, 2023				December 31, 2022			
Denomination of Draw	**Contractual Interest Rate (1)**	**Borrowing Currency**		**Carrying Amount (USD)**	**Contractual Interest Rate(1)**	**Borrowing Currency**		**Carrying Amount (USD)**
U.S. dollar	SOFR + 0.84%	$	47,000	$ 47,000	SOFR + 0.85%	$	225,000	$ 225,000
Australian dollar	BBSW + 0.84%	A$	189,000	121,622	BBSW + 0.85%	A$	146,000	99,470
British pound sterling	SONIA + 0.84%	£	78,000	95,152	SONIA + 0.85%	£	76,500	92,435

Canadian dollar	CDOR + 0.84%	C$	35,000	25,778	CDOR + 0.85%	C$	50,000	36,890
Euro	EURIBOR + 0.84%	€	58,500	61,852	EURIBOR + 0.85%	€	35,500	38,003
New Zealand dollar	BKBM + 0.84%	NZD	13,000	7,797	BKBM + 0.85%	NZD	12,998	8,254
Total Senior Unsecured Revolving Credit Facility			$	359,201			$	500,052

The following table provides the details of our Senior Unsecured Revolving Credit Facility (balances in thousands):

	June 30, 2023				December 31, 2022			
Denomination of Draw	**Contractual Interest Rate (1)**	**Borrowing Currency**		**Carrying Amount (USD)**	**Contractual Interest Rate(1)**	**Borrowing Currency**		**Carrying Amount (USD)**
U.S. dollar	SOFR + 0.84%	$	432,000	$ 432,000	SOFR + 0.85%	$	225,000	$ 225,000
Australian dollar	BBSW + 0.84%	A$	156,000	103,958	BBSW+0.85%	A$	146,000	99,470
British pound sterling	SONIA + 0.84%	£	78,000	99,083	SONIA+0.85%	£	76,500	92,435
Canadian dollar	CDOR + 0.84%	C$	35,000	26,432	CDOR+0.85%	C$	50,000	36,890
Euro	EURIBOR + 0.84%	€	49,500	54,000	EURIBOR+0.85%	€	35,500	38,003
New Zealand dollar	BKBM + 0.84%	NZD	13,000	7,963	BKBM+0.85%	NZD	12,998	8,254
Total Senior Unsecured Revolving Credit Facility				$ 723,436				$ 500,052

(1) S = one-month Adjusted SOFR; C = one-month CDOR; E = Euro Interbank Offered Rate (EURIBOR); SONIA = Adjusted Sterling Overnight Interbank Average Rate; BBSW = Bank Bill Swap Rate; BKBM = Bank Bill Reference Rate. We have elected Daily SOFR for the entirety of our U.S. dollar denominated borrowings shown above, which includes an adjustment of 0.10%, in addition to the margin. Our British pound sterling borrowings bear interest tied to adjusted SONIA, which includes an adjustment of 0.03% in addition to our margin.

Refer to Note 9 of the Consolidated Financial Statements in the Company's 2022 Annual Report on Form 10-K as filed with the SEC for further details of its outstanding indebtedness. As of June 30, 2023 September 30, 2023, we were in compliance with all debt covenants.

5. Derivative Financial Instruments

Designated Non-derivative Financial Instruments

As of June 30, 2023 September 30, 2023, the Company designated £78.0 million, A$156.0 189.0 million and €799.5 million €808.5 million debt and accrued interest as a hedge of our net investment in the respective international subsidiaries. As of December 31, 2022, the Company designated £76.5 million, A$146.0 million and €785.5 million debt and accrued interest as a hedge of our net investment in the respective international subsidiaries. The remeasurement of these instruments is recorded in "Change in unrealized net loss on foreign currency" on the accompanying Condensed Consolidated Statements of Comprehensive Loss.

Derivative Financial Instruments

The Company is subject to volatility in interest rates due to variable-rate debt. To manage this risk, the Company periodically enters into interest rate swap agreements. These agreements involve the receipt of variable-rate amounts in exchange for fixed-rate interest payments over the life of the respective swap agreement without an exchange of the underlying notional amount. The Company's objective for utilizing these derivative instruments is to reduce its exposure to fluctuations in cash flows due to changes in interest rates. The following table includes the key provisions of the interest rate swaps outstanding as of June 30, 2023 September 30, 2023 and December 31, 2022 (fair value in thousands):

Notional	Notional	Fixed Base Interest Rate Swap	Effective Date	Expiration Date	Debt Instrument	Fair Value as of June 30, 2023	Fair Value as of December 31, 2022	Notional	Fixed Base Interest Rate Swap	Effective Date	Expiration Date	Debt Instrument	Fair Value as of September 30, 2023	Fair Value as of December 31, 2022
$200.0 million USD	$200.0 million USD	3.65%	9/23/2022	12/29/2023	Tranche A-1	$ 1,627	$ 2,240	$200.0 million USD	3.65%	9/23/2022	12/29/2023	Tranche A-1	$ 840	$ 2,240
$200.0 million USD	$200.0 million USD	3.05%	12/29/2023	7/30/2027	Tranche A-1	4,924	2,328	$200.0 million USD	3.05%	12/29/2023	7/30/2027	Tranche A-1	8,367	2,328
$175.0 million USD	$175.0 million USD	3.47%	11/30/2022	7/30/2027	Tranche A-1	3,548	2,020	$175.0 million USD	3.47%	11/30/2022	7/30/2027	Tranche A-1	5,782	2,020
$270.0 million USD	$270.0 million USD	3.05%	11/01/2022	12/31/2027	Delayed Draw Tranche A-3	9,772	8,034	$270.0 million USD	3.05%	11/01/2022	12/31/2027	Delayed Draw Tranche A-3	13,706	8,034
$250.0 million CAD	$250.0 million CAD	3.59%	9/23/2022	12/31/2027	Tranche A-2	4,253	950	$250.0 million CAD	3.59%	9/23/2022	12/31/2027	Tranche A-2	7,866	950
				Total		$ 24,124	$ 15,572				Total		$ 36,561	$ 15,572

In addition, the Company is subject to volatility in foreign exchange rates due to foreign-currency denominated intercompany loans. The Company implemented cross-currency swaps to manage the foreign currency exchange rate risk on certain intercompany loans. These agreements effectively mitigate the Company's exposure to fluctuations in cash flows due to foreign exchange rate risk. These agreements involve the receipt of fixed USD amounts in exchange for payment of fixed Australian and New Zealand Dollar amounts over the life of the respective intercompany loan. The entirety of the Company's outstanding intercompany loans receivable balances, $153.5 million AUD and $37.5 million NZD, were hedged under the cross-currency swap agreements at June 30, 2023 September 30, 2023 and December 31, 2022.

There have been no significant changes to our policy or strategy from what was disclosed in our 2022 Annual Report on Form 10-K. During the next twelve months, the Company estimates that an additional $2.0 $1.6 million will be reclassified as an increase to "Loss on debt extinguishment, modifications, and termination of derivative instruments". Additionally, during the next twelve months, the Company estimates that an additional $0.3 million $0.5 million will be reclassified as a increase to gain/loss on foreign exchange (a component of "Other income (expense), net") and an additional $15.9 million $16.8 million will be reclassified as a decrease to "Interest expense".

The Company determines the fair value of its derivative instruments using a present value calculation with significant observable inputs classified as Level 2 of the fair value hierarchy. Derivative asset balances are recorded on the accompanying Condensed Consolidated Balance Sheets within "Other assets" and derivative liability balances are recorded on the accompanying Condensed Consolidated Balance Sheets within "Accounts payable and accrued expenses". The following table presents the fair value of the derivative financial instruments within "Other assets" and "Accounts payable and accrued expenses" as of June 30, 2023 September 30, 2023 and December 31, 2022 (in thousands):

		Derivative Assets		Derivative Liabilities			Derivative Assets		Derivative Liabilities	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Designated derivatives	Designated derivatives					Designated derivatives				
Foreign exchange contracts	Foreign exchange contracts	$ 10,882	$ 7,948	$ —	$ —	Foreign exchange contracts	$ 13,969	$ 7,948	$ —	$ —
Interest rate contracts	Interest rate contracts	24,124	15,572	—	—	Interest rate contracts	36,561	15,572	—	—

Total fair value of derivatives	**Total fair value of derivatives**	$ 35,006	$ 23,520	$ —	$ —	**Total fair value of derivatives**	$ 50,530	$ 23,520	$ —	$ —

The following tables present the effect of the Company's derivative financial instruments on the accompanying Condensed Consolidated Statements of Operations for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022, including the impacts to Accumulated Other Comprehensive (Loss) Income (AOCI) (in thousands):

	Amount of Gain or (Loss) Recognized in Other Comprehensive Income on Derivative		Location of Gain or (Loss) Reclassified from AOCI into Income	Amount of Gain or (Loss) Reclassified from Accumulated Other Comprehensive Income into Income	
	Three Months Ended June 30,			**Three Months Ended June 30,**	
	2023	**2022**		**2023**	**2022**
Interest rate contracts	$ 24,542	$ —	Interest expense	$ 3,311	$ —
Interest rate contracts	—		Loss on debt extinguishment, modifications and termination of derivative instruments(1)	(627)	(626)
Foreign exchange contracts	1,478	12,666	Foreign currency exchange loss, net	842	11,533
Foreign exchange contracts	—		Interest expense	135	201
Total designated cash flow hedges	$ 26,020	$ 12,666		$ 3,661	$ 11,108

	Amount of Gain or (Loss) Recognized in Other Comprehensive Income on Derivative		Location of Gain or (Loss) Reclassified from AOCI into Income	Amount of Gain or (Loss) Reclassified from Accumulated Other Comprehensive Income into Income	
	Three Months Ended September 30,			**Three Months Ended September 30,**	
	2023	**2022**		**2023**	**2022**
Interest rate contracts	$ 16,396	$ 10,808	Interest expense	$ 3,959	$ (21)
Interest rate contracts	—	—	Loss on debt extinguishment, modifications and termination of derivative instruments(1)	(633)	(627)
Foreign exchange contracts	3,229	7,141	Foreign currency exchange loss, net	3,776	10,127
Foreign exchange contracts	—	—	Interest expense	142	196
Total designated cash flow hedges	$ 19,625	$ 17,949		$ 7,244	$ 9,675

(1) In conjunction with the termination of interest rate swaps in 2020, the Company recorded amounts in other comprehensive income that will be reclassified as an adjustment to earnings over the term of the original hedges and respective borrowings. As of June 30, 2023 September 30, 2023, the Company recorded an increase to "Loss on debt extinguishment, modifications and termination of derivative instruments" related to this transaction.

	Amount of Gain or (Loss) Recognized in Other Comprehensive Income on Derivative		Location of Gain or (Loss) Reclassified from AOCI into Income	Amount of Gain or (Loss) Reclassified from Accumulated Other Comprehensive Income into Income	
	Six Months Ended June 30,			**Six Months Ended June 30,**	
	2023	**2022**		**2023**	**2022**
Interest rate contracts	$ 14,295	$ —	Interest expense	$ 5,743	$ —
Interest rate contracts	—	—	Loss on debt extinguishment, modifications and termination of derivative instruments(1)	(1,247)	(1,253)

	Amount of Gain or (Loss) Recognized in Other Comprehensive Income on Derivative	Location of Gain or (Loss) Reclassified from AOCI into	Amount of Gain or (Loss) Reclassified from Accumulated Other Comprehensive Income into

	Nine Months Ended September 30,		Income	Nine Months Ended September 30,	
	2023	2022		2023	2022
Foreign exchange contracts	3,161	8,341	Foreign currency exchange loss, net	2,938	7,682
Foreign exchange contracts		—	Interest expense	227	203
Total designated cash flow hedges	$ 17,456	$ 8,341		$ 7,661	$ 6,632
Interest rate contracts	$ 30,692	$ 10,808	Interest expense	$ 9,702	$ (21)
Interest rate contracts	—	—	Loss on debt extinguishment, modifications and termination of derivative instruments(1)	(1,880)	(1,880)
Foreign exchange contracts	6,390	15,483	Foreign currency exchange loss, net	6,715	17,809
Foreign exchange contracts	—	—	Interest expense	369	399
Total designated cash flow hedges	$ 37,082	$ 26,291		$ 14,906	$ 16,307

(1) In conjunction with the termination of interest rate swaps in 2020, the Company recorded amounts in other comprehensive income that will be reclassified as an adjustment to earnings over the term of the original hedges and respective borrowings. During the six nine months ended June 30, 2023 September 30, 2023, the Company recorded an increase to "Loss on debt extinguishment, modifications and termination of derivative instruments" related to this transaction.

The table below presents a gross presentation, the effects of offsetting, and a net presentation of the Company's derivatives as of June 30, 2023 September 30, 2023 and December 31, 2022. The net amounts of derivative assets or liabilities can be reconciled to the tabular disclosure of fair value. The tabular disclosure of fair value provides the location that derivative assets and liabilities are presented on the accompanying Condensed Consolidated Balance Sheets (in thousands):

June 30, 2023

Offsetting of Derivative Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Assets Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet: Financial Instruments	Cash Collateral Received	Net Amount
Derivatives	$ 35,006	$ —	$ 35,006	$ —	$ —	$35,006

September 30, 2023

Offsetting of Derivative Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Assets Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet: Financial Instruments	Cash Collateral Received	Net Amount
Derivatives	$ 50,530	$ —	$ 50,530	$ —	$ —	$50,5

December 31, 2022

Offsetting of Derivative Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Assets Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet: Financial Instruments	Cash Collateral Received	Net Amount
Derivatives	$ 23,520	$ —	$ 23,520	$ —	$ —	$ 23,520

As of June 30, 2023 September 30, 2023 and December 31, 2022, there was no impact from netting arrangements and the Company did not have any outstanding derivatives in a net liability position. As of June 30, 2023 September 30, 2023, the

Company has not posted any collateral related to these agreements. The Company has agreements with each of its derivative counterparties that contain a provision where the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on the indebtedness. Refer to Note 9 for additional details regarding the impact of the Company’s derivatives on AOCI for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

6. Fair Value Measurements

As of June 30, 2023 September 30, 2023 and December 31, 2022, the carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, accounts payable, accrued expenses and revolving line of credit approximate their fair values due to the short-term maturities of the instruments.

The Company’s assets and liabilities measured or disclosed at fair value are as follows (in thousands):

			Fair Value				Fair Value	
		Fair Value Hierarchy	June 30, 2023	December 31, 2022		Fair Value Hierarchy	September 30, 2023	December 31, 2022
Measured at fair value during the current reporting period:	**Measured at fair value during the current reporting period:**				**Measured at fair value during the current reporting period:**			
Interest rate swap assets	Interest rate swap assets	Level 2	$ 24,124	$ 15,572	Interest rate swap assets	Level 2	$ 36,561	$ 15,572
Cross currency swap assets	Cross currency swap assets	Level 2	$ 10,882	$ 7,948	Cross currency swap assets	Level 2	$ 13,969	$ 7,948
Disclosed at fair value:	**Disclosed at fair value:**				**Disclosed at fair value:**			
Senior unsecured notes, term loans, and revolving credit facility	Senior unsecured notes, term loans, and revolving credit facility	Level 3	$ 3,069,105	$ 2,829,574	Senior unsecured notes, term loans, and revolving credit facility	Level 3	$ 2,663,442	$ 2,829,574

As further described in Note 2, the Company acquired the remaining interest in Comfrio during the three months ended June 30, 2023. second quarter of 2023, and later sold the assets and liabilities in August of 2023. The Company utilized multiple Level 3 inputs and assumptions to estimate the value of assets and liabilities associated with the Comfrio acquisition, valuation of the previously owned equity interest required for an acquisition achieved in stages, as well as the associated put option liability. Such inputs included the terms of put option agreement, estimated future cash flows of Comfrio, information from prior valuations of similar entities and the books and records of Comfrio.

7. Income Taxes

The Company's effective tax rate for the three and six nine months ended June 30, 2023 September 30, 2023 and June 30, 2022 2022 varies from the statutory U.S. federal income tax rate primarily due to the Company being designated as a REIT that is generally treated as a non-tax paying entity. During the three and six nine months ended June 30, 2023 September 30, 2023, the effective tax rate was favorably impacted by the blend of pre-tax book income and losses generated year over year by jurisdiction. During the three and six months ended June 30, 2022 September 30, 2022, the effective tax rates were mainly impacted by the loss generated by our foreign operations. During the nine months ended September 30, 2022, the effective tax rates were mainly impacted by a non-recurring $6.5 million discrete net tax benefit was recognized attributable to the deconsolidation of our Chilean operations and loss generated by our foreign operations.

8. Commitments and Contingencies

April 2023 Cyber Incident

As a result of the Cyber Incident referenced in Note 1 to the Condensed Consolidated Financial Statements, the Company has received claims for reimbursement from a number of customers pursuant to the terms of the contracts between each of those customers and the Company. During the nine months ended September 30, 2023 the Company recorded an accrual of $4.0 million. This represents management's best estimate of the amount of loss related to such claims based on its evaluation of the relevant contract terms and other relevant facts and circumstances.

Legal Proceedings

In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company and its legal counsel evaluate the merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought. If the assessment of a contingency suggests that a loss is probable, and the amount can be reasonably estimated, then a loss is recorded.

In addition to the matters discussed below, the Company may be subject to litigation and claims arising from the ordinary course of business. In the opinion of management, after consultation with legal counsel, the outcome of such matters is not expected to have a material impact on the Company's financial condition, results of operations, or cash flows.

Preferred Freezer Services, LLC Litigation

On February 11, 2019, Preferred Freezer Services, LLC ("PFS") moved by Order to Show Cause in the Supreme Court of the State of New York, New York County, asserting breach of contract and other claims against the Company and seeking to preliminarily enjoin the Company from acting to acquire certain properties leased by PFS. In its complaint and request for preliminary injunctive relief, PFS alleged that the Company breached a confidentiality agreement entered into in connection with the Company's participation in a bidding process for the sale of PFS by contacting PFS's landlords and by using confidential PFS information in bidding for the properties leased by PFS (the "PFS Action").

PFS's request for a preliminary injunction was denied after oral argument on February 26, 2019. On March 1, 2019, PFS filed an application for interim injunctive relief from the Appellate Division of the Supreme Court, First Judicial Department ("the First Department").

On April 2, 2019, while its application to the First Department was pending, PFS voluntarily dismissed its state court action, and First Department application, and re-filed substantially the same claims against the Company in the U.S. District Court for the Southern District of New York. In addition to an order enjoining Americold from making offers to purchase the properties leased by PFS, PFS sought compensatory, consequential and/or punitive damages. The Company filed a motion to require PFS to reimburse the Company for its legal fees it incurred for the state court action before PFS is allowed to proceed in the federal court action. On February 18, 2020, the Court granted Americold's request for an award of legal fees from PFS but declined to stay the case pending payment of that award. As to the amount of the award, the Company and PFS have entered into a stipulation that PFS will pay Americold $0.6 million to reimburse the Company for its legal fees upon conclusion of the case. PFS has since amended its complaint, and Americold has filed a motion to dismiss that amended complaint.

The Company denies the allegations and believes PFS's claims are without merit and intends to vigorously defend itself against the allegations. Given the status of the proceedings to date, a liability cannot be reasonably estimated. The Company believes the ultimate outcome of this matter will not have a material adverse impact on its Consolidated Financial Statements.

Environmental Matters

The Company is subject to a wide range of environmental laws and regulations in each of the locations in which the Company operates. Compliance with these requirements can involve significant capital and operating costs. Failure to comply with these requirements can result in civil or criminal fines or sanctions, claims for environmental damages, remediation obligations, the revocation of environmental permits, or restrictions on the Company's operations.

The Company records accruals for environmental matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on current law and existing technologies. The Company adjusts these accruals periodically as assessment and remediation efforts progress or as additional technical or legal information become available. The Company had nominal environmental liabilities in accounts payable and accrued expenses as of June 30, 2023 September 30, 2023 and December 31, 2022. Most of the Company's warehouses utilize ammonia as a refrigerant. Ammonia is classified as a hazardous chemical regulated by the Environmental

Protection Agency, and an accident or significant release of ammonia from a warehouse could result in injuries, loss of life, and property damage. Future changes in applicable environmental laws or regulations, or in the interpretations of such laws and regulations, could negatively impact the Company. The Company believes it is in compliance with applicable environmental regulations in all material respects. Under various U.S. federal, state, and local environmental laws, a current or previous owner or operator of real estate may be liable for the entire cost of investigating, removing, and/or remediating hazardous or toxic substances on such property. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the contamination. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for the entire clean-up cost. There are no material unrecorded contingent liabilities as of June 30, 2023 September 30, 2023.

Occupational Safety and Health Act (OSHA)

The Company's warehouses located in the U.S. are subject to regulation under OSHA, which requires employers to provide employees with an environment free from hazards, such as exposure to toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress, and unsanitary conditions. The cost of complying with OSHA and similar laws enacted by states and other jurisdictions in which we operate can be substantial, and any failure to comply with these regulations could expose us to substantial penalties and potentially to liabilities to employees who may be injured at our warehouses. The Company records accruals for OSHA matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. The Company believes that it is in substantial compliance with all OSHA regulations and that no material unrecorded contingent liabilities exist as of June 30, 2023 September 30, 2023 and December 31, 2022.

9. Accumulated Other Comprehensive Income (Loss) Income

The Company reports activity in AOCI for foreign currency translation adjustments, including the translation adjustment for investments in partially owned entities, unrealized gains and losses on designated derivatives, and minimum pension liability adjustments (net of tax). The activity in AOCI for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022 is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
Pension and other postretirement benefits:								
Balance at beginning of period, net of tax					$ 2,936	$ 4,956	$ 2,626	$ 5,002
(Loss) gain arising during the period	$ (388)	$ (118)	$ 310	$ (57)	(832)	61	(522)	4
Amortization of prior service cost (1)	—	5	0	11	—	5	—	16
Total pension and other postretirement benefits, net of tax	$ (388)	$ (113)	$ 310	$ (46)				
Net (loss) gain on pension and other postretirement benefits					(832)	66	(522)	20
Balance at end of period, net of tax					$ 2,104	$ 5,022	$ 2,104	$ 5,022
Foreign currency translation adjustments:								
Balance at beginning of period, net of tax					$ (20,272)	$ (15,762)	$ (26,594)	$ (3,080)
Cumulative translation adjustment	$ 14,427	$ (84,167)	$ 25,228	$ (96,674)	(46,262)	(91,178)	(21,034)	(187,853)

Derecognition of cumulative foreign currency translation upon deconsolidation of entity contributed to a joint venture	Derecognition of cumulative foreign currency translation upon deconsolidation of entity contributed to a joint venture	$ —	4,970	$ —	4,970	Derecognition of cumulative foreign currency translation upon deconsolidation of entity contributed to a joint venture	—	—	—	4,970
Derivative net investment hedges	Derivative net investment hedges	(8,284)	55,330	(18,906)	79,023	Derivative net investment hedges	35,795	66,140	16,889	145,163
Total foreign currency translation adjustments		$ 6,143	$ (23,867)	$ 6,322	$ (12,681)					
Net loss on foreign currency translation						Net loss on foreign currency translation	(10,467)	(25,038)	(4,145)	(37,720)
Balance at end of period, net of tax						Balance at end of period, net of tax	$ (30,739)	$ (40,800)	$ (30,739)	$ (40,800)
Designated derivatives:	**Designated derivatives:**					**Designated derivatives:**				
Balance at beginning of period, net of tax						Balance at beginning of period, net of tax	$ 27,713	$ 4,310	$ 17,918	$ 2,600
Cash flow hedge derivatives	Cash flow hedge derivatives	$ 26,020	12,666	$ 17,456	$ 8,341	Cash flow hedge derivatives	19,625	17,949	37,082	26,291
Net amount reclassified from AOCI to net (loss) income		(3,661)	(11,108)	(7,661)	(6,632)					
Total unrealized gain on derivative contracts		$ 22,359	$ 1,558	$ 9,795	$ 1,709					
Total change in other comprehensive income (loss)		$ 28,114	$ (22,422)	$ 16,427	$ (11,018)					
Net amount reclassified from AOCI to net loss						Net amount reclassified from AOCI to net loss	(7,244)	(9,675)	(14,906)	(16,307)
Net gain on designated derivatives						Net gain on designated derivatives	12,381	8,274	22,176	9,984
Balance at end of period, net of tax						Balance at end of period, net of tax	$ 40,094	$ 12,584	$ 40,094	$ 12,584
Closing accumulated other comprehensive income (loss)						**Closing accumulated other comprehensive income (loss)**	$ 11,459	$ (23,194)	$ 11,459	$ (23,194)

(1) Amounts reclassified from AOCI for pension liabilities are recognized in “Selling, general and administrative” in the accompanying Condensed Consolidated Statements of Operations.

10. Segment Information

Our principal operations are organized into three reportable segments: Warehouse, Transportation and Third-party managed. Our reportable segments are strategic business units separated by service offerings. Each reportable segment is managed separately and requires different operational and marketing strategies.

Our chief operating decision maker uses revenues and segment contribution to evaluate segment performance. We calculate segment contribution as earnings before interest expense, taxes, depreciation and amortization, and excluding corporate selling, general and administrative expense, acquisition, cyber incident and other expense,

impairment of long-lived assets, gain or loss on sale of real estate and all components of non-operating other income and expense. Selling, general and administrative functions support all the business segments. Therefore, the related expense is not allocated to segments as the chief operating decision maker does not use it to evaluate segment performance.

Segment contribution is not a measurement of financial performance under U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Therefore, segment contribution should not be considered an alternative to operating income determined in accordance with U.S. GAAP.

The following table presents segment revenues and contributions with a reconciliation to loss from continuing operations before income taxes for the three and nine months ended September 30, 2023 and 2022 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Segment revenues:				
Warehouse	$ 602,605	$ 598,977	$ 1,778,827	$ 1,704,281
Transportation	55,642	76,367	181,792	237,168
Third-party managed	9,692	82,436	33,419	251,782
Total revenues	667,939	757,780	1,994,038	2,193,231
Segment contribution:				
Warehouse	177,832	166,662	525,501	463,905
Transportation	9,659	10,836	31,128	32,950
Third-party managed	1,629	3,660	4,108	10,882
Total segment contribution	189,120	181,158	560,737	507,737
Reconciling items:				
Depreciation and amortization	(89,728)	(83,669)	(259,644)	(248,979)
Selling, general and administrative	(52,383)	(57,119)	(169,023)	(170,994)
Acquisition, cyber incident and other, net	(13,931)	(4,874)	(48,313)	(20,612)
Impairment of indefinite and long-lived assets	—	(6,616)	—	(6,616)
(Loss) gain from sale of real estate	(78)	(5,710)	2,259	(5,710)
Interest expense	(35,572)	(30,402)	(106,426)	(82,720)
Loss on debt extinguishment, modifications and termination of derivative instruments	(683)	(1,040)	(1,855)	(2,284)
Other, net	723	(2,593)	1,741	(1,197)
(Loss) gain from investments in partially owned entities	(259)	44	(1,616)	(779)
Impairment of related party receivable	—	—	(21,972)	—
Loss on put option	—	—	(56,576)	—
Loss from continuing operations before income taxes	$ (2,791)	$ (10,821)	$ (100,688)	$ (32,154)

The following table presents segment revenues and contributions with a reconciliation to loss before income taxes for the three and six months ended June 30, 2023 and 2022 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Segment revenues:				
Warehouse	$ 581,170	$ 564,379	$ 1,176,222	$ 1,105,304
Transportation	58,072	81,891	126,150	160,801
Third-party managed	10,368	83,486	23,727	169,346
Total revenues	649,610	729,756	1,326,099	1,435,451
Segment contribution:				
Warehouse	172,842	150,985	347,669	297,243
Transportation	9,809	13,585	21,469	22,114
Third-party managed	1,400	3,721	2,479	7,222
Total segment contribution	184,051	168,291	371,617	326,579
Reconciling items:				
Depreciation and amortization	(84,892)	(82,690)	(169,916)	(165,310)
Selling, general and administrative	(53,785)	(56,273)	(116,640)	(113,875)
Acquisition, cyber incident and other, net	(27,235)	(5,663)	(34,382)	(15,738)
Gain from sale of real estate	2,528	—	2,337	—
Interest expense	(36,431)	(26,545)	(70,854)	(52,318)
Loss on debt extinguishment, modifications and termination of derivative instruments	(627)	(627)	(1,172)	(1,244)
Other, net	(415)	(962)	1,018	1,396
Loss from investments in partially owned entities	(709)	(359)	(1,357)	(823)
Impairment of related party receivable	(21,972)	—	(21,972)	—
Loss on put option	(56,576)	—	(56,576)	—
Loss from continuing operations before income taxes	$ (96,063)	$ (4,828)	$ (97,897)	$ (21,333)

11. Loss/Earnings per Common Share

Basic and diluted (loss)/earnings per common share are calculated by dividing the net income or loss attributable to common stockholders by the basic and diluted weighted-average number of common shares outstanding in the period, respectively, using the allocation method prescribed by the two-class method. The Company applies this method to compute earnings per share because it distributes non-forfeitable dividend equivalents on restricted stock units and Operating Partnership units ("OP units") granted to certain employees and non-employee directors who have the right to participate in the distribution of common dividends while the restricted stock units and OP units are unvested.

A reconciliation of the basic and diluted weighted-average number of common shares outstanding for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022 is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
Weighted average common shares outstanding – basic	270,462	269,497	270,387	269,464	278,137	269,586	273,217	269,467
Dilutive effect of stock-based awards	—	887	—	—	—	—	—	—
Weighted average common shares outstanding – diluted	270,462	270,384	270,387	269,464	278,137	269,586	273,217	269,467

For the three and six nine months ended June 30, 2023 September 30, 2023, and the six months ended June 30, 2022 September 30, 2022, respectively, potential common shares under the treasury stock method and the if-converted method were antidilutive because the Company reported a net loss for such periods. Consequently, the Company did not have any adjustments between basic and diluted loss per share related to stock-based awards for those periods.

The table below presents the number of antidilutive potential common shares that are not considered in the calculation of diluted loss per share (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
Employee stock options	—	—	—	182	—	161	—	175
Restricted stock units	103	76	65	1,777	16	1,451	89	1,667
OP units	178	—	113	719	—	824	130	754
	281	76	178	2,678	16	2,436	219	2,596

12. No inventory as12. Revenue from Contracts with Customers

Disaggregated Revenue

The following tables represent a disaggregation of revenue from contracts with customers for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022 by segment and geographic region (in thousands):

	Three Months Ended June 30, 2023				
	North America	Europe	Asia-Pacific	South America	Total
Warehouse rent and storage	$ 222,990	$ 21,164	$ 17,489	$ 1,874	$ 263,517
Warehouse services(1)	246,268	24,338	34,078	1,303	305,987
Transportation	28,680	20,477	8,260	655	58,072
Third-party managed	[illegible]	—	5,590	—	10,368
Total revenues (2)	[illegible]	[illegible]	65,417	3,832	637,944
Lease revenue (3)	10,265	1,401	—	—	11,666
Total revenues from contracts with all customers	$ 512,981	$ 67,380	$ 65,417	$ 3,832	$ 649,610

	Three Months Ended September 30, 2023				
	North America	Europe	Asia-Pacific	South America	Total
Warehouse rent and storage	$ 222,269	$ 20,692	$ 20,994	$ 2,062	$ 266,017

Warehouse services(1)	266,387	25,460	31,072	1,178	324,097
Transportation	30,249	16,078	8,671	644	55,642
Third-party managed	4,029	—	5,663	—	9,692
Total revenues (2)	522,934	62,230	66,400	3,884	655,448
Lease revenue (3)	11,091	1,400	—	—	12,491
Total revenues from contracts with all customers	$ 534,025	$ 63,630	$ 66,400	$ 3,884	$ 667,939

	Three Months Ended September 30, 2022				
	North America	Europe	Asia-Pacific	South America	Total
Warehouse rent and storage	$ 211,708	$ 20,237	$ 15,218	$ 1,984	$ 249,147
Warehouse services(1)	274,266	28,302	34,925	1,236	338,729
Transportation	39,456	28,023	8,376	512	76,367
Third-party managed	77,083	—	5,353	—	82,436
Total revenues (2)	602,513	76,562	63,872	3,732	746,679
Lease revenue (3)	9,798	1,303	—	—	11,101
Total revenues from contracts with all customers	$ 612,311	$ 77,865	$ 63,872	$ 3,732	$ 757,780

(1)Warehouse services revenue includes sales of product that Americold purchases on the spot market, repackages, and sells to customers that was exited during the three months ended September 30, 2023. Such revenues totaled $3.7 million for the three months ended September 30, 2022. There were no such revenues for the three months ended September 30, 2023.

(2)Revenues are within the scope of ASC 606, *Revenue From Contracts with Customers.* Elements of contracts or arrangements that are in the scope of other standards (e.g., leases) are separated and accounted for under those standards.

(3)Revenues are within the scope of Topic 842, *Leases*.

		Three Months Ended June 30, 2022						Nine Months Ended September 30, 2023				
		North America	Europe	Asia-Pacific	South America	Total		North America	Europe	Asia-Pacific	South America	Total
Warehouse rent and storage	Warehouse rent and storage	$192,127	$19,070	$17,844	$2,522	$231,563	Warehouse rent and storage	$ 664,341	$ 62,401	$ 56,148	$ 5,638	$ 788,528
Warehouse services(1)	Warehouse services(1)	255,829	30,425	34,139	1,635	322,028	Warehouse services(1)	774,286	76,154	99,522	3,766	953,728
Transportation	Transportation	39,741	34,038	7,562	550	81,891	Transportation	94,310	59,961	25,603	1,918	181,792
Third-party managed	Third-party managed	78,250	—	5,236	—	83,486	Third-party managed	16,370	—	17,049	—	33,419
Total revenues (2)	Total revenues (2)	565,947	83,533	64,781	4,707	718,968	Total revenues (2)	1,549,307	198,516	198,322	11,322	1,957,467
Lease revenue (3)	Lease revenue (3)	9,395	1,393	—	—	10,788	Lease revenue (3)	32,406	4,165	—	—	36,571
Total revenues from contracts with all customers	Total revenues from contracts with all customers	$575,342	$84,926	$64,781	$4,707	$729,756	Total revenues from contracts with all customers	$1,581,713	$202,681	$198,322	$11,322	$1,994,038

	Nine Months Ended September 30, 2022				
	North America	Europe	Asia-Pacific	South America	Total

Warehouse rent and storage	$ 585,774	$ 56,662	$ 49,783	$ 7,456	$ 699,675
Warehouse services(1)	768,264	90,924	108,266	4,471	971,925
Transportation	116,690	96,167	22,798	1,513	237,168
Third-party managed	236,153	—	15,629	—	251,782
Total revenues (2)	1,706,881	243,753	196,476	13,440	2,160,550
Lease revenue (3)	28,506	4,175	—	—	32,681
Total revenues from contracts with all customers	$ 1,735,387	$ 247,928	$ 196,476	$ 13,440	$ 2,193,231

(1)Warehouse services revenue includes sales of product that Americold purchases on the spot market, repackages, and sells to customers. Such revenues totaled less than $0.1 million and $4.2 million $11.1 million for the three nine months ended June 30, 2023 September 30, 2023 and June 30, 2022 September 30, 2022, respectively.

(2)Revenues are within the scope of ASC 606, *Revenue From Contracts with Customers.* Elements of contracts or arrangements that are in the scope of other standards (e.g., leases) are separated and accounted for under those standards.

(3)Revenues are within the scope of Topic 842, *Leases*.

	Six Months Ended June 30, 2023				
	North America	**Europe**	**Asia-Pacific**	**South America**	**Total**
Warehouse rent and storage	$ 442,072	$ 41,709	$ 35,154	$ 3,576	$ 522,511
Warehouse services(1)	507,899	50,694	68,450	2,588	629,631
Transportation	64,061	43,883	16,932	1,274	126,150
Third-party managed	12,341	—	11,386	—	23,727
Total revenues (2)	1,026,373	136,286	131,922	7,438	1,302,019
Lease revenue (3)	21,315	2,765	—	—	24,080
Total revenues from contracts with all customers	$ 1,047,688	$ 139,051	$ 131,922	$ 7,438	$ 1,326,099

	Six Months Ended June 30, 2022				
	North America	**Europe**	**Asia-Pacific**	**South America**	**Total**
Warehouse rent and storage	$ 374,066	$ 36,425	$ 34,565	$ 5,472	$ 450,528
Warehouse services(1)	493,998	62,622	73,341	3,235	633,196
Transportation	77,234	68,144	14,422	1,001	160,801
Third-party managed	159,070	—	10,276	—	169,346
Total revenues (2)	1,104,368	167,191	132,604	9,708	1,413,871
Lease revenue (3)	18,708	2,872	—	—	21,580
Total revenues from contracts with all customers	$ 1,123,076	$ 170,063	$ 132,604	$ 9,708	$ 1,435,451

(1)Warehouse services revenue includes sales of product that Americold purchases on the spot market, repackages, and sells to customers. Such revenues totaled less than $0.1 million and $7.4 million for the six months ended June 30, 2023 and June 30, 2022, respectively.

(2)Revenues are within the scope of ASC 606, *Revenue From Contracts with Customers.* Elements of contracts or arrangements that are in the scope of other standards (e.g., leases) are separated and accounted for under those standards.

(3)Revenues are within the scope of Topic 842, *Leases*.

Performance Obligations

Substantially all our revenue for warehouse storage and handling services, and management and incentive fees earned under third-party managed and other contracts is recognized over time as the customer benefits equally throughout the period until the contractual term expires. Typically, revenue is recognized over time using an output measure (e.g. passage of time). Revenue is recognized at a point in time upon delivery when the customer typically obtains control, for most accessorial services, transportation services and reimbursed costs.

For arrangements containing non-cancellable contract terms, any variable consideration related to storage renewals or incremental handling charges above stated minimums are 100% constrained and not included in the aggregate amount of the transaction price allocated to the unsatisfied performance obligations disclosed below, given the degree in difficulty in estimation. Payment terms are generally 0-30 days upon billing, which is typically monthly, either in advance or subsequent to the performance of services. The same payment terms typically apply for arrangements containing variable consideration.

The Company has no material warranties or obligations for allowances, refunds or other similar obligations.

As of June 30, 2023 September 30, 2023, the Company had $652.0 million $1.3 billion of remaining unsatisfied performance obligations from contracts with customers subject to a non-cancellable term and within contracts that have an original expected duration exceeding one year. These obligations also do not include variable consideration beyond the non-cancellable term, which due to the inability to quantify by estimate, is fully constrained. The Company expects to recognize approximately 17% 5% of these remaining performance obligations as revenue in 2023, and the remaining 83% 95% to be recognized over a weighted average period of 12.3 14.0 years through 2038. 2042.

Contract Balances

The timing of revenue recognition, billings and cash collections results in accounts receivable (contract assets), and unearned revenue (contract liabilities) on the accompanying Condensed Consolidated Balance Sheets. Generally, billing occurs monthly, subsequent to revenue recognition, resulting in contract assets. However, the Company may bill and receive advances or deposits from customers, particularly on storage and handling services, before revenue is recognized, resulting in contract liabilities. These assets and liabilities are reported on the accompanying Condensed Consolidated Balance Sheets on a contract-by-contract basis at the end of each reporting period. Changes in the contract asset and liability balances during the three and six nine months ended June 30, 2023 September 30, 2023, were not materially impacted by any other factors.

Receivable balances related to contracts with customers accounted for under ASC 606 were $446.0 million $416.9 million and $421.1 million as of June 30, 2023 September 30, 2023 and December 31, 2022, respectively. All other trade receivable balances relate to contracts accounted for under ASC 842.

Balances in unearned revenue related to contracts with customers were $31.2 $29.9 million and $32.0 million as of June 30, 2023 September 30, 2023 and December 31, 2022, respectively. Substantially all revenue that was included in the contract liability balances at the beginning of 2022 has been recognized as of June 30, 2023 September 30, 2023, and represents revenue from the satisfaction of monthly storage and handling services with average customer inventory turns of approximately 30 days.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q. In addition, the following discussion contains forward-looking statements, such as statements regarding our expectation for future performance, liquidity and capital resources, that involve risks, uncertainties and assumptions that could cause actual results to differ materially from our expectations. Our actual results may differ materially from those contained in or implied by any forward-looking statements. Factors that could cause such differences include those identified below and those described under in Part I Item 1A of this report under 'Cautionary Statement Regarding Forward-Looking Statements' and 'Risk Factors' in our Annual Report on Form 10-K for the year ended December 31, 2022 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023 and June 30, 2023.

Management's Overview

We are a global leader in temperature-controlled storage, logistics, real estate and value added services, and are focused on the ownership, operation, acquisition and development of temperature-controlled warehouses. We are organized as a Our self-administered and self-managed REIT with proven operating, development and acquisition expertise. As of June 30, 2023, we operated a global network of 242 temperature-controlled operates 243 warehouses encompassing approximately globally, totaling around 1.5 billion cubic feet, with 195 warehouses in North America, 27 in Europe, 18 warehouses 19 in Asia-Pacific, and 2 warehouses in South America. We view and manage our America as of September 30, 2023.

Our business through includes three primary business segments: warehouse, transportation and third-party managed. In addition, managed, and we hold two have minority interests in joint ventures, one with SuperFrio which owns or operates (operates 35 temperature-controlled warehouses in Brazil, Brazil), and one with the RSA JV which owns one (operates two temperature-controlled warehouse in Dubai. Lastly, we hold 26 warehouses in Brazil that Dubai).

Focus on Our Operational Effectiveness and Cost Structure

Our ongoing initiatives, some of which are classified detailed below, focus on streamlining business operations and reducing costs. This includes i) centralizing processes; ii) implementing operational standards; iii) adopting new technology; iv) enhancing health and safety programs; v) leveraging our networks' purchasing power; and vi) fully integrating acquired assets and businesses. Such realignments have allowed us to acquire new talent and strengthen our service offerings.

Additionally, as held-for-sale part of our initiatives to streamline our business processes and to reduce our cost structure, we have evaluated and exited less strategic and profitable markets or business lines, including the sale of certain warehouse assets, the exit of certain leased facilities, and the related operations as discontinued operations. exit of certain managed warehouse agreements. Through our process of active portfolio management, we continue to evaluate our markets and offerings.

Components of Our Results of Operations

Warehouse. Our primary source of revenues consists of rent, storage, and warehouse services fees. Our rent, storage, and warehouse services revenues are the key drivers of our financial performance. Rent and storage revenues consist of recurring, periodic charges related to the storage of frozen, perishable or other products Strategic Shifts in our warehouses by Transportation and Third Party Managed Segments

We've undertaken a strategic shift in our customers. We also provide these customers with a wide array of handling transportation segment, moving away from less profitable and other warehouse scalable services toward value-added programs such as (1) receipt, handling regional, national, truckload and placement of products into our warehouses for storage retailer-specific multi-vendor consolidation services. These programs aim to enhance efficiency, reduce costs, boost client retention, and preservation, (2) retrieval of products from storage upon customer request, (3) blast freezing, which involves the rapid freezing of non-frozen products, including individual quick freezing for agricultural produce and seafood, (4) case-picking, which involves selecting product cases to build customized pallets, (5) kitting and repackaging, which involves assembling custom product packages for delivery to retailers and consumers, and labeling services, (6) order assembly and load consolidation, (7) exporting and importing support services, (8) container handling, (9) cross-docking, which involves transferring inbound products to outbound trucks utilizing our warehouse docks without storing them maintain high occupancy levels in our warehouses, (10) government-approved temperature-controlled storage and inspection services, (11) fumigation, (12) pre-cooling and cold treatment services, (13) produce grading and bagging, (14) protein boxing, (15) e-commerce fulfillment, and (16) ripening. We refer to these handling and other warehouse services as our value-added services.

Cost of operations for our warehouse segment consist of power, other facilities costs, labor, and other service costs. Labor, the largest component of the cost of operations from our warehouse segment, consists primarily of employee wages, benefits, and workers' compensation. Trends in our labor expense are influenced by changes in headcount, changes in compensation levels and associated performance incentives, the use of third-party labor to support our operations, changes in terms of collective bargaining agreements, changes in customer requirements and associated work content, workforce productivity, labor availability, governmental policies and regulations, variability in costs associated with medical insurance and the impact of workplace safety programs, inclusive of

the number and severity of workers' compensation claims. Labor expense can also be impacted as a result of discretionary bonuses. In response to the COVID-19 pandemic, we incorporated certain activities such as staggered break schedules, social distancing, and other changes to process that can create inefficiencies. Our second largest cost of operations from our warehouse segment is power utilized in the operation of our temperature-controlled warehouses. As a result, fluctuations Our transportation service offerings have also expanded in the price for power in the regions where we operate may have a significant effect on our financial results. We may from time to time hedge our exposure to changes in power prices recent years including dedicated fleet service offering through fixed rate agreements or, to the extent possible and appropriate, through rate escalations or power surcharge provisions within our customer contracts. Additionally, business mix impacts power expense depending on the temperature zone or type of freezing required. Other facilities costs include utilities other than power, property insurance, property taxes, sanitation, repairs and maintenance on real estate, rent under real property operating leases, where applicable, security, and other related facilities costs. Other services costs include equipment costs, warehouse consumables (e.g., shrink-wrap and uniforms), personal protective equipment to maintain the health and safety of our associates, warehouse administration and other related services costs.acquisitions.

Transportation. We charge transportation fees, which may also include fuel and capacity surcharges, to our customers for whom we arrange the transportation of their products. Cost of operations for our transportation segment consists primarily of third-party carrier charges, which are impacted by factors affecting those carriers, including driver and equipment availability in certain markets. Additionally, in certain markets we employ drivers and assets to serve our customers. Costs to operate these assets include wages, fuel, tolls, insurance and maintenance.

Third-Party Managed. We receive a reimbursement of substantially all expenses for warehouses that we manage on behalf of third-party owners, with all reimbursements recognized as revenues under the relevant accounting guidance. We also earn management fees, incentive fees upon achieving negotiated performance and cost-savings results, or an applicable mark-up on costs. Cost of operations for our third-party managed segment is reimbursed on a pass-through basis. During In the fourth quarter of 2022, we strategically transitioned the management of our largest third-party managed customer's warehouses to a new third-party provider, and those operations ceased. provider. As part of this transition, we have agreed to continue to process processing certain costs for employee benefit programs. The impact of this transition is further detailed below in the related employee benefits for this historically significant customer and will receive reimbursement for all such costs.

Other Consolidated Operating Expenses. We also incur depreciation and amortization expenses, corporate-level selling, general and administrative expenses and corporate-level acquisition, cyber incident and other, net expenses.

Our depreciation and amortization charges result primarily from the capital-intensive nature of our business. The principal components of depreciation relate to our warehouses, including buildings and improvements, refrigeration equipment, racking, leasehold improvements, material handling equipment, furniture and fixtures, and our computer hardware and software. Amortization relates primarily to intangible assets for customer relationships.

Our corporate-level selling, general and administrative expenses consist primarily of wages and benefits for management, administrative, business development, account management, project management, marketing, engineering, supply-chain solutions, human resources and information technology personnel, as well as expenses related to equity incentive plans, communications and data processing, travel, professional fees, bad debt, training, office equipment and supplies. Trends in corporate-level selling, general and administrative expenses are influenced by changes in headcount and compensation levels and achievement of incentive compensation targets. To position ourselves to meet the challenges of the current business environment, we have implemented a shared services support structure to better manage costs and enhance the efficiency of our operations. section herein.

Our corporate-level acquisition, cyber incident Project Orion

In February 2023, we announced our transformation program "Project Orion" designed to drive future growth and other, net consists achieve our long-term strategic objectives, through investment in our technology systems and business processes across our global platform. The project includes the implementation of costs that a new, best-in-class, cloud-based enterprise resource planning ("ERP") software system. Since going public in 2018, we view outside have acquired over 100 facilities, or approximately 40% of selling, general and administrative expenses with a high level of variability from period-to-period, and include the following: acquisition and integration related costs, our total warehouse facility network. Project Orion costs, litigation costs incurred in order will enable us to defend ourselves from litigation charges outside better integrate many of these recent acquisitions and position us well for the integration of future acquisitions. The primary goals of this project are to streamline standard processes, reduce manual work and incrementally improve our business analytics capabilities. Highlights of the normal course project include implementing centralized customer billing operations, a global payroll and human capital management platform, next-generation plant maintenance capabilities, global procurement functionality and shared-service operations in certain international regions, among others. We expect the benefits of business these initiatives to include revenue and margin improvements through pricing data and analytics and heightened customer contract governance, finance and human resources cost reductions, information technology applications and infrastructure rationalization, reduced employee turnover, working capital efficiency and reduced IT maintenance capital expenditures. The activities associated with Project Orion are expected to be substantially complete within three years. Since inception, the Company has incurred $42.9 million of implementation costs related settlement to Project Orion of which $31.2 million has been deferred within Other Assets on the Condensed and Consolidated Balance sheet.

For further information regarding Project Orion, refer to our Consolidated Financial Statements included in our 2022 Annual Report on Form 10-K as filed with the SEC.

Other costs reduction initiatives

To reduce facility costs we have invested in energy efficiency projects, including LED lighting, thermal energy storage, motion-sensor technology, variable frequency drives, third party efficiency reviews, real-time energy consumption monitoring, rapid open and close doors, and alternative-power generation technologies. We have also fine tuned our refrigeration systems, implemented energy management practices, and increased our participation in Power Demand Response programs with some of our power suppliers. These initiatives have allowed us to reduce our consumption of kilowatt hours and energy spend.

Lastly, we have implemented rainwater harvesting in certain severance locations to reduce water demand and wastewater treatment costs terminated site operations costs, cyber incident related costs and other costs relate to insurance claims, including deductibles, and related recoveries. while managing stormwater runoff.

Key Factors Affecting Focus on Our Business Operational Effectiveness and Financial Results Cost Structure

Our ongoing initiatives, some of which are detailed below, focus on streamlining business operations and reducing costs. This includes i) centralizing processes; ii) implementing operational standards; iii) adopting new technology; iv) enhancing health and safety programs; v) leveraging our networks' purchasing power; and vi) fully integrating acquired assets and businesses. Such realignments have allowed us to acquire new talent and strengthen our service offerings.

Cybersecurity Incident
On April 26, 2023, the Company became aware of a cybersecurity incident impacting a certain number Additionally, as part of our systems initiatives to streamline our business processes and partially impacting operations for to reduce our cost structure, we have evaluated and exited less strategic and profitable markets or business lines, including the sale of certain warehouse assets, the exit of certain leased facilities, and the exit of certain managed warehouse agreements. Through our process of active portfolio management, we continue to evaluate our markets and offerings.

Strategic Shifts in our Transportation and Third Party Managed Segments

We've undertaken a limited period of time (the "Cyber Incident"). The Company engaged an external cyber security expert to initiate responses to contain, remediate, strategic shift in our transportation segment, moving away from less profitable and commence a forensic investigation . Actions taken included preventative measures scalable services toward value-added programs such as shutting down regional, national, truckload and retailer-specific multi-vendor consolidation services. These programs aim to enhance efficiency, reduce costs, boost client retention, and maintain high occupancy levels in our temperature-controlled warehouses. Our transportation service offerings have also expanded in recent years including dedicated fleet service offering through acquisitions.

In the fourth quarter of 2022, we strategically transitioned the management of our largest third-party managed customer's warehouses to a new third-party provider. As part of this transition, we have agreed to continue to processing certain operating systems and supplementing existing security monitoring with additional scanning and other protective measures. costs for employee benefit programs. The Company also notified law enforcement and its customers, informing them impact of both the incident and management's efforts to minimize its impact on the Company's daily operations. Technology information systems were reintroduced in a controlled phased approach and all locations have successfully resumed operations at pre-cyberattack levels as of June 30, 2023.

The Company this transition is continuing to invest in information technology with the intent of strengthening its information security infrastructure. We engaged a leading cybersecurity defense firm that is completing a forensic investigation of the incident and has begun providing recommended actions in response to the findings, which the Company has begun to implement during the quarter. For example, the Company reset all credentials across the enterprise and strengthened security tooling across its servers and workstations. The Company has also reinforced its strategy to further strengthen the resiliency of its information security infrastructure, which is intended to accelerate the detection, response, and recovery from security and technical incidents. The Company is also engaged with cyber security experts to manage the recovery and remediation. The Company will continue its remediation efforts throughout the remainder of the year. Incremental charges recorded in conjunction with remediation and response efforts associated with the Cyber Incident were $19.0 million during the three months ended June 30, 2023 and have been recorded within "Acquisition, cyber incident, and other, net" detailed below in the Condensed Consolidated Financial Statements. This amount was primarily comprised of incremental internal labor costs, professional fees, historically significant customer claims, and related insurance deductibles.

The Company estimates the impact to lost revenue and net operating income in the warehouse segment as a result of this incident for the three months ended June 30, 2023 was approximately $15.0 million and $9.0 million, respectively. The Company maintains insurance coverage for cyber security incidents and business interruption and will seek reimbursement of costs and the impact from business interruption associated with the cyber incident in accordance with the terms of its policies. Disputes over the extent of insurance coverage for claims are not uncommon, and there will be a time lag between the initial occurrence of costs and the receipt of any insurance proceeds. The Company expects to incur additional costs related to the cyber incident in the second half of 2023, albeit at a diminished rate.

Sale of outstanding minority ownership in LATAM JV

On May 31, 2022, we formed a joint venture, Americold LATAM Holdings Ltd (the “LATAM JV”), with Cold LATAM Limited (our “JV partner”). We contributed our Chilean business upon formation of the joint venture section herein.

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Project Orion

In February 2023, we announced our transformation program “Project Orion” designed to drive future growth and retained achieve our long-term strategic objectives, through investment in our technology systems and business processes across our global platform. The project includes the remaining 15% equity interests implementation of a new, best-in-class, cloud-based enterprise resource planning (“ERP”) software system. Since going public in 2018, we have acquired over 100 facilities, or approximately 40% of our total warehouse facility network. Project Orion will enable us to better integrate many of these recent acquisitions and position us well for the joint venture. integration of future acquisitions. The primary goals of this project are to streamline standard processes, reduce manual work and incrementally improve our business analytics capabilities. Highlights of the project include implementing centralized customer billing operations, a global payroll and human capital management platform, next-generation plant maintenance capabilities, global procurement functionality and shared-service operations in certain international regions, among others. We expect the benefits of these initiatives to include revenue and margin improvements through pricing data and analytics and heightened customer contract governance, finance and human resources cost reductions, information technology applications and infrastructure rationalization, reduced employee turnover, working capital efficiency and reduced IT maintenance capital expenditures. The activities associated with Project Orion are expected to be substantially complete within three years. Since inception, the Company recorded an initial fair value has incurred $42.9 million of $37.0 million implementation costs related to Project Orion of which $31.2 million has been deferred within “Investments in partially owned entities and other” Other Assets on the Condensed and Consolidated Balance Sheets. On May 30, 2023, our outstanding minority ownership was sold for proceeds of $36.9 million and a gain of $0.3 million. sheet.

Significant Risks and Uncertainties

The three and six months ended June 30, 2022 were negatively impacted by the contributory effects of the COVID-19 pandemic and the resulting disruptions in (i) the food supply chain; (ii) our customers’ production of goods; (iii) the labor market, which impacts associate turnover, availability and cost; and (iv) the level of inflation on the cost to provide our services. Over the last twelve months, there have been gradual improvements in food production and the food supply chain has begun to recover storage levels, reaching pre-COVID-19 pandemic levels. While our business continues to be impacted by rising inflationary pressures, we believe we are well-situated due For further information regarding Project Orion, refer to our strong financial position, our contractual rate escalations paired with our ability to pass along the impacts of inflationary pressures and costs outside of our control to our customers.

Refer to “Item 1A - Risk Factors” of Consolidated Financial Statements included in our 2022 Annual Report on Form 10-K as filed with the SEC.

Other costs reduction initiatives

Seasonality To reduce facility costs we have invested in energy efficiency projects, including LED lighting, thermal energy storage, motion-sensor technology, variable frequency drives, third party efficiency reviews, real-time energy consumption monitoring, rapid open and close doors, and alternative-power generation technologies. We have also fine tuned our refrigeration systems, implemented energy management practices, and increased our participation in Power Demand Response programs with some of our power suppliers. These initiatives have allowed us to reduce our consumption of kilowatt hours and energy spend.

We are involved in providing services to food producers, distributors, retailers and e-tailers whose businesses, in some cases, are seasonal or cyclical. In order to mitigate the volatility in our revenue and earnings caused by seasonal business, Lastly, we have implemented fixed commitment contracts with rainwater harvesting in certain of our customers. Our customers with fixed commitment contracts pay for guaranteed warehouse space in order locations to maintain their required inventory levels, which is especially helpful to them during periods of peak physical occupancy. The timing of Easter fluctuates between the first reduce water demand and second quarter of the year, however, on average the first and second quarter revenue and NOI are relatively consistent. On a portfolio-wide basis, physical occupancy rates are generally the lowest during May and June. Physical occupancy rates typically exhibit a gradual increase after May and June as a result of annual harvests and our customers building inventories in connection with end-of-year holidays and generally peak between mid-September and early December as a result thereof. The external temperature reaches annual peaks for a majority of our portfolio during the third quarter of the year resulting in increased power expense that negatively impacts NOI, and moderates during the fourth quarter. Typically, we have higher than average physical occupancy levels in October or November, which also tends to result in higher revenues.

As we transition more of our warehouse operating segment to fixed commitment commercial agreements, we expect a reduction in the seasonality of our rent and storage revenue.

Additionally, the involvement of our customers in a cross-section of the food industry mitigates, in part, the impact of seasonality as peak demand for various products occurs at different times of the year (for example, demand for ice cream is typically highest in the summer wastewater treatment costs while demand for frozen turkeys usually peaks in the late fall). Our southern hemisphere operations in Australia, New Zealand and South America also help balance the impact of seasonality in our global operations, as their growing and harvesting cycles are complementary to North America and Europe. Each of our warehouses sets its own operating hours based on demand, which is heavily driven by growing seasons and seasonal consumer demand for certain products. managing stormwater runoff.

Foreign Currency Translation Impact on Our Operations

Our consolidated revenues and expenses are subject to variations caused by the net effect of foreign currency translation on revenues and expenses incurred by our operations outside the United States. Future fluctuations of foreign currency exchange rates and their impact on our Condensed Consolidated Statements of Operations are

inherently uncertain. As a result of the relative size of our international operations, these fluctuations may be material on our results of operations. Our revenues and expenses from our international operations are typically denominated in the local currency of the country in which they are derived or incurred. Therefore, the impact of foreign currency fluctuations on our results of operations and margins is partially mitigated.

The following table shows a comparison of underlying average exchange rates of the foreign currencies that impacted our U.S. dollar-reported revenues and expenses during the periods discussed herein, together with a comparison against the exchange rates of such currencies at the end of the applicable periods presented herein. The rates below represent the U.S. dollar equivalent of one unit of the respective foreign currency. Amounts presented in constant currency within our results of operations are calculated by applying the average foreign exchange rate from the comparable prior year period to actual local currency results in the current period, rather than the actual exchange rates in effect during the respective period. While constant currency metrics are a non-GAAP calculation and do not represent actual results, the comparison allows the reader to understand the impact of the underlying operations in addition to the impact of changing foreign exchange rates.

	Foreign exchange rates as of June 30, 2023	Average foreign exchange rates used to translate actual operating results for the three months ended June 30, 2023	Average foreign exchange rates used to translate actual operating results for the six months ended June 30, 2023	Foreign exchange rates as of June 30, 2022	Prior period average foreign exchange rates used to adjust actual operating results for the three months ended June 30, 2023(1)	Prior period average foreign exchange rate used to adjust actual operating results for the six months ended June 30, 2023(1)
Argentinian peso	0.004	0.004	0.004	0.008	0.005	0.009
Australian dollar	0.666	0.672	0.668	0.690	0.676	0.715
Brazilian real	0.209	0.206	0.202	0.190	0.197	0.204
British Pound	1.270	1.264	1.252	1.218	1.233	1.257
Canadian dollar	0.755	0.753	0.745	0.777	0.742	0.784
Chilean Peso	0.001	0.001	0.001	0.001	0.001	0.001
Euro	1.091	1.084	1.089	1.048	1.081	1.065
New Zealand dollar	0.613	0.614	0.618	0.624	0.624	0.651
Poland Zloty	0.246	0.243	0.240	0.223	0.234	0.229

(1) Represents the relevant average foreign exchange rates in effect in the comparable prior period applied to the activity for the current period. The average foreign currency exchange rates we apply to our operating results are derived from third party reporting sources for the periods indicated.

Focus on Our Operational Effectiveness and Cost Structure

During 2022, we initiated Project Orion in order to further enhance our operational effectiveness, and to integrate the acquisitions completed over the last several years, in addition to future acquisitions. For further information regarding Project Orion, refer to our Consolidated Financial Statements included in our 2022 Annual Report Our ongoing initiatives, some of which are detailed below, focus on Form 10-K as filed with the SEC. We continuously seek to execute on various initiatives aimed at streamlining our business processes operations and reducing costs. This includes i) centralizing processes; ii) implementing operational standards; iii) adopting new technology; iv) enhancing health and safety programs; v) leveraging our cost structure, including: realigning networks' purchasing power; and centralizing key business processes and vi) fully integrating acquired assets and businesses; implementing standardized operational processes; integrating and launching new information technology tools and platforms; instituting key health, safety, leadership and training programs; and capitalizing on the purchasing power of our network. Through the realignment of our business processes, we have acquired new talent and strengthened our service offerings. In order to reduce costs in our facilities, we have invested in energy efficiency projects, including LED lighting, thermal energy storage, motion-sensor technology, variable frequency drives for our fans and compressors, third party efficiency reviews and real-time monitoring of energy consumption, rapid open and close doors, and alternative-power generation technologies to improve the energy efficiency of our warehouses. We have also performed fine-tuning of our refrigeration systems, deployed efficient energy management practices, such as time-of-use and awareness, and have increased our participation in Power Demand Response programs with some of our power suppliers. These initiatives businesses. Such realignments have allowed us to reduce acquire new talent and strengthen our consumption of kilowatt hours and energy spend. service offerings.

Additionally, temperature-controlled warehouses utilize refrigeration condensers to maintain their environments, which rely on a steady supply of water. We have implemented rainwater harvesting in certain locations as a sustainable method for reducing municipal water demand. Rainwater harvesting also reduces wastewater treatment costs as well as storm water runoff.

As part of our initiatives to streamline our business processes and to reduce our cost structure, we have evaluated and exited less strategic and profitable markets or business lines, including the sale of certain warehouse assets, the exit of certain leased facilities, and the exit of certain managed warehouse agreements. Through our process of active portfolio management, we continue to evaluate our markets and offerings.

Strategic Shifts in our Transportation and Third Party Managed Segments

Strategic Shift within Our Transportation Segment

Several years ago, we initiated We've undertaken a strategic shift in our transportation segment, services and solutions. The intention of this strategic shift was to better focus our business on the operation of our temperature-controlled warehouses. Specifically, we have gradually exited certain commoditized, non-scalable, or low margin services we historically offered to our customers, in favor of more moving away from less profitable and scalable services toward value-added programs such as regional, national, truckload and retailer-specific multi-vendor consolidation services. We designed each value-added program These programs aim to improve enhance efficiency, and reduce transportation and logistics costs, to our warehouse customers, whose transportation spend typically represents the majority of their supply-chain costs. We believe this efficiency and cost reduction helps to drive increased boost client retention, as well as and maintain high occupancy levels in our temperature-controlled warehouses. Over the last several years, we have made significant progress in implementing our strategic initiative of growing our Our transportation service offering offerings have also expanded in a way that complements our temperature-controlled warehouse business, such as adding a recent years including dedicated fleet service offering through acquisitions. We intend

In the fourth quarter of 2022, we strategically transitioned the management of our largest third-party managed customer's warehouses to a new third-party provider. As part of this transition, we have agreed to continue executing to processing certain costs for employee benefit programs. The impact of this strategy transition is further detailed below in the future. historically significant customer section herein.

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Project Orion

In February 2023, we announced our transformation program "Project Orion" designed to drive future growth and achieve our long-term strategic objectives, through investment in our technology systems and business processes across our global platform. The project includes the implementation of a new, best-in-class, cloud-based enterprise resource planning ("ERP") software system. Since going public in 2018, we have acquired over 100 facilities, or approximately 40% of our total warehouse facility network. Project Orion will enable us to better integrate many of these recent acquisitions and position us well for the integration of future acquisitions. The primary goals of this project are to streamline standard processes, reduce manual work and incrementally improve our business analytics capabilities. Highlights of the project include implementing centralized customer billing operations, a global payroll and human capital management platform, next-generation plant maintenance capabilities, global procurement functionality and shared-service operations in certain international regions, among others. We expect the benefits of these initiatives to include revenue and margin improvements through pricing data and analytics and heightened customer contract governance, finance and human resources cost reductions, information technology applications and infrastructure rationalization, reduced employee turnover, working capital efficiency and reduced IT maintenance capital expenditures. The activities associated with Project Orion are expected to be substantially complete within three years. Since inception, the Company has incurred $42.9 million of implementation costs related to Project Orion of which $31.2 million has been deferred within Other Assets on the Condensed and Consolidated Balance sheet.

For further information regarding Project Orion, refer to our Consolidated Financial Statements included in our 2022 Annual Report on Form 10-K as filed with the SEC.

Other costs reduction initiatives

To reduce facility costs we have invested in energy efficiency projects, including LED lighting, thermal energy storage, motion-sensor technology, variable frequency drives, third party efficiency reviews, real-time energy consumption monitoring, rapid open and close doors, and alternative-power generation technologies. We have also fine tuned our refrigeration systems, implemented energy management practices, and increased our participation in Power Demand Response programs with some of our power suppliers. These initiatives have allowed us to reduce our consumption of kilowatt hours and energy spend.

Lastly, we have implemented rainwater harvesting in certain locations to reduce water demand and wastewater treatment costs while managing stormwater runoff.

Key Factors Affecting Our Business and Financial Results

Cybersecurity Incident

On April 26, 2023, the Company became aware of a cybersecurity incident impacting a certain number of our systems and partially impacting operations for a limited period of time (the "Cyber Incident"). The Company engaged an external cyber security expert to initiate responses to contain, remediate, and commence a forensic investigation. Actions taken included preventative measures such as shutting down certain operating systems and supplementing existing security monitoring with additional scanning and other protective measures. The Company also notified law enforcement and its customers, informing them of both the incident and management's efforts to minimize its impact on the Company's daily operations. Technology information systems were reintroduced in a controlled phased approach and all locations successfully resumed normal operations as of June 30, 2023.

The Company is continuing to invest in information technology with the intent of strengthening its information

security infrastructure. We engaged a leading cybersecurity defense firm that completed a forensic investigation of the incident and provided recommended actions in response to the findings. The Company has completed many of recommended remediation activities. For example, the Company reset all credentials across the enterprise and strengthened security tooling across its servers and workstations. The Company has also reinforced its strategy to further strengthen the resiliency of its information security infrastructure, which is intended to accelerate the detection, response, and recovery from security and technical incidents. The Company is also engaged with cyber security experts to manage the remediation. The Company will continue its remediation efforts throughout the remainder of the year. Incremental charges recorded in conjunction with remediation and response efforts associated with the Cyber Incident were $5.4 million and $24.4 million during the three and nine months ended September 30, 2023, respectively, and have been recorded within "Acquisition, cyber incident, and other, net" in the Condensed Consolidated Financial Statements. This amount was primarily comprised of incremental internal labor costs, professional fees, customer claims, and related insurance deductibles.

The Company estimates the impact to lost revenue and net operating income in the warehouse segment as a result of this incident for the three months ended June 30, 2023 was approximately $15.0 million and $9.0 million, respectively. The Company maintains insurance coverage for cyber security incidents and business interruption and will seek reimbursement of costs and the impact from business interruption associated with the cyber incident in accordance with the terms of its policies. Disputes over the extent of insurance coverage for claims are not uncommon, and there will be a time lag between the initial occurrence of costs and the receipt of any insurance proceeds. The Company expects to incur additional costs related to the cyber incident during the fourth quarter of 2023, albeit at a diminished rate.

Significant Risks and Uncertainties

Refer to "Item 1A - Risk Factors" of our 2022 Annual Report on Form 10-K as filed with the SEC.

Seasonality

We specialize in providing services to businesses within the food industry whose businesses are often seasonal or cyclical. On average the first and second quarter segment contributions are relatively consistent. On a portfolio-wide basis, physical occupancy rates are generally the lowest during May and June and gradually increase thereafter, due to annual harvests and our customers' focus on building inventories for end-of-year holidays, which generally peak between mid-September and early December. The external temperature reaches annual peaks for a majority of our portfolio during the third and fourth quarter of the year resulting in increased power expenses.

To manage earnings volatility due to seasonality, we have implemented fixed commitment contracts with certain customers. These fixed commitment contracts obligate our customers to pay for guaranteed warehouse space to maintain required inventory levels, particularly during peak occupancy periods. Our diverse customer base also mitigates the impact of seasonality as peak demand for various products occurs at different times of the year (for example, demand for ice cream is typically highest in the summer while demand for frozen turkeys usually peaks in the late fall). Additionally, our southern hemisphere operations in Australia, New Zealand and South America complement the growing and harvesting cycles in North America and Europe, further balancing seasonality's impact on our operations.

Foreign Currency Translation Impact on Our Operations

Our consolidated revenues and expenses are impacted by foreign currency fluctuations, which can significantly affect our results. However, revenues and expenses from our international operations are typically denominated in

the local currency of the country in which they are derived, which partially mitigates the impact of foreign currency fluctuations.

The following table shows a comparison of underlying spot and average exchange rates for the three and nine month periods ending September 30, 2023 and 2022. Amounts presented in constant currency within our results of operations are calculated by applying the average foreign exchange rate from the comparable prior year period to actual local currency results in the current period. While constant currency metrics are a non-GAAP calculation and do not represent actual results, the comparison allows the reader to understand the impact of operations excluding changes in foreign exchange rates. We provide reconciliations of these measures in the discussions of our comparative results of operations below. Our discussion of the drivers of our performance below are based upon U.S. GAAP.

	Spot Foreign exchange rates	Average foreign exchange rates three months ended	Average foreign exchange rates for the nine months ended	Spot Foreign exchange rates	Average foreign exchange rates for the three months ended (1)	Average foreign exchange rate for the nine months ended (1)
		September 30, 2023			September 30, 2022	
Argentinian peso	0.003	0.003	0.004	0.007	0.007	0.008
Australian dollar	0.644	0.654	0.669	0.640	0.683	0.707
Brazilian real	0.199	0.205	0.200	0.185	0.191	0.195
British Pound	1.220	1.266	1.244	1.117	1.177	1.259
Canadian dollar	0.737	0.745	0.743	0.723	0.766	0.780
Chilean Peso	0.001	0.001	0.001	0.001	0.001	0.001
Euro	1.057	1.088	1.083	0.980	1.007	1.065
New Zealand dollar	0.600	0.605	0.618	0.560	0.613	0.647
Polish Zloty	0.229	0.242	0.236	0.202	0.213	0.228

1Prior period exchange rates used to adjust current period operating results for constant currency metrics used herein.

Historically Significant Customer

For the three and six nine months ended June 30, 2022 September 30, 2022, one customer accounted for more than 10% of our total revenues. The substantial majority of this customer's business related to our third-party managed segment. The

Company and this customer transitioned the management of this customer's warehouses to a new third-party provider during the fourth quarter of 2022, and we are no longer serving this customer in the third-party managed segment.

For the three and six nine months ended June 30, 2022 September 30, 2022, revenues attributable to this customer were $75.2 million $73.6 million and $153.2 million $226.9 million, respectively. Of the revenues received from this customer, $73.0 $71.2 million and $147.8 million $218.9 million represented reimbursements for certain expenses we incurred during the three and six nine months ended June 30, 2022 September 30, 2022, respectively, and were offset by matching expenses included in our third-party managed cost of operations.

Economic Occupancy of our Warehouses

We define average economic occupancy as the aggregate number of physically occupied pallets and any additional pallets otherwise contractually committed for a given period, without duplication. We estimate the number of contractually committed pallet positions by taking into account the actual pallet commitment specified in each customers' contract, and subtracting the physical pallet positions. We regard economic occupancy as an important driver of our financial results. Historically, providers of temperature-controlled warehouse space have offered storage services to customers on an as-utilized, on-demand basis. We actively seek to enter into contracts that implement our commercial business rules which contemplate, among other things, fixed storage commitments in connection with establishing new customer relationships. Additionally, we actively seek opportunities to transition our current customers to contracts that feature a fixed storage commitment when renewing existing agreements or upon the change in the anticipated profile of our customer. This strategy mitigates the impact of changes in physical occupancy throughout the course of the year due to seasonality, as well as other factors that can impact physical occupancy while ensuring our customers have the necessary space they need to support their business.

Throughput at our Warehouses

The level and nature of throughput at our warehouses is an important factor impacting our warehouse services revenues in our warehouse segment. Throughput refers to the volume of pallets that enter and exit our warehouses. Higher levels of throughput drive warehouse services revenues in our warehouse segment as customers are typically billed on a basis that takes into account the level of throughput of the goods they store in our warehouses. The nature of throughput may be driven by the expected turn of the underlying product or commodity. Throughput pallets can be influenced both by the food manufacturers as well as shifts in demand preferences. Food manufacturers' production levels, which respond to market conditions, labor availability, supply chain dynamics and consumer preferences, may impact inbound pallets. Similarly, a change in inventory turnover due to shift in consumer demand may impact outbound pallets.

How We Assess the Performance of Our Business

Segment Contribution (Net Net Operating Income or "NOI" ("NOI")

We evaluate the performance of our primary business segments based on their NOI contribution (NOI) to our overall results of operations. We use the term "segment operations which aligns with how our decision makers evaluate performance.

- *Warehouse segment contribution (NOI)" to mean a segment's NOI* is calculated as warehouse segment revenues less its cost of operations (excluding any depreciation and amortization, impairment charges, corporate-level selling, general and administrative expenses and corporate-level acquisition, cyber incident and other, net). We use segment contribution (NOI) to evaluate our segments for purposes of making operating decisions and assessing performance in accordance with FASB ASC, Topic 280, *Segment Reporting*.

We also analyze the "segment contribution (NOI) margin" for each of our business segments, which we calculate as segment contribution (NOI) divided by segment revenues.

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In addition to our segment contribution (NOI) and segment contribution (NOI) margin, we analyze the contribution (NOI) of our warehouse• *Warehouse rent and storage operations and our contribution NOI* is calculated as warehouse services operations within our warehouse segment. We calculate the contribution (NOI) of our warehouse rent and storage operations as rent and storage revenues less power and other facilities cost. We calculate the contribution (NOI) of our warehouse

- *Warehouse services operations NOI* is calculated as warehouse services revenues less labor and other service costs. We calculate the contribution (NOI)

- *Contribution NOI margin* for each of these operations is calculated as the applicable contribution (NOI) measure divided by the applicable revenue measure. We believe the presentation of these

Segment NOI and NOI margin contribution (NOI) and contribution (NOI) margin measures helps metrics help investors understand the relative revenues, revenue, costs, and earnings resulting from each of these separate types of services we provide to our customers in the same manner reviewed by our management in connection with the operation of our business. among service types. These NOI contribution (NOI) measures within our warehouse segment are supplemental and are not measurements of financial performance under U.S. GAAP, and these measures should be considered as supplements, but not as alternatives, to our results calculated in accordance with U.S. GAAP. We provide reconciliations of these measures in the discussions of our comparative results of operations sections below.

Same Store Analysis

We define our "same store" population once a year annually at the beginning of the current calendar year. Our same store population includes properties that were owned or leased for the entirety of two comparable periods and that have reported with at least twelve consecutive months of consecutive normalized operations prior to January 1 of the prior current calendar year.

We define "normalized operations" as properties that have been open for operation or lease, after development or significant modification including the (e.g., expansion of a warehouse footprint or a warehouse rehabilitation subsequent to an event, such as anatural disaster or similar event causing disruption to operations. In addition, our definition of "normalized operations" takes into account disaster). Normalized operations also considers changes in the ownership structure (e.g., purchase of a previously leased warehouse would result in a change in the nature of expenditures in the compared periods), which would all impact comparability in our warehouse segment contribution (NOI).NOI.

Acquired properties will be are included in the "same store" population if owned by us as of the first business day of each year of the prior calendar year (e.g. January 1, 2022) and are still owned by us as of the end of the current reporting period, unless the property is under development. The "same store" pool is also adjusted to remove properties that were sold or entering entered development subsequent to the beginning of the current calendar year. As such, the "same store" population for the period ended June 30, 2023 includes

For all same store properties that (as defined above), we owned or leased at January 2, 2023 which had both been owned or leased and had reached "normalized operations" by January 2, 2023.

We calculate "same store contribution (NOI)" as revenues for NOI", "same store rent and storage contribution NOI", "same store services contribution NOI", and the related margins in the same store population less its cost of operations (excluding any depreciation and amortization, impairment charges, corporate-level selling, general and administrative expenses, corporate-level acquisition, cyber incident and other, net and gain or loss on sale of real estate). In order to derive an appropriate measure of manner as described above. To ensure comparability in our period-to-period operating performance, results, we also calculate our same store contribution (NOI) NOI measures on a constant currency basis, to remove removing the effects impact of foreign currency exchange rate movements fluctuations by using the comparable prior period exchange rate rates to translate from local currency current period results into U.S. dollars for both periods. We evaluate the performance of the warehouses we own or lease using a "same store" analysis, and we believe that same store contribution (NOI) is helpful to investors as a supplemental performance measure because it includes US dollars. These metrics isolate the operating performance from the population of a consistent set of properties that is consistent from period to period and also on a constant currency basis, thereby eliminating thus eliminates the effects of changes in the portfolio composition of our warehouse portfolio and currency fluctuations on performance measures. fluctuations.

The following table shows the number of same-store and non-same store warehouses in our portfolio as of June 30, 2023 September 30, 2023. The number of warehouses owned or operated in as of June 30, 2023 and excluded as same-store warehouses for the period ended June 30, 2023 is listed below. While not included in the non-same store warehouse count in the table

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below the results of operations for the non-same store warehouses includes the partial period impact of sites that were exited during the periods presented.

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Total Warehouses	242
Same Store Warehouses	220 219
Non-Same Store Warehouses (1)	17 19
Third-Party Managed Warehouses	5
Other Total Warehouses held-for-sale (2)	**26 243**

(1) The non-same store facility count of 17 includes a facility 19 consists of: two sites acquired through acquisition, 11 sites in the De Bruyn Cold Storage acquisition on July 1, 2022, a facility previously expansion and development phase, three leased sites that we bought during the third quarter of 2022, purchased, one recently temporarily leased warehouse facility in Australia, one facility previously leased that we bought during the second quarter of 2022, one warehouse which facility we ceased operations within as it is being prepared for lease to a third-party, a leased facility in which we ceased operations during the fourth quarter of 2022 in anticipation of the upcoming lease maturity, a facility previously leased that we bought during the second quarter of 2023, and 10 warehouses in expansion or redevelopment.

(2) The other warehouses held-for-sale consist of 26 warehouses acquired through the Comfrio acquisition. This portfolio is being actively marketed for sale. Results of this portfolio are reflected as discontinued operations within the Condensed Consolidated Statement of Operations for the three months ended June 30, 2023.

As of June 30, 2023, our portfolio consisted of 242 total warehouses, including 237 within the warehouse segment, five in the third-party managed segment, and 26 in the other segment. In addition, we hold minority interests in two joint ventures, one with Superfrio, which owns or operates 35 temperature-controlled warehouses in Brazil, and one with leased site in which we have ceased operations and intend to lease to a third party.

Economic Occupancy of our Warehouses

We define average economic occupancy as the RSA JV, which owns one aggregate number of physically occupied pallets and contractually committed pallets for a given period, without duplication. We estimate the number of contractually committed pallet positions by subtracting the physical pallet positions from the contractually committed pallet positions specified in each customer’s contract.

Economic occupancy is a key driver of our financial results. Historically, providers of temperature-controlled warehouse space have offered storage services to customers on an as-utilized, on-demand basis. We now aim to to establish contracts with fixed storage commitments for new customer relationships and transition existing customers to such contracts in Dubai. These joint ventures are not included conjunction with contract renewals or changes in the table above. Lastly, we hold 26 warehouses in Brazil that are held-for-sale.
Same store contribution (NOI) is not a measurement of financial performance under U.S. GAAP. In addition, other companies providing temperature-controlled warehouse storage and handling and other warehouse services may not define same store or calculate same store contribution (NOI) in a manner consistent with our definition or calculation. Same store contribution (NOI) should be considered as a supplement, but not as an alternative, to our

results calculated in accordance with U.S. GAAP. We provide reconciliations of these measures in the discussions of our comparative results of operations below.

Constant Currency Metrics

As discussed above under “Key Factors Affecting Our Business and Financial Results—*Foreign Currency Translation Impact on Our Operations*,” our consolidated revenues and expenses are subject to variations outside our control that are caused by the net effect of foreign currency translation on revenues generated and expenses incurred by our operations outside the United States. As a result, in order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency fluctuations, we analyze our business performance based on certain constant currency reporting that represents current period results translated into U.S. dollars at the relevant average foreign exchange rates applicable in the comparable prior period. We believe that the presentation of constant currency results provides a measurement of our ongoing operations that is meaningful to investors because it excludes customer profiles. This strategy mitigates the impact of seasonal changes on physical occupancy and ensures our customers have the necessary space to support their business needs.

Throughput at our Warehouses

The level and nature of throughput at our warehouses significantly impacts out warehouse services revenues. Throughput refers to the volume of pallets entering and exiting our warehouses, with higher levels of throughput driving warehouse services revenues as customers are typically billed based on throughput. The nature of throughput can be influenced by various factors including product turnover and shifts in consumer demand.

Food manufacturers’ production levels are influenced by market conditions, labor availability, supply chain dynamics and consumer preferences, which impact inbound pallets. Shifts in consumer demand may also impact outbound pallets.

Components of Our Results of Operations

Warehouse

Rent, storage and warehouse services. Our primary source of revenues are rent, storage, and warehouse services fees. Rent and storage revenues are related to the storage of frozen, perishable or other products in our warehouses. We also offer a wide array of value added services including: i) receipt, labeling and storage of goods, ii) customized order retrieval and packaging, iii) blast freezing and ripening, iv) government approved periodic inspections, fumigation, and other treatment services, v) e-commerce fulfillment and many more.

Rent storage and warehouse costs of operations consist of labor, power, other facilities costs, and other service costs.

Labor, the most significant part of warehouse expenses, covers wages, benefits, workers' compensation, and can vary due to factors like workforce size, customer needs, compensation levels, third-party labor usage, collective

bargaining agreements, customer requirements, productivity, labor availability, government policies, medical insurance costs, safety programs, and discretionary bonuses.

The cost of power, also a significant cost of operations, fluctuates based on the price of power in the regions that our facilities operate and the required temperature zone or freezing required. We may, from time to time, hedge our exposure to changes in power prices through fixed rate agreements or, to the extent possible and appropriate, through rate escalations or power surcharge provisions within our customer contracts.

Other facilities costs include utilities other than power, property taxes and insurance, sanitation, repairs and maintenance, operating leases rent charges, security, and other related facilities costs.

Other services costs include equipment costs, warehouse consumables (e.g. shrink-wrap), employee protective equipment,warehouse administration and other related services costs.

Transportation

Transportation services revenue is derived from fees charged for transportation of our customers products, often including fuel and capacity surcharges.

Transportation services costs of operations are primarily affected by third-party carrier costs, which are influenced by carrier factors like driver and equipment availability. In select markets, we use our drivers and assets, incurring costs like wages, fuel, tolls, insurance, and maintenance to operate these assets.

Third-Party Managed

Third-party managed services revenue. Reimbursements that we receive for expenses incurred for warehouses that we manage on behalf of third party owners are recognized as third-party managed services revenues. We also earn management fees, incentive fees upon achieving negotiated performance and cost-savings results, or an applicable mark-up on costs.

Third-Party managed services costs of operations, which are recognized on a pass through basis, primarily consist of labor charges similar to those described above as a component of the warehouse costs of operations.

Consolidated Operating Expenses

Depreciation and amortization charges relate to the depreciation of buildings and equipment related improvements, leasehold improvements, material handling equipment, furniture, fixtures, and our computer equipment. Amortization relates primarily to intangible assets for customer relationships.

Selling, general and administrative expenses consist primarily of non-warehouse related labor, administrative, business development, marketing, engineering, human resources, information technology, performance and time based incentive compensation, communications, travel, professional fees, bad debt, training, and office supplies.

Acquisition, cyber incident and other, net consists of non-recurring or non-routine costs including acquisition related costs, costs related to Project Orion, litigation and settlement costs outside of the normal course of business, severance, terminated site operations costs, and cyber incident related costs, net of insurance recoveries all of which are not representative of our normal course of operations.

Impairment of indefinite and long-lived assets represents charges represents the impairment of goodwill and other long lived assets whose values are considered unrecoverable.

Loss (gain) from sale of real estate represents gains or losses recognized from the sale of Company owned real estate.

Interest expense is associated with interest charged on unsecured revolving credit facilities, term loans, and notes.

Loss on debt extinguishment, modifications, and termination of derivative instruments is representative of charges associated with prior debt extinguishments and modifications as well as the termination of derivative instruments.

Impairment of related party loan receivable represents impairment charges associated with the arms length loan issued to the Comfrio joint venture which is further described in footnote 2 of the condensed and consolidated financial statements.

Loss on put option represents the fair value of put option associated with the Comfrio joint venture further described in footnote 2 of the condensed and consolidated financial statements.

Other, net primarily includes foreign currency movements that we cannot control. Constant currency results are not measurements of financial performance under U.S. GAAP, remeasurement, income and our constant currency results should be considered as a supplement, but not as an alternative, to our results calculated in accordance expenses associated with U.S. GAAP. The constant currency performance measures should not be considered a substitute for, or superior to, the measures of financial performance prepared in accordance with U.S. GAAP. We provide reconciliations of these measures in the discussions of our comparative results of operations below. Our discussion of the drivers of our performance below are based upon U.S. GAAP. partially owned entities, and interest income.

RESULTS OF OPERATIONS

Comparison of Results for the Three Months Ended June 30, 2023 September 30, 2023 and 2022

Warehouse Segment

The following table presents the operating results of our warehouse segment for the three months ended June 30, 2023 September 30, 2023 and 2022.

		Three Months Ended June 30, 2023 Actual	2023 Constant Currency(1)	2022 Actual	Change Actual	Change Constant Currency
		(Dollars in thousands)				
Rent and storage	Rent and storage	$ 275,183	$ 278,327	$ 242,351	13.5 %	14.8 %
Warehouse services	Warehouse services	305,987	309,388	322,028	(5.0) %	(3.9) %
Total warehouse segment revenues	Total warehouse segment revenues	581,170	587,715	564,379	3.0 %	4.1 %
Power	Power	35,992	36,482	36,070	(0.2) %	1.1 %
Other facilities costs (2)	Other facilities costs (2)	61,172	61,831	57,676	6.1 %	7.2 %
Labor	Labor	253,802	256,872	250,711	1.2 %	2.5 %
Other services costs (3)	Other services costs (3)	57,362	57,854	68,937	(16.8) %	(16.1) %
Total warehouse segment cost of operations	Total warehouse segment cost of operations	$ 408,328	$ 413,039	$ 413,394	(1.2) %	(0.1) %
Warehouse segment contribution (NOI)	Warehouse segment contribution (NOI)	172,842	174,676	150,985	14.5 %	15.7 %
Warehouse rent and storage contribution (NOI) (4)	Warehouse rent and storage contribution (NOI) (4)	178,019	180,014	148,605	19.8 %	21.1 %
Warehouse services contribution (NOI) (5)	Warehouse services contribution (NOI) (5)	(5,177)	(5,338)	2,380	(317.5) %	(324.3) %
Total warehouse segment margin	Total warehouse segment margin	29.7 %	29.7 %	26.8 %	299 bps	297 bps
Rent and storage margin(6)	Rent and storage margin(6)	64.7 %	64.7 %	61.3 %	337 bps	336 bps
Warehouse services margin(7)	Warehouse services margin(7)	(1.7) %	(1.7) %	0.7 %	-243 bps	-246 bps

	Three Months Ended September 30, 2023 Actual	2023 Constant Currency(1)	2022 Actual	Change Actual	Change Constant Currency
	(Dollars in thousands)				
Rent and storage	$ 278,508	$ 280,319	$ 260,248	7.0 %	7.7 %
Warehouse services	324,097	324,974	338,729	(4.3) %	(4.1) %
Total warehouse segment revenues	602,605	605,293	598,977	0.6 %	1.1 %
Power	41,711	41,867	48,593	(14.2) %	(13.8) %
Other facilities costs (2)	61,603	61,983	58,792	4.8 %	5.4 %
Labor	258,609	260,003	256,811	0.7 %	1.2 %
Other services costs (3)	62,850	62,870	68,119	(7.7) %	(7.7) %
Total warehouse segment cost of operations	$ 424,773	$ 426,723	$ 432,315	(1.7) %	(1.3) %
Warehouse segment contribution (NOI)	177,832	178,570	166,662	6.7 %	7.1 %
Warehouse rent and storage contribution (NOI) (4)	175,194	176,469	152,863	14.6 %	15.4 %
Warehouse services contribution (NOI) (5)	2,638	2,101	13,799	(80.9) %	(84.8) %
Total warehouse segment margin	29.5 %	29.5 %	27.8 %	169 bps	168 bps
Rent and storage margin(6)	62.9 %	63.0 %	58.7 %	417 bps	422 bps
Warehouse services margin(7)	0.8 %	0.6 %	4.1 %	-326 bps	-343 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

(2) Includes real estate rent expense of $9.5 million $9.3 million and $10.7 $10.5 million, on an actual basis, for the second third quarter of 2023 and 2022, respectively.

(3) Includes non-real estate rent expense (equipment lease and rentals) of $3.4 $3.9 million and $2.6 $3.6 million, on an actual basis, for the second third quarter of 2023 and 2022, respectively.

(4) Calculated as rent and storage revenues less power and other facilities costs.

(5) Calculated as warehouse services revenues less labor and other services costs.

(6) Calculated as warehouse rent and storage contribution (NOI) divided by warehouse rent and storage revenues.

(7) Calculated as warehouse services contribution (NOI) divided by warehouse services revenues.

Warehouse segment revenues were $581.2 million for the three months ended June 30, 2023, an increase of $16.8 million, or 3.0%, compared to $564.4 million for the three months ended June 30, 2022. On a constant currency basis, our warehouse segment revenues were $587.7 million for the three months ended June 30, 2023, an increase of $23.3 million increased $6.3 million, or 4.1% 1.1%, from as compared to the three months ended June 30, 2022. same period in the prior year. This growth was primarily driven by $21.0 million $3.5 million of growth in our same store pool on and a constant currency basis primarily due to $2.8 million in our pricing initiatives, rate escalations, and improvements in economic occupancy, partially offset by a slight decline in throughput due to the inability to move product in certain warehouses during our cyber incident. Non-same non-same store revenue increased $2.3 million on a constant currency basis, due to recently completed expansion and developments, an increase in occupancy, and the De Bruyn acquisition, partially offset by the contribution of our Chilean facility to a joint venture in 2022 and exits of leased facilities. The foreign currency translation of revenues earned by our foreign pool, further discussed below.

operations had a $6.5 million unfavorable impact during the three months ended June 30, 2023, which was mainly driven by the strengthening of the U.S. dollar against our foreign subsidiaries' currencies.

Warehouse segment cost of operations was $408.3 million for the three months ended June 30, 2023, a decrease of $5.1 million, or 1.2%, compared to the three months ended June 30, 2022. On a constant currency basis, our warehouse segment cost of operations was $413.0 million for the three months ended June 30, 2023, a decrease of $0.4 million decreased $5.6 million, or 0.1% 1.3%, from the three months ended June 30, 2022. The cost of operations for our same store pool was flat on a constant currency basis, with increases driven by higher facilities costs related to property taxes and property insurance, offset by lower other services costs from lower warehouse supplies and pallet costs as a result of lower throughput from the cyber incident and consumer purchasing habits. Approximately $0.3 million of the increase, on a constant currency basis, was related to growth in our recently completed expansions and developments and the De Bruyn acquisition in our non-same store pool. These increases are offset by the foreign currency translation of expenses incurred by our foreign operations which had a $4.7 million favorable impact during the three months ended June 30, 2023.

For the three months ended June 30, 2023 September 30, 2023, warehouse segment contribution (NOI), increased $21.9 million, or 14.5%, to $172.8 million for the second quarter of 2023 as compared to $151.0 million for the second quarter same period of 2022. the prior year. This is primarily driven by a $5.2 million decrease in same store warehouse costs of operations, further discussed below.

On a constant currency basis, warehouse segment NOI increased 15.7% from 7.1% during the three months ended June 30, 2022. The September 30, 2023, as compared to the same period of the prior year. This is primarily due to increased NOI for in our same store pool increased $21.0 million portfolio of $8.8 million on a constant currency basis, attributable to revenue and cost of operations factors previously described. described below. Warehouse segment NOI was also negatively impacted by the start-up costs incurred in connection with our expansion and development projects in the non-same store pool as they incur pre-launch costs or and ramp up costs as they ramp to move towards stabilization, partially offset by the NOI from the De Bruyn Ormeau acquisition and lease buyouts. The foreign currency translation of our results of operations had a $1.8 million unfavorable impact to warehouse segment NOI period-over-period due to the strengthening of the U.S. dollar.

Same Store and Non-Same Store Results

We had 220 same stores for the three months ended June 30, 2023. Please see "How We Assess the Performance of Our Business—Same Store Analysis" above for a reconciliation of the change in the same store portfolio from period to period. Amounts related to our recently completed expansion and development projects not yet stabilized, the acquisition of De Bruyn Cold Storage, one temporarily leased warehouse, previously leased facilities purchased during 2022 and 2023, and idled facilities are reflected within non-same store results.

The following table presents revenues, cost of operations, contribution (NOI) and margins for our same stores and non-same stores with a reconciliation to the total financial metrics of our warehouse segment for the three months ended June 30, 2023 September 30, 2023 and 2022.

	Three Months Ended September 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of same store sites	219		219		n/a
Same store revenues:		(Dollars in thousands)			
Rent and storage	$ 257,914	$ 260,225	$ 245,608	5.0 %	6.0 %
Warehouse services	308,740	310,129	321,220	(3.9)%	(3.5)%
Total same store revenues	566,654	570,354	566,828	— %	0.6 %
Same store cost of operations:					
Power	37,340	37,678	44,153	(15.4)%	(14.7)%
Other facilities costs	56,066	56,525	53,177	5.4 %	6.3 %
Labor	242,791	244,403	240,656	0.9 %	1.6 %
Other services costs	57,358	57,400	63,268	(9.3)%	(9.3)%
Total same store cost of operations	$ 393,555	$ 396,006	$ 401,254	(1.9)%	(1.3)%
Same store contribution (NOI)	$ 173,099	$ 174,348	$ 165,574	4.5 %	5.3 %
Same store rent and storage contribution (NOI)	$ 164,508	$ 166,022	$ 148,278	10.9 %	12.0 %
Same store services contribution (NOI)	$ 8,591	$ 8,326	$ 17,296	(50.3)%	(51.9)%
Total same store margin	30.5 %	30.6 %	29.2 %	134 bps	136 bps
Same store rent and storage margin	63.8 %	63.8 %	60.4 %	341 bps	343 bps
Same store services margin	2.8 %	2.7 %	5.4 %	-260 bps	-270 bps

	Three Months Ended September 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of non-same store sites	19		21	n/a	n/a
Non-same store revenues:		(Dollars in thousands)			
Rent and storage	$ 20,594	$ 20,094	$ 14,640	n/r	n/r
Warehouse services	15,357	14,845	17,509	n/r	n/r
Total non-same store revenues	35,951	34,939	32,149	n/r	n/r
Non-same store cost of operations:					
Power	4,371	4,189	4,440	n/r	n/r
Other facilities costs	5,537	5,458	5,615	n/r	n/r
Labor	15,818	15,600	16,155	n/r	n/r
Other services costs	5,492	5,470	4,851	n/r	n/r
Total non-same store cost of operations	$ 31,218	$ 30,717	$ 31,061	n/r	n/r
Non-same store contribution (NOI)	$ 4,733	$ 4,222	$ 1,088	n/r	n/r
Non-same store rent and storage contribution (NOI)	$ 10,686	$ 10,447	$ 4,585	n/r	n/r

Non-same store services contribution (NOI)	$ (5,953)	$ (6,225)	$ (3,497)	n/r	n/r
Total non-same store margin	13.2 %	12.1 %	3.4 %	n/r	n/r
Non-same store rent and storage margin	51.9 %	52.0 %	31.3 %	n/r	n/r
Non-same store services margin	(38.8)%	(41.9)%	(20.0)%	n/r	n/r

	Three Months Ended September 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Total warehouse segment revenues	$ 602,605	$ 605,293	$ 598,977	0.6 %	1.1 %
Total warehouse cost of operations	$ 424,773	$ 426,723	$ 432,315	(1.7)%	(1.3)%
Total warehouse segment contribution	$ 177,832	$ 178,570	$ 166,662	6.7 %	7.1 %

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

n/a - not applicable, the change in actual and constant currency metrics does not apply to site count.

n/r - not relevant

Same store revenue increased $3.5 million on a constant currency basis primarily due to our pricing initiatives, rate escalations, and improvements in economic occupancy, partially offset by a decline in throughput due to consumer buying habits as a result of the current market environment.

Same store warehouse costs of operations decreased on a constant currency basis by $5.2 million primarily due to lower throughput and corresponding warehouse services revenue as a result of changes in consumer spending, as well as a reduction in power costs as the European energy market has relatively stabilized.

Non-same store revenue increased $2.8 million on a constant currency basis, due to recently completed expansion and developments and a recent acquisition of a cold storage facility in Ormeau, Australia during July of 2023, partially offset by the contribution of our Chilean facility to a joint venture in 2022 and exits of leased facilities.

The following table provides certain operating metrics to explain the drivers of our same store performance.

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	Three Months Ended June 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of same store sites	220		220		n/a
Same store revenues:		(Dollars in thousands)			
Rent and storage	$ 256,892	$ 259,801	$ 229,696	11.8 %	13.1 %
Warehouse services	296,205	299,473	308,574	(4.0)%	(2.9)%
Total same store revenues	553,097	559,274	538,270	2.8 %	3.9 %
Same store cost of operations:					
Power	32,795	33,265	32,722	0.2 %	1.7 %
Other facilities costs	56,114	56,724	51,778	8.4 %	9.6 %
Labor	238,303	241,212	237,535	0.3 %	1.5 %
Other services costs	54,021	54,489	63,692	(15.2)%	(14.4)%
Total same store cost of operations	$ 381,233	$ 385,690	$ 385,727	(1.2)%	— %
Same store contribution (NOI)	$ 171,864	$ 173,584	$ 152,543	12.7 %	13.8 %
Same store rent and storage contribution (NOI)(2)	$ 167,983	$ 169,812	$ 145,196	15.7 %	17.0 %
Same store services contribution (NOI)(3)	$ 3,881	$ 3,772	$ 7,347	(47.2)%	(48.7)%

Total same store margin	31.1 %	31.0 %	28.3 %	273 bps	270 bps
Same store rent and storage margin(4)	65.4 %	65.4 %	63.2 %	218 bps	215 bps
Same store services margin(5)	1.3 %	1.3 %	2.4 %	-107 bps	-112 bps

	Three Months Ended September 30,		
Units in thousands except per pallet and site number data - unaudited	**2023**	**2022**	**Change**
Number of same store sites	219	219	n/a
Same store rent and storage:			
Economic occupancy			
Average occupied economic pallets	4,230	4,131	2.4 %
Economic occupancy percentage	84.0 %	80.5 %	345 bps
Same store rent and storage revenues per average economic occupied pallet	$ 60.98	$ 59.45	2.6 %
Constant currency same store rent and storage revenues per average economic occupied pallet	$ 61.52	$ 59.45	3.5 %
Physical occupancy			
Average physical occupied pallets	3,816	3,839	(0.6)%
Average physical pallet positions	5,036	5,130	(1.8)%
Physical occupancy percentage	75.8 %	74.8 %	93 bps
Same store rent and storage revenues per average physical occupied pallet	$ 67.58	$ 63.98	5.6 %
Constant currency same store rent and storage revenues per average physical occupied pallet	$ 68.19	$ 63.98	6.6 %
Same store warehouse services:			
Throughput pallets (in thousands)	8,798	9,665	(9.0)%
Same store warehouse services revenues per throughput pallet	$ 35.09	$ 33.24	5.6 %
Constant currency same store warehouse services revenues per throughput pallet	$ 35.25	$ 33.24	6.1 %
Number of non-same store sites	19	21	n/a
Non-same store rent and storage:			
Economic occupancy			
Average economic occupied pallets	282	226	n/r
Economic occupancy percentage	70.6 %	72.5 %	n/r
Non-same store rent and storage revenues per average economic occupied pallet	$ 73.08	$ 64.83	n/r
Constant currency non-same store rent and storage revenues per average economic occupied pallet	$ 71.31	$ 64.83	n/r
Physical occupancy			
Average physical occupied pallets	245	204	n/r
Average physical pallet positions	399	311	n/r
Physical occupancy percentage	61.5 %	65.5 %	n/r
Non-same store rent and storage revenues per average physical occupied pallet	$ 83.99	$ 71.83	n/r
Constant currency non-same store rent and storage revenues per average physical occupied pallet	$ 81.95	$ 71.83	n/r
Non-same store warehouse services:			
Throughput pallets (in thousands)	572	550	n/r
Non-same store warehouse services revenues per throughput pallet	$ 26.84	$ 31.85	n/r
Constant currency non-same store warehouse services revenues per throughput pallet	$ 25.95	$ 31.85	n/r

	Three Months Ended June 30,			**Change**	
	2023 Actual	**2023 Constant Currency(1)**	**2022 Actual**	**Actual**	**Constant Currency**
Number of non-same store sites(6)	17		20	n/a	n/a
Non-same store revenues:		**(Dollars in thousands)**			
Rent and storage	$ 18,291	$ 18,526	$ 12,655	n/r	n/r
Warehouse services	9,782	9,915	13,454	n/r	n/r

Total non-same store revenues	28,073	28,441	26,109	n/r	n/r
Non-same store cost of operations:					
Power	3,197	3,217	3,348	n/r	n/r
Other facilities costs	5,058	5,107	5,898	n/r	n/r
Labor	15,499	15,660	13,176	n/r	n/r
Other services costs	3,341	3,365	5,245	n/r	n/r
Total non-same store cost of operations	$ 27,095	$ 27,349	$ 27,667	n/r	n/r
Non-same store contribution (NOI)	$ 978	$ 1,092	$ (1,558)	n/r	n/r
Non-same store rent and storage contribution (NOI)(2)	$ 10,036	$ 10,202	$ 3,409	n/r	n/r
Non-same store services contribution (NOI)(3)	$ (9,058)	$ (9,110)	$ (4,967)	n/r	n/r
Total non-same store margin	3.5 %	3.8 %	(6.0)%	n/r	n/r
Non-same store rent and storage margin(4)	54.9 %	55.1 %	26.9 %	n/r	n/r
Non-same store services margin(5)	(92.6)%	(91.9)%	(36.9)%	n/r	n/r

n/a - not applicable n/r - not relevant

	Three Months Ended June 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Total warehouse segment revenues	$ 581,170	$ 587,715	$ 564,379	3.0 %	4.1 %
Total warehouse cost of operations	$ 408,328	$ 413,039	$ 413,394	(1.2)%	(0.1)%
Total warehouse segment contribution	$ 172,842	$ 174,676	$ 150,985	14.5 %	15.7 %

Economic occupancy for our same store pool was 84.0% for the three months ended September 30, 2023, an increase of 345 basis points compared to the same period of the prior year. Economic occupancy growth was primarily due to our customers' continued increase in food production levels, which is benefiting from the improved labor market, coupled with end-consumer basket sizes shrinking and less pantry stocking. Economic occupancy for our same store pool for the three months ended September 30, 2023 was 821 basis points higher than our corresponding average physical occupancy of 75.8%.

On a constant currency basis, our same store rent and storage revenues per occupied pallet increased 3.5% during the three month period ending September 30, 2023 as compared to the same period of the prior year.This is primarily due contractual rate escalations and business mix.

Throughput pallets for our same store pool decreased 9.0% during the three months ended September 30, 2023 as compared to the same period in the prior year. This decrease was related to a decline in end-consumer demand due to the broader economic slowdown.

On a constant currency basis, our same store services revenue per throughput pallet increased 6.1% during the three months ended September 30, 2023 as compared to the same period in the prior year primarily due to contractual rate escalations.

Transportation Segment

The following table presents the operating results of our transportation segment for the three months ended September 30, 2023 and 2022.

	Three Months Ended September 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
		(Dollars in thousands)			
Transportation revenues	$ 55,642	$ 55,611	$ 76,367	(27.1)%	(27.2)%
Transportation cost of operations	45,983	45,859	65,531	(29.8)%	(30.0)%
Transportation segment contribution (NOI)	$ 9,659	$ 9,752	$ 10,836	(10.9)%	(10.0)%

Transportation margin	17.4 %	17.5 %	14.2 %	317 bps	335 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

On a constant currency basis transportation revenues decreased $20.8 million, or 27.2%, during the three months ended September 30, 2023, compared to the same period in the prior year. The decrease was primarily due to the strategic transition of transportation business in the UK to a third party logistics model, and the softening of transportation demand in the general macro-environment, offset by higher rates in our consolidation business, acquisitions and expansions in Australia.

On a constant currency basis transportation cost of operations was decreased of $19.7 million, or 30.0%, during the three months ended September 30, 2023, compared to the same period in the prior year. The decrease was due to the same factors contributing to the decline in revenue mentioned above.

On a constant currency basis the transportation segment contribution NOI decreased 10.0% during the three months ended September 30, 2023, compared to the same period in the prior year due to the factors mentioned above.

On a constant currency basis, the transportation segment margin increased 335 basis points during the three months ended September 30, 2023, compared to the same period in the prior year. The increase in margin was primarily due to rate increases.

Third-Party Managed Segment

The following table presents the operating results of our third-party managed segment for the three months ended September 30, 2023 and 2022:

	Three Months Ended September 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of managed sites	5		9	n/a	n/a
		(Dollars in thousands)			
Third-party managed revenues	$ 9,692	$ 9,971	$ 82,436	(88.2)%	(87.9)%
Third-party managed cost of operations	8,063	8,287	78,776	(89.8)%	(89.5)%
Third-party managed segment contribution	$ 1,629	$ 1,684	$ 3,660	(55.5)%	(54.0)%
Third-party managed margin	16.8 %	16.9 %	4.4 %	1237 bps	1245 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

On a constant currency basis, third-party managed revenues decreased $72.5 million, or 87.9%, during the three months ended September 30, 2023 as compared to the same period in the prior year.

On a constant currency basis, third-party managed cost of operations decreased $70.5 million, or 89.5%, during the three months ended September 30, 2023 as compared to the same period in the prior year.

On a constant currency basis, third-party managed segment contribution (NOI) was $1.7 million for the three months ended September 30, 2023, a decrease of $2.0 million, or 54.0%.

The decreases in revenue, cost, and NOI were primarily due to the strategic exit of operations of our historically largest domestic customer in this segment during the fourth quarter of 2022.

Other Consolidated Operating Expenses

Depreciation and amortization. Depreciation and amortization expense increased $6.1 million, or 7.2%, during the three months ended September 30, 2023 as compared to the same period in the prior year. This increase was primarily due to the impact of our recently completed expansion and developments and partially offset by the favorable impact of foreign currency translation.

Selling, general and administrative. Corporate-level selling, general and administrative expenses decreased $4.7 million, or 8.3%, compared to $57.1 million for the three months ended September 30, 2022. This was primarily driven by an increase in the capitalization of certain costs associated with resources dedicated to the Company's in-process automated developments, and costs recognized related to Project Orion and Cyber Incident recovery efforts within Acquisition, cyber incident and other, net on the Condensed Consolidated Statement of Operations. Additionally, selling, general and administrative expense benefited from ongoing cost reduction efforts in response to the challenging economic environment.

Acquisition, cyber incident and other, net. Corporate-level acquisition, cyber incident and other, net include the following:

	Three Months Ended September 30,		Change	
Acquisition, cyber incident and other, net	**2023**	**2022**	**$**	**%**
Acquisition and integration related costs	$ 648	$ 5,808	$ (5,160)	(89)%
Cyber incident related costs, net of insurance recoveries	5,405	8	5,397	n/r
Severance costs	3,263	1,586	1,677	106 %
Project Orion expenses	3,215	—	3,215	100 %
Litigation	(100)	(2,200)	2,100	(95)%
Terminated site operations costs	—	(328)	328	(100)%
Other	1,500	—	1,500	100 %
Total acquisition, cyber incident and other, net	**$ 13,931**	**$ 4,874**		

n/r- not relevant

Acquisition, cyber incident and other, net. Corporate-level acquisition, cyber incident and other, net was $13.9 million for the three months ended September 30, 2023, an increase of $9.1 million compared to the three months ended September 30, 2022. Acquisition and integration related costs decreased by $5.2 million or 89%, from less integration related expenses and professional fees. Severance costs increased by $1.7 million, or 106%, mainly due to realignment of certain international operations. Litigation costs increased by $2.1 million or 95%, from a favorable settlement in 2022 that did not occur in 2023. Cyber incident related costs, net of insurance recoveries consists of costs related to the cyber incident further described in Note 1 to these Condensed Consolidated Financial Statements, partially offset by recoveries received related to a cyber event in 2020. Project Orion expenses represent the non-capitalizable portion of our Project Orion costs, which is an investment in and transformation of our technology systems, business processes and customer solutions. The project includes the implementation of a new, state-of-the-art, cloud-based enterprise resource planning ("ERP") software system.

Impairment of indefinite and long-lived assets. For the three months ended September 30, 2022, the Company recorded impairment charges totaling $6.6 million. This included a 'Goodwill' impairment charge of $3.2 million as we were strategically shifting our focus to our core warehouse portfolio, and winding down business with one of the largest customers in the Third-party managed segment. It also included an impairment charge of 'Assets under construction' of $2.2 million associated with a development project which management determined it would no longer pursue and $1.2 million in Warehouse segment assets which we reduced the carrying value of in anticipation of the exit of certain leased facilities.

Loss (gain) from sale of real estate. For the three months ended September 30, 2023 we recorded a $0.1 million gain from the sale of real estate. For the three months ended September 30, 2022, we recorded a $5.7 million loss from the sale of real estate related to a facility where a customer exercised its option to purchase the facility and we recorded a loss for the excess book value.

Other Expense and Income

The following table presents other items of other expense and income for the three months ended September 30, 2023 and 2022.

	Three Months Ended September 30,		Change	Change
	2023	2022	$	%
Other (expense) income:	(Dollars in thousands)			
Interest expense	$ (35,572)	$ (30,402)	$ (5,170)	17.0 %
Loss on debt extinguishment, modifications and termination of derivative instruments	$ (683)	$ (1,040)	$ 357	(34.3)%
Other, net	$ 723	$ (2,593)	$ 3,316	(127.9)%
Loss from investments in partially owned entities	$ (259)	$ 44	$ (303)	(688.6)%
Gain (loss) from discontinued operations, net of tax	$ 203	$ (1,484)	$ 1,687	(113.7)%

Interest expense. Interest expense was $35.6 million for the three months ended September 30, 2023, an increase of $5.2 million, or 17.0%, compared to $30.4 million for the three months ended September 30, 2022. Our effective interest rate on our outstanding debt increased from 3.95% in the third quarter of 2022 to 4.02% in the third quarter of 2023, primarily due to the rising interest rates associated with our floating rate borrowings under our Senior Unsecured Credit Facility, as well as higher average outstanding borrowings, partially offset by the impact of our interest rate hedge instruments.

Other, net. Other, net was a benefit of $0.7 million for the three months ended September 30, 2023, a decrease of $3.3 million, or 127.9%, compared to an expense of $2.6 million for the three months ended September 30, 2022. This is primarily due to a $1.8 million decrease in foreign currency exchange loss because of the relative weakening of the US dollar against foreign currencies.

Gain (loss) from discontinued operations, net of tax. Gain (loss) from discontinued operations, net of tax was a gain of $0.2 million for the three months ended September 30, 2023, an increase of $1.7 million, or 113.7%, compared to an expense of $1.5 million for the three months ended September 30, 2022. This is primarily due to the gain on the sale of Comfrio of $1.1 million recorded during the three months ended September 30, 2023, upon completion of the sale, partially offset by $0.6 million disposal costs and operating losses of $0.3 million. During the three months ended September 30, 2022, expense of $1.5 million consists of our share of losses as minority equity owners in the Comfrio joint venture.

Income Tax Benefit (Expense)

Income tax benefit for the three months ended September 30, 2023 was $0.5 million, an increase of $2.9 million from an income tax benefit of $3.4 million for the three months ended September 30, 2022. The change is primarily from improved operating results.

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Comparison of Results for the Nine Months Ended September 30, 2023 and 2022

Warehouse Segment

The following table presents the operating results of our warehouse segment for the nine months ended September 30, 2023 and 2022.

	Nine Months Ended September 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
	(Dollars in thousands)				
Rent and storage	$ 825,100	$ 834,559	$ 732,356	12.7 %	14.0 %
Warehouse services	953,727	962,963	971,925	(1.9)%	(0.9)%
Total warehouse segment revenues	1,778,827	1,797,522	1,704,281	4.4 %	5.5 %
Power	113,751	115,447	117,698	(3.4)%	(1.9)%
Other facilities costs (2)	183,576	185,588	173,039	6.1 %	7.3 %
Labor	770,952	779,399	751,682	2.6 %	3.7 %

Other services costs (3)	185,047	186,478	197,957	(6.5)%	(5.8)%
Total warehouse segment cost of operations	$ 1,253,326	$ 1,266,912	$ 1,240,376	1.0 %	2.1 %
Warehouse segment contribution (NOI)	$ 525,501	$ 530,610	$ 463,905	13.3 %	14.4 %
Warehouse rent and storage contribution (NOI)	$ 527,773	$ 533,524	$ 441,619	19.5 %	20.8 %
Warehouse services contribution (NOI)	$ (2,272)	$ (2,914)	$ 22,286	(110.2)%	(113.1)%
Total warehouse segment margin	29.5 %	29.5 %	27.2 %	232 bps	230 bps
Rent and storage margin	64.0 %	63.9 %	60.3 %	366 bps	363 bps
Warehouse services margin	(0.2)%	(0.3)%	2.3 %	-253 bps	-260 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.
(2) Calculated as rent and storage revenues less power and other facilities costs.
(3) Calculated as warehouse services revenues less labor and other services costs.
(4) Calculated as rent and storage contribution (NOI) divided by rent and storage revenues.
(5) Calculated as warehouse services contribution (NOI) divided by warehouse services revenues.
(6) Refer to our Same Store Analysis previously disclosed that includes the composition of our Non-same store warehouse pool.
n/a - not applicable, the change in actual and constant currency metrics does not apply to site count.
n/r - not relevant

The following table provides certain operating metrics to explain the drivers of our same store performance.

	Three Months Ended June 30,		
Units in thousands except per pallet and site number data - unaudited	**2023**	**2022**	**Change**
Number of same store sites	220	220	n/a
Same store rent and storage:			
Economic occupancy (1)			
Average occupied economic pallets	4,335	4,018	7.9 %
Economic occupancy percentage	84.8 %	78.0 %	687 bps
Same store rent and storage revenues per economic occupied pallet	$ 59.26	$ 57.17	3.6 %
Constant currency same store rent and storage revenues per economic occupied pallet	$ 59.93	$ 57.17	4.8 %
Physical occupancy (2)			
Average physical occupied pallets	3,983	3,707	7.4 %
Average physical pallet positions	5,110	5,153	(0.8)%
Physical occupancy percentage	77.9 %	71.9 %	599 bps
Same store rent and storage revenues per physical occupied pallet	$ 64.50	$ 61.96	4.1 %
Constant currency same store rent and storage revenues per physical occupied pallet	$ 65.23	$ 61.96	5.3 %
Same store warehouse services:			
Throughput pallets (in thousands)	8,678	9,571	(9.3)%
Same store warehouse services revenues per throughput pallet	$ 34.13	$ 32.24	5.9 %
Constant currency same store warehouse services revenues per throughput pallet	$ 34.51	$ 32.24	7.0 %
Number of non-same store sites (3)	17	20	n/a
Non-same store rent and storage:			

Economic occupancy(1)					
Average economic occupied pallets		245		187	n/r
Economic occupancy percentage		78.0 %		66.7 %	n/r
Non-same store rent and storage revenues per economic occupied pallet	$	74.61	$	67.77	n/r
Constant currency non-same store rent and storage revenues per economic occupied pallet	$	75.57	$	67.77	n/r
Physical occupancy(2)					
Average physical occupied pallets		204		181	n/r
Average physical pallet positions		314		280	n/r
Physical occupancy percentage		65.0 %		64.6 %	n/r
Non-same store rent and storage revenues per physical occupied pallet	$	89.57	$	70.04	n/r
Constant currency non-same store rent and storage revenues per physical occupied pallet	$	90.72	$	70.04	n/r
Non-same store warehouse services:					
Throughput pallets (in thousands)		440		485	n/r
Non-same store warehouse services revenues per throughput pallet	$	22.21	$	27.72	n/r
Constant currency non-same store warehouse services revenues per throughput pallet	$	22.52	$	27.72	n/r

(1) We define average economic occupancy as the aggregate number of physically occupied pallets and any additional pallets otherwise contractually committed for a given period, without duplication. We estimate the number of contractually committed pallet positions by taking into account actual pallet commitments specified in each customer's contract, and subtracting the physical pallet positions.

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(2) We define average physical occupancy as the average number of occupied pallets divided by the estimated number of average physical pallet positions in our warehouses for the applicable period. We estimate the number of physical pallet positions by taking into account actual racked space and by estimating unracked space on an as-if racked basis. We base this estimate on a formula utilizing the total cubic feet of each room within the warehouse that is unracked divided by the volume of an assumed rack space that is consistent with the characteristics of the relevant warehouse. On a warehouse by warehouse basis, rack space generally ranges from three to four feet depending upon the type of facility and the nature of the customer goods stored therein. The number of our pallet positions is reviewed and updated quarterly, taking into account changes in racking configurations and room utilization.

(3) Refer to our Same Store Analysis previously disclosed that includes the composition of our Non-same store warehouse pool.

n/a - not applicable n/r - not relevant

Economic occupancy for our same store pool was 84.8% for the three months ended June 30, 2023, an increase of 687 basis points compared to 78.0% for the quarter ended June 30, 2022. Economic occupancy growth as compared to the prior year was due to our customers continued increase in food production levels, which is benefiting from the improved labor market, coupled with end-consumer basket sizes shrinking and less pantry stocking due to the current economic environment. Same store rent and storage revenues per economic occupied pallet increased 3.6% period-over-period, primarily driven by our pricing initiative, contractual rate escalations and business mix. On a constant currency basis, our same store rent and storage revenues per occupied pallet increased 4.8% period-over-period. Our economic occupancy for our same store pool for the three months ended June 30, 2023 was 690 basis points higher than our corresponding average physical occupancy of 77.9%.

Throughput pallets for our same store pool was 8.7 million pallets for the three months ended June 30, 2023, a decrease of 9.3% from 9.6 million pallets for the three months ended June 30, 2022. This decrease was related to the Cyber Incident, in addition to a slight decline in end-consumer demand due to the broader economic slowdown. Same store warehouse services revenue per throughput pallet increased 5.9% compared to the prior year primarily as a result of our pricing initiative and contractual rate escalations, offset by unfavorable foreign currency translation as previously discussed. On a constant currency basis, our same store services revenue per throughput pallet increased 7.0% compared to the prior year.

Transportation Segment

The following table presents the operating results of our transportation segment for the three months ended June 30, 2023 and 2022.

	Three Months Ended June 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency

		(Dollars in thousands)			
Transportation revenues	$ 58,072	$ 59,198	$ 81,891	(29.1)%	(27.7)%
Transportation cost of operations	48,263	49,256	68,306	(29.3)%	(27.9)%
Transportation segment contribution (NOI)	$ 9,809	$ 9,942	$ 13,585	(27.8)%	(26.8)%
Transportation margin	16.9 %	16.8 %	16.6 %	30 bps	21 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Transportation revenues were $58.1 million for the three months ended June 30, 2023, a decrease of $23.8 million, or 29.1%, compared to $81.9 million for the three months ended June 30, 2022. The decrease was primarily due to the strategic transition of transportation business in the UK to a third party logistics model, the softening of transportation demand in the general macro-environment and the unfavorable impact of foreign currency translation, partially offset by higher rates in our consolidation business, acquisitions and expansions in

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Australia. Additionally, the cyber incident resulted in cancellations of customer transportation orders due to system outages.

Transportation cost of operations was $48.3 million for the three months ended June 30, 2023, a decrease of $20.0 million, or 29.3%, compared to $68.3 million for the three months ended June 30, 2022. The decrease was due to the same factors contributing to the decline in revenue mentioned above.

Transportation segment contribution (NOI) was $9.8 million for the three months ended June 30, 2023, a decrease of 27.8% compared to the three months ended June 30, 2022. Transportation segment margin increased 30 basis points from the three months ended June 30, 2022, to 16.9%. The increase in margin was primarily due to rate increases, partially offset by the lost business as a result of our

Third-Party Managed Segment

The following table presents the operating results of our third-party managed segment for the three months ended June 30, 2023 and 2022:

	Three Months Ended June 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of managed sites	5		9	n/a	n/a
		(Dollars in thousands)			
Third-party managed revenues	$ 10,368	$ 10,814	$ 83,486	(87.6)%	(87.0)%
Third-party managed cost of operations	8,968	9,324	79,765	(88.8)%	(88.3)%
Third-party managed segment contribution	$ 1,400	$ 1,490	$ 3,721	(62.4)%	(60.0)%
Third-party managed margin	13.5 %	13.8 %	4.5 %	905 bps	932 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Third-party managed revenues were $10.4 million for the three months ended June 30, 2023, a decrease of $73.1 million, or 87.6%, compared to $83.5 million for the three months ended June 30, 2022. On a constant currency basis, third-party managed revenues were $10.8 million for the three months ended June 30, 2023, a decrease of $72.7 million, or 87.0%, from the three months ended June 30, 2022.

Third-party managed cost of operations was $9.0 million for the three months ended June 30, 2023, a decrease of $70.8 million, or 88.8%, compared to $79.8 million for the three months ended June 30, 2022.

Third-party managed segment contribution (NOI) was $1.4 million for the three months ended June 30, 2023, a decrease of $2.3 million, or 62.4%, compared to $3.7 million for the three months ended June 30, 2022. The decreases in revenue, cost, and NOI were primarily due to the strategic exit of operations of our historically largest domestic customer in this segment.

Other Consolidated Operating Expenses

Depreciation and amortization. Depreciation and amortization expense was $84.9 million for the three months ended June 30, 2023, an increase of $2.2 million, or 2.7%, compared to $82.7 million for the three months ended June 30, 2022. This increase was primarily due to the impact of our recently completed expansion and developments and partially offset by the favorable impact of foreign currency translation.

Selling, general and administrative. Corporate-level selling, general and administrative expenses were $53.8 million for the three months ended June 30, 2023, a decrease of $2.5 million, or 4.4%, compared to $56.3 million for the three months ended June 30, 2022. Included in these amounts are business development expenses

attributable to new business pursuits, supply chain solutions and underwriting, facility development, customer on-boarding, and engineering and consulting services to support our customers in the cold chain. We believe these costs are comparable to leasing costs for other publicly-traded REITs. The increase was driven by higher travel and conference expenses that resumed in 2023 and timing of professional fees, which is partially offset by a decrease in stock-based compensation in connection with the November 2021 retention grant, a significant portion of which vested in November 2022.

Acquisition, cyber incident and other, net. Corporate-level acquisition, cyber incident and other, net expenses were $27.2 million for the three months ended June 30, 2023, a increase of $21.6 million compared to the three months ended June 30, 2022. During the three months ended June 30, 2023, we incurred $19.0 million of cyber incident costs, inclusive of incremental labor costs, professional fees, customer claims, and related insurance deductibles, $2.8 million of severance primarily due to the realignment of certain international operations, $2.5 million of implementation costs related to Project Orion, and $2.4 million of acquisition and integration related costs. Refer to Note 3 of the Condensed Consolidated Financial Statements for details. During the three months ended June 30, 2022, we incurred $3.8 million of acquisition and integration related expenses, an aggregate $0.9 million of severance related expenses due to the realignment of certain international operations and leadership changes and $1.2 million of litigation fees.

Gain from sale of real estate. For the three months ended June 30, 2023 we recorded a $2.5 million gain from the sale of real estate related to the sale of a facility in Canada. The proceeds of the sale were used to repay outstanding Canadian-denominated Revolver short-term borrowings.

Other Expense and Income

The following table presents other items of expense and income for the three months ended June 30, 2023 and 2022.

	Three Months Ended June 30,		Change
	2023	2022	%
Other (expense) income:	(Dollars in thousands)		
Interest expense	$ (36,431)	$ (26,545)	37.2 %
Loss on debt extinguishment, modifications and termination of derivative instruments	$ (627)	$ (627)	— %
Other, net	$ (415)	$ (962)	(56.9)%
Loss from investments in partially owned entities	$ (709)	$ (359)	97.5 %
Impairment of related party loan receivable	$ (21,972)	$ —	n/r
Loss on put option	$ (56,576)	$ —	n/r

Interest expense. Interest expense was $36.4 million for the three months ended June 30, 2023, an increase of $9.9 million, or 37.2%, compared to $26.5 million for the three months ended June 30, 2022. Our effective interest rate on our outstanding debt increased from 3.39% in the second quarter of 2022 to 4.21% in the second quarter of 2023, primarily due to the rising interest rates associated with our floating rate borrowings under our Senior Unsecured Credit Facility, as well as higher outstanding borrowings, partially offset by the impact of our interest rate hedge instruments.

Impairment of related party loan receivable. Impairment of related party loan receivable was $22.0 million for the three months ended June 30, 2023. During the fourth quarter of 2022, the Company entered into a loan agreement with Comfrio, in which Comfrio borrowed $25.0 million from Americold at a 10% annual fixed interest rate. During the three months ended June 30, 2023, the Company fully impaired the remaining balance.

Loss on put option. Loss on put option was $56.6 million for the three months ended June 30, 2023, which represents the estimated loss we recognized when the exercise of the Comfrio put was deemed probable.

Income Tax Benefit (Expense)

Income tax expense for the three months ended June 30, 2023 was $0.5 million, an increase of $12.6 million from an income tax benefit of $12.1 million for the three months ended June 30, 2022. The change is primarily from improved operating results and a non-recurring $6.5 million discrete tax benefit was recognized in June 30, 2022 attributable to the deconsolidation of our Chilean operations.

Comparison of Results for the Six Months Ended June 30, 2023 and 2022

Warehouse Segment

The following table presents the operating results of our warehouse segment for the six months ended June 30, 2023 and 2022.

	Six Months Ended June 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
		(Dollars in thousands)			
Rent and storage	$ 546,591	$ 554,239	$ 472,108	15.8 %	17.4 %
Warehouse services	629,631	637,989	633,196	(0.6)%	0.8 %
Total warehouse segment revenues	1,176,222	1,192,228	1,105,304	6.4 %	7.9 %
Power	72,040	73,580	69,105	4.2 %	6.5 %
Other facilities costs (2)	121,972	123,604	114,247	6.8 %	8.2 %
Labor	512,343	519,396	494,872	3.5 %	5.0 %
Other services costs (3)	122,198	123,608	129,837	(5.9)%	(4.8)%
Total warehouse segment cost of operations	$ 828,553	$ 840,188	$ 808,061	2.5 %	4.0 %
Warehouse segment contribution (NOI)	$ 347,669	$ 352,040	$ 297,243	17.0 %	18.4 %
Warehouse rent and storage contribution (NOI) (4)	$ 352,579	$ 357,055	$ 288,756	22.1 %	23.7 %
Warehouse services contribution (NOI) (5)	$ (4,910)	$ (5,015)	$ 8,487	(157.9)%	(159.1)%
Total warehouse segment margin	29.6 %	29.5 %	26.9 %	267 bps	264 bps
Rent and storage margin(6)	64.5 %	64.4 %	61.2 %	334 bps	326 bps
Warehouse services margin(7)	(0.8)%	(0.8)%	1.3 %	-212 bps	-213 bps

The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

(1) Includes real estate rent expense of $18.9 $28.2 million and $21.3 $31.8 million, on an actual basis, for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

(2) (3) Includes non-real estate rent expense (equipment lease and rentals) of $7.1 $11.0 million and $5.7 $9.2 million, on an actual basis, for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

(3) Calculated as rent and storage revenues less power and other facilities costs.

(4) Calculated as warehouse services revenues less labor and other services costs.

(5) Calculated as warehouse rent and storage contribution (NOI) divided by warehouse rent and storage revenues.

(6) Calculated as warehouse services contribution (NOI) divided by warehouse services revenues.

Warehouse segment revenues were $1.2 billion for the six months ended June 30, 2023, an increase of $70.9 million, or 6.4%, compared to $1.1 billion for the six months ended June 30, 2022. On a constant currency basis, our warehouse segment revenues were $1.2 billion for increased $93.2 million, or 5.5%, during the six nine months ended June 30, 2023 September 30, 2023, an increase of $86.9 million, or 7.9%, from compared to the six months ended June 30, 2022. same period in the prior year. This growth was driven by $84.9 million $87.8 million of growth in

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our same store pool on a constant currency basis, primarily due to and $5.4 million of growth in our pricing initiatives, rate escalations, and improvements in economic occupancy, partially offset by a slight decline in throughput due to the inability to move product in certain warehouses during the cyber incident. Non-same non same store revenue increased by $2.0 million on a constant currency basis, due to recently completed expansion and developments, improvements in economic occupancy, and the De Bruyn acquisition, partially offset by exits of leased facilities during 2022. The foreign currency translation of revenues earned by our foreign operations had a $16.0 million unfavorable impact during the six months ended June 30, 2023, which was mainly driven by the strengthening of the U.S. dollar against our foreign subsidiaries' currencies. pool, further discussed below.

Warehouse segment cost of operations was $828.6 million for the six months ended June 30, 2023, an increase of $20.5 million, or 2.5%, compared to the six months ended June 30, 2022. On a constant currency basis, our warehouse segment cost of operations was $840.2 million for increased $26.5 million, or 2.1%, during the six nine months ended June 30, 2023 September 30, 2023, an increase of $32.1 million, or 4.0%, from compared to the six months ended June 30, 2022. same period in the prior year. The cost of operations for our same store pool increased $25.6 million $20.5 million and $6.0 million in our non-same store pool on a constant currency basis, primarily driven by higher other facilities costs and power expense to support increased occupancy, partially offset by a reduction in other services costs as a result of reduced throughput from our cyber incident and consumer purchasing habits. Approximately $6.5 million of the increase, on a constant currency basis, was related to growth in our recently completed expansions and developments and the De Bruyn acquisition in our non-same store pool. These increases were partially offset by the foreign currency translation of expenses incurred by our foreign operations which had a $11.6 million favorable impact during the six months ended June 30, 2023. for reasons further described below.

For the six months ended June 30, 2023, warehouse segment contribution (NOI), increased $50.4 million, or 17.0%, to $347.7 million for the six months ended June 30, 2023, compared to $297.2 million for the six months ended June 30, 2022. On a constant currency basis, warehouse segment NOI increased 18.4% 14.4% from the six nine months ended June 30, 2022 September 30, 2022. The NOI for our same store pool increased $59.2 million $67.3 million, or 14.6%, on a constant currency basis, attributable to revenue and cost of operations factors previously described. Warehouse segment NOI was negatively impacted by the start-up costs incurred in connection with our expansion and development projects in the non-same store pool as they incur pre-launch costs or costs as they ramp to stabilization, partially offset by the NOI from the De Bruyn acquisition and Ormeau acquisitions and lease buyouts. The foreign currency translation of our results of operations had a $4.4 million unfavorable impact to warehouse segment NOI period-over-period due to the strengthening of the U.S. dollar.

Same Store and Non-Same Store Analysis

We had 220 same stores for the six months ended June 30, 2023. Please see "How We Assess the Performance of Our Business—Same Store Analysis" above for a reconciliation of the change in the same store portfolio from period to period. Amounts related to our recently completed expansion and development projects not yet stabilized, the acquisition of De Bruyn Cold Storage, one temporarily leased warehouse, previously leased facilities purchased during 2022 and idled facilities are reflected within non-same store results.

The following table presents revenues, cost of operations, contribution (NOI) and margins for our same stores and non-same stores with a reconciliation to the total financial metrics of our warehouse segment for the six nine months ended June 30, 2023 September 30, 2023 and 2022.

	Nine Months Ended September 30,			Change	
	2023 Actual	**2023 Constant Currency(1)**	**2022 Actual**	**Actual**	**Constant Currency**
Number of same store sites	219		219	n/a	n/a
Same store revenues:		**(Dollars in thousands)**			
Rent and storage	$ 769,873	$ 778,983	$ 691,118	11.4 %	12.7 %
Warehouse services	913,832	922,704	922,730	(1.0) %	— %
Total same store revenues	1,683,705	1,701,687	1,613,848	4.3 %	5.4 %
Same store cost of operations:					

Power	102,896	104,617	106,607	(3.5)%	(1.9)%
Other facilities costs	167,584	169,486	155,737	7.6 %	8.8 %
Labor	721,598	729,502	706,007	2.2 %	3.3 %
Other services costs	168,232	169,563	184,284	(8.7)%	(8.0)%
Total same store cost of operations	$ 1,160,310	$ 1,173,168	$ 1,152,635	0.7 %	1.8 %
Same store contribution (NOI)	$ 523,395	$ 528,519	$ 461,213	13.5 %	14.6 %
Same store rent and storage contribution (NOI)(2)	$ 499,393	$ 504,880	$ 428,774	16.5 %	17.7 %
Same store services contribution (NOI)(3)	$ 24,002	$ 23,639	$ 32,439	(26.0)%	(27.1)%
Total same store margin	31.1 %	31.1 %	28.6 %	251 bps	248 bps
Same store rent and storage margin(4)	64.9 %	64.8 %	62.0 %	283 bps	277 bps
Same store services margin(5)	2.6 %	2.6 %	3.5 %	-89 bps	-95 bps

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	Six Months Ended June 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of same store sites	220		220	n/a	n/a
Same store revenues:		(Dollars in thousands)			
Rent and storage	$ 514,283	$ 521,233	$ 447,781	14.9 %	16.4 %
Warehouse services	610,220	618,034	606,598	0.6 %	1.9 %
Total same store revenues	1,124,503	1,139,267	1,054,379	6.7 %	8.1 %
Same store cost of operations:					
Power	65,860	67,262	62,784	4.9 %	7.1 %
Other facilities costs	111,916	113,385	102,983	8.7 %	10.1 %
Labor	482,760	489,308	469,706	2.8 %	4.2 %
Other services costs	111,095	112,400	121,242	(8.4)%	(7.3)%
Total same store cost of operations	$ 771,631	$ 782,355	$ 756,715	2.0 %	3.4 %
Same store contribution (NOI)	$ 352,872	$ 356,912	$ 297,664	18.5 %	19.9 %
Same store rent and storage contribution (NOI)(2)	$ 336,507	$ 340,586	$ 282,014	19.3 %	20.8 %
Same store services contribution (NOI)(3)	$ 16,365	$ 16,326	$ 15,650	4.6 %	4.3 %
Total same store margin	31.4 %	31.3 %	28.2 %	315 bps	310 bps
Same store rent and storage margin(4)	65.4 %	65.3 %	63.0 %	245 bps	236 bps
Same store services margin(5)	2.7 %	2.6 %	2.6 %	10 bps	6 bps

	Nine Months Ended September 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of non-same store sites	19		21	n/a	n/a
Non-same store revenues:		(Dollars in thousands)			
Rent and storage	$ 55,227	$ 55,576	$ 41,239	n/r	n/r
Warehouse services	39,895	40,259	49,194	n/r	n/r
Total non-same store revenues	95,122	95,835	90,433	n/r	n/r

Non-same store cost of operations:					
Power	10,856	10,830	11,092	n/r	n/r
Other facilities costs	15,992	16,101	17,302	n/r	n/r
Labor	49,354	49,897	45,676	n/r	n/r
Other services costs	16,814	16,915	13,671	n/r	n/r
Total non-same store cost of operations	$ 93,016	$ 93,743	$ 87,741	n/r	n/r
Non-same store contribution (NOI)	$ 2,106	$ 2,092	$ 2,692	n/r	n/r
Non-same store rent and storage contribution (NOI)(2)	$ 28,379	$ 28,645	$ 12,845	n/r	n/r
Non-same store services contribution (NOI)(3)	$ (26,273)	$ (26,553)	$ (10,153)	n/r	n/r
Total non-same store margin	2.2 %	2.2 %	3.0 %	n/r	n/r
Non-same store rent and storage margin(4)	51.4 %	51.5 %	31.1 %	n/r	n/r
Non-same store services margin(5)	(65.9)%	(66.0)%	(20.6)%	n/r	n/r

	Six Months Ended June 30,			Change	
	2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of non-same store sites	17		20	n/a	n/a
Non-same store revenues:		(Dollars in thousands)			
Rent and storage	$ 32,308	$ 33,007	$ 24,326	n/r	n/r
Warehouse services	19,412	19,955	26,599	n/r	n/r
Total non-same store revenues	51,720	52,962	50,925	n/r	n/r
Non-same store cost of operations:					
Power	6,180	6,318	6,321	n/r	n/r
Other facilities costs	10,056	10,219	11,265	n/r	n/r
Labor	29,583	30,087	25,166	n/r	n/r
Other services costs	11,106	11,208	8,595	n/r	n/r
Total non-same store cost of operations	$ 56,925	$ 57,832	$ 51,347	n/r	n/r
Non-same store contribution (NOI)	$ (5,205)	$ (4,870)	$ (422)	n/r	n/r
Non-same store rent and storage contribution (NOI)(2)	$ 16,072	$ 16,470	$ 6,740	n/r	n/r
Non-same store services contribution (NOI)(3)	$ (21,277)	$ (21,340)	$ (7,162)	n/r	n/r
Total non-same store margin	(10.1)%	(9.2)%	(0.8)%	n/r	n/r
Non-same store rent and storage margin(4)	49.7 %	49.9 %	27.7 %	n/r	n/r
Non-same store services margin(5)	(109.6)%	(106.9)%	(26.9)%	n/r	n/r

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		Six Months Ended June 30,			Change			Nine Months Ended September 30,			Change	
		2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency		2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Total warehouse segment revenues	Total warehouse segment revenues	$ 1,176,222	$ 1,192,228	$ 1,105,304	6.4 %	7.9 %	Total warehouse segment revenues	$ 1,778,827	$ 1,797,522	$ 1,704,281	4.4 %	5.5 %

Total warehouse cost of operations	Total warehouse cost of operations	$ 828,553	$ 840,188	$ 808,061	2.5 %	4.0 %	Total warehouse cost of operations	$ 1,253,326	$ 1,266,912	$ 1,240,376	1.0 %	2.1 %
Total warehouse segment contribution	Total warehouse segment contribution	$ 347,669	$ 352,040	$ 297,243	17.0 %	18.4 %	Total warehouse segment contribution	$ 525,501	$ 530,610	$ 463,905	13.3 %	14.4 %

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

(2) Calculated as rent and storage revenues less power and other facilities costs.

(3) Calculated as warehouse services revenues less labor and other services costs.

(4) Calculated as rent and storage contribution (NOI) divided by rent and storage revenues.

(5) Calculated as warehouse services contribution (NOI) divided by warehouse services revenues.

(6) Refer to our Same Store Analysis previously disclosed that includes the composition of our Non-same store warehouse pool.

n/a - not applicable, the change in actual and constant currency metrics does not apply to site count count.

n/r - not relevant

Same store revenues increased by $87.8 million primarily due to our pricing initiatives, rate escalations, and improvements in economic occupancy, partially offset by a decline in throughput due to consumer buying habits and the inability to move product in certain warehouses during the Cyber Incident.

Non-same store revenue increased by $5.4 million on a constant currency basis, due to recently completed expansion and developments, improvements in economic occupancy, the De Bruyn acquisition, and the recent acquisition of a cold storage facility in Ormeau, Australia partially offset by exits of leased facilities during 2022.

Same store warehouse costs of operation increased by $20.5 million primarily driven by higher other facilities costs and labor, partially offset by a reduction in other services costs as a result of reduced throughput from the Cyber Incident and consumer purchasing habits. Approximately $6.0 million of the increase in non same store warehouse costs of operations, on a constant currency basis, was related to growth in our recently completed expansions and developments, and the De Bruyn and Ormeau acquisitions, in our non-same store pool.

The following table provides certain operating metrics to explain the drivers of our same store performance.

Units in thousands except per pallet and site number data - unaudited	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Change
Number of same store sites	220	220	n/a
Same store rent and storage:			
Economic occupancy(1)			
Average occupied economic pallets	4,330	3,998	8.3 %
Economic occupancy percentage	84.7 %	77.5 %	722 bps
Same store rent and storage revenues per economic occupied pallet	$ 118.77	$ 112.01	6.0 %
Constant currency same store rent and storage revenues per economic occupied pallet	$ 120.37	$ 112.01	7.5 %

Physical occupancy[2]					
Average physical occupied pallets		3,984		3,663	8.7 %
Average physical pallet positions		5,110		5,157	(0.9)%
Physical occupancy percentage		78.0 %		71.0 %	692 bps
Same store rent and storage revenues per physical occupied pallet	$	129.10	$	122.23	5.6 %
Constant currency same store rent and storage revenues per physical occupied pallet	$	130.84	$	122.23	7.0 %
Same store warehouse services:					
Throughput pallets (in thousands)		17,868		18,902	(5.5)%
Same store warehouse services revenues per throughput pallet	$	34.15	$	32.09	6.4 %
Constant currency same store warehouse services revenues per throughput pallet	$	34.59	$	32.09	7.8 %
Number of non-same store sites[3]		17		20	n/a
Non-same store rent and storage:					
Economic occupancy[1]					
Average economic occupied pallets		236		192	n/r
Economic occupancy percentage		76.1 %		69.0 %	n/r
Non-same store rent and storage revenues per economic occupied pallet	$	136.76	$	126.92	n/r
Constant currency non-same store rent and storage revenues per economic occupied pallet	$	139.71	$	126.92	n/r
Physical occupancy[2]					
Average physical occupied pallets		205		183	n/r
Average physical pallet positions		310		278	n/r
Physical occupancy percentage		65.9 %		65.8 %	n/r
Non-same store rent and storage revenues per physical occupied pallet	$	157.84	$	133.18	n/r
Constant currency non-same store rent and storage revenues per physical occupied pallet	$	161.25	$	133.18	n/r
Non-same store warehouse services:					
Throughput pallets (in thousands)		902		1,011	n/r
Non-same store warehouse services revenues per throughput pallet	$	21.52	$	26.31	n/r
Constant currency non-same store warehouse services revenues per throughput pallet	$	22.13	$	26.31	n/r

(1) We define average economic occupancy as the aggregate number of physically occupied pallets and any additional pallets otherwise contractually committed for a given period, without duplication. We estimate the number of contractually committed pallet positions by taking into account actual pallet commitments specified in each customer's contract, and subtracting the physical pallet positions.

(2) We define average physical occupancy as the average number of occupied pallets divided by the estimated number of average physical pallet positions in our warehouses for the applicable period. We estimate the number of physical pallet positions by taking into account actual racked space and by estimating unracked space on an as-if racked basis. We base this estimate on a formula utilizing the total cubic feet of each room within the warehouse that is unracked divided by the volume of an assumed rack space that is consistent with the characteristics of the relevant warehouse. On a warehouse by warehouse basis, rack space generally ranges from three to four feet depending upon the type of facility and the nature of the customer goods stored therein. The number of our pallet positions is reviewed and updated quarterly, taking into account changes in racking configurations and room utilization.

(3) Refer to our Same Store Analysis previously disclosed that includes the composition of our Non-same store warehouse pool.

	Nine Months Ended September 30,		
Units in thousands except per pallet and site number data - unaudited	2023	2022	Change
Number of same store sites	219	219	n/a
Same store rent and storage:			

Economic occupancy(1)					
Average occupied economic pallets		4,286		4,032	6.3 %
Economic occupancy percentage		84.5 %		78.5 %	597 bps
Same store rent and storage revenues per average economic occupied pallet	$	179.61	$	171.41	4.8 %
Constant currency same store rent and storage revenues per average economic occupied pallet	$	181.74	$	171.41	6.0 %
Physical occupancy(2)					
Average physical occupied pallets		3,918		3,713	5.5 %
Average physical pallet positions		5,074		5,136	(1.2)%
Physical occupancy percentage		77.2 %		72.3 %	493 bps
Same store rent and storage revenues per average physical occupied pallet	$	196.47	$	186.14	5.6 %
Constant currency same store rent and storage revenues per average physical occupied pallet	$	198.80	$	186.14	6.8 %
Same store warehouse services:					
Throughput pallets (in thousands)		26,543		28,444	(6.7)%
Same store warehouse services revenues per throughput pallet	$	34.43	$	32.44	6.1 %
Constant currency same store warehouse services revenues per throughput pallet	$	34.76	$	32.44	7.2 %
Number of non-same store sites(3)		19		21	n/a
Non-same store rent and storage:					
Economic occupancy(1)					
Average economic occupied pallets		262		213	n/r
Economic occupancy percentage		74.6 %		71.0 %	n/r
Non-same store rent and storage revenues per average economic occupied pallet	$	210.92	$	193.39	n/r
Constant currency non-same store rent and storage revenues per average economic occupied pallet	$	212.25	$	193.39	n/r
Physical occupancy(2)					
Average physical occupied pallets		228		199	n/r
Average physical pallet positions		351		300	n/r
Physical occupancy percentage		64.9 %		66.2 %	n/r
Non-same store rent and storage revenues per average physical occupied pallet	$	242.65	$	207.38	n/r
Constant currency non-same store rent and storage revenues per average physical occupied pallet	$	244.18	$	207.38	n/r
Non-same store warehouse services:					
Throughput pallets (in thousands)		1,597		1,683	n/r
Non-same store warehouse services revenues per throughput pallet	$	24.98	$	29.22	n/r
Constant currency non-same store warehouse services revenues per throughput pallet	$	25.21	$	29.22	n/r

n/a - not applicable n/r - not relevant

Economic occupancy for our same store pool was 84.7% 84.5% for the six nine months ended June 30, 2023 September 30, 2023, a increase of 722 597 basis points compared to 77.5% for same period of the six months ended June 30, 2022. prior year. Economic occupancy growth as compared to the prior year was primarily due to improvements in customer service initiatives, as well as our customers increase in food production levels, which is benefiting from the improved labor market. Same store rent and storage revenues per economic occupied pallet increased 6.0% 4.8% period-over-period, primarily driven by our pricing initiative, contractual rate escalations and business mix.

On a constant currency basis, our same store rent and storage revenues per occupied pallet increased 7.5% period-over-period. 6.0% during the nine months ended September 30, 2023 as compared to the same period in the prior year. Our economic occupancy for our same store pool for the six nine months ended June 30, 2023 September 30, 2023 was 678 725 basis points higher than our corresponding average physical occupancy of 78.0% 77.2%.

Throughput pallets at our same store pool was 17.9 million decreased 6.7% from 28.4 million pallets for the six nine months ended June 30, 2023, a decrease of 5.5% from 18.9 million pallets for the six months ended June 30, 2022 September 30, 2022. This decrease was primarily the result of the cyber incident and resulting system outages, in addition to a slight decline in end-consumer demand as basket sizes decreased due to the broader economic slowdown. Same store warehouse services revenue per throughput pallet increased 6.4% compared slowdown, in addition to the prior year primarily as a result of our pricing initiative cyber incident and contractual rate escalations, offset by unfavorable foreign currency translation as previously discussed. resulting system outages.

On a constant currency basis, our same store services revenue per throughput pallet increased 7.8% 7.2% during the nine months ended September 30, 2023 as compared to the same period in the prior year. This is primarily due to pricing initiative and contractual rate escalations.

Transportation Segment

The following table presents the operating results of our transportation segment for the six nine months ended June 30, 2023 September 30, 2023 and 2022.

		Six Months Ended June 30,			Change			Nine Months Ended September 30,			Change	
		2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency		2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
		(Dollars in thousands)						(Dollars in thousands)				
Transportation revenues	Transportation revenues	$ 126,150	$ 130,453	$ 160,801	(21.5) %	(18.9) %	Transportation revenues	$ 181,792	$ 186,064	$ 237,168	(23.3) %	(21.5) %
Total transportation cost of operations	Total transportation cost of operations	104,681	108,561	138,687	(24.5) %	(21.7) %	Total transportation cost of operations	150,664	154,420	204,218	(26.2) %	(24.4) %
Transportation segment contribution (NOI)	Transportation segment contribution (NOI)	$ 21,469	$ 21,892	$ 22,114	(2.9) %	(1.0) %	Transportation segment contribution (NOI)	$ 31,128	$ 31,644	$ 32,950	(5.5) %	(4.0) %
Transportation margin	Transportation margin	17.0 %	16.8 %	13.8 %	327 bps	303 bps	Transportation margin	17.1 %	17.0 %	13.9 %	323 bps	311 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Transportation On a constant currency basis, transportation revenues were $126.2 million for the six months ended June 30, 2023, a decrease of $34.7 million decreased $51.1 million, or 21.5%, during the nine months ended September 30, 2023 compared to $160.8 million for the six months ended June 30, 2022. same period in the prior year. The decrease was primarily due to the strategic transition of transportation business in the United Kingdom to a 3PL model, the softening of transportation demand in the general macro-environment, and the unfavorable impact of foreign currency translation, partially offset by higher rates in our consolidation business, acquisitions and expansions in Australia. Additionally, the cyber incident resulted in cancellations of customer transportation orders due to system outages.

Transportation On a constant currency basis, transportation cost of operations was $104.7 million for decreased $49.8 million, or 24.4%, during the six nine months ended June 30, 2023, a decrease of $34.0 million, or 24.5%, September 30, 2023 compared to $138.7 million for the six months ended June 30, 2022. same period in the prior year. The decrease was due to the same factors contributing to the decline in revenue mentioned above.

Transportation On a constant currency basis transportation segment contribution (NOI) was $21.5 million for NOI decreased 4.0% during the six nine months ended June 30, 2023, a decrease of 2.9% September 30, 2023 compared to the six months ended June 30, 2022. Transportation same period in the prior year.

On a constant currency basis, the transportation segment margin increased 327 311 basis points from during the six nine months ended June 30, 2022, September 30, 2023 compared to 17.0%. the same period in the prior year. The increase in margin was primarily due to rate increases, somewhat offset by lost business as a result of the cyber incident. Cyber Incident.

Third-Party Managed Segment

The following table presents the operating results of our third-party managed segment for the six nine months ended June 30, 2023 September 30, 2023 and 2022.

		Six Months Ended June 30,			Change			Nine Months Ended September 30,			Change	
		2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency		2023 Actual	2023 Constant Currency(1)	2022 Actual	Actual	Constant Currency
Number of managed sites	Number of managed sites	9		9	n/a	n/a	Number of managed sites	5		9	n/a	n/a
		(Dollars in thousands)						(Dollars in thousands)				
Third-party managed revenues	Third-party managed revenues	$ 23,727	$ 24,583	$ 169,346	(86.0) %	(85.5) %	Third-party managed revenues	$ 33,419	$ 34,553	$ 251,782	(86.7) %	(86.3) %
Third-party managed cost of operations	Third-party managed cost of operations	21,248	21,944	162,124	(86.9) %	(86.5) %	Third-party managed cost of operations	29,311	30,231	240,900	(87.8) %	(87.5) %
Third-party managed segment contribution	Third-party managed segment contribution	$ 2,479	$ 2,639	$ 7,222	(65.7) %	(63.5) %	Third-party managed segment contribution	$ 4,108	$ 4,322	$ 10,882	(62.2) %	(60.3) %
Third-party managed margin	Third-party managed margin	10.4 %	10.7 %	4.3 %	618 bps	647 bps	Third-party managed margin	12.3 %	12.5 %	4.3 %	797 bps	819 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Third-party managed revenues were $23.7 million for the six months ended June 30, 2023, a decrease of $145.6 million, or 86.0%, compared to $169.3 million for the six months ended June 30, 2022. On a constant

currency basis, third-party managed revenues were $24.6 decreased $217.2 million, for or 86.3% during the six nine months ended June 30, 2023, a decrease of $144.8 million, or 85.5%, from September 30, 2023 compared to the six months ended June 30, 2022. same period in the prior year.

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Third-party On a constant currency basis, third-party managed cost of operations was $21.2 decreased $210.7 million , or 87.5%, during the nine months ended September 30, 2023 compared to the same period in the prior year.

On a constant currency basis, third-party managed segment contribution NOI was $4.3 million for the six nine months ended June 30, 2023 September 30, 2023, a decrease of $140.9 $6.6 million, or 86.9%, compared to $162.1 million for the six months ended June 30, 2022.

Third-party managed segment contribution (NOI) was $2.5 million for the six months ended June 30, 2023, a decrease of $4.7 million, or 65.7%, compared to $7.2 million for the six months ended June 30, 2022 60.3%. the The decreases in revenue, cost, and NOI were primarily due to the strategic exit of operations of our historically largest domestic customer in this segment.

Other Consolidated Operating Expenses

Depreciation and amortization. Depreciation and amortization expense was $169.9 increased of $10.7 million, for or 4.3%, during the six nine months ended June 30, 2023, an increase of $4.6 million, or 2.8%, September 30, 2023 compared to $165.3 million for the six months ended June 30, 2022. same period in the prior year. This increase was primarily due to the impact of our recently completed expansion and development projects, partially offset by the favorable impact of foreign currency translation.

Selling, general and administrative. Corporate-level selling, general and administrative expenses were $116.6 September 30, 2023, decreased $2.0 million, for or 1.2%, during the six nine months ended June 30, 2023, September 30, 2023 compared to the same period in the prior year. This was primarily driven by an increase of $2.8 million, or 2.4%, compared to $113.9 million for the six months ended June 30, 2022. Included in these amounts are business development expenses attributable to new business pursuits, supply chain solutions and underwriting, facility development, customer on-boarding, and engineering and consulting services to support our customers in the cold chain. We believe these capitalization of certain costs are comparable associated with resources dedicated to leasing the Company's in-process automated developments, and costs for recognized related to Project Orion and Cyber Incident recovery efforts within Acquisition, cyber incident and other, publicly-traded REITs. The increase was driven by investments net on the Condensed Consolidated Statement of Operations. Additionally, selling, general and administrative expense benefited from ongoing cost reduction efforts in our IT hosting and application costs, in addition response to higher travel and conference expenses that resumed in 2023, which are partially offset by a decrease in stock-based compensation in connection with the November 2021 retention grant, a significant portion of which vested in November 2022. challenging economic environment.

Acquisition, cyber incident and other, net. Corporate-level acquisition, cyber incident and other, net expenses include the following:

	Nine Months Ended September 30,		Change	
Acquisition, cyber incident and other, net	**2023**	**2022**	**$**	**%**
Acquisition and integration related costs	$ 4,837	$ 15,879	$ (11,042)	(70)%
Cyber incident related costs, net of insurance recoveries	24,403	(785)	$ 25,188	n/r
Severance costs	9,471	5,060	$ 4,411	87 %
Project Orion expenses	7,703	—	$ 7,703	100 %
Litigation	399	179	$ 220	123 %
Terminated site operations costs	—	439	$ (439)	(100)%
Other, net	1,500	(160)	$ 1,660	n/r
Total acquisition, cyber incident and other, net	**$ 48,313**	**$ 20,612**		

Acquisition, cyber incident and other, net. Corporate level acquisition, cyber incident and other, net were $34.4 $48.3 million for the six nine months ended June 30, 2023, September 30, 2023 an increase of $18.6 $27.7 million compared to the six nine months ended June 30, 2022 September 30, 2022. During the six months ended June 30, 2023, we incurred $19.0 Acquisition and integration related costs dereased by $11.0 million of cyber incident from less integration costs inclusive of incremental labor costs, and professional fees customer claims, and related insurance deductibles, $6.2 to acquisitions. Severance costs increased by $4.4 million of severance primarily due to the realignment of certain international operations, $4.5 million operations. Cyber incident related costs, net of implementation insurance recoveries consists of costs related to Project Orion, and $4.2 million of acquisition and integration related costs. Refer the cyber incident further described in Note 1 to Note 3 of the these Condensed Consolidated Financial

Statements, for details. During partially offset by recoveries received related to the six cyber event in 2020. Project Orion expenses represent the non-capitalizable portion of our Project Orion costs, which is an investment in and transformation of our technology systems, business processes and customer solutions. The project includes the implementation of a new, state-of-the-art, cloud-based enterprise resource planning (“ERP”) software system.

Impairment of indefinite and long-lived assets. For the nine months ended June 30, 2022 September 30, 2022, the Company recorded impairment charges totaling $6.6 million. This included a ‘Goodwill’ impairment charge of $3.2 million as we incurred $10.1 million were strategically shifting our focus to our core warehouse portfolio, and winding down business with one of acquisition the largest customers in the Third-party managed segment. It also included an impairment charge of ‘Assets under construction’ of $2.2 million associated with a development project which management determined it would no longer pursue and integration related expenses, an aggregate $3.5 million $1.2 million in Warehouse segment assets which we reduced the carrying value of severance related expenses due to in anticipation of the realignment exit of certain international operations and senior leadership changes, and $2.4 million of litigation fees. leased facilities.

Gain Loss (gain) from sale of real estate. For the six nine months ended June 30, 2023 September 30, 2023 we recorded a $2.3 million gain from the sale of real estate related to the sale of a facility in Canada. The proceeds of the sale were used to repay outstanding Canadian-denominated Revolver short-term borrowings. For the nine months ended September 30, 2022, we recorded a $5.7 million loss from the sale of real estate related to a facility where a customer exercised its option to purchase the facility and we recorded a loss for the excess book value.

Other Expense and Income

The following table presents other items of income and expense for the six nine months ended June 30, 2023 September 30, 2023 and 2022.

	Six Months Ended June 30,		Change
	2023	2022	%
Other (expense) income:	(Dollars in thousands)		
Interest expense	$ (70,854)	$ (52,318)	35.4 %
Loss on debt extinguishment, modifications and termination of derivative instruments	$ (1,172)	$ (1,244)	(5.8)%
Other, net	$ 1,018	$ 1,396	n/r
Loss from investments in partially owned entities	$ (1,357)	$ (823)	n/r
Impairment of related party loan receivable	$ (21,972)	$ —	n/r
Loss on put option	$ (56,576)	$ —	n/r

	Nine Months Ended September 30,		Change
	2023	2022	%
Other (expense) income:	(Dollars in thousands)		
Interest expense	$ (106,426)	$ (82,720)	28.7 %
Loss on debt extinguishment, modifications and termination of derivative instruments	$ (1,855)	$ (2,284)	(18.8)%
Other, net	$ 1,741	$ (1,197)	n/r
Loss from investments in partially owned entities	$ (1,616)	$ (779)	107.4 %
Impairment of related party loan receivable	$ (21,972)	$ —	100.0 %
Loss on put option	$ (56,576)	$ —	100.0 %
Loss from discontinued operations, net of tax	$ (10,453)	$ (6,420)	62.8 %

n/r-not relevant

Interest expense. Interest expense was $70.9 $106.4 million for the six nine months ended June 30, 2023 September 30, 2023, an increase of $18.5 million $23.7 million, or 35.4% 28.7%, compared to $52.3 $82.7 million for the six nine months ended June 30, 2022 September 30, 2022. Our average effective interest rate of our outstanding debt increased from 3.23% 3.47% for the six nine months ended June 30, 2022 September 30, 2022 to 4.15% 4.10% for the six nine months ended June 30, 2023 September 30, 2023, primarily due to the rising interest rates associated with our floating rate borrowings under our Senior Unsecured Credit Facility, as well as higher outstanding borrowings, partially offset by the impact of our interest rate swaps. swaps

Impairment of related party loan receivable. Impairment of related party loan receivable was $22.0 million $22.0 million for the three nine months ended June 30, 2023 September 30, 2023. During the fourth quarter of 2022, the Company entered into a loan agreement with Comfrio, in which Comfrio borrowed $25.0 million from Americold at a 10% annual fixed interest rate. During the three months ended June 30, 2023, second quarter of 2023, the Company fully impaired the remaining balance. balance as the loan was deemed un-collectable.

Loss on put option. Loss on put option was $56.6 million $56.6 million for the six nine months ended June 30, 2023 September 30, 2023, which represents the estimated loss we recognized when the exercise of the Comfrio put was deemed probable. See footnote 2 to these condensed consolidated financial statements herein for further details.

Loss from discontinued operations, net of tax Loss from discontinued operations, net of tax was $10.5 million for the three months ended September 30, 2023, an increase of $4.0 million, or 62.8%, compared to $6.4 million for the three months ended September 30, 2022. This is primarily due $4.6 million disposal costs, our share of losses as minority equity owners in the Comfrio joint venture of $4.1 million, as well as operating losses of $2.6 million, partially offset by the gain on the sale of Comfrio of $1.1 million recorded during the three months ended September 30, 2023. During the three months ended September 30, 2022, expense of $6.4 million consists of our share of losses as minority equity owners in the Comfrio joint venture.

Income Tax Benefit

Income tax benefit for the six nine months ended June 30, 2023 September 30, 2023 was $1.2 $1.7 million, a decrease of $11.6 $14.4 million from an income tax benefit of $12.8 $16.1 million for the six nine months ended June 30, 2022 September 30, 2022. This was primarily due to losses generated improved operating results in certain jurisdictions and a non-recurring $6.5 million discrete tax benefit was recognized in during June 30, 2022 attributable to the deconsolidation of our Chilean operations.

Non-GAAP Financial Measures

We use the following non-GAAP financial measures as supplemental performance measures of our business: NAREIT FFO, Core FFO, Adjusted FFO, EBITDAre, Core EBITDA and net debt to pro-forma Core EBITDA.

We calculate funds from operations, or FFO, in accordance with the standards established by the Board of Governors of the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as net income or loss determined in accordance with U.S. GAAP, excluding extraordinary items as defined under U.S. GAAP and gains or losses from sales of previously depreciated operating real estate and other assets, plus specified non-cash items, such as real estate asset depreciation and amortization impairment charge on real estate related assets and our share of reconciling items for partially owned entities. entities. We believe that FFO is helpful to investors as a supplemental performance measure because it excludes the effect of depreciation, amortization and gains or losses from sales of real estate, all of which are based on historical costs, which implicitly assumes that the value of real estate diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, FFO can facilitate comparisons of operating performance between periods and among other equity REITs..

We calculate core funds from operations, or Core FFO, as NAREIT FFO adjusted for the effects of gain or loss on the sale of non-real estate assets, acquisition, cyber incident and other, net, goodwill and other non-core impairment (when applicable), loss on debt extinguishment, modifications and termination of derivative instruments, foreign currency exchange gains and losses, gain or loss from discontinued operations from assets held for sale, impairment of related party loan receivable, loss on fair value of put, gain on extinguishment of new market tax credit New Market Tax Credit structure, loss on deconsolidation of subsidiary contributed to LATAM joint venture, and gain from disposition sale of partially owned entities. LATAM joint venture. We also adjust for the impact of Core FFO attributable to on our share of reconciling items for partially owned entities. We believe that Core FFO is helpful to investors as a supplemental performance measure because it excludes the effects of certain items which can create significant earnings volatility, but which do not directly relate to our core business operations. We believe Core FFO can facilitate comparisons of operating performance between periods, while also providing a more meaningful predictor of future earnings potential.

However, because NAREIT FFO and Core FFO add back real estate depreciation and amortization and do not capture the level of maintenance capital expenditures necessary to maintain the operating performance of our properties, both of which have material economic impacts on our results from operations, we believe the utility of NAREIT FFO and Core FFO as a measure of our performance may be limited.

We calculate adjusted funds from operations, or Adjusted FFO, as Core FFO adjusted for the effects of amortization of deferred financing costs and pension withdrawal liability, amortization of above or below market leases, non-real estate asset impairment, straight-line net rent, benefit or expense from deferred income taxes, stock-based compensation expense, non-real estate depreciation and amortization and maintenance capital expenditures. We also adjust for AFFO attributable to our share of reconciling items of partially owned entities and discontinued operations. We believe that Adjusted FFO is helpful to investors as a meaningful supplemental comparative performance measure of our ability to make incremental capital investments in our business and to assess our ability to fund distribution requirements from our operating activities.

FFO, Core FFO and Adjusted FFO are used by management, investors and industry analysts as supplemental measures of operating performance of equity REITs. FFO, Core FFO and Adjusted FFO should be evaluated along with U.S. GAAP net income and net income per diluted share (the most directly comparable U.S. GAAP measures) in evaluating our operating performance. FFO, Core FFO and Adjusted FFO do not represent net income or cash flows from operating activities in accordance with U.S. GAAP and are not indicative of our results of operations or cash flows from operating activities as disclosed in our condensed consolidated statements of operations included elsewhere in this Quarterly Report on Form 10-Q. FFO, Core FFO and Adjusted FFO should be considered as supplements, but not alternatives, to our net income or cash flows from operating activities as indicators of our operating performance. Moreover, other REITs may not calculate FFO in accordance with the NAREIT definition or may interpret the NAREIT definition differently than we do. Accordingly, our FFO may not be comparable to FFO as calculated by other REITs. In addition, there is no industry definition of Core FFO or Adjusted FFO and, as a result, other REITs may also calculate Core FFO or Adjusted FFO, or other similarly-captioned metrics, in a manner different than we do. The table below reconciles FFO, Core FFO and Adjusted FFO to net (loss) income, which is the most directly comparable financial measure calculated in accordance with U.S. GAAP.

Reconciliation of Net (Loss) Income to NAREIT FFO, Core FFO, and Adjusted FFO

	(in thousands)								
(In thousands)						*(In thousands)*			
	Three Months Ended June 30,		**Six Months Ended June 30,**			**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2023	**2022**	**2023**	**2022**		**2023**	**2022**	**2023**	**2022**
Net (loss) income	$(104,802)	$ 3,953	$(107,373)	$ (13,492)					
Net loss					Net loss	$ (2,096)	$ (8,937)	$(109,469)	$ (22,429)

Adjustments:	Adjustments:					Adjustments:				
Real estate related depreciation	Real estate related depreciation	54,740	51,738	109,281	103,938	Real estate related depreciation	56,373	53,139	165,654	157,077
Gain on sale of real estate		(2,528)	—	(2,337)	—					
Net loss on asset disposals		—	4	—	67					
Loss (gain) on sale of real estate						Loss (gain) on sale of real estate	78	5,710	(2,259)	5,710
Net (gain) loss on asset disposals						Net (gain) loss on asset disposals	(25)	893	(25)	960
Impairment charges on certain real estate assets						Impairment charges on certain real estate assets	—	3,407	—	3,407
Our share of reconciling items related to partially owned entities	Our share of reconciling items related to partially owned entities	232	1,346	1,135	2,379	Our share of reconciling items related to partially owned entities	290	822	1,425	3,201
NAREIT FFO(b)	NAREIT FFO(b)	(52,358)	57,041	706	92,892	NAREIT FFO(b)	54,620	55,034	55,326	147,926
Adjustments:	Adjustments:					Adjustments:				
Net loss (gain) on sale of non-real estate assets		289	72	709	(163)					
Net (gain) loss on sale of non-real estate assets						Net (gain) loss on sale of non-real estate assets	(296)	310	413	147
Acquisition, cyber incident and other, net	Acquisition, cyber incident and other, net	27,235	5,663	34,382	15,738	Acquisition, cyber incident and other, net	13,931	4,874	48,313	20,612
Goodwill impairment						Goodwill impairment	—	3,209	—	3,209
Loss on debt extinguishment, modifications and termination of derivative instruments	Loss on debt extinguishment, modifications and termination of derivative instruments	627	627	1,172	1,244	Loss on debt extinguishment, modifications and termination of derivative instruments	683	1,040	1,855	2,284
Foreign currency exchange loss (gain)		212	1,290	(246)	965					
Foreign currency exchange loss						Foreign currency exchange loss	705	2,488	459	3,453
Gain on extinguishment of New Market Tax Credit structure	Gain on extinguishment of New Market Tax Credit structure	—	(3,410)	—	(3,410)	Gain on extinguishment of New Market Tax Credit structure	—	—	—	(3,410)
Loss on deconsolidation of subsidiary contributed to LATAM joint venture	Loss on deconsolidation of subsidiary contributed to LATAM joint venture	—	4,148	—	4,148	Loss on deconsolidation of subsidiary contributed to LATAM joint venture	—	—	—	4,148

Our share of reconciling items related to partially owned entities	Our share of reconciling items related to partially owned entities	(27)	(36)	101	311	Our share of reconciling items related to partially owned entities	147	136	248	447
Loss from discontinued operations, net of tax		8,275	—	8,275	—					
(Gain) loss from discontinued operations, net of tax						(Gain) loss from discontinued operations, net of tax	(203)	—	8,072	—
Impairment of related party receivable	Impairment of related party receivable	21,972	—	21,972	—	Impairment of related party receivable	—	—	21,972	—
Loss on put option	Loss on put option	56,576	—	56,576	—	Loss on put option	—	—	56,576	—
Gain on sale of LATAM joint venture	Gain on sale of LATAM joint venture	(304)	—	(304)	—	Gain on sale of LATAM joint venture	—	—	(304)	—
Core FFO applicable to common stockholders(b)	Core FFO applicable to common stockholders(b)	62,497	65,395	123,343	111,725	Core FFO applicable to common stockholders(b)	69,587	67,091	192,930	178,816
Adjustments:	Adjustments:					Adjustments:				
Amortization of deferred financing costs and pension withdrawal liability	Amortization of deferred financing costs and pension withdrawal liability	1,279	1,160	2,519	2,306	Amortization of deferred financing costs and pension withdrawal liability	1,286	1,222	3,805	3,528
Amortization of below/above market leases	Amortization of below/above market leases	375	549	777	1,057	Amortization of below/above market leases	369	540	1,146	1,597
Straight-line net rent	Straight-line net rent	361	77	(130)	281	Straight-line net rent	544	133	414	414
Deferred income taxes benefit	Deferred income taxes benefit	(1,459)	(12,886)	(5,080)	(14,775)	Deferred income taxes benefit	(2,473)	(4,374)	(7,553)	(19,149)
Stock-based compensation expense	Stock-based compensation expense	4,639	7,032	11,609	15,381	Stock-based compensation expense	6,203	6,720	17,812	22,101
Non-real estate depreciation and amortization	Non-real estate depreciation and amortization	30,152	30,952	60,635	61,372	Non-real estate depreciation and amortization	33,355	30,530	93,990	91,902
Maintenance capital expenditures (a)	Maintenance capital expenditures (a)	(22,590)	(20,118)	(38,834)	(36,224)	Maintenance capital expenditures (a)	(20,907)	(22,586)	(59,741)	(58,810)
Our share of reconciling items related to partially owned entities	Our share of reconciling items related to partially owned entities	303	1,713	607	1,606	Our share of reconciling items related to partially owned entities	198	57	805	1,663
Adjusted FFO applicable to common stockholders(b)	Adjusted FFO applicable to common stockholders(b)	$ 75,557	$73,874	$ 155,446	$142,729	Adjusted FFO applicable to common stockholders(b)	$88,162	$79,333	$ 243,608	$222,062

(a) Maintenance capital expenditures include capital expenditures made to extend the life of, and provide future economic benefit from, our existing temperature-controlled warehouse network and its existing supporting personal property and information technology.

(b) During the three months ended June 30, 2023 September 30, 2023, management excluded losses from discontinued operations from Core FFO applicable to common stockholders and Adjusted FFO applicable to common stockholders and included certain losses from discontinued operations for NAREIT FFO. For purposes of comparability using this same approach, the following adjusted historical results are recasted as follows:

		Recasted Three months ended June 30,	Recasted Six Months Ended June 30,	
(in thousands)		2022	2023	2022
NAREIT FFO	57 56	$56,018	$74	$91,165
Core FFO applicable to common stockholders		$67,810	$125,044	$114,917
Adjusted FFO applicable to common stockholders		$74,489	$157,063	$144,083

	Recasted Three Months Ended September 30,	Recasted Nine Months Ended September 30,	
(in thousands)	2022	2023	2022
NAREIT FFO	$54,466	$54,694	$145,631
Core FFO applicable to common stockholders	$68,005	$194,631	$182,922
Adjusted FFO applicable to common stockholders	$80,208	$245,225	$224,291

We calculate NAREIT EBITDA for Real Estate, or EBITDAre, in accordance with the standards established by the Board of Governors of NAREIT, defined as, earnings net loss before interest expense, taxes, income tax benefit, depreciation and amortization, gain or loss on sale of real estate, and adjustment to reflect share of EBITDAre of partially owned entities. EBITDAre is a measure commonly used in our industry, and we present EBITDAre to enhance investor understanding of our operating performance. We believe that EBITDAre provides investors and analysts with a measure of operating results unaffected by differences in capital structures, capital investment cycles and useful life of related assets among otherwise comparable companies.

We also calculate our Core EBITDA as EBITDAre further adjusted for acquisition, cyber incident and other, net, loss from investments in partially owned entities, impairment of indefinite and long-lived assets (when applicable), foreign currency exchange loss, or gain, stock-based compensation expense, loss on debt extinguishment, modifications and termination of derivative instruments, net gain or loss on other asset disposals, reduction in EBITDAre from partially owned entities, impairment of related party loan receivable, loss on fair value of put, gain on extinguishment of new market tax credit New Market Tax Credit structure, and loss on deconsolidation of subsidiary contributed to LATAM joint venture, gain or loss from discontinued operations held for sale and discontinued operations. gain on sale of LATAM joint venture. We believe that the presentation of Core EBITDA provides a measurement of our operations that is meaningful to investors because it excludes the effects of certain items that are otherwise included in EBITDAre but which we do not believe are indicative of our core business operations. EBITDAre and Core EBITDA are not measurements of financial performance under U.S. GAAP, and our EBITDAre and Core EBITDA may not be comparable to similarly titled measures of other companies. You should not consider our EBITDAre and Core EBITDA as alternatives to net income or cash flows from operating activities determined in accordance with U.S. GAAP. Our calculations of EBITDAre and Core EBITDA have limitations as analytical tools, including:

- these measures do not reflect our historical or future cash requirements for maintenance capital expenditures or growth and expansion capital expenditures;
- these measures do not reflect changes in, or cash requirements for, our working capital needs;
- these measures do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness;
- these measures do not reflect our tax expense or the cash requirements to pay our taxes; and
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and these measures do not reflect any cash requirements for such replacements.

We use EBITDAre and Core EBITDA as measures of our operating performance and not as measures of liquidity. The table below reconciles EBITDAre and Core EBITDA to net (loss) income, which is the most directly comparable financial measure calculated in accordance with U.S. GAAP.

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Reconciliation of Net Loss to NAREIT EBITDAre and Core EBITDA

Reconciliation of Net (Loss) Income to NAREIT EBITDAre and Core EBITDA

Reconciliation of Net (Loss) Income to NAREIT EBITDAre and Core EBITDA

(In thousands)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net (loss) income	$ (104,802)	$ 3,953	$ (107,373)	$ (13,492)
Adjustments:				
Depreciation and amortization	84,892	82,690	169,916	165,310
Interest expense	36,431	26,545	70,854	52,318
Income tax expense (benefit)	464	(12,069)	(1,180)	(12,777)
Gain on sale of real estate	(2,528)	—	(2,337)	—
Adjustment to reflect share of EBITDAre of partially owned entities	3,085	6,215	5,968	9,413
NAREIT EBITDAre(a)	$ 17,542	$ 107,334	$ 135,848	$ 200,772
Adjustments:				
Acquisition, cyber incident, and other, net	27,235	5,663	34,382	15,738
Loss on partially owned entities	709	3,647	3,738	5,759
Foreign currency exchange loss (gain)	212	1,290	(246)	965
Stock-based compensation expense	4,639	7,032	11,609	15,381
Loss on debt extinguishment, modifications and termination of derivative instruments	627	627	1,172	1,244
Loss (gain) on other asset disposals	289	76	709	(96)

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Net loss	$ (2,096)	$ (8,937)	$ (109,469)	$ (22,429)
Adjustments:				
Depreciation and amortization	89,728	83,669	259,644	248,979
Interest expense	35,572	30,402	106,426	82,720
Income tax benefit	(492)	(3,368)	(1,672)	(16,145)
Loss (gain) on sale of real estate	78	5,710	(2,259)	5,710
Adjustment to reflect share of EBITDAre of partially owned entities	1,495	3,383	7,464	12,796
NAREIT EBITDAre(a)	$ 124,285	$ 110,859	$ 260,134	$ 311,631
Adjustments:				
Acquisition, cyber incident, and other, net	13,931	4,874	48,313	20,612
Loss on partially owned entities	259	1,440	3,997	7,199
Impairment of indefinite and long-lived assets	—	6,616	—	6,616
Foreign currency exchange loss	705	2,488	459	3,453
Stock-based compensation expense	6,203	6,720	17,812	22,101
Loss on debt extinguishment, modifications and termination of derivative instruments	683	1,040	1,855	2,284
Loss (gain) on other asset disposals	(321)	1,203	388	1,107

Gain on extinguishment of New Market Tax Credit structure	Gain on extinguishment of New Market Tax Credit structure	—	(3,410)	—	(3,410)	Gain on extinguishment of New Market Tax Credit structure	—	—	—	(3,410)
Loss on deconsolidation of subsidiary contributed to LATAM joint venture	Loss on deconsolidation of subsidiary contributed to LATAM joint venture	—	4,148	—	4,148	Loss on deconsolidation of subsidiary contributed to LATAM joint venture	—	—	—	4,148
Reduction in EBITDAre from partially owned entities	Reduction in EBITDAre from partially owned entities	(3,085)	(6,215)	(5,968)	(9,413)	Reduction in EBITDAre from partially owned entities	(1,495)	(3,383)	(7,464)	(12,796)
Loss from discontinued operations, net of tax		8,275	—	8,275	—					
Gain (loss) from discontinued operations, net of tax						Gain (loss) from discontinued operations, net of tax	(203)	—	8,072	—
Impairment of related party receivable	Impairment of related party receivable	21,972	—	21,972	—	Impairment of related party receivable	—	—	21,972	—
Loss on put option	Loss on put option	56,576	—	56,576	—	Loss on put option	—	—	56,576	—
Gain on sale of LATAM joint venture	Gain on sale of LATAM joint venture	(304)	—	(304)	—	Gain on sale of LATAM joint venture	—	—	(304)	—
Core EBITDA	Core EBITDA	$ 134,687	$ 120,192	$ 267,763	$ 231,088	Core EBITDA	$ 144,047	$ 131,857	$ 411,810	$ 362,945

(a) During the three months ended June 30, 2023 September 30, 2023, management included certain losses from discontinued operations in NAREIT EBITDAre. For purposes of comparability using this same approach, the following adjusted historical results recasted are as follows:

		Recasted Three months ended June 30,	**Recasted Six Months Ended June 30,**			**Recasted Three Months Ended September 30,**	**Recasted Nine Months Ended September 30,**	
(in thousands)	*(in thousands)*	**2022**	**2023**	**2022**	*(in thousands)*	**2022**	**2023**	**2022**
NAREIT EBITDAre	NAREIT EBITDAre	$102,460	$134,414	$193,702	NAREIT EBITDAre	$108,487	$258,699	$302,189

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LIQUIDITY AND CAPITAL RESOURCES

The Company and the Operating Partnership have filed a registration statement on Form S-3 with the SEC registering, among other securities, debt securities of the Operating Partnership, which will be fully and unconditionally guaranteed by the Company. Separate Consolidated Financial Statements of the Operating Partnership have not been presented in accordance with the amendments to Rule 3-10 of Regulation S-X. Furthermore, as permitted under Rule 13-01(a)(4)(vi), the Company has excluded the summarized financial information for the Operating Partnership as the assets, liabilities and results of operations of the Company and the Operating Partnership are not materially different than the corresponding amounts presented in the Consolidated

Financial Statements of the Company, and management believes such summarized financial information would be repetitive and not provide incremental value to investors.

We currently expect that our Our principal sources of funding for working capital, facility acquisitions, business combinations, expansions, maintenance and renovation of our properties, developments projects, debt service and distributions to our stockholders will financial commitments include:

- current cash balances;
- cash flows from operations;
- our Senior Unsecured Revolving Credit Facility;
- our ATM Equity Programs; and
- other forms of debt financings and equity offerings, including capital raises through joint ventures.

We expect that our funding sources as noted above are adequate and will continue to be adequate to meet our short-term and long-term liquidity requirements and capital commitments. These liquidity requirements and capital commitments include:

- operating activities and overall working capital;
- capital expenditures;
- capital contributions and investments in joint ventures;
- debt service obligations; and
- quarterly stockholder distributions. distributions; and
- future development, expansion, and acquisition related activities.

We expect to utilize the same sources of capital we will rely on to meet our short-term liquidity requirements to also meet our long-term liquidity requirements, which include funding our operating activities, our debt service obligations and stockholder distributions, and our future development and acquisition activities.

We are issued a well-known seasoned issuer with an effective shelf registration statement filed on March 17, 2023, which registered an indeterminate amount of common shares, preferred shares, depositary shares and warrants, as well as debt securities of the Operating Partnership, which will be fully and unconditionally guaranteed by us. the Company. As circumstances warrant, we may issue equity securities from time to time on an opportunistic basis, dependent upon market conditions and available pricing. We may use the proceeds for general corporate purposes which may include the repayment of outstanding indebtedness, the funding of development, expansion and acquisition opportunities and to increase working capital. fund the liquidity requirements noted above.

On March 17, 2023, we also entered into an equity distribution agreement pursuant to which we may sell, from time to time, up to an aggregate sales price of $900.0 million of our common shares through an At-The-Market equity program (“2023 ATM equity program. Equity Program”). Sales of our common stock made pursuant to the 2023 ATM Equity Program may be made in negotiated transactions or transactions that are deemed to be “at the market” offerings as defined in Rule 415 under the Securities Act, including sales made directly on the NYSE, or sales made to or through a market maker other than

on an exchange, or as otherwise agreed between the applicable Agent and us. Sales may also be made on a forward basis pursuant to separate forward sale agreements. We intend to use the net proceeds from sales of our common stock pursuant to the 2023 ATM Equity Program for general corporate purposes which may include funding acquisitions and development projects. There was no activity to fund the liquidity requirements noted above. During the three and nine months ended September 30, 2023, the Company issued 13,244,905 shares under the 2023 ATM Equity Program, during resulting in net proceeds of $412.9 million after paying the six months ended June 30, 2023. sales agents $6.0 million of commissions and other professional fees.

By operation of law and in accordance with our customer contracts (other than leases), we typically receive warehouseman's liens on products held in our warehouses to secure customer payments. Such liens permit us to take control of the products and sell them to third parties in order to recover any monies receivable on a delinquent account, but such products may be perishable or otherwise not readily salable by us. Historically, in instances where we have warehouseman's liens and our customer sought bankruptcy protection, we have been successful in receiving "critical vendor" status, which has allowed us to fully collect on our accounts receivable during the pendency of the bankruptcy proceeding.

Our bad debt expense was $1.3 million $1.0 million and $2.5 million $0.3 million for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively, and $2.0 million $3.0 million and $3.8 million $4.1 million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. As of June 30, 2023 September 30, 2023, we maintained bad debt allowances of approximately $15.9 $18.5 million, which we believed believe to be adequate.

Dividends and Distributions

We are required to As a REIT, we must distribute 90% of our taxable income (excluding capital gains) on an annual basis in order to continue to qualify as a REIT for federal income tax purposes. Accordingly, we intend to make, but are not contractually bound to make, regular quarterly distributions to stockholders from cash flows from our operating activities. annually. While historically we have satisfied this distribution requirement by making cash distributions to our stockholders, we may choose to satisfy this requirement by making distributions of cash or other property. All such distributions are at the discretion of our Board of Directors. We consider market factors and our performance in addition to REIT requirements in determining distribution levels. We Historically, we have distributed at least 100% of our taxable income annually, since inception, to minimize corporate-level federal income taxes. Amounts accumulated for distribution to stockholders are invested primarily in interest-bearing accounts which are consistent with our intention to maintain our status as a REIT.

As a result of this The REIT distribution requirement we cannot limits our ability to rely on retained earnings to fund our ongoing operations compared to the same extent that other companies which are not REITs can. We non-REIT companies. To meet financial commitments, capital needs, and REIT distribution requirements, we may need to continue to raise capital in the through debt and equity markets to fund our working capital needs, as well as potential developments in new or existing properties, acquisitions or investments in existing or newly created joint ventures. In addition, we may be required to and use borrowings under our revolving credit facility, if necessary, to meet REIT distribution requirements and maintain our REIT status. facility.

For further information regarding dividends and distributions, refer to our Consolidated Financial Statements included in our 2022 Annual Report on Form 10-K as filed with the SEC.

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Outstanding Indebtedness

The following table summarizes our outstanding indebtedness as of June 30, 2023 September 30, 2023 (in thousands):

Debt Summary:		
Fixed rate(1)	$	2,601,975 2,572,100
Variable rate - unhedged		723,436 359,201
Total mortgage notes, senior unsecured notes, term loans and borrowings under revolving line of credit		3,325,411 2,931,301
Sale-leaseback financing obligations		166,654 164,372
Financing lease obligations		76,502 70,170
Total debt and debt-like obligations	$	3,568,567 3,165,843
Percent of total debt and debt-like obligations:		
Fixed rate		80 89 %
Variable rate		20 11 %
Effective interest rate as of June 30, 2023 September 30, 2023		4.21 4.02 %

(1) The total includes borrowings with a variable interest rate that have been effectively hedged through interest rate swaps.

The variable rate debt shown above bears interest at interest rates based on various one-month SOFR, CDOR, SONIA, BBSW, EURIBOR, and BKBM rates, depending on the respective agreement governing the debt, including our global revolving credit facilities. As of June 30, 2023 September 30, 2023, our debt had a weighted average term to maturity of approximately 5.6 5.5 years, assuming exercise of extension options.

For further information regarding outstanding indebtedness, please see Note 4 and Note 5 to our Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q and Note 9 to our Consolidated Financial Statements included in our 2022 Annual Report on Form 10-K as filed with the SEC. SEC, respectively.

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Aggregate Future Repayments of Indebtedness

The aggregate maturities of indebtedness as of June 30, 2023 September 30, 2023 for each of the next five years and thereafter, are as follows (in thousands):

Twelve Months Ending June 30:						
Year ended:				Year ended:		
2023				2023	$	—
2024	2024	$	—	2024		—
2025	2025		—	2025		—
2026	2026		200,000	2026		934,201
2027	2027		1,098,436	2027		—
2028			458,800			
Thereafter			1,568,175			
2028 - Thereafter				2028 - Thereafter		1,997,100
Aggregate principal amount of indebtedness	Aggregate principal amount of indebtedness		3,325,411	Aggregate principal amount of indebtedness		2,931,301
Less: unamortized deferred financing costs	Less: unamortized deferred financing costs		(11,848)	Less: unamortized deferred financing costs		(11,173)

Total indebtedness, net of deferred financing costs	**Total indebtedness, net of deferred financing costs**	$ 3,313,563	**Total indebtedness, net of deferred financing costs**	$ 2,920,128

Credit Ratings

Our capital structure and financial practices have earned us investment grade credit ratings from three nationally recognized credit rating agencies. We have investment grade ratings of agencies as follows:

- BBB with a negative outlook from Fitch
- BBB with a Stable Trends outlook from DBRS Morningstar and an investment grade rating of
- Baa3 with a stable outlook from Moody's. Moody's

These credit ratings are important to our ability to issue debt at favorable rates of interest, among other terms. Refer to our risk factor "*Adverse changes in our credit ratings could negatively impact our financing activity*" in our Annual Report on Form 10-K.

Maintenance Capital Expenditures and Repair and Maintenance Expenses

We utilize a strategic and preventative approach to maintenance capital expenditures and repair and maintenance expenses to maintain the high quality and operational efficiency of our warehouses and ensure that our warehouses meet the "mission-critical" role they serve in the cold chain.

Maintenance Capital Expenditures

Maintenance capital expenditures are capitalized investments made to extend the life of, and provide future economic benefit from, our existing temperature-controlled warehouse network and its existing supporting personal property and information technology systems. Examples of maintenance capital network. Such expenditures related to our existing temperature-controlled warehouse network examples include replacing roofs roof and refrigeration equipment and upgrading our racking systems. Examples of maintenance capital expenditures related to personal property include expenditures on material replacement, IT system updates, handling equipment (*e.g.*, fork lifts and pallet jacks) and related batteries. Examples of maintenance capital expenditures related to information technology include expenditures on existing servers, networking equipment and current software. upgrades, amongst others. Maintenance capital expenditures do not include acquisition costs contemplated when underwriting with the purchase of a building or costs which are incurred to bring a building up to Americold's operating standards. building.

The following table sets forth our maintenance capital expenditures for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022.

		Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022		Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
		(In thousands, except per cubic foot amounts)					(In thousands, except per cubic foot amounts)			
Real estate	Real estate	$ 20,430	$ 17,825	$ 35,329	$ 31,689	Real estate	$ 18,041	$ 18,426	$ 53,370	$ 50,115
Personal property	Personal property	1,367	1,457	1,692	2,431	Personal property	692	1,357	2,384	3,788
Information technology	Information technology	793	836	1,813	2,104	Information technology	2,174	2,803	3,987	4,907

Maintenance capital expenditures(1)	Maintenance capital expenditures(1)	$ 22,590	$ 20,118	$ 38,834	$ 36,224	Maintenance capital expenditures(1)	$ 20,907	$ 22,586	$ 59,741	$ 58,810
Maintenance capital expenditures per cubic foot	Maintenance capital expenditures per cubic foot	$ 0.015	$ 0.014	$ 0.026	$ 0.025	Maintenance capital expenditures per cubic foot	$ 0.014	$ 0.015	$ 0.040	$ 0.040

(1) Excludes $0.3 million a nominal amount and $9.2 million $3.3 million of deferred acquisition maintenance capital expenditures incurred for the three months ended June 30, 2023 September 30, 2023 and 2022, respectively. Excludes $0.6 million and $11.0 million $14.3 million of deferred acquisition maintenance capital expenditures incurred for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

Repair and Maintenance Expenses

We incur repair and maintenance expenses that include costs of for normal maintenance, and repairs, and minor replacements at our warehouses that do not materially extend the life of the property or provide future economic benefits. Repair and maintenance Such expenses consist of expenses related to our existing temperature-controlled warehouse network and its existing supporting personal property and are reflected recognized as operating expenses on our Condensed Consolidated Statement of Operations. Examples of repair and maintenance expenses related to our warehouse portfolio include ordinary repair roof, wall, and maintenance on roofs, racking, walls, doors, parking lots and refrigeration equipment. Examples of repair and maintenance expenses related to personal property include ordinary repair and maintenance expenses on material other handling equipment (repairs.

e.g., fork lifts and pallet jacks) and related batteries. The increase in costs is due to rising inflationary pressures. The following table sets forth our repair and maintenance expenses for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022.

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
		(In thousands, except per cubic foot amounts)					(In thousands, except per cubic foot amounts)			
Real estate	Real estate	$ 12,304	$ 10,288	$ 21,106	$ 19,131	Real estate	$ 12,452	$ 10,323	$ 33,558	$ 29,454
Personal property	Personal property	17,096	13,809	37,061	28,255	Personal property	17,987	14,264	55,048	42,519
Repair and maintenance expenses	Repair and maintenance expenses	$ 29,400	$ 24,097	$ 58,167	$ 47,386	Repair and maintenance expenses	$ 30,439	$ 24,587	$ 88,606	$ 71,973
Repair and maintenance expenses per cubic foot	Repair and maintenance expenses per cubic foot	$ 0.020	$ 0.016	$ 0.039	$ 0.032	Repair and maintenance expenses per cubic foot	$ 0.020	$ 0.017	$ 0.059	$ 0.049

External Growth, Expansion and Development Capital Expenditures

External growth expenditures represent asset acquisitions or business combinations. Expansion and development capital expenditures are capitalized investments made to support both our customers and our warehouse expansion and development initiatives. It also includes investments in enhancing expansions, including improvements to our information technology platform.

Examples of capital expenditures associated with expansion and development initiatives include funding of construction costs, increases to warehouse capacity and pallet positions, acquisitions of reusable incremental material handling equipment, and position expansion, implementing energy efficiency projects, such as thermal energy storage, LED lighting, motion-sensor technology, variable frequency drives for our fans and compressors, rapid-close doors and alternative-power generation technologies. Examples of capital expenditures to enhance our information technology platform include the delivery of new systems, and software and customer interface functionality.

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Acquisitions and Dispositions

For information regarding acquisitions completed during 2023, refer to Note 2 of the Notes to the Condensed Consolidated Financial Statements. For information regarding acquisitions completed during 2022, refer to our 2022 Annual Report on Form 10-K which includes details of the purchase price allocation for each acquisition. 10-K.

Expansion and development

The expansion and development expenditures for the six nine months ended June 30, 2023 are primarily driven by $5.6 September 30, 2023 include $9.1 million related to our two fully-automated, build-to-suit, development sites in Connecticut and Pennsylvania, $9.5 $12.4 million for the Spearwood, Australia expansion, $7.7 $10.6 million related to our Russellville, Arkansas expansion, and $5.5 $11.2 million related to our Atlanta Major Market Strategy - Phase 2. During the six nine months ended June 30, 2023 September 30, 2023, we also incurred capitalized interest of $7.1 $10.2 million and capitalized insurance, property taxes, and compensation and travel expense aggregating to $3.5 $9.3 million related to our ongoing expansion and development projects.

Expansion and development initiatives for the nine months ended September 30, 2023 also include $4.8 million $14.0 million of corporate initiatives and smaller customer driven growth projects, which are designed to reduce future spending over the course of time. This category reflects includes return on investment projects, conversion of leases to owned assets, and other cost-saving initiatives. Finally, we incurred invested approximately $5.0 million $2.9 million during the six nine months ended June 30, 2023 September 30, 2023 for contemplated future expansion or development projects.

Asset acquisitions During the nine months ended September 30, 2023 we entered into an asset acquisition of $20.1 million which includes the cost to purchase a certain facility that was previously leased.

The decrease leased, and $23.5 million for a single facility in costs from the six months ended June 30, 2022 to the six months ended June 30, 2023 is due to fewer outstanding expansion and development projects as compared to the prior year. Australia.

The following table sets forth our acquisition, expansion and development capital expenditures for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022.

		Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022		Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
		(In thousands)					(In thousands)			
Business combinations	Business combinations	$ 40,743	$ (209)	$ 40,743	$ (812)	Business combinations	$ 5,909	$ 16,040	$ 46,652	$ 15,228
Asset acquisitions	Asset acquisitions	20,081	6,876	20,081	6,876	Asset acquisitions	23,496	7,705	43,577	14,581
Expansion and development initiatives	Expansion and development initiatives	19,567	46,770	48,290	105,291	Expansion and development initiatives	31,438	32,300	79,728	144,467
Information technology	Information technology	1,721	1,020	3,334	1,761	Information technology	3,018	1,637	6,352	3,398
Growth and expansion capital expenditures	Growth and expansion capital expenditures	$ 82,112	$ 54,457	$ 112,448	$ 113,116	Growth and expansion capital expenditures	$ 63,861	$ 57,682	$ 176,309	$ 177,674

Historical Cash Flows

		Six Months Ended June 30, 2023	Six Months Ended June 30, 2022		Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
		(In thousands)			(In thousands)	
Net cash provided by operating activities	Net cash provided by operating activities	$ 82,768	$ 133,242	Net cash provided by operating activities	$ 193,213	$ 182,883
Net cash used in investing activities	Net cash used in investing activities	$ (162,674)	$ (191,960)	Net cash used in investing activities	$ (258,378)	$ (288,008)

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Net cash provided by financing activities	Net cash provided by financing activities	$	76,513	52,219	Net cash provided by financing activities	$	69,060	74,473

Operating Activities

For the six nine months ended June 30, 2023 September 30, 2023, our net cash provided by operating activities was $82.8 million $193.2 million, a decrease an increase of $50.5 million $10.3 million, compared to $133.2 million $182.9 million for the six nine months ended June 30, 2022 September 30, 2022. The decrease increase is primarily due to the payment of the annual bonus accrual in 2023, which did not occur in 2022. Additionally, the Cyber Incident limited our ability to collect billings. This was partially offset by the impact of improved NOI as a result of rate increases and improvements in economic occupancy.

Investing Activities

Our net cash used in investing activities was $162.7 million $258.4 million for the six nine months ended June 30, 2023 September 30, 2023 compared to $192.0 million $288.0 million for the six nine months ended June 30, 2022 September 30, 2022. Additions to property, buildings and equipment were $128.0 million $188.3 million, reflecting maintenance capital expenditures and investments in our various expansion and development projects. Additionally, we purchased the remaining outstanding equity ownership of the Comfrio joint venture for $40.7 million $46.7 million, which we subsequently sold in August of 2023, and completed an asset acquisition and a lease buyout for a facility for $20.1 million $43.6 million. Finally, we invested $18.5 million $20.0 million in a loan additional loans to the Comfrio joint venture, ventures, approximately $15.0 million of which was subsequently impaired, as well as a minority equity interest in the RSA joint venture. This was partially offset by proceeds from the sale of our share of the LATAM joint venture of $36.9 million.

Net cash used in investing activities was $192.0 million $288.0 million for the six nine months ended June 30, 2022 related to cash September 30, 2022. Cash used for additions to property, buildings and equipment of $181.7 million was $254.1 million, reflecting maintenance capital expenditures and investments in our various expansion and development projects. Additionally, we invested $6.9 million $14.6 million in acquisitions of property, buildings and equipment for the buyout of a two previously leased facility. facilities and $15.2 million for the acquisition of De Bruyn Cold Storage. Finally, we invested $4.4 million in the formation of the LATAM joint venture and capital contributions to the SuperFrio joint venture.

Financing Activities

Net cash provided by financing activities was $76.5 million $69.1 million for the six nine months ended June 30, 2023 September 30, 2023 compared to $52.2 million $74.5 million for the six nine months ended June 30, 2022 September 30, 2022. Cash provided by financing activities for the current period primarily consisted of $219.7 million $545.4 million in net proceeds from our Senior Unsecured Revolving Credit Facility and $412.9 million in net proceeds from the issuance of repayments, common stock under the 2023 ATM Equity Program, offset by $119.8 million $679.2 million in repayments on our Senior Unsecured Revolving Credit Facility, $179.6 million of quarterly dividend distributions paid and $24.4 million $33.1 million aggregate lease repayments.

Net cash provided by financing activities was $52.2 million $74.5 million for the six nine months ended June 30, 2022 September 30, 2022. Cash provided by financing activities primarily consisted of $198.3 million $404.6 million in net proceeds from our Senior Unsecured Revolving Credit Facility and $200.0 million in proceeds from our refinancing of the term loan under the Senior Unsecured Credit Facility, offset by $119.5 million $303.9 million in repayments on our Senior Unsecured Revolving Credit Facility, $179.6 million of quarterly dividend distributions paid. paid, $30.3 million aggregate lease repayments and $11.6 million for payment of debt issuance costs.

SIGNIFICANT ACCOUNTING POLICIES UPDATE

Refer to Part II, “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Form 10-K for a discussion of our critical accounting estimates and assumptions.

NEW ACCOUNTING PRONOUNCEMENTS

See Note 1 to our Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Our future income and cash flows relevant to financial instruments are dependent upon prevalent market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates.

As of June 30, 2023 September 30, 2023, we had $645.0 million of outstanding USD-denominated variable-rate debt and $250.0 million of outstanding CAD-denominated variable-rate debt under the Senior Unsecured Term Loan Facility. This consisted of our Senior Unsecured Term Loan A Facility bearing interest at one-month SOFR for the USD tranche tranches and one-month CDOR for the CAD tranche, plus a margin of up to 0.94%. We have entered into interest rate swaps to effectively lock in the floating rates on all of our USD-denominated term loan loans at a weighted average rate of 4.39% and $250.0 million of our outstanding CAD-denominated term loan at a weighted average rate of 4.53%. After incorporating the effects of the interest rate swaps, we have no outstanding variable-rate term loan debt.

Additionally, we had C$35.0 million, £78.0 million, A$156.0 189.0 million, $432.0 $47.0 million USD, €49.5 €58.5 million, and $13.0 million NZD outstanding of Senior Unsecured Revolving Credit Facility draws. At June 30, 2023 September 30, 2023, one-month term and daily SOFR was approximately 5.05% 5.30%, one-month CDOR was approximately 5.25% 5.38%, one-month SONIA was at 4.93% 5.18%, one-month AUD BBSW was approximately 4.16% 4.11%, one-month EURIBOR was approximately 3.42% 3.86%, and one-month BKBM was approximately 5.66% 5.67%. The interest rate paid on borrowings can never drop below 0%, although the associated benchmark rate does. Therefore, a 100 basis point increase in market interest rates would result in an increase in annual interest expense to service our variable-rate debt of approximately $7.2 million, $3.6 million, and a 100 basis point decrease in market interest rates would result in a $7.2 million $3.6 million decrease in annual interest expense.

Foreign Currency Risk

As it relates to the currency of countries where we own and operate warehouse facilities and provide logistics services, our foreign currency risk exposure at June 30, 2023 September 30, 2023 was not materially different than what we disclosed in our 2022 Annual Report on Form 10-K as filed with the SEC. The information concerning market risk in Item 7A under the caption “Quantitative and Qualitative Disclosures about Market Risk” of our 2022 Annual Report on Form 10-K, is hereby incorporated by reference in this Quarterly Report on Form 10-Q.

Item 4. Controls and Procedures

Evaluation of Controls and Procedures

As discussed in Note 1 of the notes to the Condensed Consolidated Financial Statements in this Form 10-Q, and as previously disclosed, on April 26, 2023, we began to receive evidence that our computer network was affected by a cybersecurity incident. Our investigation of the circumstances that led to this incident and resulting impact on our internal controls over financial reporting (ICFR) is ongoing at this point in time. As part of the Company’s overall plan to address the cybersecurity incident, actions were taken in the second quarter and third quarters of 2023 and are continuing and will continue to be taken in take place during the third fourth quarter of 2023 to improve our IT general controls environment.

The Company is conducting a thorough review of the cybersecurity incident. We will consider the outcome of this work as we complete our evaluation. In accordance with Rule 13a-15(b) of the Exchange Act, the Company’s management, with the participation of the Chief Executive Officer and the Chief Financial Officer, carried out an evaluation of the effectiveness of the Company’s “disclosure controls and procedures,” as defined in Rules 13a-15(e) and

15d-15(e) of the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of June 30, 2023 September 30, 2023.

Changes in Internal Control over Financial Reporting

As a result of the cybersecurity incident, we performed additional tests of controls and manual compensating controls. There has been no change in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Our management is responsible for establishing and maintaining adequate "internal control over financial reporting," as defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our management, including the Chief Executive Officer and Chief Financial Officer do not expect that our internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may be party to a variety of legal proceedings arising in the ordinary course of our business. We are not a party to, nor is any of our property a subject of, any material litigation or legal proceedings or, to the best of our knowledge, any threatened litigation or legal proceedings which, in the opinion of management, individually or in the aggregate, would have a material impact on our business, financial condition, liquidity, results of operations and prospects.

See Note 8 - Commitments and Contingencies to our Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for information regarding material legal proceedings in which we are involved.

Item 1A. Risk Factors

Investing in our common shares involves risks and uncertainties. You should consider and read the information contained in our 2022 Annual Report on Form 10-K, including the risk factors identified in Item 1A of Part I thereof (Risk Factors) and the risk factor identified below. Any of the risks discussed in our 2022 Annual Report on Form 10-K, our Quarterly Report Reports on Form 10-Q, and in other reports we file with the SEC, and other risks we have not anticipated or discussed, could have a material adverse impact on our business, financial condition or results of operations.

The following risk factor provides a supplement and update to the risk factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 in response to Item 1A of Part I of such Form 10-K, in order to provide information regarding a recent cybersecurity incident.

- *A failure of our information technology systems, cybersecurity attacks or a breach of our information security systems, networks or processes could cause business disruptions and the loss of confidential information and may materially adversely affect our business.*

We rely extensively on our computer systems to process transactions, operate and manage our business. Despite efforts to avoid or mitigate such risks, external and internal risks, such as malware, ransomware, insecure coding, data leakage and human error pose direct threats to the stability and effectiveness of our information technology systems. The failure of our information technology systems to perform as anticipated, and the failure to integrate disparate systems effectively or to collect data accurately and consolidate it a useable manner efficiently could adversely affect our business through transaction errors, billing and invoicing errors, processing inefficiencies or errors and loss of sales, receivables, collections and customers, in each case, which could result in reputational damage and have an ongoing adverse effect on our business, results of operation and financial condition.

We may also be subject to cybersecurity attacks and other intentional hacking. These attacks could include attempts to gain unauthorized access to our data and computer systems. In particular, as discussed further below, our operations have been, and may in the future be, subject to ransomware or cyber-extortion attacks, which could significantly disrupt our operations. Generally, such attacks involve restricting access to computer systems or vital data. We employ a number of measures to prevent, detect and mitigate these threats, which include password protection, frequent password changes, firewall detection systems, frequent backups, a redundant data system for core applications and annual penetration testing; however, there is no guarantee such efforts will be successful in preventing a cybersecurity attack. A cybersecurity attack or breach could compromise the confidential

information of our associates, customers and vendors. A successful attack could result in service interruptions,

operational difficulties, loss of revenue or market share, liability to our customers or others, diversion of corporate resources and injury to our reputation and increased costs. In such cases, we may have to operate manually, which may result in considerable delays in our handling of and damage to perishable products or interruption to other key business processes. Addressing such issues could prove difficult or impossible and be very costly. Responding Additionally, a successful attack may result in our customers making monetary claims against us pursuant to claims or liability could similarly involve substantial costs. the terms of their contracts with us, the amount of which may be significant.

In addition, our customers rely extensively on computer systems to process transactions and manage their business and thus their businesses are also at risk from, and may be impacted by, cybersecurity attacks. An interruption in the business operations of our customers or a deterioration in their reputation resulting from a cybersecurity attack could indirectly impact our business operations.

Our computer network has been subjected to cyber attacks from time to time. We previously suffered a cyber attack in November 2020 and more recently identified a separate cyber incident in April 2023. In late April 2023, we determined that our information technology system had experienced a cybersecurity incident. We immediately implemented containment measures and took operations offline to secure our systems and reduce disruption to our business and customers. We have launched a review of reviewed the nature and scope of the incident, are working closely with cybersecurity experts and legal counsel, and have reported the matter to law enforcement.

As a result of the April 2023 cyber incident, our operations have been were impacted. In particular, the incident resulted in a significant number of our facilities being unable to receive or deliver products for a period of time. Such operational impacts have resulted in considerable delays in the delivery of our products to our customers or interruption to other key business processes. processes for a period of time. We have also received a number of claims from our customers pursuant to the terms of their contracts as a result of this incident, and we have established a reserve for these claims. The expense is reflected in “Acquisition, cyber and other, net” on the Condensed Consolidated Statement of Operations for the three and nine months ended September 30, 2023, and the reserve balance is included in “Accounts payable and accrued expenses” in our Condensed Consolidated Balance Sheet as of September 30, 2023.

While our full Our investigation into the April 2023 cyber incident is still ongoing, our initial examination revealed unauthorized access to personal information. We are currently working to identify populations of impacted individuals in order to make notifications to impacted individuals and to regulators, in accordance with applicable law. As a result of this unauthorized access, we may be subject to subsequent investigations, claims or actions in addition to other costs, fines, penalties, or other obligations related to impacted data. In addition, the misuse, or perceived misuse, of sensitive or confidential information regarding our business could cause harm to our reputation and result in the loss of business with existing or potential customers, which could adversely impact our business, results of operations and financial condition.

Based on the information currently known, we cannot yet determine whether the April 2023 cybersecurity attack will have a material impact on our business, results of operations or financial condition, and no assurances can be given as we continue to assess the full impact from the incident. We may also be subject to unrelated future incidents that could have a material adverse effect on our business, results of operations or financial condition or may result in operational impairments and financial losses, as well as significant harm to our reputation.
Our management is responsible for establishing and maintaining adequate “internal control over financial reporting,” as defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our management, including the Chief Executive Officer and Chief Financial Officer do not expect that our internal controls will

prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

Item 2. Unregistered Sales of Equity Securities, and Use of Proceeds, and Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

During the three months ended June 30, 2023 September 30, 2023, none of the Company's directors or officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement. arrangement (as such term is defined in Item 408(c) of Regulation S-K).

Item 6. Exhibits

Index to Exhibits

Exhibit No.	Description
10.1	Offer Letter, dated as of July 24, 2023, by and between the Company and Bryan Verbarendse (incorporated by reference to Exhibit 10.1 to Americold Realty Trust's Current Report on Form 8-K filed on August 28, 2023 (File No. 001-34723))
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
101	The following financial statements of Americold Realty Trust's Form 10-Q for the quarter ended June 30, 2023 September 30, 2023, formatted in XBRL interactive data files: (i) Condensed Consolidated Balance Sheets as of June 30, 2023 September 30, 2023 and December 31, 2022; (ii) Condensed Consolidated Income Statements for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022; (iii) Condensed Consolidated Statements of Comprehensive Income for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022; (iv) Condensed Consolidated Statements of Equity for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022; (v) Condensed Consolidated Statements of Cash Flows for the six nine months ended June 30, 2023 September 30, 2023 and 2022; and (vi) Notes to Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERICOLD REALTY TRUST, INC.
(Registrant)

Date: August 3, November 2, 2023

By: /s/ Marc J. Smernoff

Name: Marc J. Smernoff
Title: Chief Financial Officer, Treasurer and Executive Vice President
(On behalf of the registrant and as principal financial officer)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, George Chappelle Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Americold Realty Trust, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2023 November 2, 2023

/s/ George F. Chappelle Jr.

George F. Chappelle Jr.
Chief Executive Officer and Director

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Marc Smernoff, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Americold Realty Trust, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2023 November 2, 2023

/s/ Marc J. Smernoff

Marc J. Smernoff

Chief Financial Officer, Treasurer and Executive Vice President

Officer and Director

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of Americold Realty Trust, Inc. (the "Company") for the fiscal period ended June 30, 2023 September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, George Chappelle Jr., Chief Executive Officer and Trustee of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 3, 2023 November 2, 2023

/s/ George F. Chappelle Jr.

George F. Chappelle Jr.

Chief Executive Officer and Director

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of Americold Realty Trust, Inc. (the "Company") for the fiscal period ended June 30, 2023 September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Marc Smernoff, Chief Financial Officer and Executive Vice President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 3, 2023 November 2, 2023

/s/ Marc J. Smernoff

Marc J. Smernoff

Chief Financial Officer, Treasurer and Executive Vice President

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.