

# First Quarter 2025 Earnings

May 9, 2025



This presentation contains information that includes or is based upon forward-looking statements. Forward-looking statements forecast or state expectations concerning future events. These statements often can be identified by the fact that they do not relate strictly to historical or current facts. They typically use words such as “anticipate,” “assume,” “could,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “should,” “will” and other words and terms of similar meaning, or they are tied to future periods in connection with discussions of Sylvamo’s performance.

Examples of forward-looking statements include, without limitation, those relating to: economic, regulatory and industry conditions, outlook and trends; our strategies, plans, expectations and projections concerning our leadership, business, performance, opportunities and shareowner value; our Adjusted EBITDA outlook; our selected guidance; and our use of capital including return of cash to shareowners.

Forward-looking statements are not guarantees of future performance. Any or all forward-looking statements may turn out to be incorrect, and actual results could differ materially from those expressed or implied in forward-looking statements. Forward-looking statements are based on current expectations and the current economic environment. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors that are difficult to predict. Although it is not possible to identify all of these risks, uncertainties and other factors, the impact of the following factors, among others, on us or on our suppliers or customers, could cause our actual results to differ from those in the forward-looking statements: deterioration of global and regional economic, civil and political conditions and trade relations; physical, financial and reputational risks associated with climate conditions and climate change, including adverse environmental events such as floods and fires; reduced demand for our products due to the cyclical nature of the paper industry, the industry-wide secular decline in paper demand, or competition from other businesses; increased costs or reduced availability of the raw materials, energy, transportation (truck, rail and ocean) and labor needed to manufacture and deliver our products; a material disruption at any of our manufacturing facilities; information technology risks including potential cybersecurity breaches affecting us or third parties with which we do business; extensive environmental, tax and other laws and regulations in the United States, Brazil and other jurisdictions to which we are subject, including our compliance costs and risk of liability and loss for violations; our reliance on a small number of customers; and the factors disclosed in Item 1A. Risk Factors in our annual report on Form 10-K for the year ended December 31, 2024, as such disclosures may be amended, supplemented or superseded from time to time by other reports that we file with the U.S. Securities and Exchange Commission, including subsequent quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K.

We assume no obligation to update any forward-looking statements made in this presentation to reflect subsequent events, circumstances or actual outcomes.

While Sylvamo reports its financial results in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"), during the course of this presentation, certain non-U.S. GAAP financial measures are presented. Management believes that these non-U.S. GAAP financial measures, when used in conjunction with information presented in accordance with U.S. GAAP, can facilitate a better understanding of the impact of various factors and trends on Sylvamo's financial condition and results of operations. Management also uses these non-U.S. GAAP financial measures in making financial, operating and planning decisions and in evaluating Sylvamo's performance. The non-U.S. GAAP financial measures in this presentation have limitations as analytical tools and should not be considered in isolation or as a substitute for, or superior to, an analysis of our results presented in accordance with U.S. GAAP. In addition, because not all companies use identical calculations, our presentation of non-U.S. GAAP financial measures in this presentation may not be comparable to similarly titled measures disclosed by other companies, including companies in our industry. These slides, including the reconciliation, are also available on Sylvamo Corporation's website at [sylvamo.com](https://www.sylvamo.com).

The following is a list of all non-U.S. GAAP financial measures included in this presentation. See the Appendix for a reconciliation of all presented non-U.S. GAAP measures (and their components) to U.S. GAAP financial measures.

- Adjusted EBITDA and Adjusted EBITDA Margin
- Adjusted Operating Earnings per Share
- Free Cash Flow

## John Sims to become next CEO, effective January 1, 2026



- John Sims elected Chief Operating Officer (COO), effective May 1, 2025
- Will assume the role of Chief Executive Officer (CEO) on Jan. 1, 2026, following Ribieras's retirement

## Don Devlin named senior vice president and CFO, effective May 1, 2025



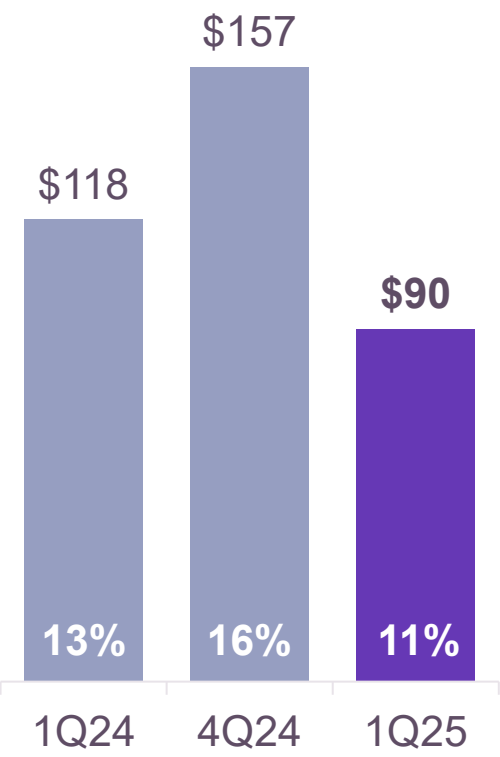
- Over 25 years experience in the paper and packaging industry
- Joins Sylvamo from International Paper



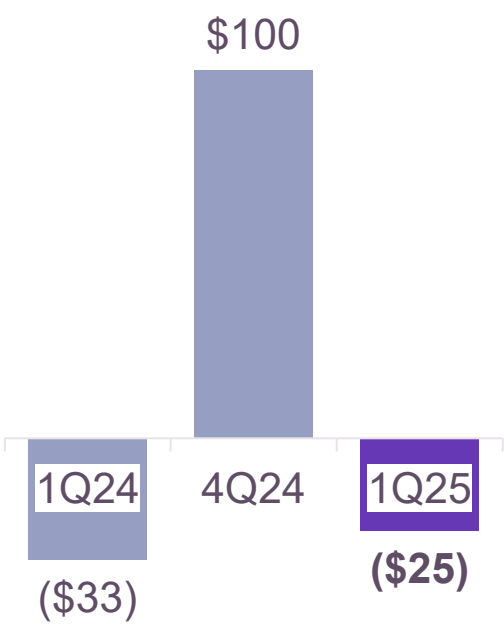
- Successfully executed heavy planned maintenance outage quarter
- Impacted by operational challenges
- Implementing previously communicated UFS price increases in Brazil and North America
- Returned cash to shareowners



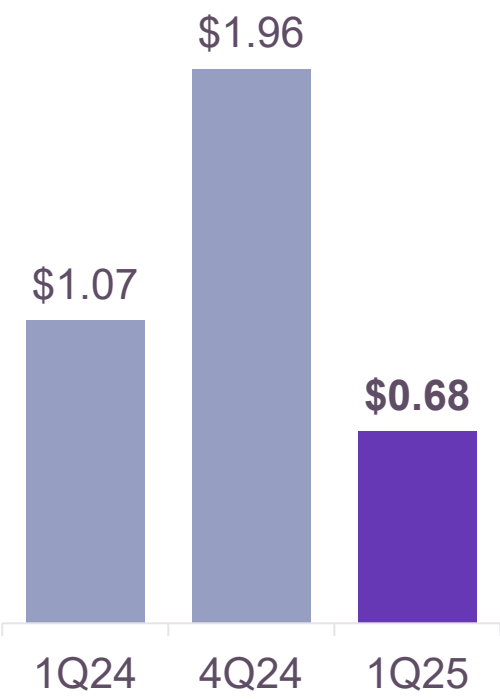
Adjusted EBITDA  
and Margin



Free Cash Flow

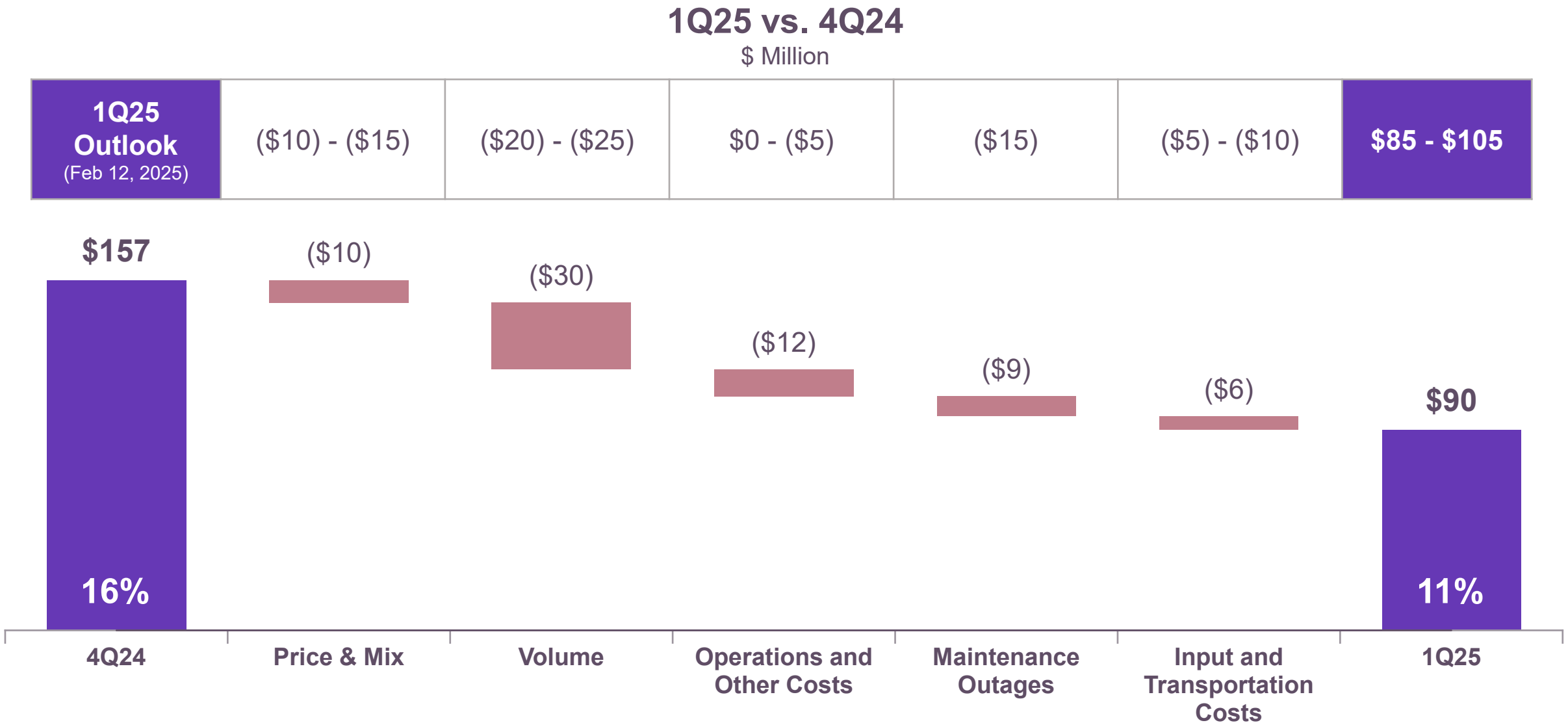


Adjusted Operating  
Earnings per Share



Adjusted EBITDA and Free Cash Flow figures are in \$ millions

# 1Q25 Adjusted EBITDA in line with our Outlook

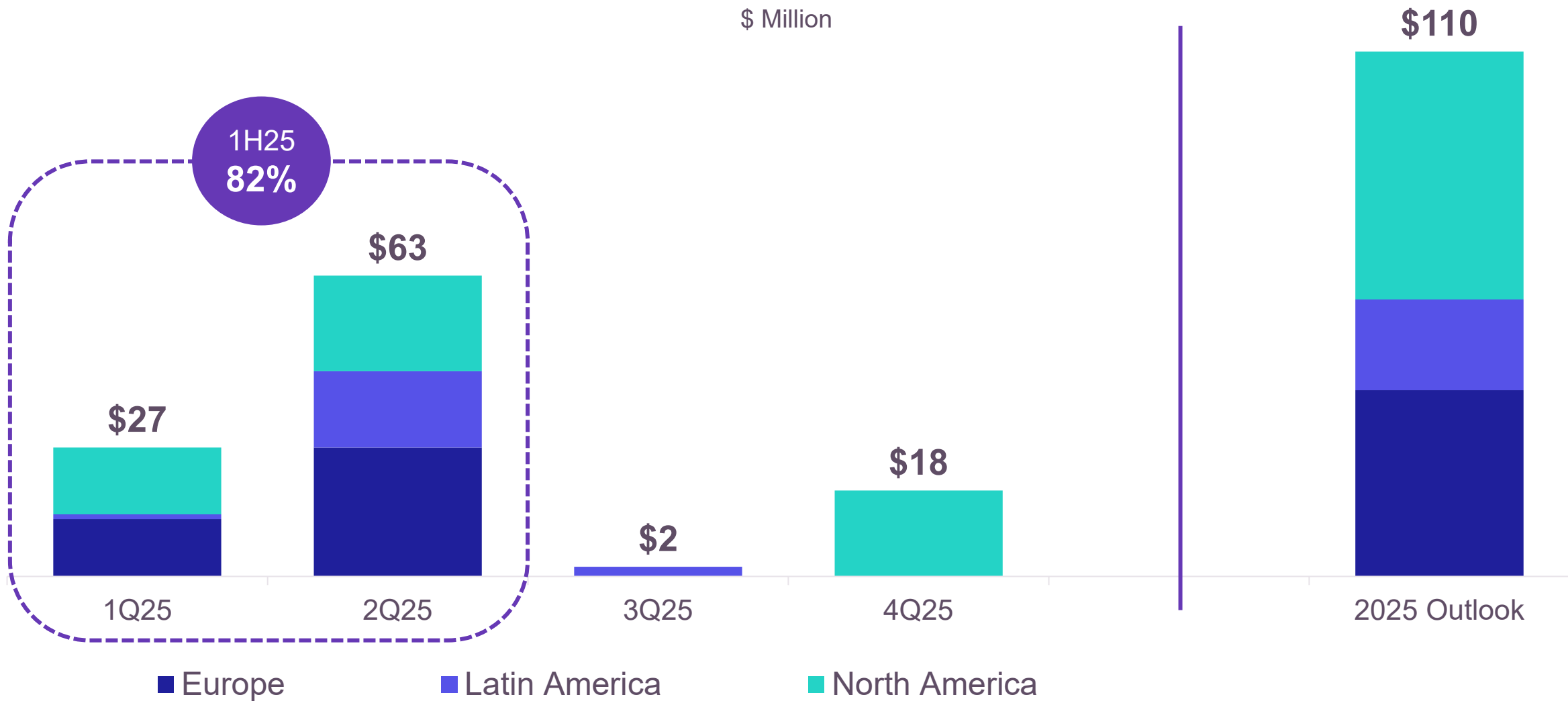


2Q25 vs. 1Q25 \$ Million		
Price and Mix	Favorable: \$5 - \$10	Primarily favorable mix in Latin America and North America
Volume	Stable: (\$5) - \$5	Stable
Operations and Other Costs	Favorable: \$10 - \$15	Improved manufacturing operations
Input and Transportation Costs	Favorable: \$5 - \$10	Primarily energy
Planned Maintenance Outage Expenses	Unfavorable: (\$36)	Details by region in Appendix

Total Maintenance Outage Expense is the sum of direct maintenance outage expense and related unabsorbed fixed costs



# 82% of planned maintenance outage costs will be completed in 1H25



Total maintenance outage costs (shown for Sylvamo mills only) include direct maintenance outage expense and related unabsorbed fixed costs

Industry Demand 1Q25 versus 1Q24		
Europe (Excl. CIS <sup>1</sup> countries)	Latin America	North America
(7%)	+3%	(1%)

<sup>1</sup>CIS: Commonwealth of Independent States  
Industry demand source: PPPC - Pulp and Paper Products Council



**Nymolla mill generated ~\$70 million of FCF<sup>1</sup> the last two years, but has experienced challenges**

- Exceeded our \$20 million run-rate synergies target by \$5 million
- Wood costs escalated higher than we expected

**Overall European earnings performance below our expectations**

- Challenging industry conditions impacting demand and pricing
- Persistent high input costs

## Path Forward

- New Senior Vice President and General Manager, effective May 1
- Focusing on reducing costs across several categories
- Repositioning our product mix by upgrading our capabilities at Saillat
- Working to reduce wood costs and targeting best-in-class efficiency at Nymolla

<sup>1</sup>Free Cash Flow before overhead allocations (see page #22 for definition of Free Cash Flow)

## UFS supply & demand

- Demand declines

## UFS global trade flows

- Trade between regions may fluctuate

## Inflation

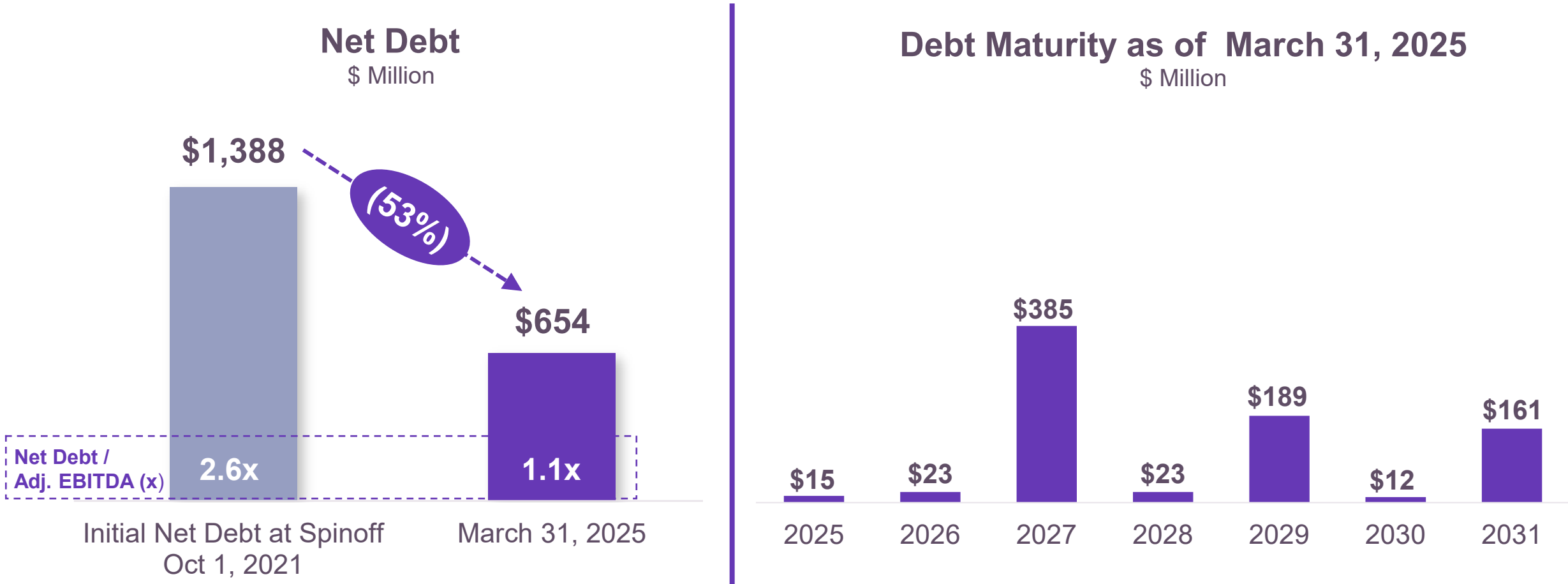
- Raw materials
- Transportation
- Capital spending

Majority of our raw materials and shipments are within region,  
while UFS imports are < 15% of industry supply

	Europe	Latin America	North America
	2024 Sylvamo Data		
% Raw materials sourced within region	> 90%		
% Shipments within region	> 90%	> 80%	> 95%
	2024 Industry Data		
% Imports of industry supply	< 15%		



~\$650 million in net debt, 1.1x debt-to-Adjusted EBITDA; no major maturities until 2027



\$808 million gross debt and 1.3x gross debt-to-Adjusted EBITDA as of March 31, 2025; Net debt reflects quarter-end cash balance of \$154 million; Debt maturity profile includes anticipated minimum amortization payments by year

## Capital Allocation Framework

**Maintain Strong  
Financial Position**

**Reinvest in  
our Business**

**Return Cash to  
Shareowners**

- Allows us to focus on customers, run the business, while navigating economic headwinds
- Enables reinvesting in our business even during times of uncertainty
- Maintains the ability to return cash to shareowners

- **Strong financial position** provides flexibility
- **Well positioned** to navigate tariff uncertainty
- **Reinvesting in our businesses** to increase earnings and cash flows
- **Creating shareowner value** through cash generation and disciplined capital allocation
- **Executing seamless CEO and CFO succession plan**



# Appendix

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## Investor Relations

**Hans Bjorkman**

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## Media

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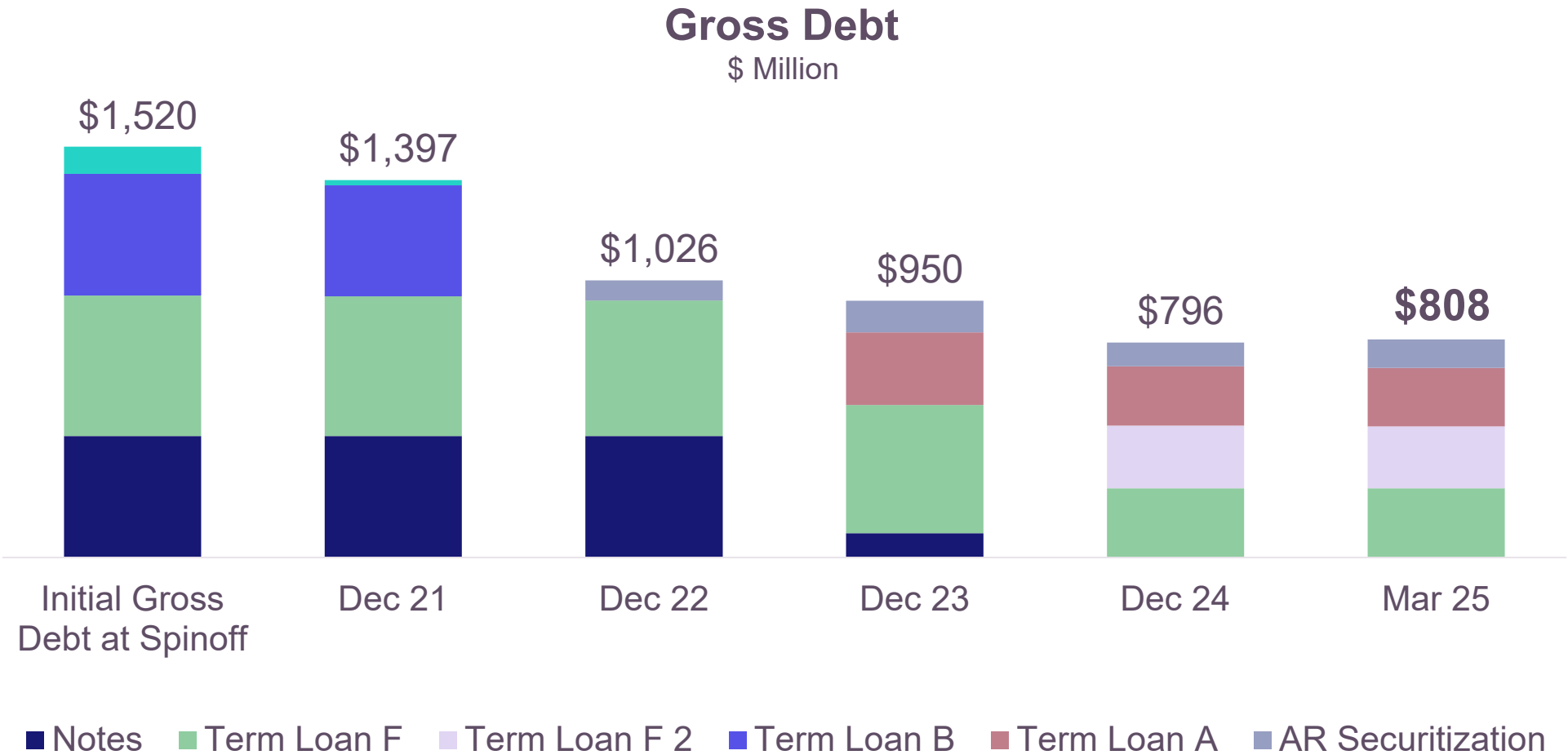
[adam.ghassemi@sylvamo.com](mailto:adam.ghassemi@sylvamo.com)

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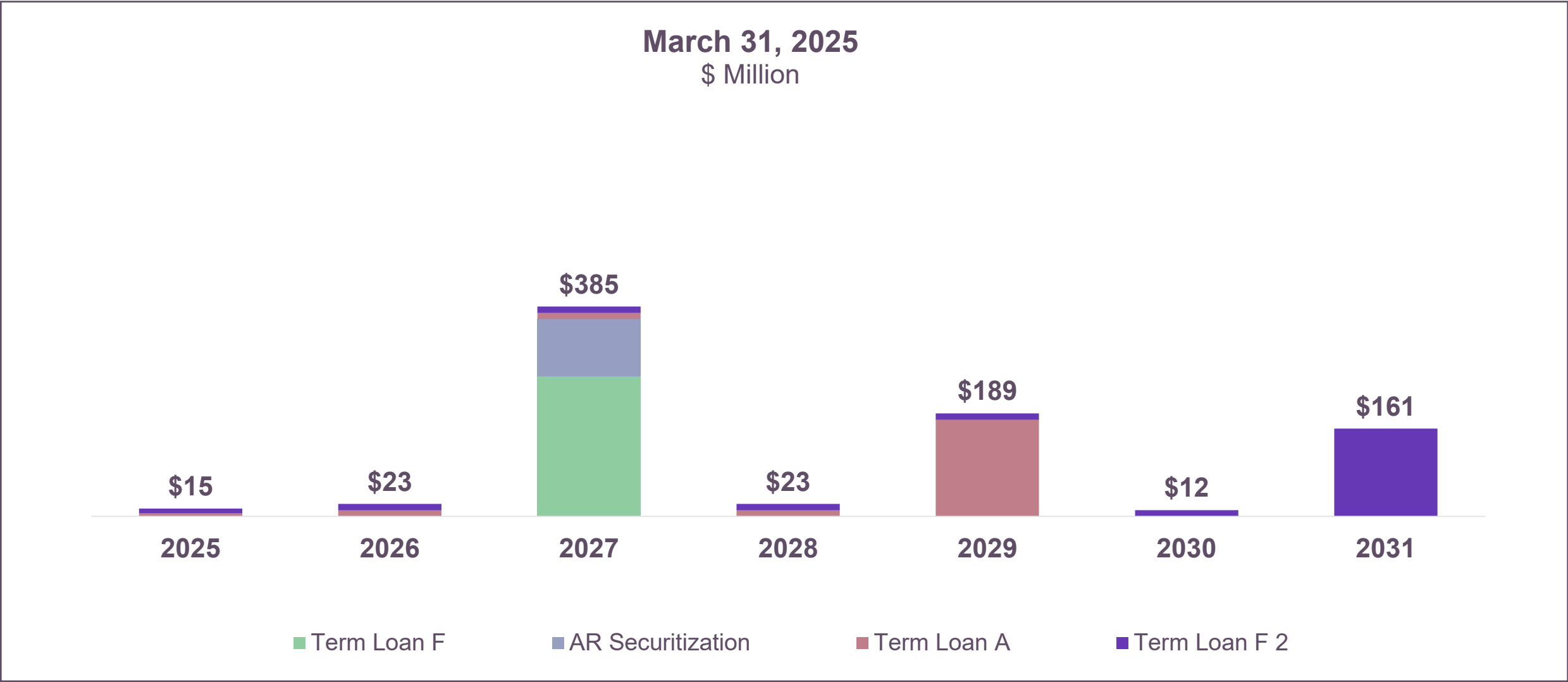
\$ Million		2024 Actual	2025 Outlook
Total Maintenance Outage Costs		\$73	\$110
Capital Spending	Maintenance & Regulatory	\$138	~ \$125
	Brazil Reforestation	\$56	~ \$45
	High-return Projects	\$27	~ \$50 - \$70
	Total	\$221	\$220 - \$240
Depreciation & Amortization		\$159	\$179
Net Interest Expense <sup>1</sup>		\$39	\$31
Income Tax Rate (excluding special items)		26%	28% - 29%

<sup>1</sup>2024 Net Interest Expense includes \$5 million of expense for debt extinguishment costs. Net Interest Expense Outlook for 2025 is subject to change based on the amount of debt repayment and changes to floating interest rates.



1.3x Gross Debt-to-Adjusted EBITDA as of March 31, 2025

Net debt reflects quarter-end cash balance of \$154 million



Debt maturity profile includes anticipated minimum amortization payments by year

\$ Million	1Q24	4Q24	1Q25
Cash from Continuing Operations	\$27	\$164	\$23
Cash Invested in Capital Projects	(\$60)	(\$64)	(\$48)
Free Cash Flow	(\$33)	\$100	(\$25)

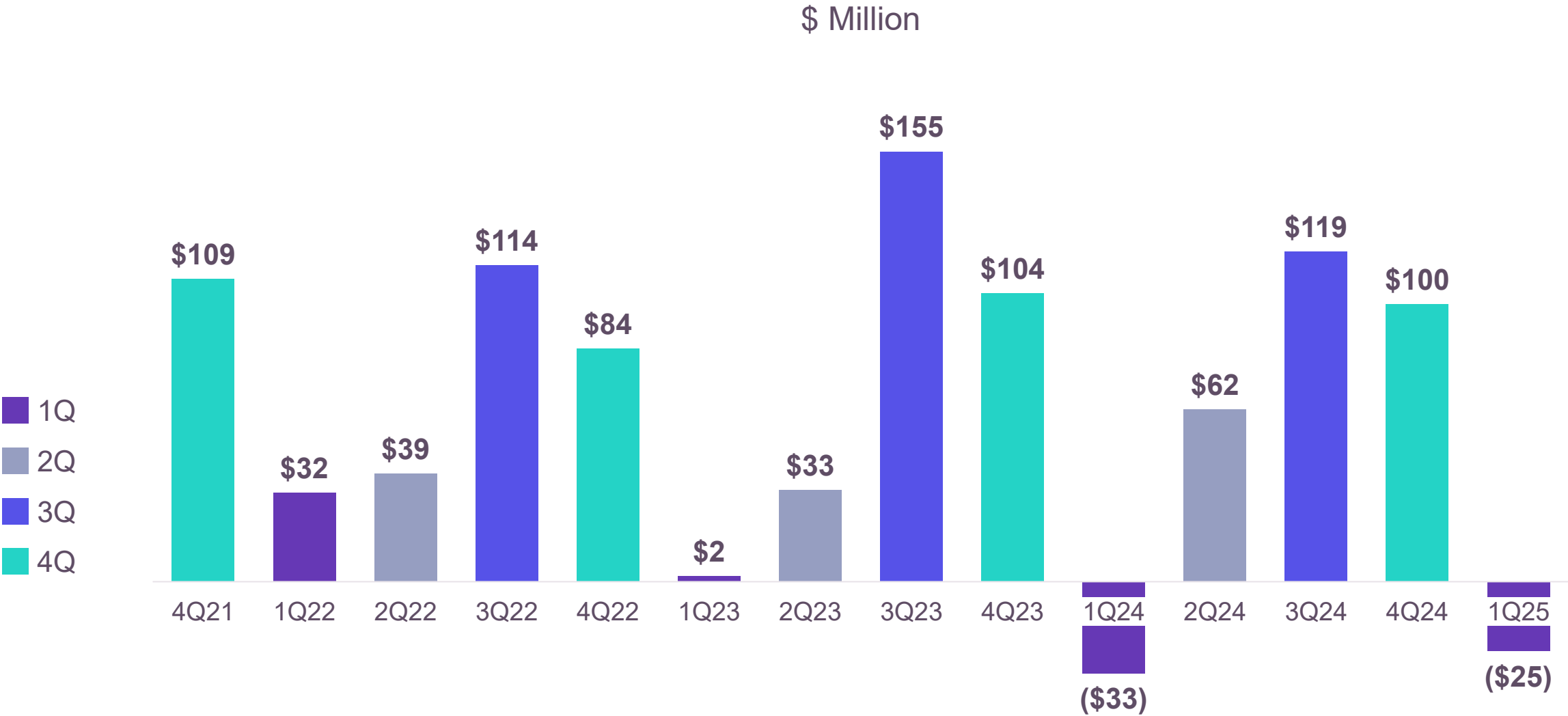
Free cash flow is a non-GAAP measure and the most directly comparable GAAP measure is cash provided by operating activities. Management believes that free cash flow is useful to investors as a liquidity measure because it measures the amount of cash generated that is available, after reinvesting in the business, to maintain a strong balance sheet and service debt, and return cash to shareowners in the future. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures. By adjusting for certain items that are not indicative of Sylvamo's ongoing performance, free cash flow also enables investors to perform meaningful comparisons between past and present periods.

\$ Million	4Q24	1Q25	Variance
<b>Adjusted EBITDA</b>	<b>\$157</b>	<b>\$90</b>	<b>(\$67)</b>
Cash Taxes	(\$40)	(\$14)	\$26
Cash Interest	(\$10)	(\$6)	\$4
Cash Special Items	(\$2)	-	\$2
Other Changes in Working Capital	\$59	(\$47)	(\$106)
<b>Cash Provided by Operating Activities</b>	<b>\$164</b>	<b>\$23</b>	<b>(\$141)</b>
<b>Capital Spending</b>	<b>(\$64)</b>	<b>(\$48)</b>	<b>\$16</b>
<b>Free Cash Flow</b>	<b>\$100</b>	<b>(\$25)</b>	<b>(\$125)</b>



\$ Million	1Q24	1Q25	Variance
<b>Adjusted EBITDA</b>	<b>\$118</b>	<b>\$90</b>	<b>(\$28)</b>
Cash Taxes	(\$13)	(\$14)	(\$1)
Cash Interest	(\$11)	(\$6)	\$5
Cash Special Items	(\$2)	-	\$2
Other Changes in Working Capital	(\$65)	(\$47)	\$18
<b>Cash Provided by Operating Activities</b>	<b>\$27</b>	<b>\$23</b>	<b>(\$4)</b>
<b>Capital Spending</b>	<b>(\$60)</b>	<b>(\$48)</b>	<b>\$12</b>
<b>Free Cash Flow</b>	<b>(\$33)</b>	<b>(\$25)</b>	<b>\$8</b>

# Free Cash Flow by Quarter - Since Spinoff



\$ Million	1Q24	4Q24	1Q25	2Q25 Outlook
Net Income (Loss)	\$43	\$81	\$27	\$9 - \$23
Depreciation, Amortization, Cost of Timber Harvested	39	44	40	48
Interest (Income) Expense, Net	9	7	9	8
Income Tax Provision	17	19	6	3 - 9
Adjustments				
Equity-based Compensation	7	6	6	7
Special Items (Net of interest and tax special items)	1	-	2	-
Nymolla One-time Costs	2	-	-	-
Adjusted EBITDA	\$118	\$157	\$90	\$75 - \$95
Net Sales	\$905	\$970	\$821	
Adjusted EBITDA Margin	13%	16%	11%	

Adjusted EBITDA is a non-GAAP measure presented as a supplemental measure of our performance and the most directly comparable GAAP measure is net income. Management believes that Adjusted EBITDA and Adjusted EBITDA Margin provide investors and analysts meaningful insights into our operating performance and Adjusted EBITDA is a relevant metric for the third-party debt. However, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. In addition, in evaluating Adjusted EBITDA, you should be aware that in the future we will incur expenses such as those used in calculating this measure. Our presentation of this measure should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

\$ Million	1Q24	4Q24	1Q25
<b>Adjusted EBITDA</b>			
Europe	5	14	(15)
Latin America	34	70	46
North America	79	73	59
<b>Total Business Segment Adjusted EBITDA</b>	<b>\$118</b>	<b>\$157</b>	<b>\$90</b>
<b>Net Sales</b> (excluding Inter-segment Sales eliminations)			
Europe	207	194	190
Latin America	216	266	199
North America	490	514	438
<b>Total Business Segment Net Sales</b>	<b>\$913</b>	<b>\$974</b>	<b>\$827</b>
<b>Adjusted EBITDA Margin</b>			
Europe	2%	7%	(8%)
Latin America	16%	26%	23%
North America	16%	14%	13%

\$ Million	1Q24	4Q24	1Q25
Net Income (Loss)	\$43	\$81	\$27
Special Items Expense (Income)	\$2	\$1	\$1
Adjusted Operating Earnings	\$45	\$82	\$28
Adjusted Operating Earnings per Share	\$1.07	\$1.96	\$0.68

Adjusted Operating Earnings is a non-GAAP measure presented as a supplemental measure of our performance and the most directly comparable GAAP measure is net income. Management uses this measure to focus on on-going operations and believes that it is useful to investors because it enables them to perform meaningful comparisons of past and present combined operating results. However, Adjusted Operating Earnings has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. In addition, in evaluating Adjusted Operating Earnings, you should be aware that in the future we will incur expenses such as those used in calculating this measure. Our presentation of this measure should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

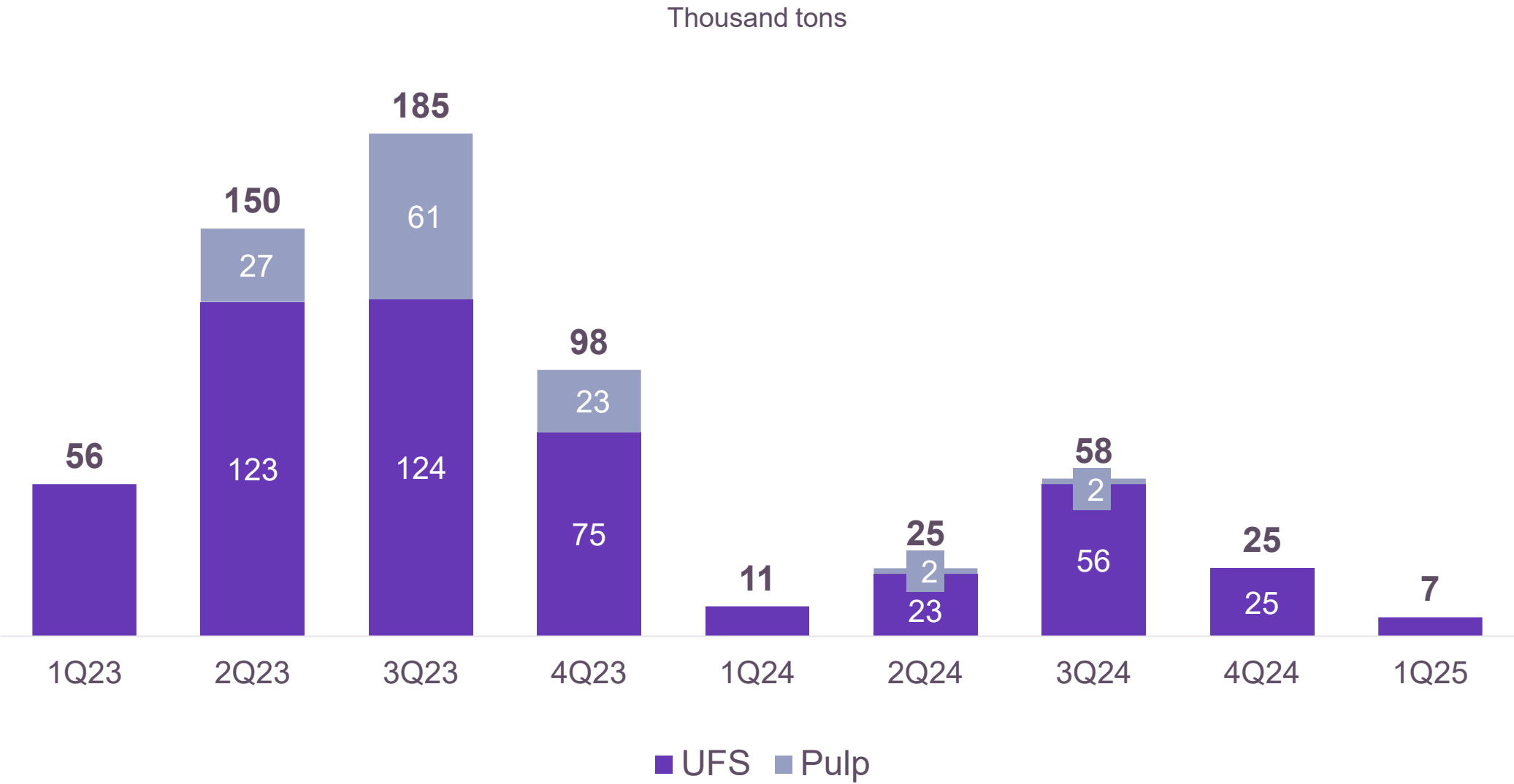


000 Short Tons	Uncoated Papers	Market Pulp	Total
Nymolla	500	-	500
Saillat	265	130	395
Europe	765	130	895
Luis Antonio	385	130	515
Mogi Guacu	460	35	495
Tres Lagoas	260	-	260
Latin America	1,105	165	1,270
Eastover	700	115	815
Ticonderoga	275	-	275
North America	975	115	1,090
Sylvamo	2,845	410	3,255
Riverdale	350	-	350
Commercial Agreement with IP	350	-	350
Total	3,195	410	3,605

Source: Sylvamo management

000 Short Tons	Europe	Latin America	North America	Sylvamo
Uncoated Papers	175	229	308	712
Market Pulp	34	29	33	96
Total				808

Sales volume includes revenue recognition



# Total Maintenance Outage Costs - 2025 Outlook

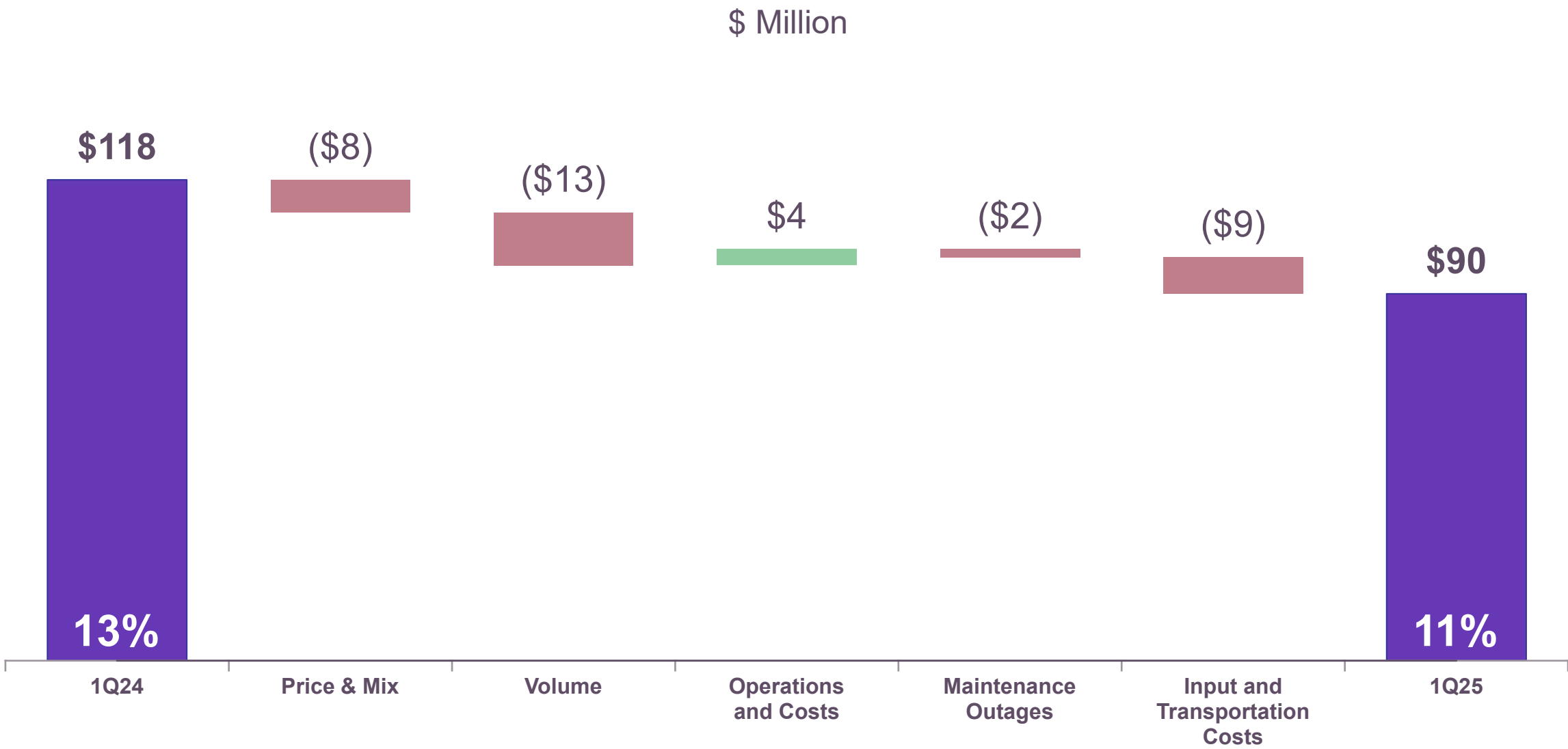
\$ Million	1Q25 Actual	2Q25 Outlook	3Q25 Outlook	4Q25 Outlook	2025 Outlook
Europe	\$12	\$27	-	-	\$39
Latin America	\$1	\$16	\$2	-	\$19
North America	\$14	\$20	-	\$18	\$52
Total	\$27	\$63	\$2	\$18	\$110

Total maintenance outage costs (shown for Sylvamo mills only) include direct maintenance outage expense and related unabsorbed fixed costs

\$ Million	Sales			D&A	Adjusted EBITDA		
	1Q24	4Q24	1Q25	1Q25	1Q24	4Q24	1Q25
Europe	\$207	\$194	\$190	\$8	\$5	\$14	(\$15)
Latin America	\$216	\$266	\$199	\$18	\$34	\$70	\$46
North America	\$490	\$514	\$438	\$14	\$79	\$73	\$59
Segment Total	\$913	\$974	\$827	\$40	\$118	\$157	\$90

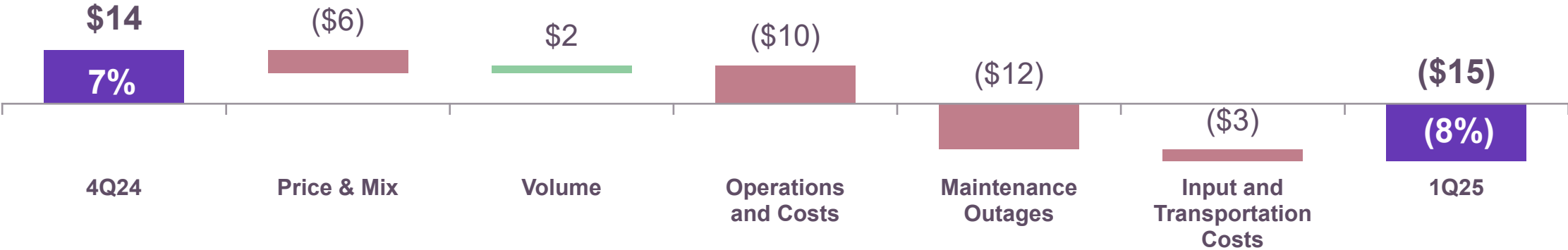
Sum of Business Segment net sales will not tie with consolidated net sales due to Intersegment Sales

# 1Q25 vs. 1Q24 Adjusted EBITDA



\$ Million

1Q25 vs. 4Q24

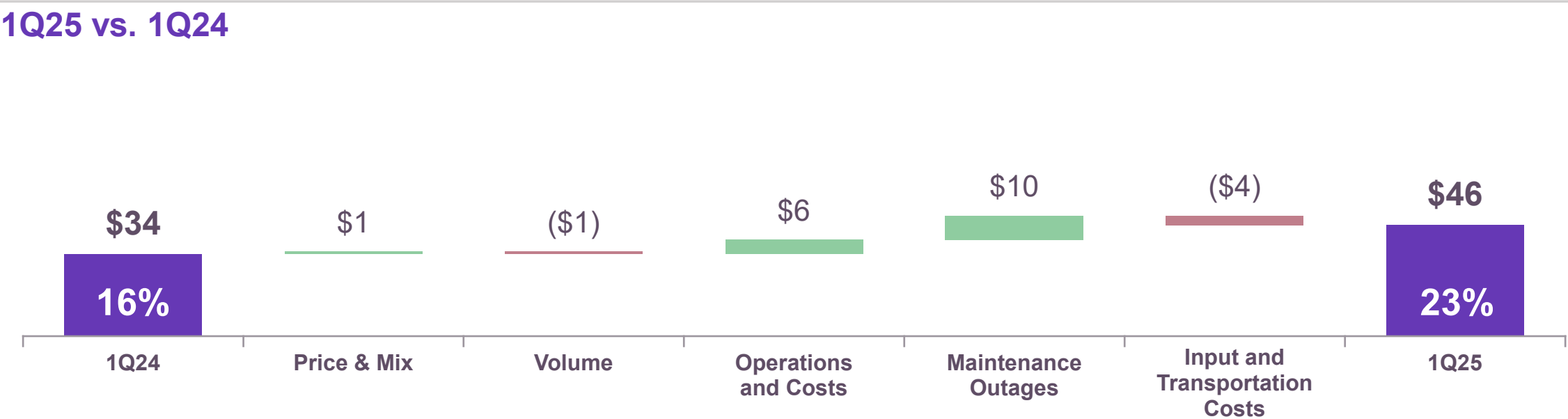
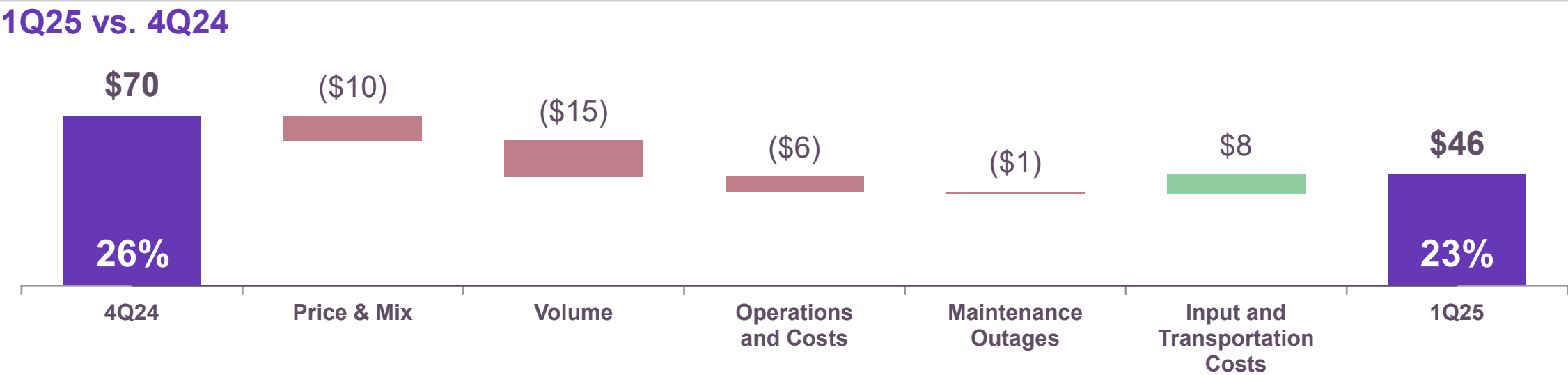


1Q25 vs. 1Q24

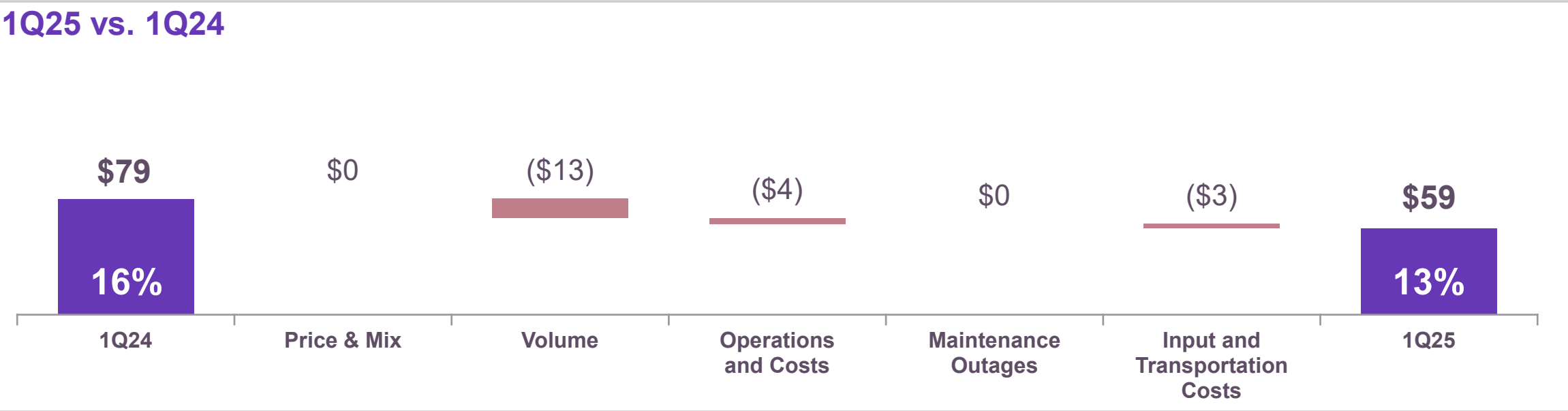
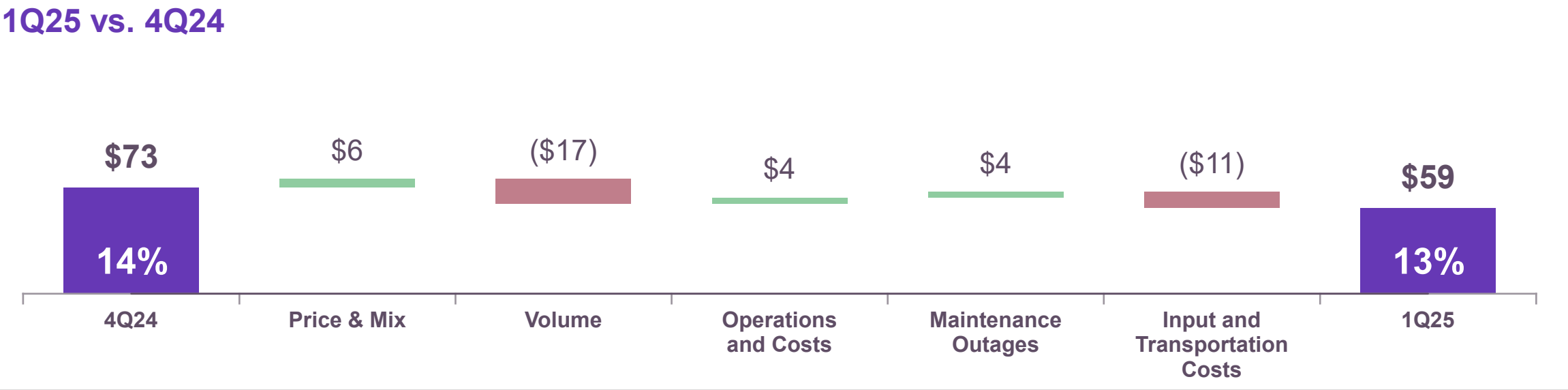




\$ Million



\$ Million





## The World's Paper Company

We are the world's paper company, the:

- **Employer of Choice**
- **Supplier of Choice**
- **Investment of Choice**

We believe in the promise of paper and are confident in our ability to create long-term value for shareowners.



## A Simple, Focused Plan

We focus on uncoated freesheet and will create long-term value through:

- **Talented teams**
- **Iconic brands**
- **Low-cost mills in favorable locations**



## Our Strategy

We execute a three-pronged strategy:

- **Commercial Excellence:** We focus on commercial excellence to remain the supplier of choice for customers.
- **Operational Excellence:** We will remain a responsible, low-cost, agile company.
- **Financial Discipline:** We will be the investment of choice by delivering consistently on our compelling investment thesis.



## A Cash Flow Story

We leverage our strengths to drive high returns on invested capital and generate free cash flow.

We use that cash to increase shareowner value:

- **Maintain a strong financial position**
- **Return cash to shareowners**
- **Reinvest in our business**

# Building a better future for people, the planet and our company