

# Packaging Corporation of America Investor Presentation

June 2026



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# Packaging Corporation of America (“PCA”)



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Certain information may be provided in this presentation that includes financial measurements that are not required by, or presented in accordance with, generally accepted accounting principles (GAAP), including, but not limited to EBITDA, (excluding special items), segment EBITDA (excluding special items), net debt, and free cash flow. Management excludes special items from such non-GAAP financial measures, as it believes that these items are not necessarily reflective of the ongoing operations of PCA’s business. These measures are presented because they provide a means to evaluate the performance of PCA’s segments and PCA on an ongoing basis using the same measures that are used by our management, because these measures assist in providing a meaningful comparison between periods and because these measures are frequently used by investors and other interested parties in the evaluation of companies and the performance of their segments. Any analysis of non-GAAP financial measures should be done in conjunction with results presented in accordance with GAAP. The non-GAAP measures are not intended to be substitutes for GAAP financial measures and should not be used as such. Reconciliations of the non-GAAP measures to the most comparable measure reported in accordance with GAAP are detailed the appendices to this presentation or included in the schedules to our earnings press releases.

# Business Update



- **Q2 corrugated volumes up 24% per day YoY through May; legacy up YoY over 4.5% in April and over 3.5% in May. Bookings remain strong through first week of June**
- **Price on forecast through May, with realization in corrugated of the first net \$50 per ton containerboard price increase meaningfully beginning in June; remainder expected to be realized in Q3.**
- **Freight and recycled fiber costs higher than forecast, largely offset by the benefits of higher-than-expected volumes and other favorability**
  - Able to manage through recycled with shift to virgin and yield improvement
  - Freight expected to be about \$10 to \$12 million unfavorable to forecast due to higher rates and need to ship more tons further to satisfy box plant demand; volume and other cost favorability expected to largely offset this impact in Q2
- **PCA is reducing Q2 export containerboard sales and building box plant inventories in May and June**
  - Approximately 90,000 ton inventory draw in March and April, driven by strong corrugated demand and heavy outage schedule
  - Expect continued YoY demand growth as well as seasonal volume growth in back half of year, with Q4 linerboard mill outages
  - Expected to be \$.03 to \$.04 unfavorable to Q2 guidance

# Business Update – Cont'd

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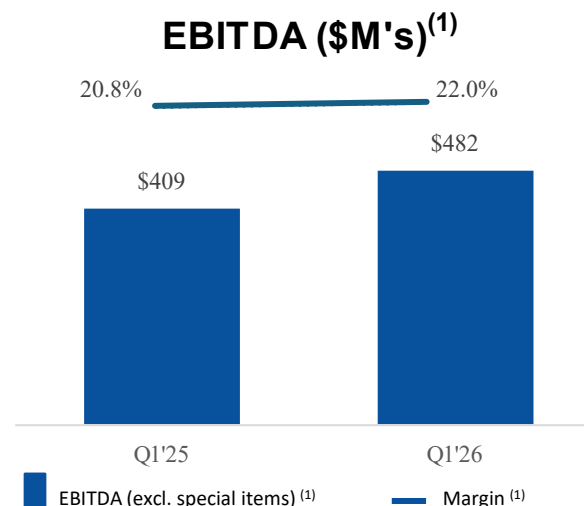
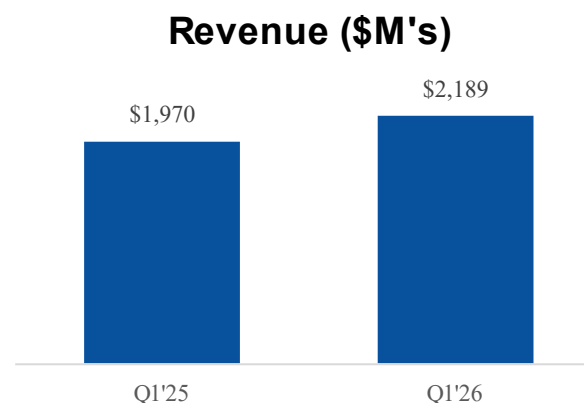


- **Acquired Greif operations are on forecast through May and expected to be accretive in Q2 consistent with April commentary**
- **Driven in large part by PCA's demand and inventory situation, as well as higher freight, recycled and other input costs, PCA notified customers of a \$50 per ton containerboard price increase effective June 1; expected to be implemented in corrugated beginning in Q3**
- **Q3 should benefit from improved pricing, higher production (with lower outage impacts), continued corrugated demand growth and seasonally higher volumes**

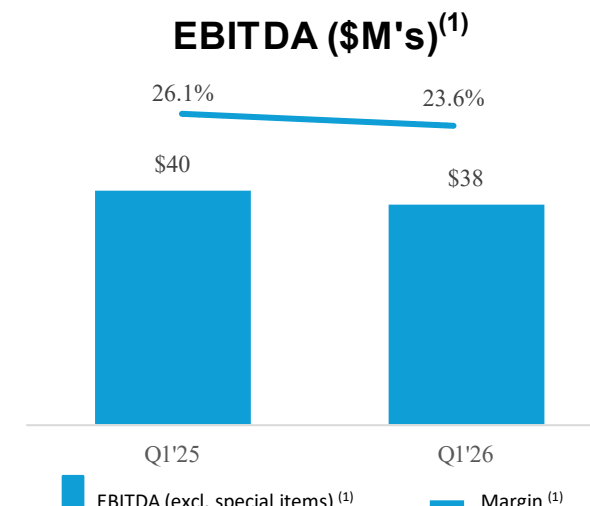
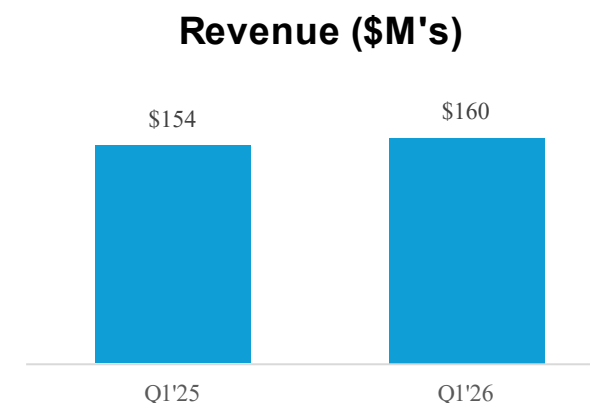
# Q1'26 Key Financial Results

- Excluding special items<sup>(1)</sup>, PCA reported Q1'26 EPS of \$2.40 per share compared to \$2.31 in Q1'25
- Net sales were up 10.6% to \$2.4 billion in Q1'26 compared to \$2.1 billion in Q1'25
- EBITDA (excl. special items)<sup>(1)</sup> increased 15.3% to \$486 million compared to \$421 million in Q1'25 and Packaging margins improved to 22.0%

## Packaging



## Paper



<sup>(1)</sup> Non-GAAP financial measure. See appendix D for reconciliation.

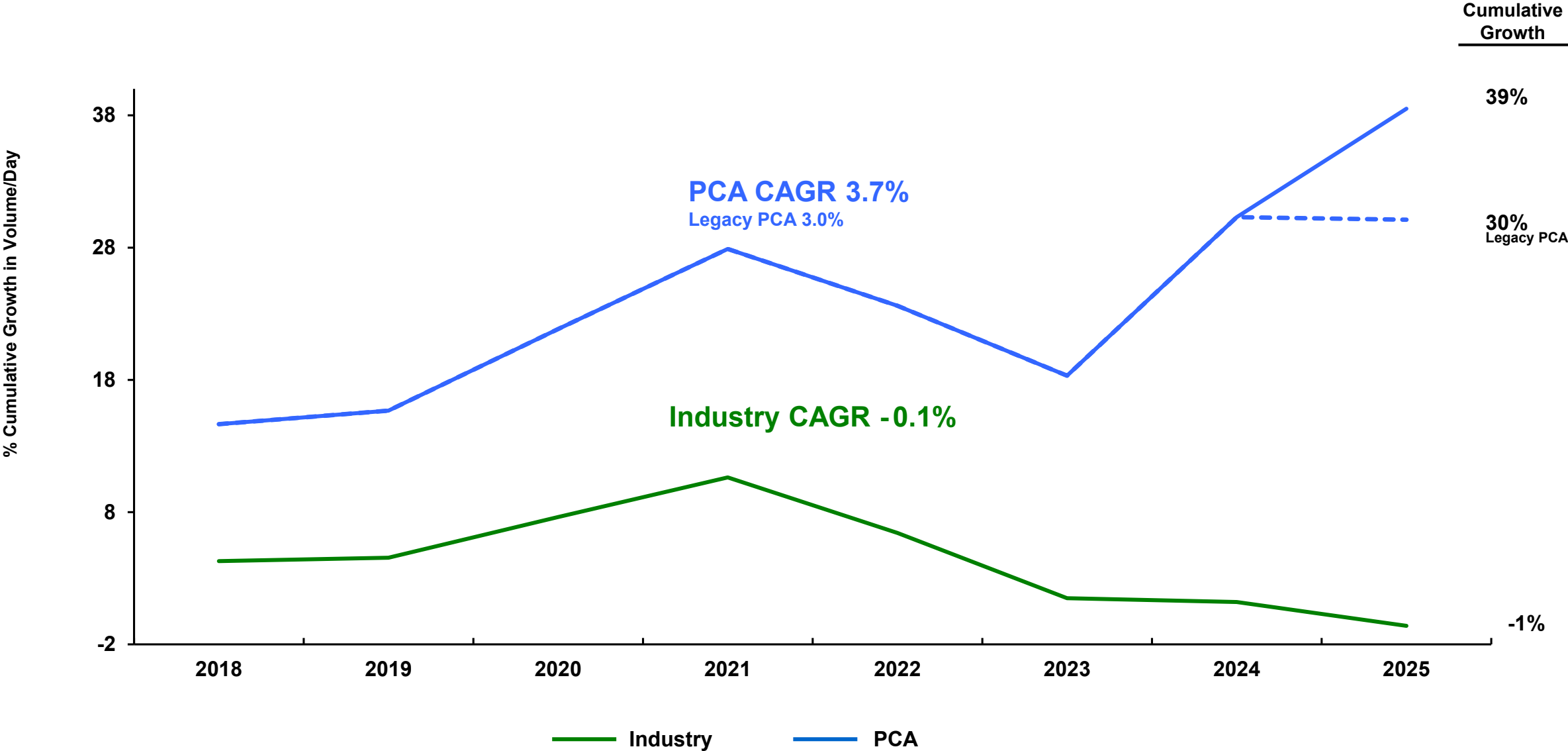
# Highlights

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- 1. Top 3 producer of containerboard and corrugated packaging products and leading producer of uncoated freesheet paper in North America with track record of consistently executing profitable growth strategy**
- 2. World-class customer experience with proven local expertise and robust national footprint supported by best-in-class corrugated operations and low-cost integrated containerboard supply**
- 3. Strong, experienced hands-on management team with proven success achieving growth and maintaining industry-leading margins through all economic cycles**
- 4. Prudent and meaningful high ROI capital deployment supported by strong free cash flow generation further enhanced by recent Greif acquisition**
- 5. Strong balance sheet and disciplined capital structure management allowing for reinvestment in business, return of capital to stockholders, with continued dividend growth and share repurchases and opportunistic strategic growth investment**

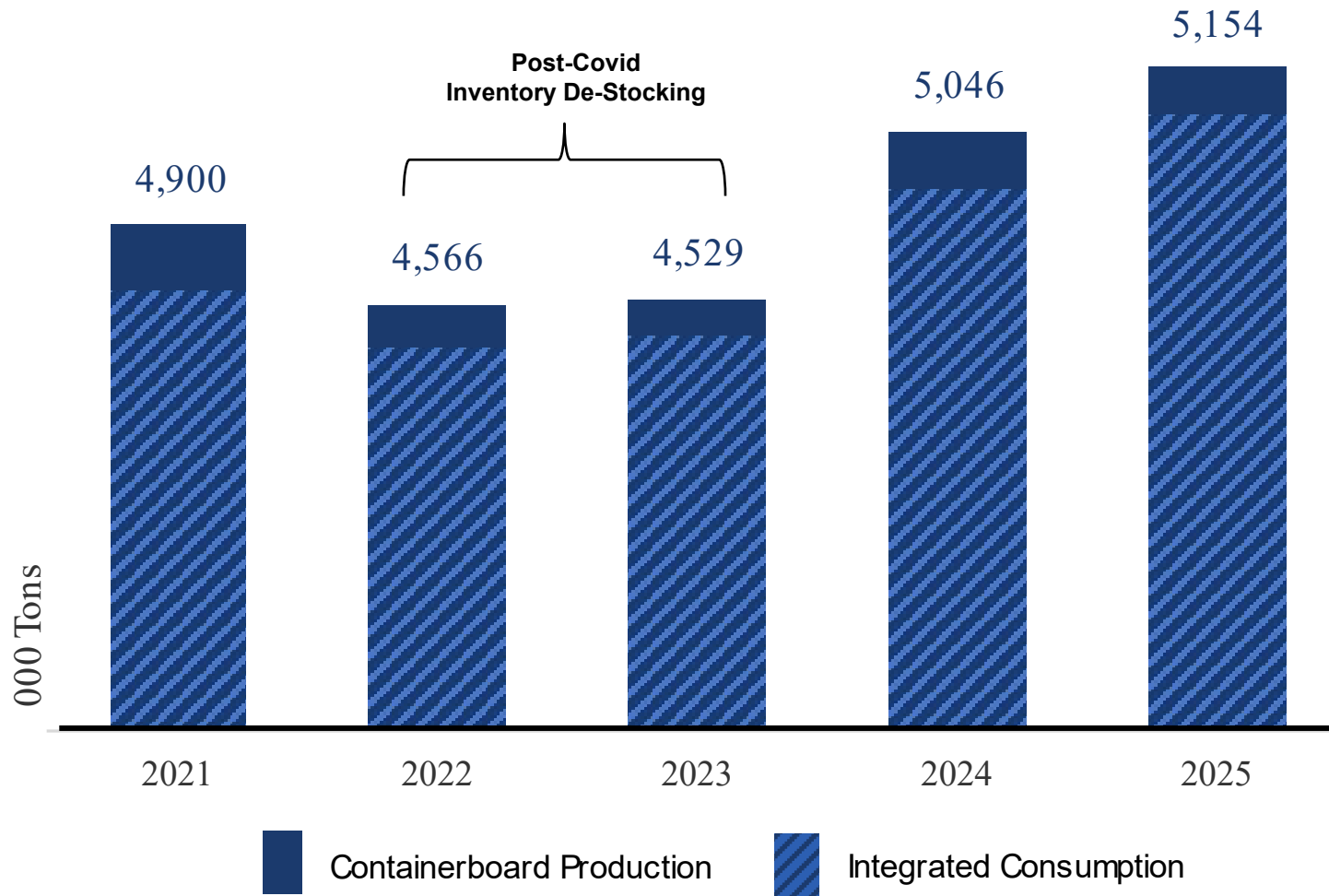
# Corrugated Products Volume Growth - Outperformance vs. the Industry Continues



# ... and Growing Integrated Containerboard Supply Supports Industry-Leading Margins



**22.5% Avg Packaging Segment EBITDA Margin Over This Period <sup>(1)</sup>**



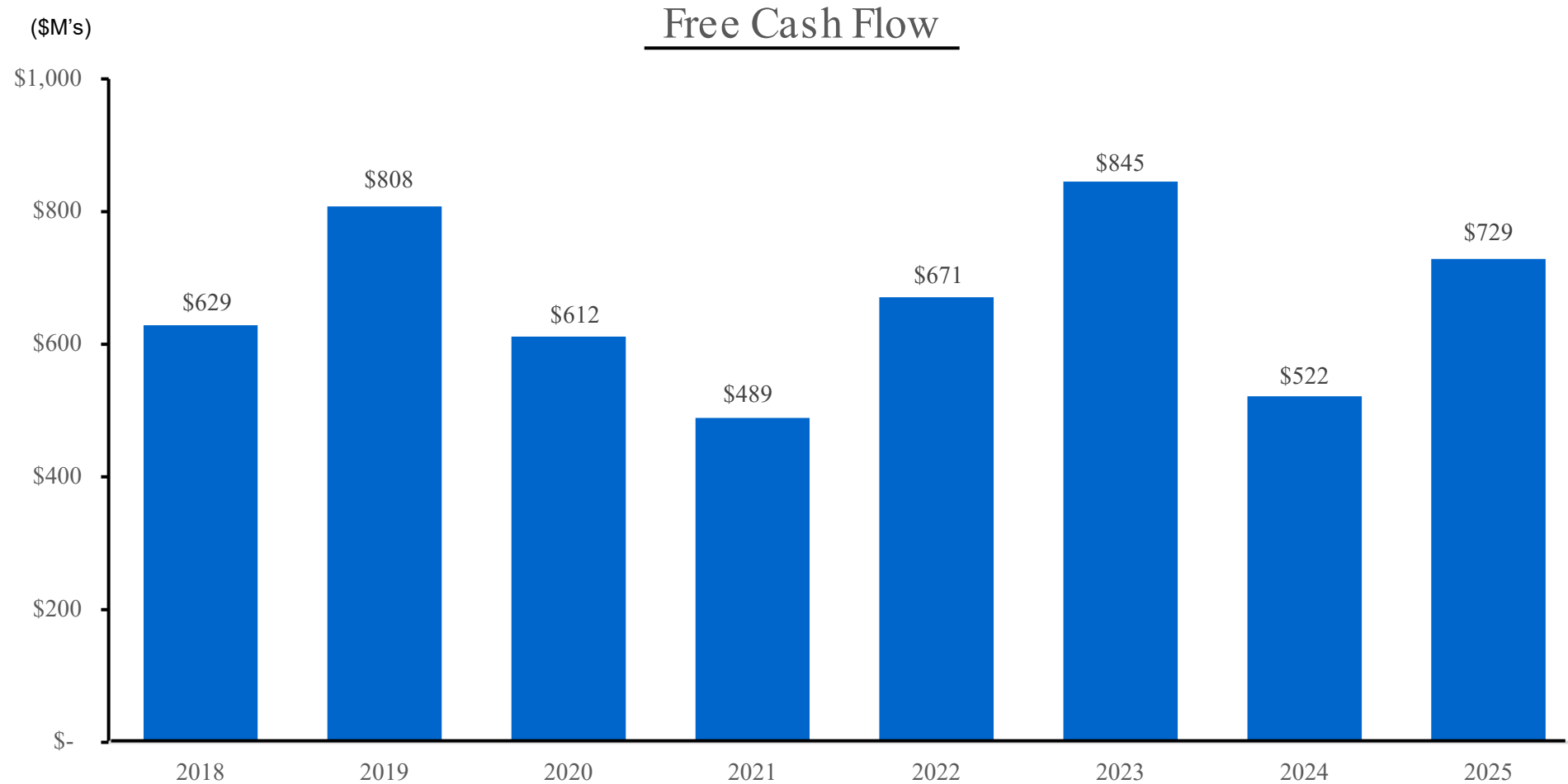
**Q1 2026 Packaging Segment Margin: 22.0%**

**Post Greif acquisition and Wallula reconfiguration: 5.8 MM tons of capacity and integration level above 90%**

**Avg Integration Rate 90.8%**

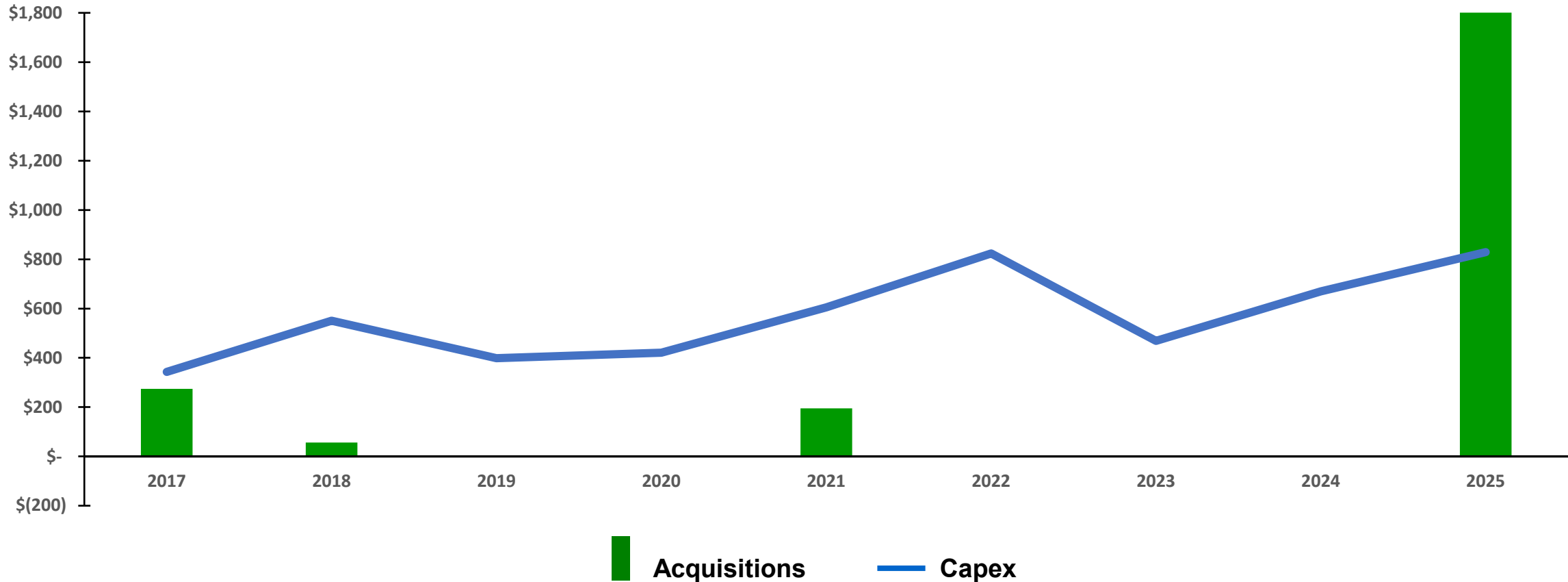
(1) See Appendix A for calculation of EBITDA and EBITDA margins

# Strong and Consistent Cash Generation . . .



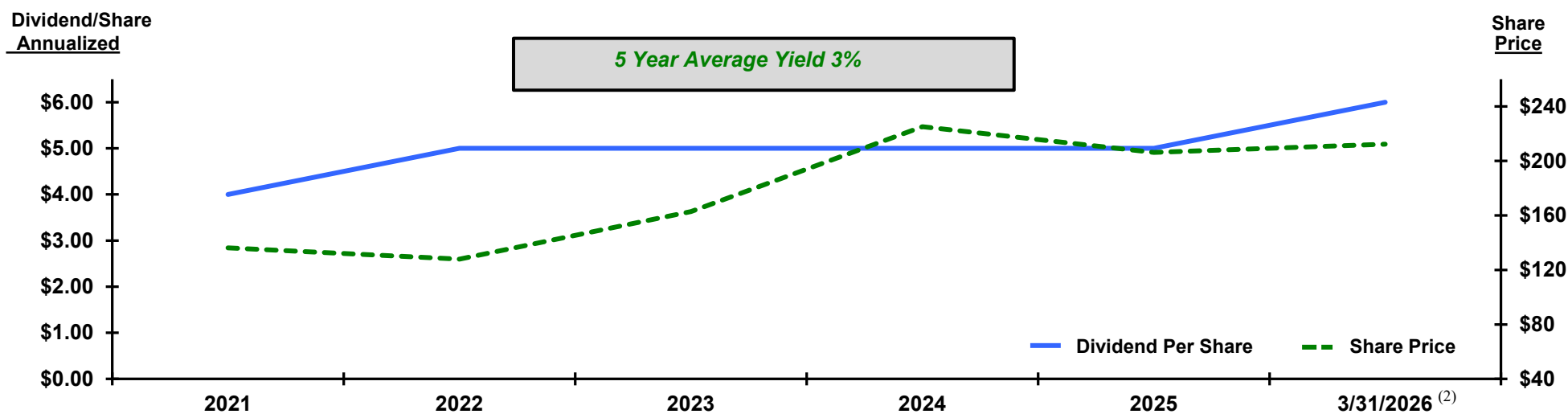
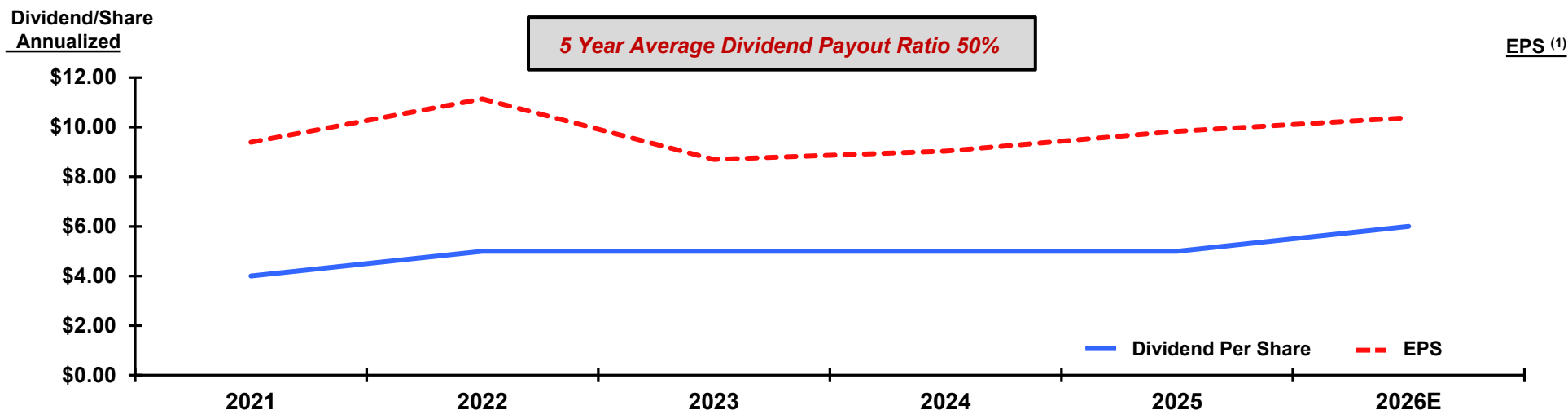
(1) See Appendix A for cashflow reconciliation

# Allows Investment in the Business and Strategic Growth Opportunities . . .



	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
CapEx	\$ 343	\$ 551	\$ 399	\$ 421	\$ 605	\$ 824	\$ 469	\$ 670	\$ 829	\$ 5,111
Acquisitions	274	56	-	-	195	(2)	-	-	1,804	2,327

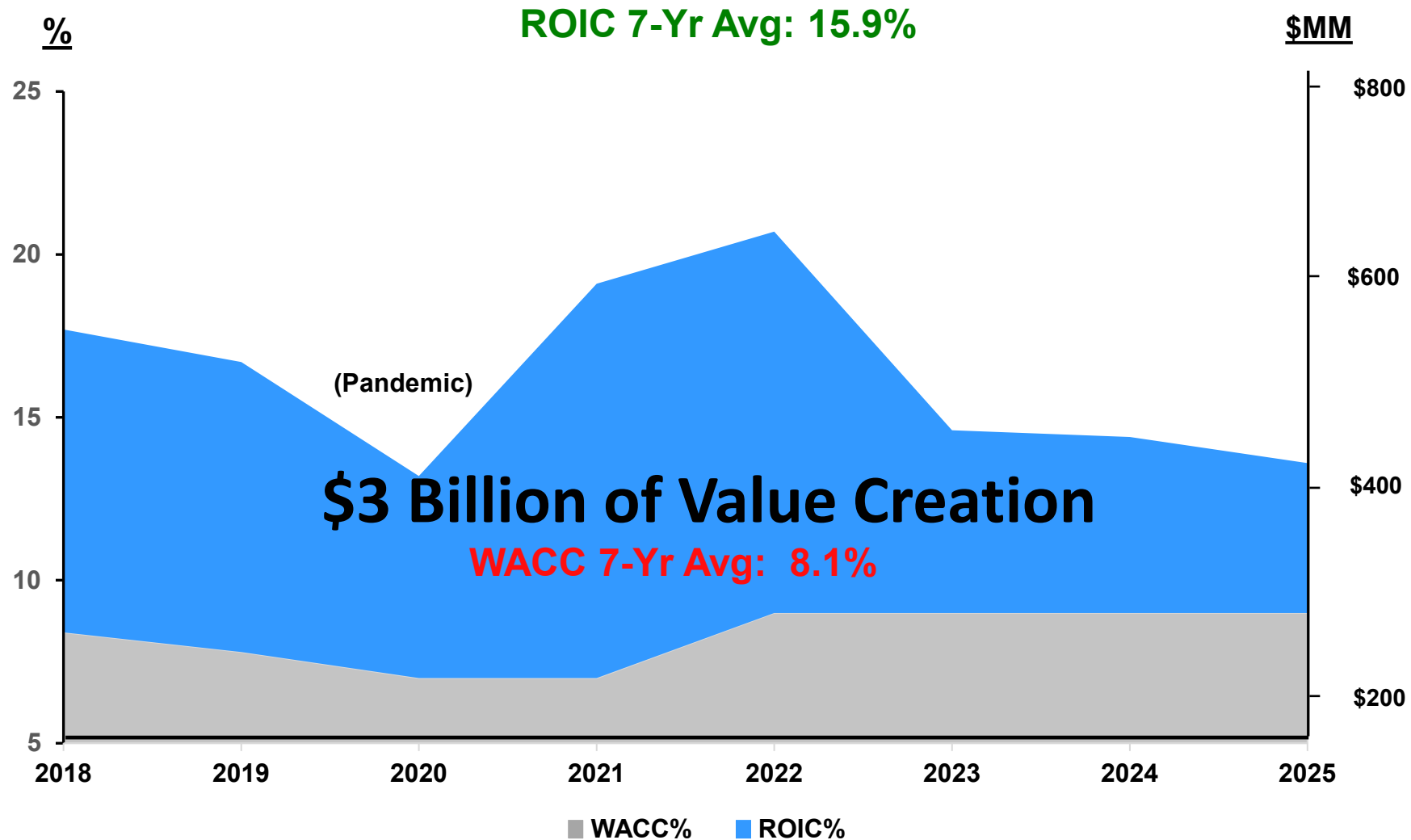
# While Returning Capital to Shareholders With Meaningful and Sustainable Approach to Dividends



(1) See Appendix B for reconciliation of reported EPS to recurring EPS. 2026 E EPS is consensus analyst estimate and does not constitute a projection or estimate made by the company.

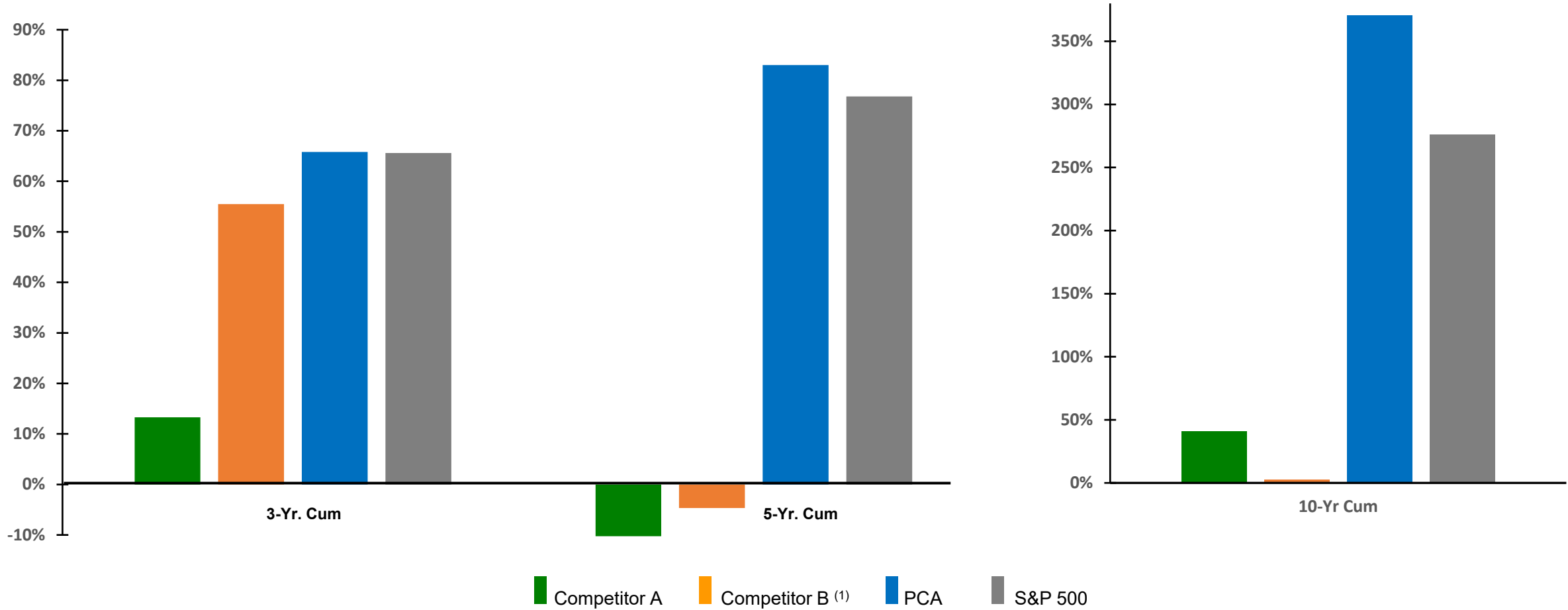
(2) Dividend per share based on dividend level announced 5/12/2026

# Consistently Strong ROIC > WACC Creates Significant Value



(1) See Appendix C for ROIC calculations.

# Impressive Total Return Track Record vs. Competitors and S&P 500 (based on 3/31/26 stock price)



(1) Estimated combined total return of pre- and post-merger company

**PCA**

The logo consists of the letters 'PCA' in a bold, blue, sans-serif font. The letter 'A' is stylized with several parallel white lines extending from its right side, suggesting motion or speed.



# Appendix B – EPS Reconciliation



	2018	2019	2020	2021	2022	2023	2024	2025
Reported earnings per diluted share	\$ 7.80	\$ 7.34	\$ 4.84	\$ 8.83	\$ 11.03	\$ 8.48	\$ 8.93	\$ 8.58
Special items <sup>(1)</sup>								
Jackson mill conversion-related activities	-	-	-	0.11	0.11	0.09	0.08	-
Facilities closure and other costs	0.01	-	0.23	(0.03)	0.01	0.12	0.03	(0.09)
Acquisition and integration related costs	-	-	-	0.01	(0.01)	-	-	0.28
Debt refinancing	-	0.28	-	0.47	-	-	-	-
Goodwill impairment	-	-	0.58	-	-	-	-	-
Hurricane Laura impact	-	-	0.08	-	-	-	-	-
Incremental costs for Covid-19	-	-	0.05	-	-	-	-	-
Tax reform	(0.02)	-	-	-	-	-	-	-
Wallula mill restructuring	0.24	0.01	-	-	-	-	-	1.07
DeRidder mill fixed asset disposals	-	0.02	-	-	-	-	-	-
<b>Total special items (income) expense</b>	<b>0.23</b>	<b>0.31</b>	<b>0.94</b>	<b>0.56</b>	<b>0.11</b>	<b>0.21</b>	<b>0.11</b>	<b>1.26</b>
<b>Earnings per diluted share, excl. special items <sup>(2)</sup></b>	<b>\$ 8.03</b>	<b>\$ 7.65</b>	<b>\$ 5.78</b>	<b>\$ 9.39</b>	<b>\$ 11.14</b>	<b>\$ 8.70</b>	<b>\$ 9.04</b>	<b>\$ 9.84</b>

(1) For descriptions of special items, see "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in Part II, Item 7 of our 2018-2025, Annual Reports on Form 10-K

(2) May not foot due to rounding

# Appendix C - ROIC



Return on invested capital (ROIC) is calculated as follows:

	2018	2019	2020	2021	2022	2023	2024	2025
Income from operations	\$ 1,068	\$ 1,054	\$ 724	\$ 1,241	\$ 1,421	\$ 1,075	\$ 1,101	\$ 1,107
Special items and adjustments:								
- Facilities closure costs (income)	2	-	28	(3)	1	14	3	(10)
- Jackson mill conversion	-	-	-	14	14	11	10	-
- Incremental costs for COVID-19	-	-	7	-	-	-	-	-
- Goodwill impairment	-	-	55	-	-	-	-	-
- Hurricane Laura impact	-	-	10	-	-	-	-	-
- DeRidder fixed asset disposals	-	3	-	-	-	-	-	-
- Wallula mill restructuring	30	1	-	-	-	-	-	128
- Insurance deductible for property damage	1	-	-	-	-	-	-	-
- Acquisition and integration related costs	-	-	-	-	(1)	-	-	33
<b>Adjusted income from operations</b>	<b>1,101</b>	<b>1,058</b>	<b>824</b>	<b>1,252</b>	<b>1,435</b>	<b>1,101</b>	<b>1,114</b>	<b>1,258</b>
Provision for income taxes	(266)	(258)	(206)	(303)	(352)	(270)	(271)	(310)
<b>NOPAT</b>	<b>\$ 835</b>	<b>\$ 800</b>	<b>\$ 618</b>	<b>\$ 949</b>	<b>\$ 1,083</b>	<b>\$ 830</b>	<b>\$ 842</b>	<b>\$ 947</b>

	2018	2019	2020	2021	2022	2023	2024	2025
Stockholders' equity	\$ 2,672	\$ 3,071	\$ 3,246	\$ 3,607	\$ 3,667	\$ 3,997	\$ 4,404	\$ 4,598
Current maturities of long term debt and finance lease obligations	1	2	2	2	2	402	2	2
Finance lease obligations (non-current)	18	16	14	13	11	9	7	5
Long-term debt	2,484	2,477	2,479	2,472	2,474	2,472	2,474	3,967
Cash and cash equivalents	(362)	(680)	(975)	(619)	(320)	(648)	(685)	(529)
Marketable debt securities	-	(148)	(148)	(146)	(150)	(558)	(167)	(139)
<b>Invested capital</b>	<b>\$ 4,813</b>	<b>\$ 4,738</b>	<b>\$ 4,618</b>	<b>\$ 5,329</b>	<b>\$ 5,683</b>	<b>\$ 5,674</b>	<b>\$ 6,035</b>	<b>\$ 7,905</b>
Average invested capital	<b>\$ 4,715</b>	<b>\$ 4,776</b>	<b>\$ 4,678</b>	<b>\$ 4,974</b>	<b>\$ 5,506</b>	<b>\$ 5,679</b>	<b>\$ 5,855</b>	<b>\$ 6,970</b>
<b>ROIC (NOPAT / Average invested capital)</b>		<b>16.7%</b>	<b>13.2%</b>	<b>19.1%</b>	<b>19.7%</b>	<b>14.6%</b>	<b>14.4%</b>	<b>13.6%</b>

# Appendix D – Non-GAAP Segment EBITDA Reconciliation



## Packaging Segment EBITDA (excl. special items) Reconciliation

	Q1'25	2025	Q1'26
Segment revenue	1,970.3	8,293.9	2,188.6
Segment operating income	278.1	1,125.3	260.3
Depreciation, amortization, and depletion	128.4	616.1	215.9
<b>EBITDA</b>	<b>406.5</b>	<b>1,741.4</b>	<b>476.2</b>
<b>EBITDA Margin</b>	<b>20.6%</b>	<b>21.0%</b>	<b>21.8%</b>
<b>Special Items:</b>			
Acquisition-related, facilities closure and other costs	2.8	1.5	2.9
Wallula restructuring	0.0	87.0	2.7
<b>Total Special Items</b>	<b>2.8</b>	<b>88.5</b>	<b>5.6</b>
<b>EBITDA (excl. special items)</b>	<b>409.3</b>	<b>1,829.9</b>	<b>481.8</b>
<b>EBITDA (excl. special items) Margin</b>	<b>20.8%</b>	<b>22.1%</b>	<b>22.0%</b>

## Paper Segment EBITDA (excl. special items) Reconciliation

	Q1'25	2025	Q1'26
Segment revenue	154.2	615.4	159.9
Segment operating income	35.6	129.6	32.9
Depreciation, amortization, and depletion	4.6	18.5	4.8
<b>EBITDA</b>	<b>40.2</b>	<b>148.1</b>	<b>37.7</b>
<b>EBITDA Margin</b>	<b>26.1%</b>	<b>24.1%</b>	<b>23.6%</b>
<b>Special Items:</b>			
No special items	0.0	0.0	0.0
<b>Total Special Items</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>EBITDA (excl. special items)</b>	<b>40.2</b>	<b>148.1</b>	<b>37.7</b>
<b>EBITDA (excl. special items) Margin</b>	<b>26.1%</b>	<b>24.1%</b>	<b>23.6%</b>