

# Second Quarter 2025 Earnings

August 8, 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 relate to future periods.

Some 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 financial performance, business, opportunities and shareowner value; our Adjusted EBITDA outlook; and our use of capital including investments and 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 including the imposition of tariffs or other trade protections; 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 Brazil, Europe, the United States 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).

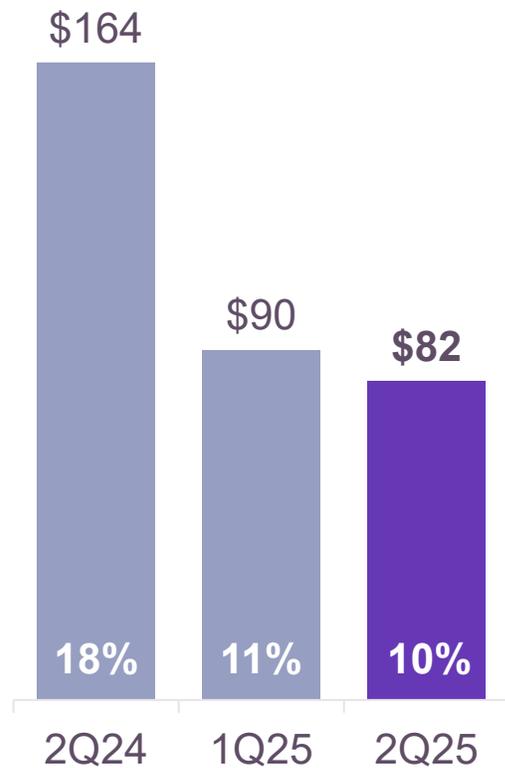
The following is a list of all non-U.S. GAAP financial measures included in this presentation. See the Appendix for a reconciliation of all presented non-U.S. GAAP measures (and their components) to U.S. GAAP financial measures.

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

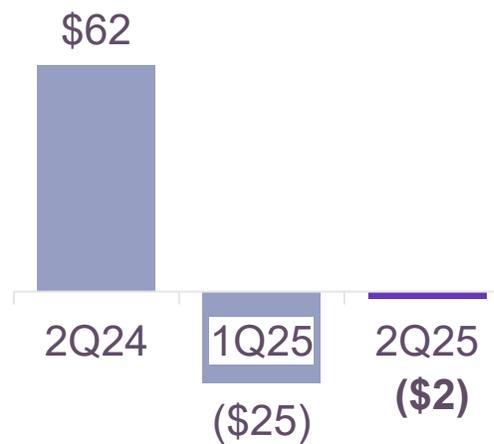
- Improved operational performance
- Executed heaviest planned maintenance outage quarter
- Returned \$38 million in cash to shareowners



## Adjusted EBITDA and Margin



## Free Cash Flow



## Adjusted Operating Earnings per Share

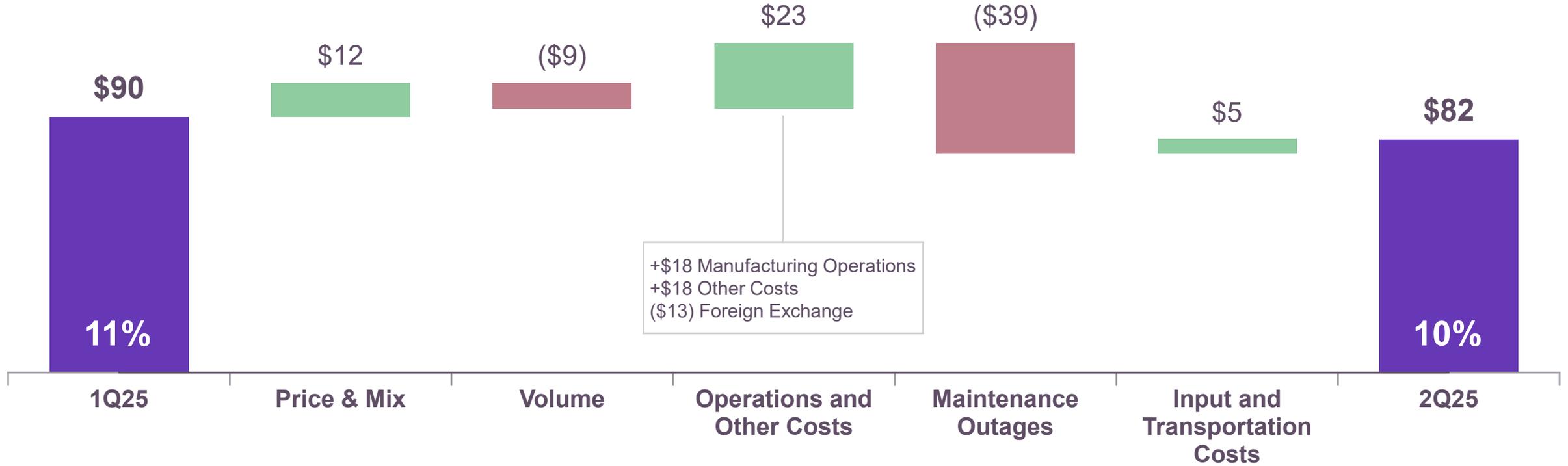


Adjusted EBITDA and Free Cash Flow figures are in \$ millions

## 2Q25 vs. 1Q25

\$ Million

<b>2Q25 Outlook</b> (May 9, 2025)	\$5 - \$10	(\$5) - \$5	\$10 - \$15	(\$36)	\$5 - \$10	<b>\$75 - \$95</b>
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	Europe <sup>1</sup>	Latin America	North America
1H25 versus 1H24 - Uncoated Freesheet			
Supply	(7%)	Stable	(10%)
Demand	(8%)	(2%) Brazil: +6%   OLA: (6%)	Stable

1H25 versus 1H24 Uncoated Freesheet Supply and Demand variances reflect estimated figures

<sup>1</sup>Excluding CIS countries: Commonwealth of Independent States

Source: Pulp and Paper Products Council (PPPC) - Printing and Writing Supply and Demand - April 2025

## UFS global trade flows

- Trade shifts between regions

## Cross-regional themes

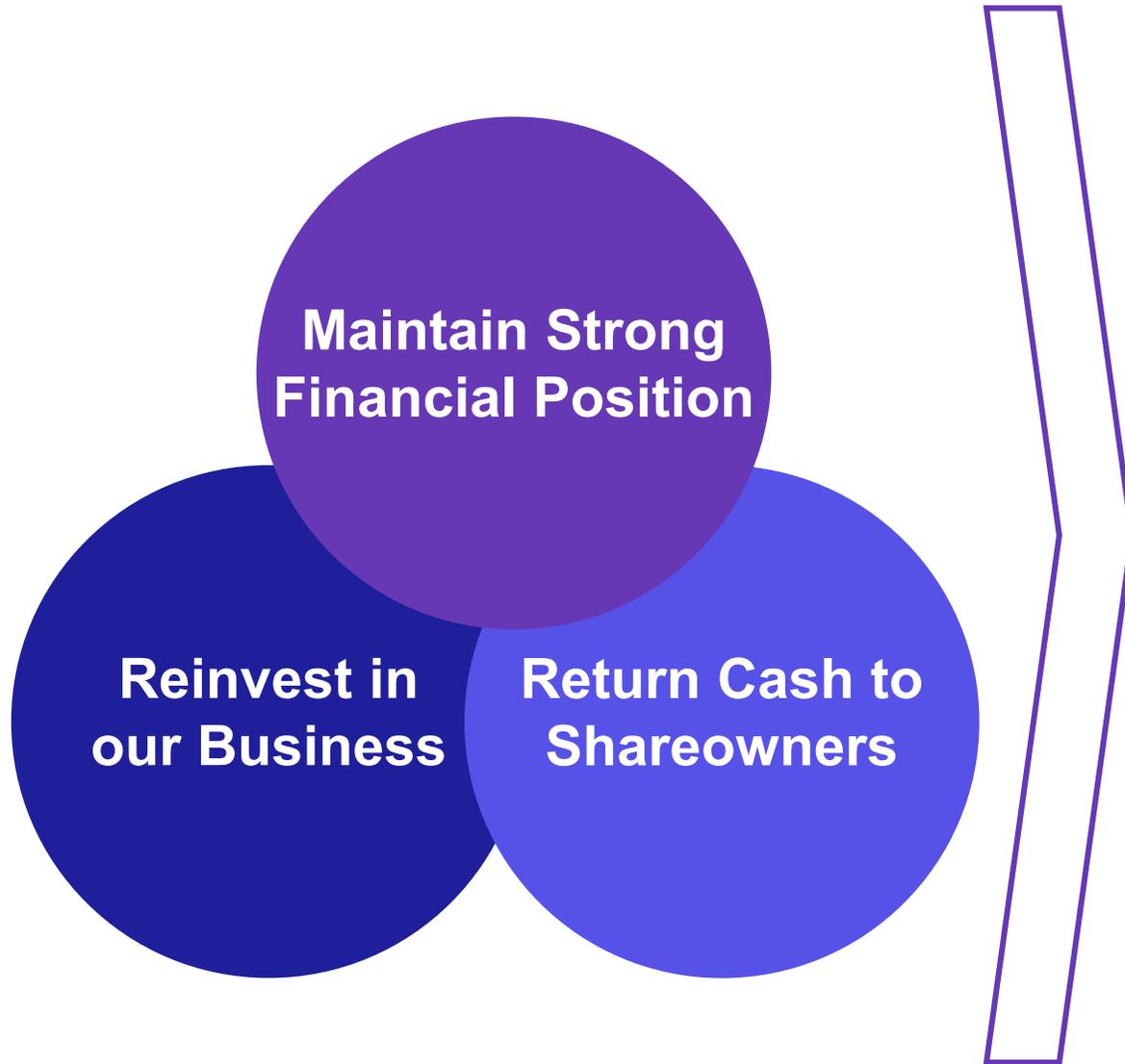
- Currency fluctuations
- Inflation
- Economic activity slowdown

## 3Q25 vs. 2Q25

\$ Million

<b>Price and Mix</b>	<b>Unfavorable: (\$15) - (\$20)</b>	Primarily paper and pulp prices in Europe
<b>Volume</b>	<b>Favorable: \$15 - \$20</b>	Stronger seasonality in Latin America and North America
<b>Operations and Other Costs</b>	<b>Favorable: \$0 - \$5</b>	Improved manufacturing operations
<b>Input and Transportation Costs</b>	<b>Stable: (\$5) - \$5</b>	Stable
<b>Planned Maintenance Outage Expenses</b>	<b>Favorable: \$66</b>	Details by region in Appendix

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



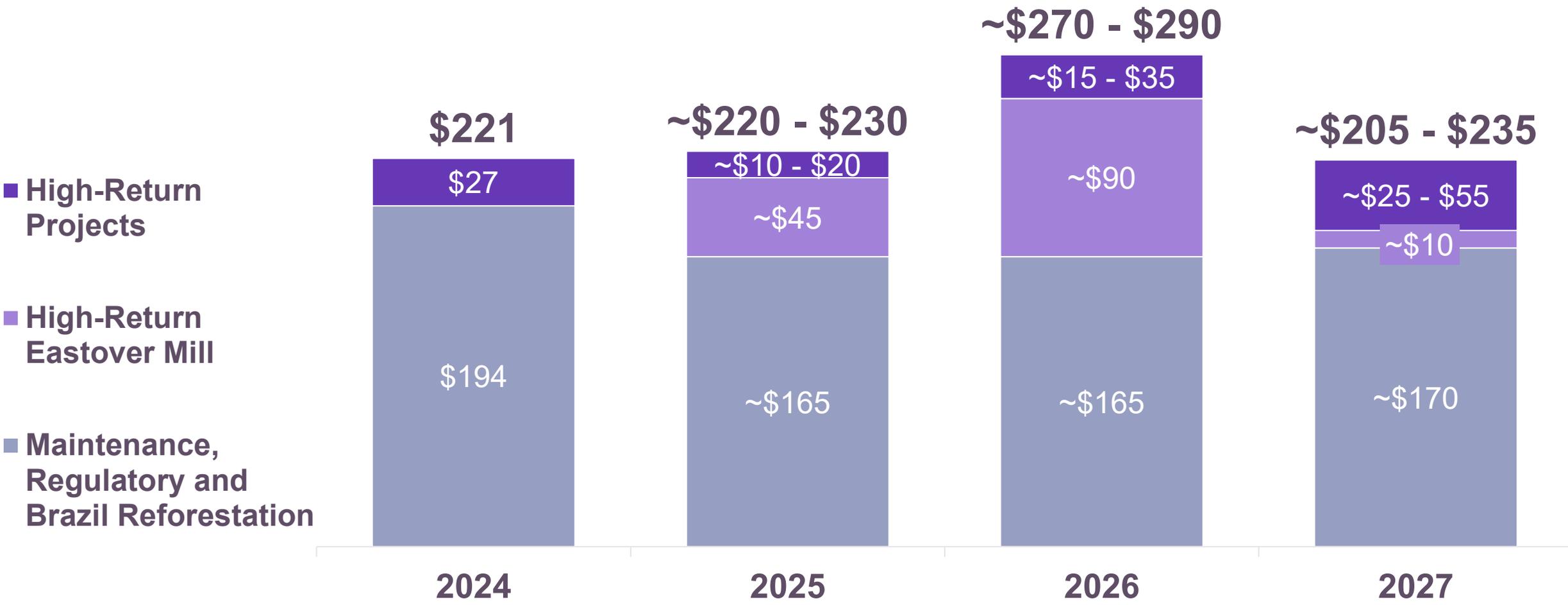
- Allows us to focus on customers and run the business with a long-term perspective
- Enables reinvesting in our business to strengthen our competitive advantages
- Maintains the ability to return cash to shareowners

Provides flexibility and the ability to take care of customers, run our business and invest in our future

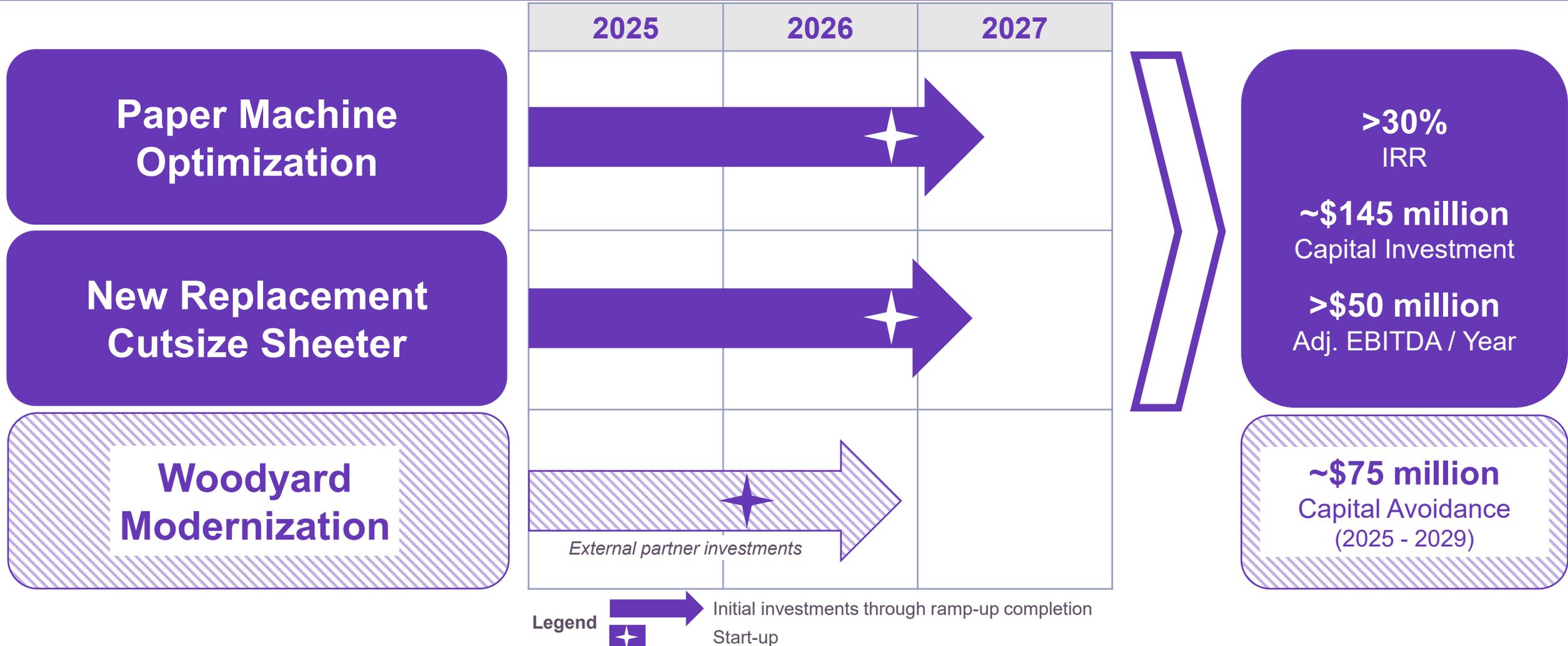


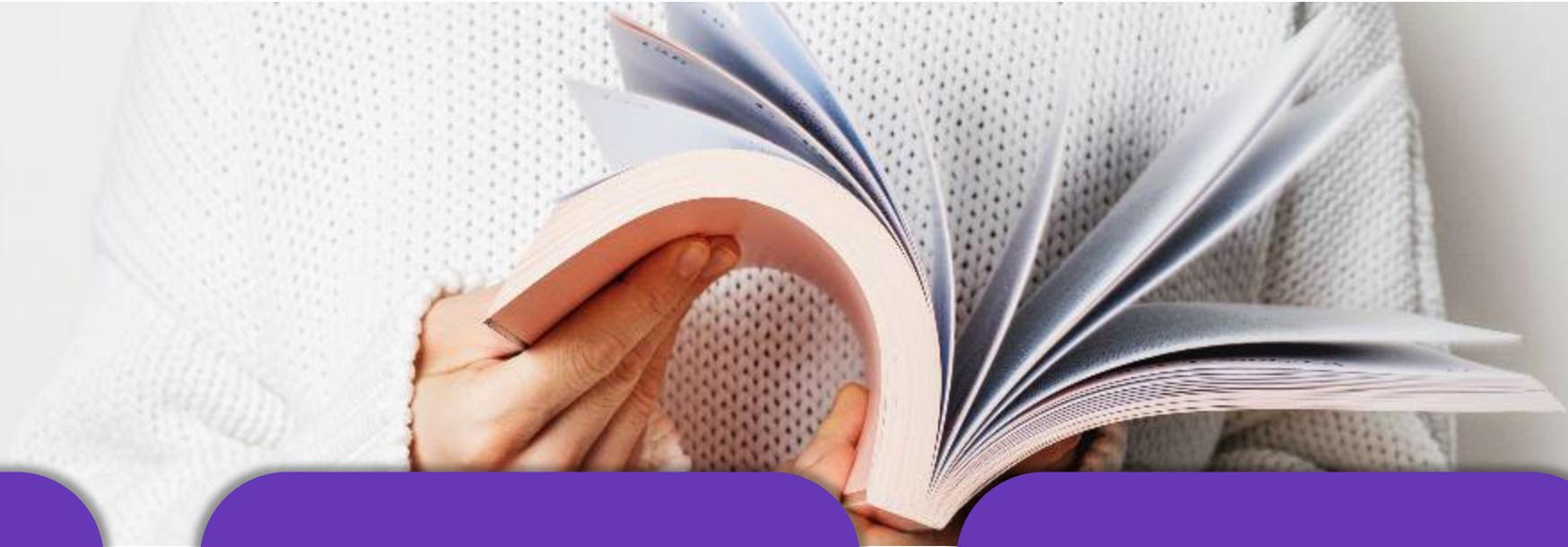
1.3x Net Debt-to-Adjusted EBITDA and 1.5x Gross Debt-to-Adjusted EBITDA as of June 30, 2025; Net debt reflects quarter-end cash balance of \$113 million

# Ramping up capital spending on high-return projects with >20% IRR



## Reducing costs while improving efficiency and mix of the most competitive North America UFS mill





**Focusing on  
uncoated freesheet  
paper**

**Investing to strengthen  
competitive advantages  
to drive earnings and  
cash flows**

**Leveraging our strengths  
to drive high returns on  
invested capital**

- **Focus on customers**
- **Maintain strong financial position**
- **Reinvest in our businesses**



# Appendix

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## Investor Relations

**Hans Bjorkman**

Vice President, Investor Relations

+1-901-519-8030

[hans.bjorkman@sylvamo.com](mailto:hans.bjorkman@sylvamo.com)

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## Media

**Adam Ghassemi**

Director, Corporate Communications

+1-901-519-8115

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

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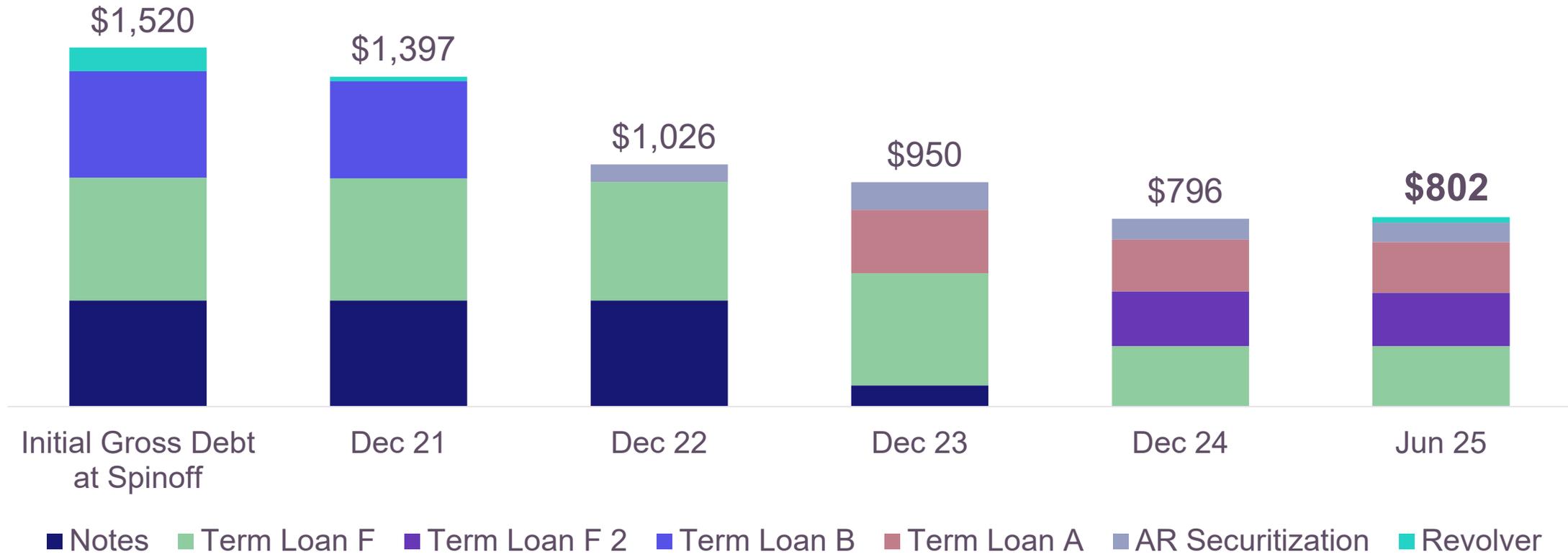
\$ Million		2024 Actual	2025 Outlook
Total Maintenance Outage Costs		\$73	\$111
Capital Spending	Maintenance & Regulatory	\$138	~\$120
	Brazil Reforestation	\$56	~\$45
	High-return Projects	\$27	~\$55 - \$65
	<b>Total</b>	<b>\$221</b>	<b>~\$220 - \$230</b>
Depreciation & Amortization		\$159	\$179
Net Interest Expense <sup>1</sup>		\$39	\$33
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.



Debt maturity profile includes anticipated minimum amortization payments by year

## Gross Debt \$ Million



**1.5x Gross Debt-to-Adjusted EBITDA as of June 30, 2025**

Net debt reflects quarter-end cash balance of \$113 million

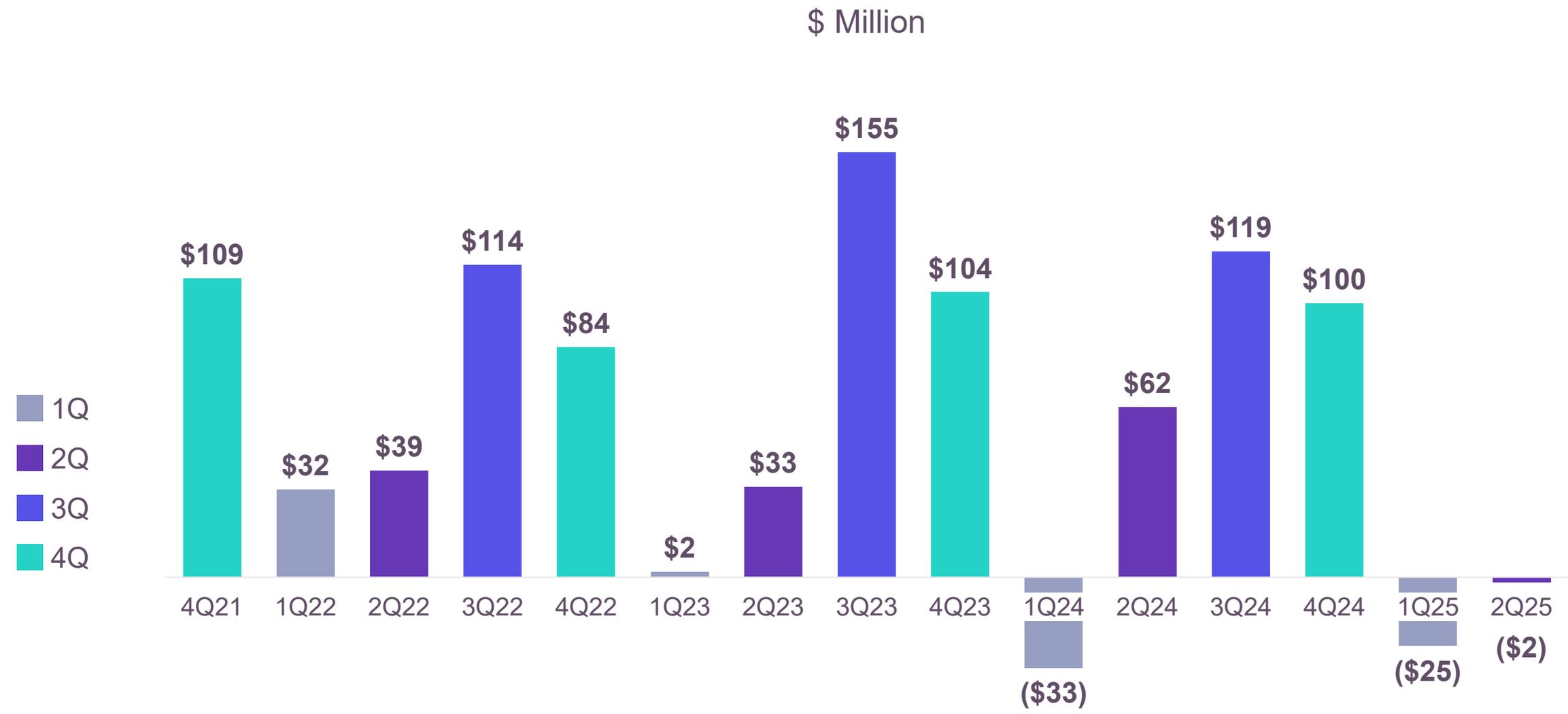
\$ Million	2Q24	1Q25	2Q25
Cash from Continuing Operations	\$115	\$23	\$64
Cash Invested in Capital Projects	(\$53)	(\$48)	(\$66)
<b>Free Cash Flow</b>	<b>\$62</b>	<b>(\$25)</b>	<b>(\$2)</b>

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	1Q25	2Q25	Variance
<b>Adjusted EBITDA</b>	<b>\$90</b>	<b>\$82</b>	<b>(\$8)</b>
Cash Taxes	(\$14)	(\$35)	(\$21)
Cash Interest	(\$6)	(\$10)	(\$4)
Cash Special Items	-	(\$2)	(\$2)
Other Changes in Working Capital	(\$47)	\$29	\$76
<b>Cash Provided by Operating Activities</b>	<b>\$23</b>	<b>\$64</b>	<b>\$41</b>
<b>Capital Spending</b>	<b>(\$48)</b>	<b>(\$66)</b>	<b>(\$18)</b>
<b>Free Cash Flow</b>	<b>(\$25)</b>	<b>(\$2)</b>	<b>\$23</b>

\$ Million	2Q24	2Q25	Variance
<b>Adjusted EBITDA</b>	<b>\$164</b>	<b>\$82</b>	<b>(\$82)</b>
Cash Taxes	(\$27)	(\$35)	(\$8)
Cash Interest	(\$11)	(\$10)	\$1
Cash Special Items	(\$4)	(\$2)	\$2
Other Changes in Working Capital	(\$7)	\$29	\$36
<b>Cash Provided by Operating Activities</b>	<b>\$115</b>	<b>\$64</b>	<b>(\$51)</b>
<b>Capital Spending</b>	<b>(\$53)</b>	<b>(\$66)</b>	<b>(\$13)</b>
<b>Free Cash Flow</b>	<b>\$62</b>	<b>(\$2)</b>	<b>(\$64)</b>

# Free Cash Flow by Quarter - Since Spinoff



# Adjusted EBITDA and Margin Reconciliation

\$ Million	2Q24	1Q25	2Q25	<b>3Q25 Outlook</b>
<b>Net Income (Loss)</b>	<b>\$83</b>	<b>\$27</b>	<b>\$15</b>	<b>\$59 - \$74</b>
Depreciation, Amortization, Cost of Timber Harvested	37	40	45	48
Interest (Income) Expense, Net	9	9	10	8
Income Tax Provision	30	6	5	24 - 29
<b>Adjustments</b>				
Equity-based Compensation	5	6	7	6
Special Items (Net of interest and tax special items)	-	2	-	-
Nymolla One-time Costs	-	-	-	-
<b>Adjusted EBITDA</b>	<b>\$164</b>	<b>\$90</b>	<b>\$82</b>	<b>\$145 - \$165</b>
Net Sales	<b>\$933</b>	<b>\$821</b>	<b>\$794</b>	
<b>Adjusted EBITDA Margin</b>	<b>18%</b>	<b>11%</b>	<b>10%</b>	

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	2Q24	1Q25	2Q25
<b>Adjusted EBITDA</b>			
Europe	17	(15)	(30)
Latin America	55	46	27
North America	92	59	85
<b>Total Business Segment Adjusted EBITDA</b>	<b>\$164</b>	<b>\$90</b>	<b>\$82</b>
<b>Net Sales</b> (excluding Inter-segment Sales eliminations)			
Europe	206	190	181
Latin America	245	199	207
North America	493	438	419
<b>Total Business Segment Net Sales</b>	<b>\$944</b>	<b>\$827</b>	<b>\$807</b>
<b>Adjusted EBITDA Margin</b>			
Europe	8%	(8%)	(17%)
Latin America	22%	23%	13%
North America	19%	13%	20%

# Adjusted Operating Earnings per Share Reconciliation

\$ Million	2Q24	1Q25	2Q25
<b>Net Income (Loss)</b>	<b>\$83</b>	<b>\$27</b>	<b>\$15</b>
Special Items Expense (Income)	-	\$1	-
<b>Adjusted Operating Earnings</b>	<b>\$83</b>	<b>\$28</b>	<b>\$15</b>
<b>Adjusted Operating Earnings per Share</b>	<b>\$1.98</b>	<b>\$0.68</b>	<b>\$0.37</b>

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.

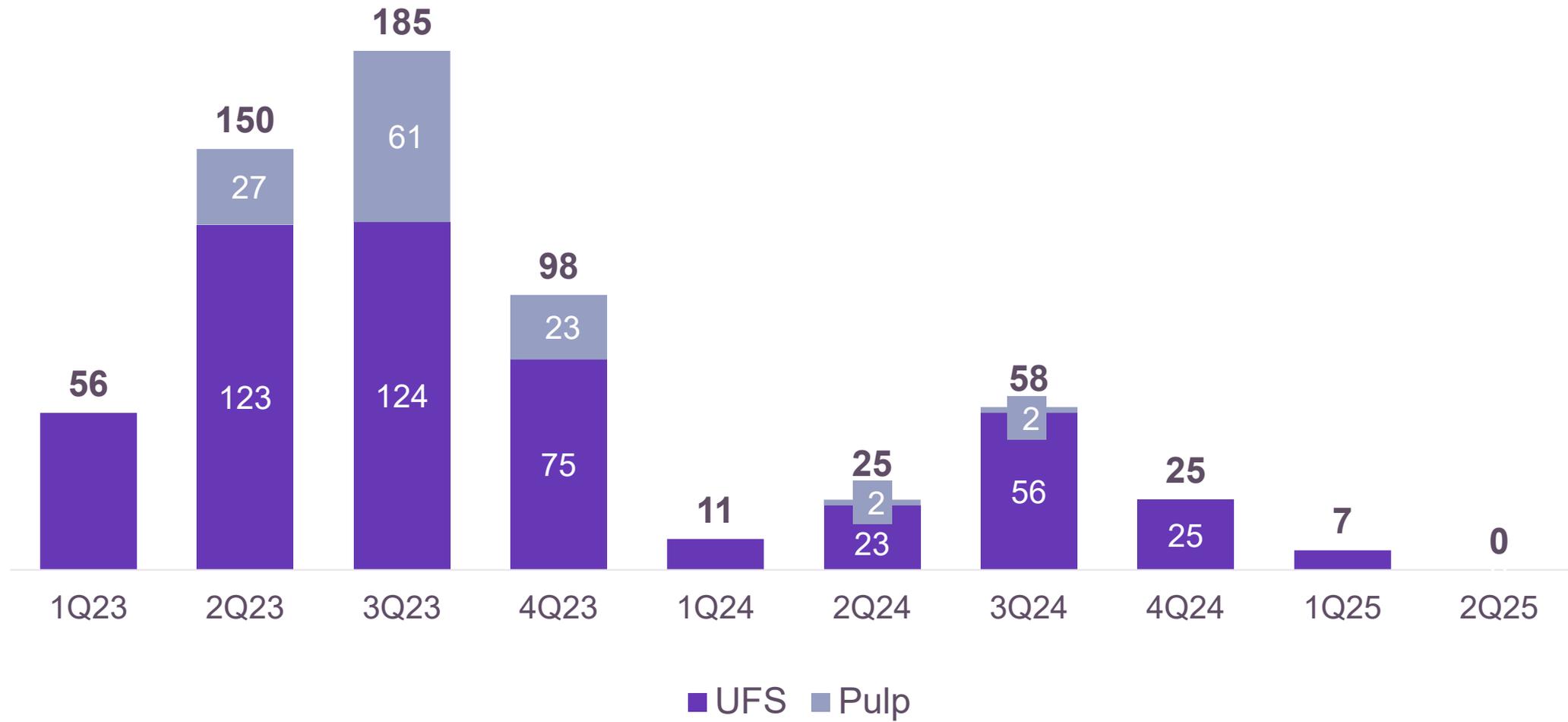
000 Short Tons	Uncoated Papers	Market Pulp	Total
Nymolla	500	-	500
Saillat	265	130	395
<b>Europe</b>	<b>765</b>	<b>130</b>	<b>895</b>
Luis Antonio	385	130	515
Mogi Guacu	460	35	495
Tres Lagoas	260	-	260
<b>Latin America</b>	<b>1,105</b>	<b>165</b>	<b>1,270</b>
Eastover	700	115	815
Ticonderoga	275	-	275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

Source: Sylvamo management

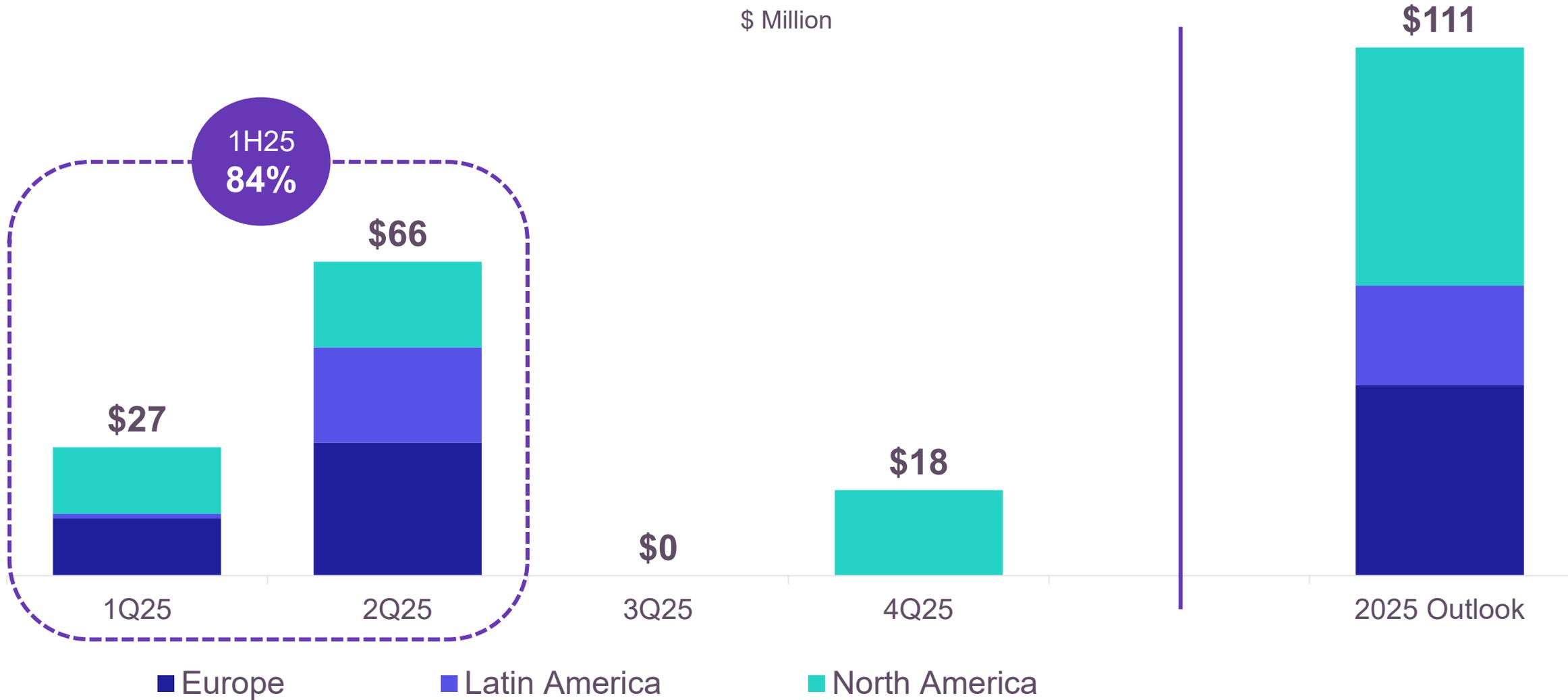
000 Short Tons	Europe	Latin America	North America	Sylvamo
<b>Uncoated Papers</b>	150	236	288	<b>674</b>
<b>Market Pulp</b>	29	30	30	<b>89</b>
<b>Total</b>				<b>763</b>

Sales volume includes revenue recognition

Thousand tons



# 84% of planned maintenance outage costs completed in 1H25



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

# Total Maintenance Outage Costs - 2025 Outlook

\$ Million	1Q25 Actual	2Q25 Actual	3Q25 Outlook	4Q25 Outlook	2025 Outlook
<b>Europe</b>	\$12	\$28	-	-	<b>\$40</b>
<b>Latin America</b>	\$1	\$20	-	-	<b>\$21</b>
<b>North America</b>	\$14	\$18	-	\$18	<b>\$50</b>
<b>Total</b>	<b>\$27</b>	<b>\$66</b>	<b>-</b>	<b>\$18</b>	<b>\$111</b>

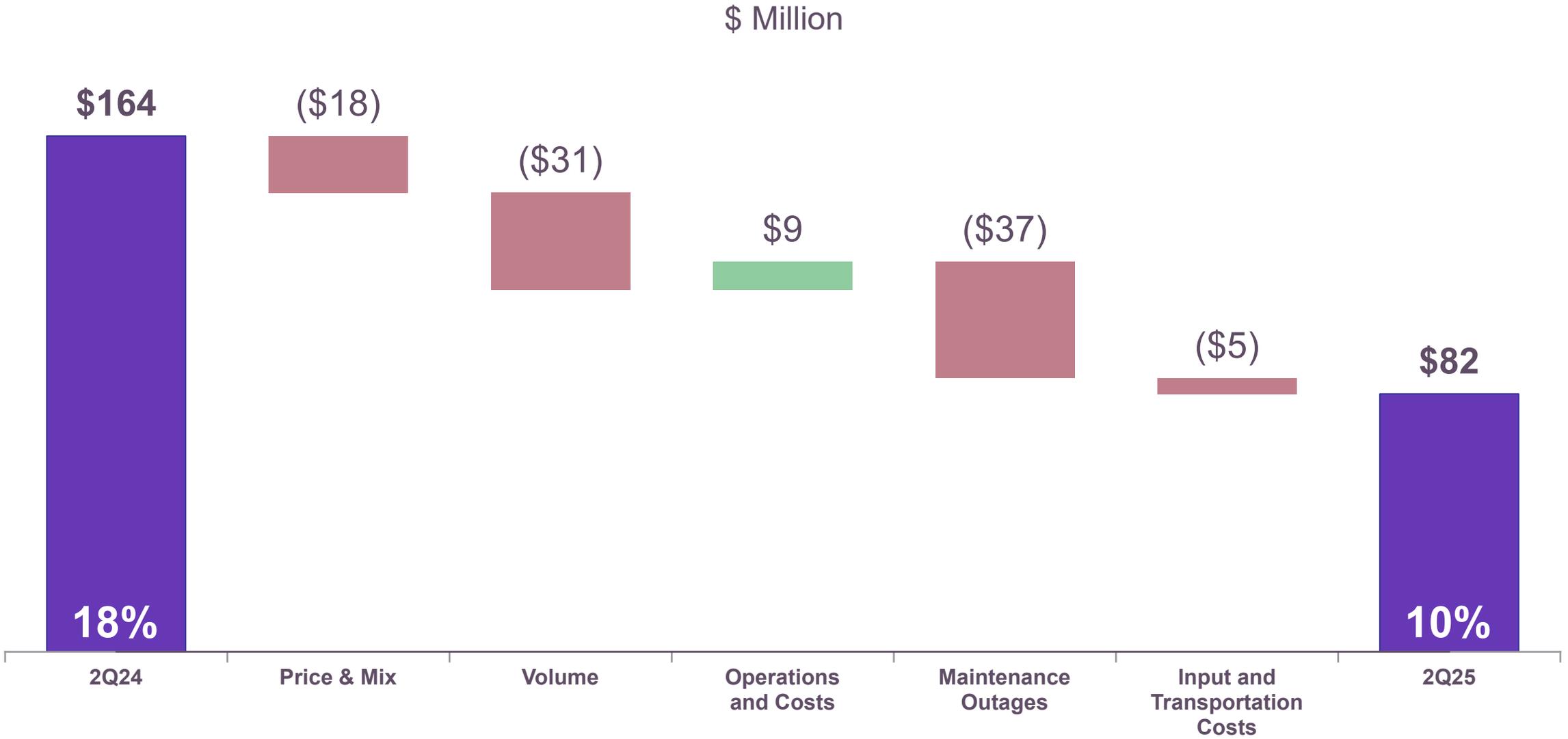
Total maintenance outage costs (shown for Sylvamo mills only) include direct maintenance outage expense and related unabsorbed fixed costs

# Quarterly Business Segment Operating Results

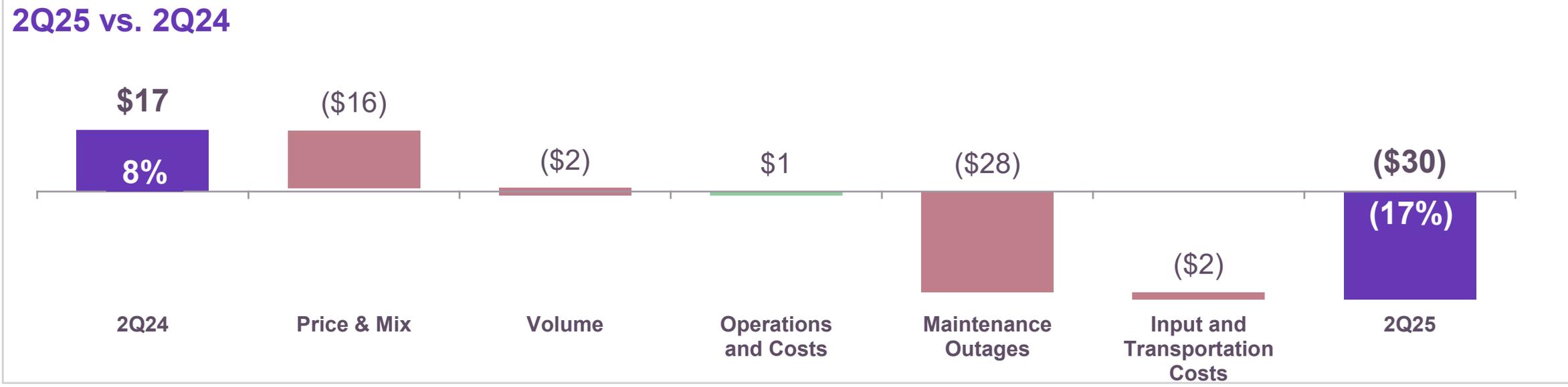
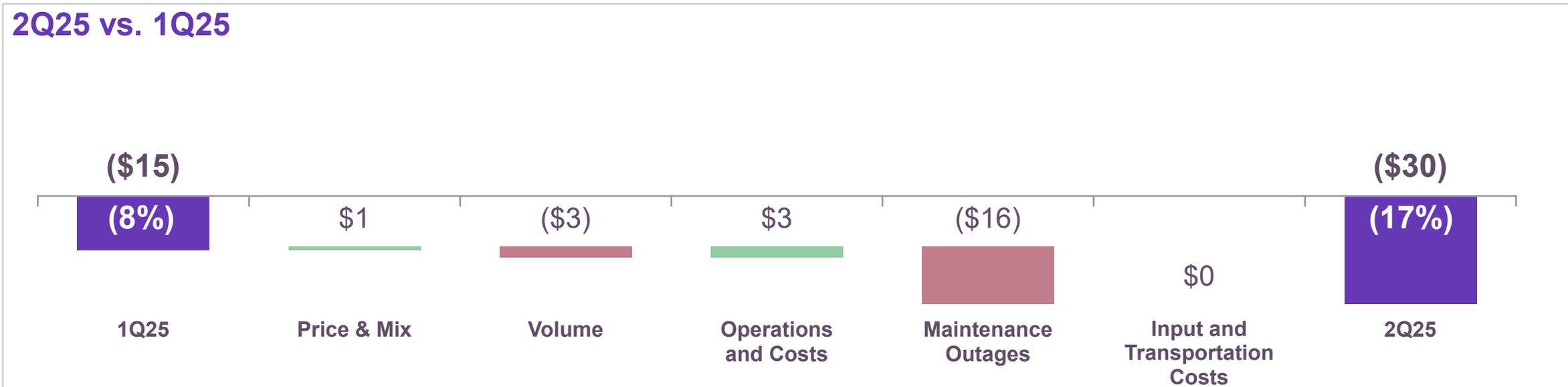
\$ Million	Sales			D&A	Adjusted EBITDA		
	2Q24	1Q25	2Q25	2Q25	2Q24	1Q25	2Q25
<b>Europe</b>	\$206	\$190	\$181	\$8	\$17	(\$15)	(\$30)
<b>Latin America</b>	\$245	\$199	\$207	\$23	\$55	\$46	\$27
<b>North America</b>	\$493	\$438	\$419	\$14	\$92	\$59	\$85
<b>Segment Total</b>	<b>\$944</b>	<b>\$827</b>	<b>\$807</b>	<b>\$45</b>	<b>\$164</b>	<b>\$90</b>	<b>\$82</b>

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

# 2Q25 vs. 2Q24 Adjusted EBITDA

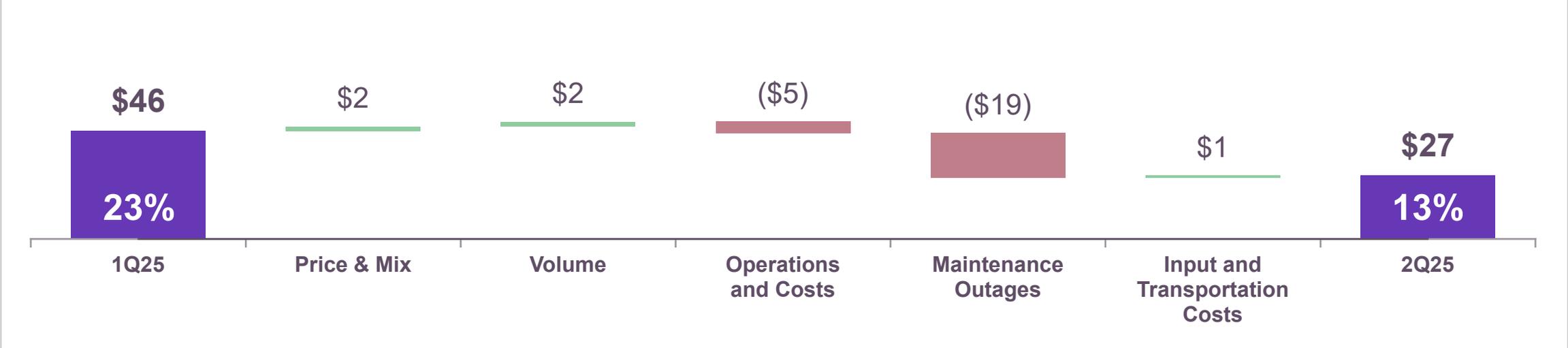


\$ Million

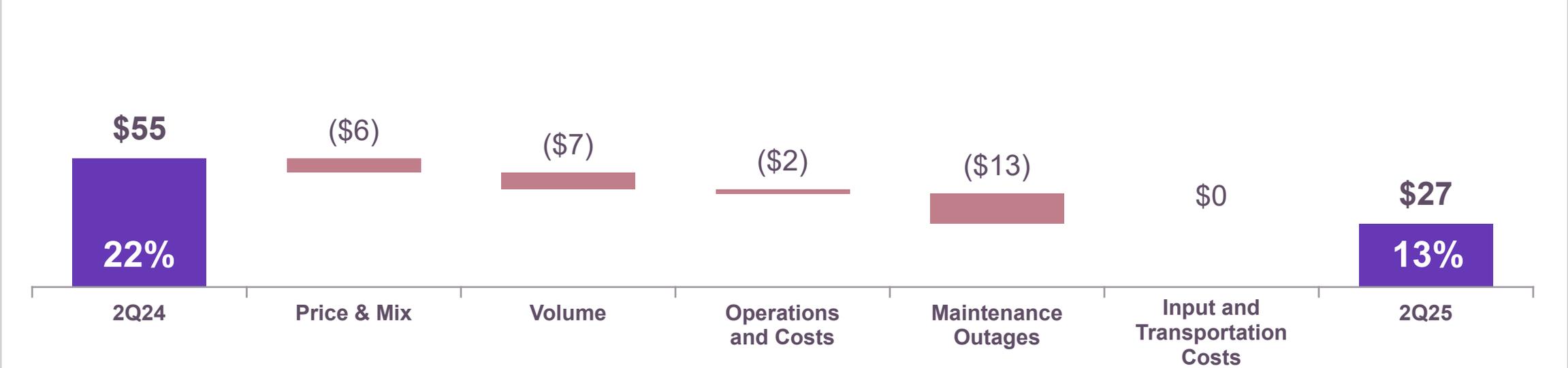


## 2Q25 vs. 1Q25

\$ Million

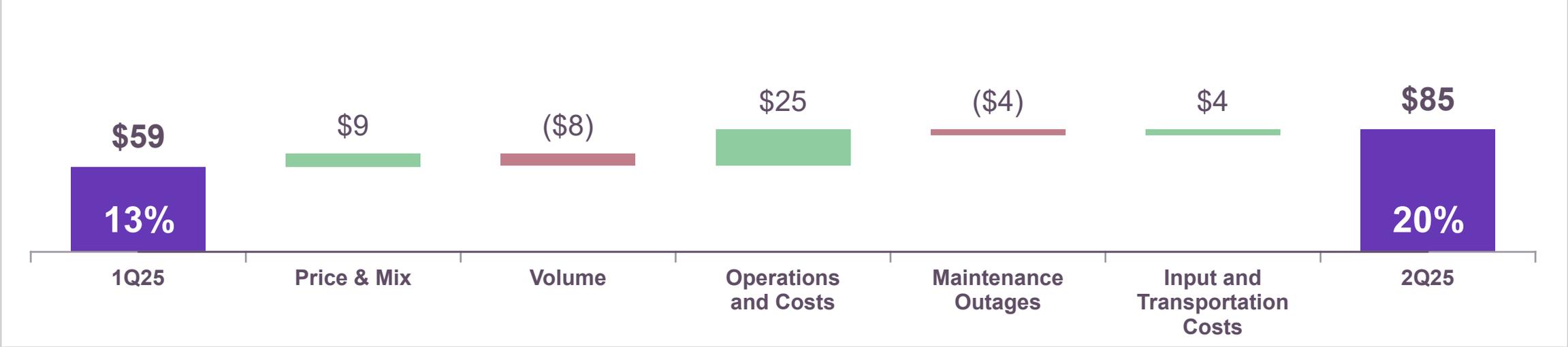


## 2Q25 vs. 2Q24

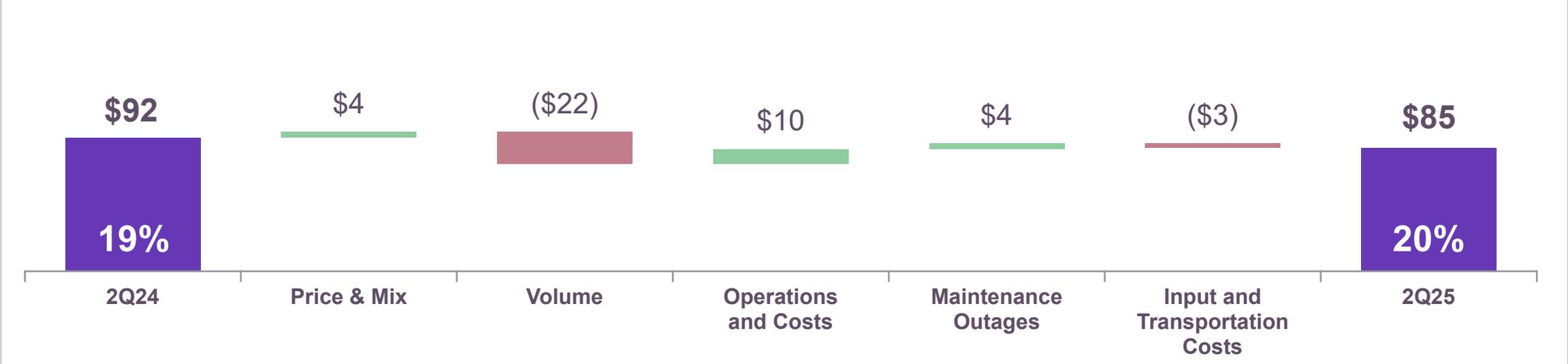


## 2Q25 vs. 1Q25

\$ Million



## 2Q25 vs. 2Q24



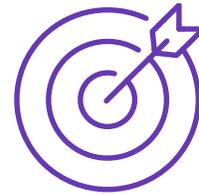


## The World's Paper Company

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