FULL YEAR AND FOURTH QUARTER 2022 EARNINGS

JANUARY 31, 2023

SAFE HARBOR COMMENTS

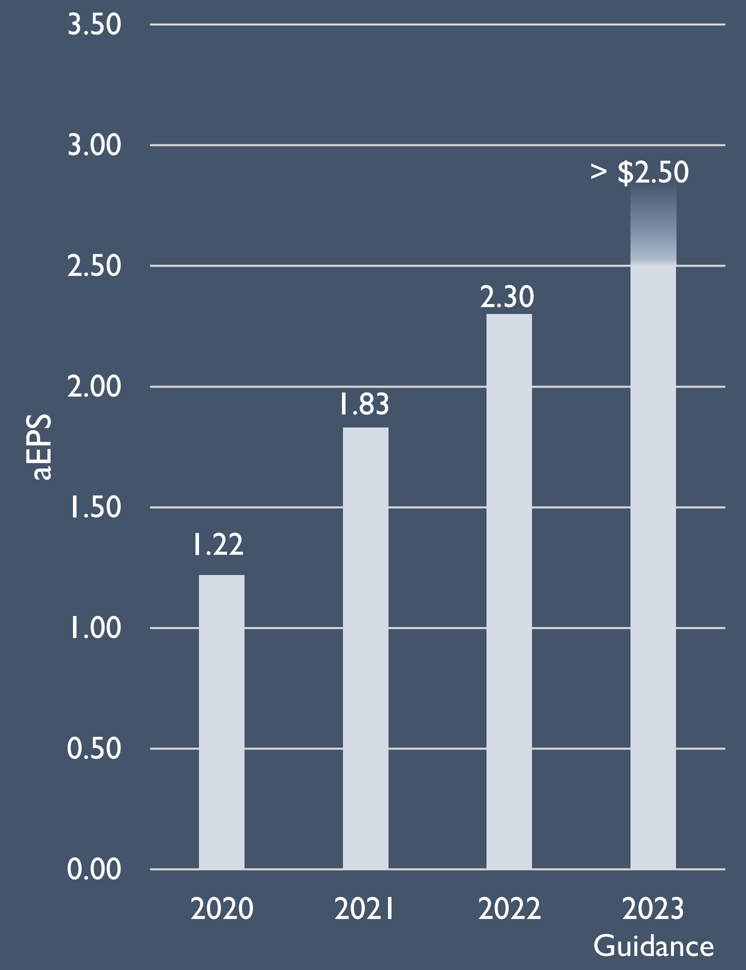
FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking” statements related to O-I Glass, Inc. (“O-I Glass” or the “company”) within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements reflect the company’s current expectations and projections about future events at the time, and thus involve uncertainty and risk. The words “believe,” “expect,” “anticipate,” “will,” “could,” “would,” “should,” “may,” “plan,” “estimate,” “intend,” “predict,” “potential,” “continue,” and the negatives of these words and other similar expressions generally identify forward-looking statements.

It is possible that the Company’s future financial performance may differ from expectations due to a variety of factors including, but not limited to the following: (1) the general political, economic and competitive conditions in markets and countries where the Company has operations, including uncertainties related to economic and social conditions, disruptions in the supply chain, competitive pricing pressures, inflation or deflation, changes in tax rates and laws, war, civil disturbance or acts of terrorism, natural disasters, and weather, (2) cost and availability of raw materials, labor, energy and transportation (including impacts related to the current conflict between Russia and Ukraine and disruptions in supply of raw materials caused by transportation delays), (3) the impact of the COVID-19 pandemic and the various governmental, industry and consumer actions related thereto, (4) competitive pressures, consumer preferences for alternative forms of packaging or consolidation among competitors and customers, (5) the Company’s ability to improve its glass melting technology, known as the MAGMA program, and implement it within the timeframe expected, (6) unanticipated operational disruptions, including higher capital spending, (7) the failure of the Company’s joint venture partners to meet their obligations or commit additional capital to the joint venture, (8) the Company’s ability to manage its cost structure, including its success in implementing restructuring or other plans aimed at improving the Company’s operating efficiency and working capital management, and achieving cost savings, (9) the Company’s ability to acquire or divest businesses, acquire and expand plants, integrate operations of acquired businesses and achieve expected benefits from acquisitions, divestitures or expansions, (10) the Company’s ability to generate sufficient future cash flows to ensure the Company’s goodwill is not impaired, (11) the Company’s ability to achieve its strategic plan, (12) unanticipated expenditures with respect to data privacy, environmental, safety and health laws, (13) the ability of the Company and the third parties on which it relies for information technology system support to prevent and detect security breaches related to cybersecurity and data privacy, (14) changes in capital availability or cost, including interest rate fluctuations and the ability of the Company to refinance debt on favorable terms, (15) foreign currency fluctuations relative to the U.S. dollar, (16) changes in tax laws or U.S. trade policies, (17) risks related to recycling and recycled content laws and regulations, (18) risks related to climate-change and air emissions, including related laws or regulations and increased ESG scrutiny and changing expectations from stakeholders regulations and the other risk factors discussed in the company's filings with the Securities and Exchange Commission.

It is not possible to foresee or identify all such factors. Any forward-looking statements in this document are based on certain assumptions and analyses made by the company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward-looking statements are not a guarantee of future performance and actual results or developments may differ materially from expectations. While the company continually reviews trends and uncertainties affecting the company’s results or operations and financial condition, the company does not assume any obligation to update or supplement any particular forward-looking statements contained in this document.

IMPROVED EARNINGS



OVERVIEW

Results Exceeded Guidance and O-I Achieved All 2022 Commitments

FY22 EARNINGS EXCEEDED GUIDANCE AND PRIOR YEAR

- Strong execution across key business levers: net price, volume, operations and margin expansion initiatives

		2021	2022 GUIDE	2022
Full Year	aEPS	$1.83	$2.20 - $2.25	$2.30
	aFCF ($M)	$378	≥ $400	$426
	FCF ($M)	$282	≥ $200	$236
4Q	aEPS	$0.36	$0.28 - $0.33	$0.38

ACHIEVED KEY 2022 STRATEGIC OBJECTIVES

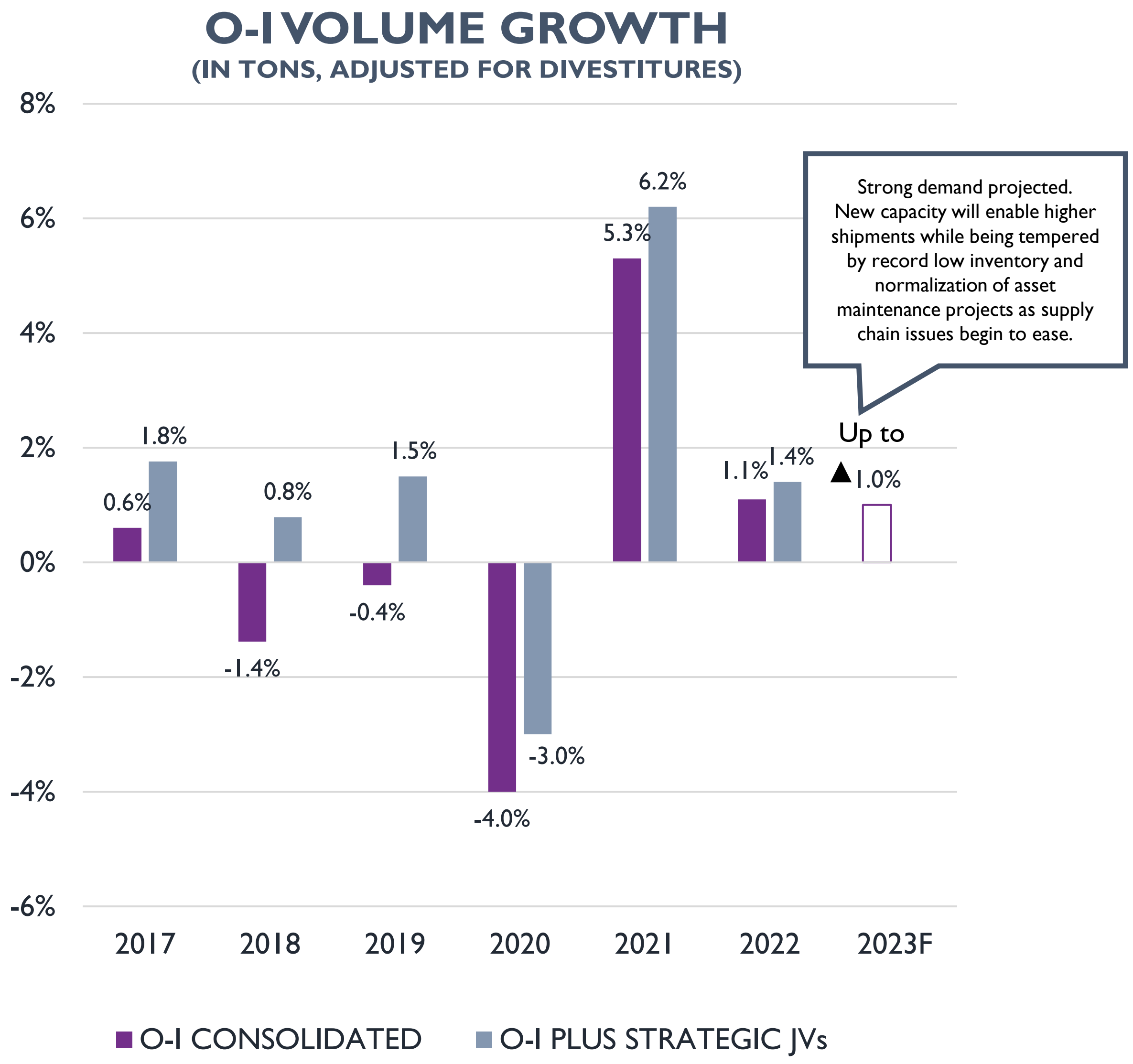
- Expanded segment operating profit margins by 110 basis points
- Advanced key strategic initiatives including capacity expansion projects
- Improved structure: Paddock resolution, completion of portfolio optimization program and reduced debt

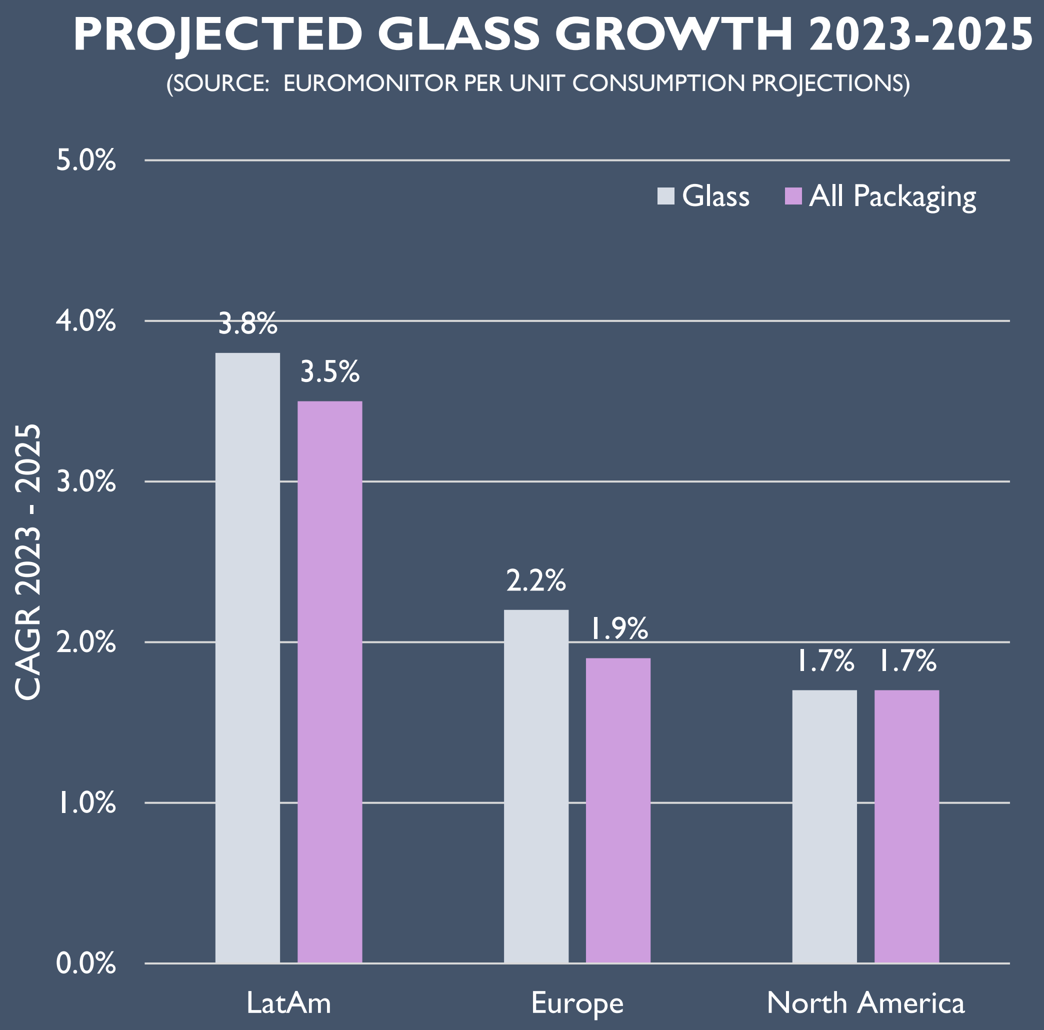
EXPECT HIGHER RESULTS IN 2023 AND BEYOND

- 2023 guidance: >$2.50 aEPS, ≥ $450M aFCF and ≥ $150M FCF
- Established ambitious key objectives to advance O-I's strategy in 2023

SALES VOLUME TRENDS

Strong Demand Projected Amid Capacity Constraints





Strongest Glass Fundamentals in 20+ Years

2022 STRATEGIC OBJECTIVES

O-I Achieved Key 2022 Strategic Objectives

PRIORITIES	2022 KEY OBJECTIVES	2022 PROGRESS
MARGIN EXPANSION	▪ Higher selling prices offset PY unfav Net Price and 2022 inflation ▪ ≥ $50M margin expansion initiative benefits	▪ $231M favorable Net Price, exceeding FY22 guidance ▪ $70M initiative benefits, exceeding FY22 target
PROFITABLE GROWTH	▪ Substantially complete Colombia and Canada expansion ▪ Initiate Peru and Brazil expansion	▪ Phase 1 of Canada expansion operating; Colombia expansion tracking for 2Q23 ▪ Initiated Peru, Brazil, and Scotland expansion as well as US MAGMA greenfield
MAGMA DEVELOPMENT	▪ Finalize Gen 1 optimization and complete Gen 2 pilot validation ▪ Advance Gen 3 and Ultra light-weighting prototypes	▪ Accelerating MAGMA; 1st US Greenfield in Bowling Green, KY on track for 2024 ▪ Gen 3 / Light-weighting prototypes are proceeding well
ADVANCE ESG AND GLASS ADVOCACY	▪ Reduce GHG 5-10%, 30-35% elect. sourced from renewable energy ▪ ≥1.5B add'l impressions with Glass Advocacy, expand target categories	▪ 13.5% GHG reduction (2021 vs 2017 baseline); Renewable energy > 31% ▪ 1.16B digital impressions 2022; 100M people engaged avg 11x each
EXPAND PORTFOLIO OPTIMIZATION	▪ Complete $1.5B portfolio optimization program ▪ Receive proceeds prior to significant expansion investment	▪ Completed $1.5B portfolio optimization on Aug 4, 2022 ▪ Received all net proceeds prior to significant expansion CapEx
RESOLVE LEGACY LIABILITIES	▪ Confirm Paddock plan of reorg.; fund $610M 524(g) trust ~ mid-year ▪ Continue to de-risk pension liabilities in line with 2024 target	▪ 524(g) trust funded as of July 18, 2022 ▪ Continue to advance pension de-risking actions

2023 STRATEGIC OBJECTIVES

Ambitious and Achievable Objectives to Advance O-I's Strategy in 2023

PRIORITIES	2023 KEY OBJECTIVES
MARGIN EXPANSION	▪ ≥ \$150M net price realization (excluding margin expansion initiative benefits) ▪ ≥ \$100M margin expansion initiative benefits (reported in net price and operating costs)
PROFITABLE GROWTH	▪ Complete Canada and Colombia capacity expansion projects ▪ Advance Brazil, Peru and Scotland capacity expansion projects ▪ Advance first MAGMA Greenfield in Bowling Green, Kentucky
MAGMA / ULTRA DEVELOPMENT	▪ Enable MAGMA commercialization: Gen 2 (mid-2024) and Gen 3 (mid-2025) ▪ Successful ULTRA qualification in Colombia
ADVANCE ESG AND GLASS ADVOCACY	▪ Accelerate use of key technologies in GHG reduction roadmap and recycling initiatives ▪ Glass advocacy to prioritize B2C connections; ≥ 600M impressions @ 11x frequency
IMPROVE CAPITAL STRUCTURE	▪ < 3.0x net debt leverage ratio at FYE23

FIRST MAGMA GREENFIELD COMMISSIONING MID-2024

First MAGMA Greenfield in Bowling Green, KY Will be a Showcase Plant

MAGMA MELTER
Small, Incremental Growth, Flexibility, Sustainability

CUSTOMER ENGAGEMENT CENTER
Customer Intimacy, Collaborative Innovation

MODULAR BATCH SYSTEM
Fast and Agile for Greenfield Deployment

NEAR-LOCATED
Supply Chain Efficient in Heart of Bourbon Country

PILOT FORMING MACHINE
Quality, Efficiency

SCALABLE
Line 1 2024 (GEN 2)
Line 2 2025 (GEN 3 Pilot)
Line 3 Capable

DIGITALIZATION
Industry 4.0, Smart Manufacturing, Integration

ULTRA
Light-Weighting Capability, Sustainability

HIGH-PERFORMANCE OPERATIONS
World Class Safety, Quality and Efficiency

SUSTAINABLE
Gas-Oxy Combustion, Bio-Fuel Capable, Recycling Ecosystem, Efficient and Safe

See new MAGMA & ULTRA video at: https://youtu.be/jajQKkzcD_I

2022 RESULTS

Performance Improved Across Several Key Financial Measures

STRONG YEAR-OVER-YEAR PERFORMANCE IMPROVEMENT (FY22 VS FY21)

- ▲ *8% Net Sales Increase (13% currency neutral)*
- ▲ *1% Sales Volume Growth[3]*
- ▲ *7% Adjusted EBITDA Increase*
- ▲ *16% Segment Operating Profit Increase*
- ▲ *110 bps Segment Operating Margin Improvement*
- ▲ *26% aEPS Increase*
- ▲ *13% aFCF Increase*
- ▼ *1.0x Reduction in Total Financial Leverage*

	FY22 vs FY21				4Q22 vs 4Q21			
	AMERICAS SEGMENT	EUROPE SEGMENT	SEGMENT OPERATING PROFIT[1]	aEPS	AMERICAS SEGMENT	EUROPE SEGMENT	SEGMENT OPERATING PROFIT[1]	aEPS
PRIOR PERIOD	$456	$371	$827	$1.83	$99	$78	$177	$0.36
% Margin	12.8%	13.8%	13.2%		10.9%	12.1%	11.4%	
FX[2]	6	(37)	(31)	(0.12)	1	(5)	(4)	(0.02)
Divestitures[3]	(22)	(7)	(29)	(0.07)	(9)	(2)	(11)	(0.02)
Interest funding Paddock trust	-	-	-	(0.06)	-	-	-	(0.04)
SUBTOTAL	$440	$327	$767	$1.58	$91	$71	$162	$0.28
% Margin	12.4%	12.2%	12.3%		10.0%	11.0%	10.4%	
Net price[4] (incl. cost inflation)	53	178	231	1.05	36	90	126	0.61
Volume and mix	(3)	13	10	0.05	(13)	(1)	(14)	(0.07)
Operating costs (excl. cost inflation)	(18)	(30)	(48)	(0.23)	(31)	(37)	(68)	(0.32)
Retained corporate costs	-	-	-	(0.26)	-	-	-	(0.10)
Interest expense, net / NCI	-	-	-	(0.02)	-	-	-	(0.04)
Change in tax rate[5]	-	-	-	0.11	-	-	-	0.02
Share count	-	-	-	0.02	-	-	-	
CURRENT PERIOD	$472	$488	$960	$2.30	$83	$123	$206	$0.38
% Margin	12.3%	17.0%	14.3%		8.9%	17.0%	12.4%	

1 Segment operating profit is defined as consolidated earnings from continuing operations before interest expense, net, and provision for income taxes and excludes amounts related to certain items that management considers not representative of ongoing operations as well as certain retained corporate costs and other adjustments. See the appendix for further disclosure.

2 Foreign currency effect determined by using 2022 foreign currency exchange rates to translate 2021 local currency results.

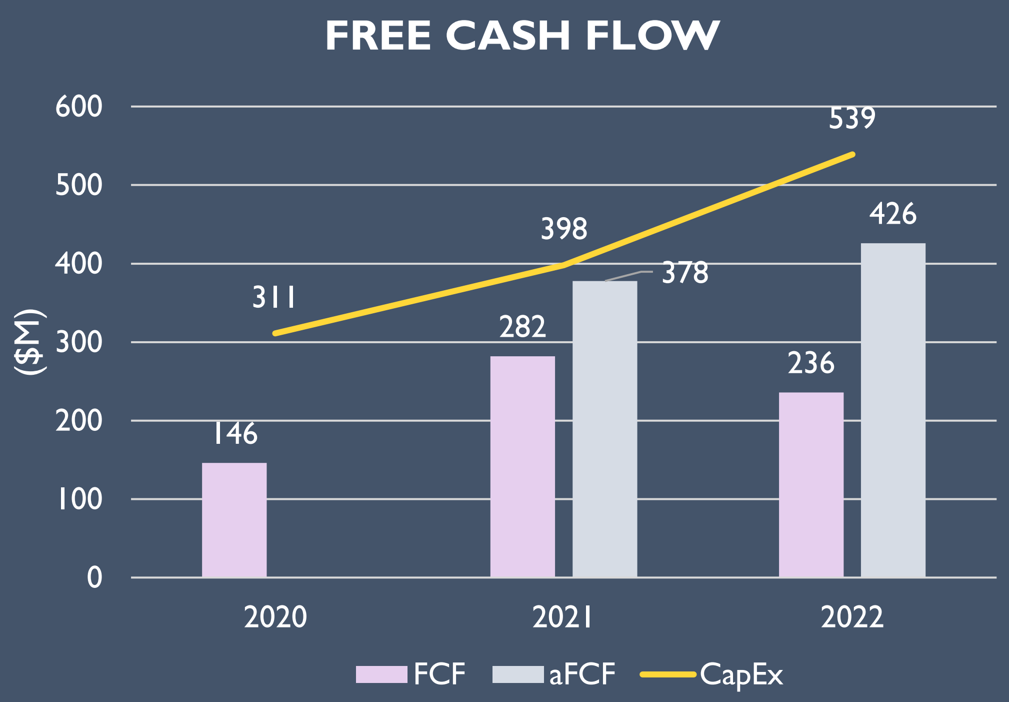
3 Divestitures include Le Parfait, LatAm Tableware business and additional lease expense from sale leaseback transactions.

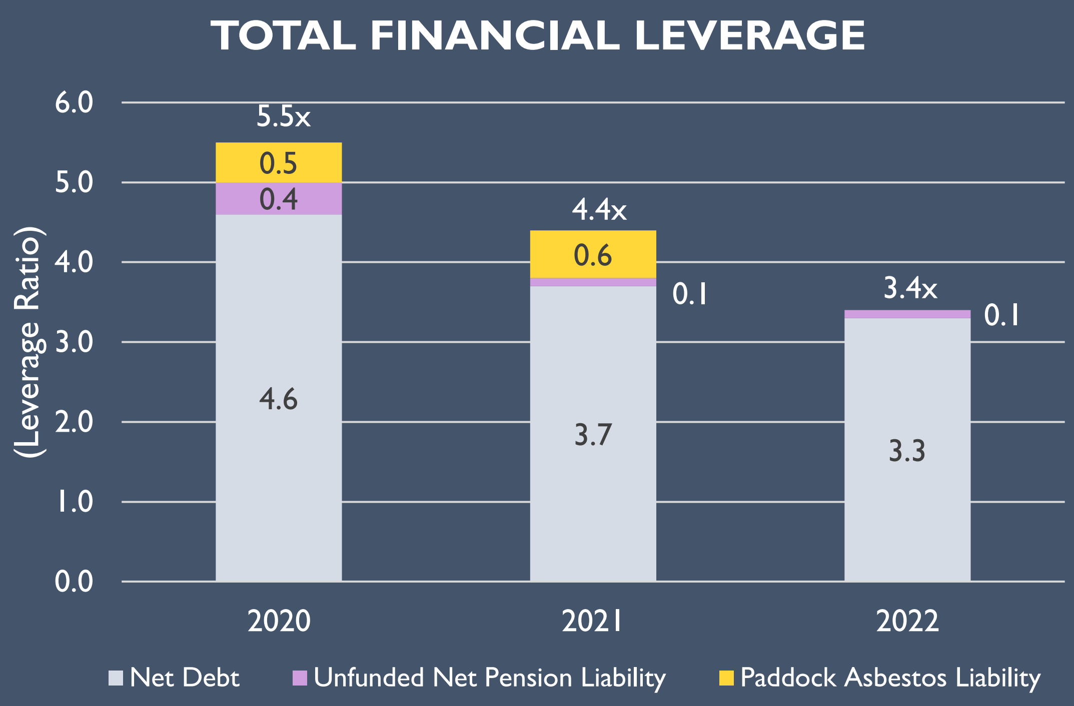
4 Net price represents the net impact of movement in selling prices and cost inflation.

5 Adjusted effective tax rate excludes certain items that management considers not representative of ongoing operations.

2022 CASH FLOW AND CAPITAL STRUCTURE

Improving Adjusted FCF and Lower Total Financial Leverage





- FCF exceeded guidance of "≥ $200M"
- Higher CapEx due to ~ $190M strategic/expansion projects
- Improving aFCF reflects solid operating performance
- Strong 36% aFCF / aEBITDA conversion (25-30% Goal)

- 1.0x reduction in total leverage exceeded guidance
- Achieved ≤ 3.5x LR 2024 I-Day target ahead of schedule
- Paddock plan of reorganization effective July 18, 2022
- Completed $1.5B divestiture program August 4, 2022

2023 OUTLOOK

Momentum Drives Continued Performance Improvement

	2022	2023F
Sales Volume Growth (Tons)	▲1.1%	Flat to ▲1%
Adjusted EBITDA ($M)	$1,194	> $1,370
aEPS	$2.30	> $2.50
Cash Flow ($M)	$426 aFCF $236 FCF	≥ $450 aFCF ≥ $150 FCF
CapEx ($M)	$539 Total ($190 Strategic; $349 Base)	$700 - $725 Total ($300 Strategic; $400-$425 Base)
Net Debt Leverage Ratio	3.3x	< 3.0x

Other Key Assumptions:

- *Retained Corporate: ~ $200M - $210M*
- *Interest Expense: $300M - $325M (> 4x adjusted EBITDA/Interest Expense Coverage)*
- *ETR: 26% – 29%*

1 Management defines free cash flow as cash provided by continuing operating activities less cash paid for property, plant and equipment (all components as determined in accordance with GAAP). Management defines adjusted free cash flow as cash provided by continuing operating activities less cash paid for property, plant and equipment pertaining to base maintenance activity. See the appendix for further disclosure. Note: Excludes $618M funding of the Paddock 524(g) trust and related expenses.
2 Net Debt is defined as Total Debt less Cash. See appendix for further disclosure.
3 Total financial leverage refers to the sum of total debt less cash, plus net unfunded pension liability, plus asbestos/Paddock liability divided by Adjusted EBITDA.

EXPECTED aEPS IMPROVEMENT

(aEPS)	1Q23 VS 1Q22	FY23 VS FY22
PRIOR PERIOD	**$0.56**	**$2.30**
FX[2]	(0.04)	0.03
Divestitures[3]	(0.01)	(0.01)
Interest funding Paddock trust	(0.04)	(0.10)
SUBTOTAL	**$0.47**	**$2.22**
Net price[4] (incl. cost inflation)	▲	▲
Volume and mix	▼ *(▼ LSD vs +6.4% PY comp)*	▶/ ▲ *(Flat to ▲ 1%)*
Operating costs (excl. cost inflation)	▲	▼
Retained corporate costs	▶	▲
Interest expense, net / NCI	▼	▼
Change in tax rate[5]	▶	▶
Share count	▶	▶
2023 OUTLOOK	**$0.80 - $0.85**	**> $2.50**

Arrow direction indicates impact on year on year earnings

CAPITAL ALLOCATION PRIORITIES

#1

IMPROVE CAPITAL STRUCTURE

- < 3.0x leverage (2023)
- Glide path to < 2.5x leverage
- Elim. net unfunded pension

#2

FUND PROFITABLE GROWTH

- $630M expansion program (2022-2024)
- Continued portfolio optimization

#3

RETURN VALUE TO SHAREHOLDERS

- Anti-dilutive repurchases
- Evaluate additional repurchases
- Evaluate dividend

STRONG 2022 RESULTS

ACHIEVED KEY 2022 STRATEGIC OBJECTIVES

AMBITIOUS STRATEGIC OBJECTIVES IN 2023

EXPECT HIGHER RESULTS IN 2023 AND BEYOND

COMPELLING INVESTMENT THESIS

APPENDIX

Our Sustainability Goals

It is our vision to become the most sustainable producer of the most sustainable rigid packaging.

50% TARGET

Increase recycled content to 50% average by 2030. O-I is taking a tailored approach to increase recycled content rates across its enterprise network as rates vary significantly by geography.

40% RENEWABLE

Renewable energy is a pillar in our strategy to lower carbon emissions. Our goal is to reach 40% renewable electricity use by 2030 and to reduce total energy consumption by 9%.

ZERO INJURIES

As part of our journey toward zero injuries, we are committed to a 50% improvement of our Total Recordable Incident Rate (TRIR) by 2030.

SOCIAL IMPACT

We see tremendous opportunity to positively impact the planet and communities where we operate. We will collaborate with customers, NGOs, suppliers and local leaders with an aim to make glass recycling available in 100% of our locations.

25% GHG REDUCTION

Approved SBTi target to reduce GHG emissions 25% by 2030 (interim target of 10% by 2025).

SUPPLY CHAIN SUSTAINABILITY

Achieve sustainability balance, together, by aligning our supply chain with our 2030 sustainability vision and goals.

DIVERSITY, EQUITY & INCLUSION

At O-I, we are better when we reflect the diverse world we serve, feel welcome, and have equal access to opportunities. We are focused on increasing all aspects of diversity, equity and inclusion across our team.

R&D TRANSFORMATION

Reinvent and reimagine glass-making so the circularity of glass meets the potential of our MAGMA melting technology, low-carbon alternative fuels, and light-weighted glass packaging.

ZERO WASTE

Reduce the amount of natural resources used, reduce the generation of waste by reuse, and recycling as we drive towards a "Zero Waste" organization.

25% WATER REDUCTION

We are committed to reducing our global water usage 25% by 2030, prioritizing operations in higher risk areas.

SEGMENT FX IMPACT ON EARNINGS

APPROXIMATE ANNUAL IMPACT ON EPS FROM 10% FX CHANGE	
EUR	0.25
MXN	0.07
BRL	0.03
COP	0.01

FX RATES AT KEY POINTS

	Jan 30, 2023	AVG 4Q22	AVG 4Q21	AVG FY22	AVG FY21
EUR	1.09	1.03	1.14	1.05	1.18
MXN	18.77	19.49	20.85	20.03	20.39
BRL	5.12	5.28	5.61	5.14	5.40
COP	4,654	4,825	3,948	4,271	3,784

NON-GAAP FINANCIAL MEASURES

The company uses certain non-GAAP financial measures, which are measures of its historical or future financial performance that are not calculated and presented in accordance with GAAP, within the meaning of applicable SEC rules. Management believes that its presentation and use of certain non-GAAP financial measures, including adjusted earnings, adjusted earnings per share, constant currency net sales, free cash flow, adjusted free cash flow, adjusted effective tax rate, total financial leverage, EBITDA, adjusted EBITDA and segment operating profit, provide relevant and useful supplemental financial information that is widely used by analysts and investors, as well as by management in assessing both consolidated and business unit performance. These non-GAAP measures are reconciled to the most directly comparable GAAP measures and should be considered supplemental in nature and should not be considered in isolation or be construed as being more important than comparable GAAP measures.

Adjusted earnings relates to earnings from continuing operations attributable to the company, exclusive of items management considers not representative of ongoing operations and other adjustments because such items are not reflective of the company's principal business activity, which is glass container production. Adjusted earnings are divided by weighted average shares outstanding (diluted) to derive adjusted earnings per share. Constant currency net sales relates to net sales exclusive of the impact of foreign exchange rates. Segment operating profit relates to earnings from continuing operations before interest expense, net, and before income taxes and is also exclusive of items management considers not representative of ongoing operations as well as certain retained corporate costs and other adjustments. Adjusted effective tax rate relates to the provision for income taxes, excluding tax items management considers not representative of ongoing operations and other adjustments, divided by earnings from continuing operations before income taxes, exclusive of items management considers not representative of ongoing operations and other adjustments. EBITDA refers to net earnings (loss), excluding gains or losses from discontinued operations, interest expense, net, provision for income taxes, depreciation and amortization of intangibles. Adjusted EBITDA refers to EBITDA, exclusive of items management considers not representative of ongoing operations and other adjustments. Total financial leverage refers to the sum of total debt less cash, plus unfunded pension liability, plus the asbestos liability or Paddock liability divided by Adjusted EBITDA. Management uses adjusted earnings, adjusted earnings per share, segment operating profit, EBITDA, Adjusted EBITDA, adjusted effective tax rate and total financial leverage to evaluate its period-over-period operating performance because it believes these provide useful supplemental measures of the results of operations of its principal business activity by excluding items that are not reflective of such operations. The above non-GAAP financial measures may be useful to investors in evaluating the underlying operating performance of the company's business as these measures eliminate items that are not reflective of its principal business activity.

Further, free cash flow relates to cash provided by operating activities plus cash payments to fund the Paddock 524(g) trust and related expenses less cash payments for property, plant and equipment. Adjusted free cash flow relates to cash provided by operating activities plus cash payments to fund the Paddock 524(g) trust and related expenses less cash payments for property, plant and equipment plus cash payments for property, plant and equipment related to strategic or expansion projects. Management has historically used free cash flow and adjusted free cash flow to evaluate its period-over-period cash generation performance because it believes these have provided useful supplemental measures related to its principal business activity. It should not be inferred that the entire free cash flow or adjusted free cash flow amount is available for discretionary expenditures, since the company has mandatory debt service requirements and other non-discretionary expenditures that are not deducted from these measures. Management uses non-GAAP information principally for internal reporting, forecasting, budgeting and calculating compensation payments.

The company routinely posts important information on its website – www.o-i.com/investors.

RECONCILIATION TO CONSTANT CURRENCY NET SALES

Net Sales - FY 2021	$	6,357
Effect of Foreign Exchange Rates		(303)
Currency Neutral Net Sales - FY 2021	$	6,054
Net Sales - FY 2022	$	6,856
Δ% Currency Neutral Sales		13.2%

RECONCILIATION TO ADJUSTED EARNINGS

The reconciliation below describes the items that management considers not representative of ongoing operations.
Unaudited

	Three months ended December 31		Year ended December 31		Three months ended March 31	Year ended December 31, 2020
	2022	2021	2022	2021	2022	2020
Earnings from continuing operations attributable to the Company	$ 13	$ 43	$ 584	$ 142	$ 88	$ 249
Items impacting equity earnings (losses):						
Restructuring, asset impairment and other charges						36
Items impacting other income (expense), net:						
Charges for deconsolidation of Paddock						14
Strategic transaction and corporate modernization costs						8
Charge related to Paddock support agreement liability				154		
Restructuring, asset impairment and other charges	32	14	53	35		106
Gain on sale of divested businesses and miscellaneous assets		(84)	(55)	(84)	(55)	(275)
Gain on sale leasebacks			(334)			
Brazil indirect tax credit		(2)		(71)		
Pension settlement charges	15	69	20	74		26
Items impacting interest expense:						
Charges for note repurchase premiums and write-off of finance fees		13	26	13	18	44
Items impacting income tax:						
Tax charge recorded for certain tax adjustments	2	5	2	5		
Net expense (benefit) for income tax on items above	(2)		41	27	10	(13)
Items impacting net earnings attributable to noncontrolling interests:						
Net impact of noncontrolling interests on items above		(1)	29	(1)	29	(1)
Total adjusting items (non-GAAP)	$ 47	$ 14	$ (218)	$ 152	$ 2	$ (55)
Adjusted earnings (non-GAAP)	$ 60	$ 57	$ 366	$ 294	$ 90	$ 194
Diluted average shares (thousands)	159,271	159,823	158,985	160,309	158,798	158,785
Earnings per share from continuing operations (diluted)	$ 0.08	$ 0.27	$ 3.67	$ 0.88	$ 0.55	$ 1.57
Adjusted earnings per share (non-GAAP)	$ 0.38	$ 0.36	$ 2.30	$ 1.83	$ 0.56	$ 1.22

The Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, adjusted earnings and adjusted earnings per share, for the three months ending March 31, 2023 and year ending December 31, 2023 to its most directly comparable GAAP financial measure, earnings from continuing operations attributable to the Company, because management cannot reliably predict all of the necessary components of this GAAP financial measure without unreasonable efforts. Earnings from continuing operations attributable to the Company includes several significant items, such as restructuring charges, asset impairment charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically lead to the recognition of these and other similar items are complex and inherently unpredictable, and the amount recognized for each item can vary significantly. Accordingly, the Company is unable to provide a reconciliation of adjusted earnings and adjusted earnings per share to earnings from continuing operations attributable to the Company or address the probable significance of the unavailable information, which could be material to the Company's future financial results.

SEGMENT RECONCILIATIONS

4Q PRICE, VOLUME AND CURRENCY IMPACT ON REPORTABLE SEGMENT SALES

	Three months ended December 31		
	Americas	Europe	Total
Net sales for reportable segments- 2021	$ 906	$ 647	$ 1,553
Effects of changing foreign currency rates [a]	3	(64)	(61)
Price	90	145	235
Sales volume & mix	(45)	(4)	(49)
Divestiture	(17)		(17)
Total reconciling items	31	77	108
Net sales for reportable segments- 2022	$ 937	$ 724	$ 1,661

4Q PRICE, SALES VOLUME, OPERATING COSTS AND CURRENCY IMPACT ON REPORTABLE SEGMENT OPERATING PROFIT

	Three months ended December 31		
	Americas	Europe	Total
Segment operating profit - 2021	$ 99	$ 78	$ 177
Effects of changing foreign currency rates [a]	1	(5)	(4)
Net price (net of cost inflation)	36	90	126
Sales volume & mix	(13)	(1)	(14)
Operating costs	(31)	(37)	(68)
Divestitures	(9)	(2)	(11)
Total reconciling items	(16)	45	29
Segment operating profit - 2022	$ 83	$ 123	$ 206

(a) Currency effect on net sales and segment operating profit determined by using 2022 foreign currency exchange rates to translate 2021 local currency results.

SEGMENT RECONCILIATIONS

FULL YEAR PRICE, VOLUME AND CURRENCY IMPACT ON REPORTABLE SEGMENT SALES

	Year ended December 31		
	Americas	Europe	Total
Net sales for reportable segments- 2021	$ 3,557	$ 2,687	$ 6,244
Effects of changing foreign currency rates [(a)]	(4)	(298)	(303)
Price	370	434	805
Sales volume & mix	(36)	55	19
Divestiture	(52)		(52)
Total reconciling items	278	191	469
Net sales for reportable segments- 2022	$ 3,835	$ 2,878	$ 6,713

FULL YEAR PRICE, SALES VOLUME, OPERATING COSTS AND CURRENCY IMPACT ON REPORTABLE SEGMENT OPERATING PROFIT

	Year ended December 31		
	Americas	Europe	Total
Segment operating profit - 2021	$ 456	$ 371	$ 827
Effects of changing foreign currency rates [(a)]	6	(37)	(31)
Net price (net of cost inflation)	53	178	231
Sales volume & mix	(3)	13	10
Operating costs	(18)	(30)	(48)
Divestitures	(22)	(7)	(29)
Total reconciling items	16	117	133
Segment operating profit - 2022	$ 472	$ 488	$ 960

(a) Currency effect on net sales and segment operating profit determined by using 2022 foreign currency exchange rates to translate 2021 local currency results.

RECONCILIATION FOR SEGMENT OPERATING PROFIT

Unaudited	Three months ended December 31 2022	Three months ended December 31 2021	Year ended December 31 2022	Year ended December 31 2021
Net sales:				
Americas	$ 937	$ 906	$ 3,835	$ 3,557
Europe	724	647	2,878	2,687
Reportable segment totals	1,661	1,553	6,713	6,244
Other	32	35	143	113
Net sales	$ 1,693	$ 1,588	$ 6,856	$ 6,357
Earnings from continuing operations before income taxes	$ 29	$ 71	$ 805	$ 332
Items excluded from segment operating profit:				
Retained corporate costs and other	66	45	232	171
Items not considered representative of ongoing operations [a]	47	(3)	(316)	108
Interest expense, net	64	64	239	216
Segment operating profit [b]:	$ 206	$ 177	$ 960	$ 827
Americas	$ 83	$ 99	$ 472	$ 456
Europe	123	78	488	371
Reportable segment totals	$ 206	$ 177	$ 960	$ 827
Ratio of earnings before income taxes to net sales	12.2%	11.1%	14.0%	13.0%
Segment operating profit margin [c]:				
Americas	8.9%	10.9%	12.3%	12.8%
Europe	17.0%	12.1%	17.0%	13.8%
Reportable segment margin totals	12.4%	11.4%	14.3%	13.2%

(a) Reference reconciliation for adjusted earnings.

(b) Segment operating profit consists of consolidated earnings from continuing operations before interest income, interest expense, and provision for income taxes and excludes amounts related to certain items that management considers not representative of ongoing operations as well as certain retained corporate costs and other adjustments.

The Company presents information on segment operating profit because management believes that it provides investors with a measure of operating performance separate from the level of indebtedness or other related costs of capital. The most directly comparable GAAP financial measure to segment operating profit is earnings from continuing operations before income taxes. The Company presents segment operating profit because management uses the measure, in combination with net sales and selected cash flow information, to evaluate performance and to allocate resources.

(c) Segment operating profit margin is segment operating profit divided by segment net sales.

	Year Ended Dec 31, 2022
Earnings from continuing operations before income taxes	$ 805
Interest expense, net	(239)
Interest income	12
Earnings before interest and taxes (non GAAP)	$ 1,056
Depreciation and amortization	454
Earnings before interest, taxes, depreciation and amortization (non GAAP)	$ 1,510
Items not considered representative of ongoing operations and other adjustments [a]	(316)
Adjusted Earnings before interest, taxes, depreciation and amortization (non GAAP)	$ 1,194
Cash provided by continuing operating activities	$ 154
Addback: Funding of Paddock 524(g) trust and related expenses	621
Cash payments for property, plant and equipment	(539)
Free cash flow (non-GAAP)	$ 236
Addback: Cash payments for property, plant and equipment - strategic/expansion only (non-GAAP)	190
Adjusted free cash flow (non-GAAP)	$ 426
Adjusetd EBITDA to Adjusted Free Cash Flow Conversion	36%

[a] Refer to Reconciliation to Adjusted Earnings

RECONCILIATION TO TOTAL FINANCIAL LEVERAGE

$ millions

	2020	2021	2022
Earnings (loss) from continuing operations	$ 264	$ 165	$ 627
Interest expense (net)	265	216	239
Interest income	5	7	12
Provision for income taxes	89	167	178
Depreciation	369	356	352
Amortization of intangibles	99	93	102
EBITDA	**$ 1,091**	**$ 1,004**	**$ 1,510**
Adjustments to EBITDA:			
Charge for asbestos-related costs	-	-	-
Restructuring, asset impairment, pension settlement and other charges	168	109	73
Charge for goodwill impairment	-	-	-
Gain on sale of ANZ Business	(275)	-	-
Gain on sale leasebacks	-	-	(334)
Gain on sale of miscellaneous assets	-	(84)	(55)
Equity earnings	-	-	-
Charge related to Paddock support agreement liability	-	154	-
Charge for deconsolidation of Paddock	14	-	-
Brazil indirect tax credit	-	(71)	-
Strategic transactions and Corporate Modernization costs	8	-	-
Adjusted EBITDA	**$ 1,006**	**$ 1,112**	**$ 1,194**
Total debt	**$ 5,142**	**$ 4,825**	**$ 4,716**
Less cash	**$ 563**	**$ 725**	**$ 773**
Net debt	**$ 4,579**	**$ 4,100**	**$ 3,943**
Net debt divided by EBITDA	**4.6**	**3.7**	**3.3**
Unfunded Net Pension Liability	**$ 464**	**$ 141**	**$ 175**
Unfunded Net Pension Liability divided by Adjusted EBITDA	**0.5**	**0.1**	**0.1**
Asbestos / Paddock Liability	**$ 471**	**$ 625**	**$ -**
Asbestos / Paddock Liability divided by Adjusted EBITDA	**0.5**	**0.6**	**0.0**
Financial Leverage ((Net Debt + Unfunded Pension Liability + Asbestos / Paddock Liability)/Adjusted EBITDA)	**5.5**	**4.4**	**3.4**

For all periods after the year ending December 31, 2022, the Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, total debt less cash plus unfunded pension liability plus the asbestos liability or Paddock liability divided by Adjusted EBITDA, to its most directly comparable U.S. GAAP financial measure, Net Earnings (loss), because management cannot reliably predict all of the necessary components of this U.S. GAAP financial measure without unreasonable efforts. Net Earnings includes several significant items, such as restructuring, asset impairment and other charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically lead to the recognition of these and other similar non-GAAP adjustments are inherently unpredictable as to if and when they may occur. The inability to provide a reconciliation is due to that unpredictability and the related difficulties in assessing the potential financial impact of the non-GAAP adjustments. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to the Company's future financial results.

RECONCILIATION FOR ADJUSTED EFFECTIVE TAX RATE

The Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, adjusted effective tax rate, for the year ending December 31, 2023, to its most directly comparable GAAP financial measure, provision for income taxes divided by earnings (loss) from continuing operations before income taxes, because management cannot reliably predict all of the necessary components of these GAAP financial measures without unreasonable efforts. Earnings (loss) from continuing operations before income taxes includes several significant items, such as restructuring charges, asset impairment charges, charges for the write-off of finance fees, and the provision for income taxes would include the income tax effect on such items. The decisions and events that typically lead to the recognition of these and other similar items are complex and inherently unpredictable, and the amount recognized for each item can vary significantly. Accordingly, the Company is unable to provide a of adjusted effective tax rate to earnings (loss) from continuing operations before income taxes divided by provision for income taxes or address the probable significance of the unavailable information, which could be material to the Company's future financial results.

RECONCILIATION TO ADJUSTED EBITDA / INTEREST EXPENSE COVERAGE

For all periods after the year ending December 31, 2022, the Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, EBITDA divided by Interest Expense, to its most directly comparable U.S. GAAP financial measure, Earnings (loss) from continuing operations, because management cannot reliably predict all of the necessary components of this U.S. GAAP financial measure without unreasonable efforts. Earnings (loss) from continuing operations includes several significant items, such as restructuring, asset impairment and other charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically lead to the recognition of these and other similar non-GAAP adjustments are inherently unpredictable as to if and when they may occur. The inability to provide a reconciliation is due to that unpredictability and the related difficulties in assessing the potential financial impact of the non-GAAP adjustments. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to the Company's future financial results.

RECONCILIATION TO FCF & ADJUSTED FCF

	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2022	Current Forecast for Year Ended December 31, 2023
Cash provided by continuing operating activities	$ 457	$ 680	$ 154	$ 850
Addback: Funding of Paddock 524(g) trust and related expenses	-	-	621	-
Cash payments for property, plant and equipment	(311)	(398)	(539)	(700)
Free cash flow (non-GAAP)	$ 146	$ 282	$ 236	$ 150
Addback: Cash payments for property, plant and equipment - strategic/expansion only (non-GAAP)		96	190	300
Adjusted free cash flow (non-GAAP)		$ 378	$ 426	$ 450