

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**

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**Date of Report (Date of earliest event reported): November 12, 2015 (November 12, 2015)**

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**VERITIV CORPORATION**

(Exact name of registrant as specified in its charter)

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**Delaware**  
**(State or other jurisdiction of incorporation)**

**001-36479**  
**(Commission File Number)**

**42-3234977**  
**(IRS Employer Identification No.)**

**1000 Abernathy Road NE**  
**Building 400, Suite 1700**  
**Atlanta, Georgia**  
**(Address of principal executive offices)**

**30328**  
**(Zip Code)**

**Registrant's telephone number, including area code: (770) 391-8200**

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**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

On November 12, 2015, Veritiv Corporation (the “Company”) issued a press release containing certain financial results of the Company and its direct and indirect wholly-owned subsidiaries for the three and nine months ended September 30, 2015. A copy of this press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 7.01 Regulation FD Disclosure.**

The Company is furnishing herewith additional information in conjunction with the November 12, 2015 earnings release. This additional information includes general Company information and highlights of financial results of the Company and its direct and indirect wholly-owned subsidiaries for the three and nine months ended September 30, 2015. The additional information, attached as Exhibit 99.2 to this Current Report on Form 8-K, is being furnished and will not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section.

The information in this Current Report on Form 8-K will not be incorporated by reference into any registration statement or other document filed by the Company under the Securities Act of 1933, as amended, or the Exchange Act, unless specifically identified therein as being incorporated by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits are filed with this report:

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Press Release of Veritiv Corporation issued November 12, 2015.
99.2	Additional Information of Veritiv Corporation issued November 12, 2015.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**VERITIV CORPORATION**

Date: November 12, 2015

/s/ Mark W. Hianik

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Mark W. Hianik  
Senior Vice President, General Counsel  
& Corporate Secretary

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**EXHIBIT INDEX**

Exhibit No.	Exhibit Description
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News Release



## Veritiv Announces Third Quarter 2015 Financial Results

*Reports Third Quarter Adjusted EBITDA Increase of 18% from Prior Year;  
and Reaffirms 2015 Adjusted EBITDA Expectations*

**ATLANTA (November 12, 2015)** – Veritiv Corporation (NYSE: VRTV), a North American leader in business-to-business distribution solutions, today announced financial results for the third fiscal quarter ended September 30, 2015.

“We are pleased with our third quarter performance and the resulting 18 percent increase in Adjusted EBITDA, both of which reflect our ongoing focus on the integration and our commitment to deliver value to customers and shareholders. Although our top-line continues to be impacted by challenging economic conditions, currency headwinds, and management decisions around markets, customers and products, we maintained our steady execution and achieved \$61 million in Adjusted EBITDA. As a result, we are well ahead of where we were last year and remain on track to deliver on our full year commitments,” said Mary Laschinger, Chairman and CEO of Veritiv Corporation.

For the three months ended September 30, 2015, compared to the three months ended September 30, 2014:

- Net sales were \$2.2 billion, a decrease of 7.1% from the prior year.
- Adjusted EBITDA was \$60.6 million, an increase of 17.7% from the prior year.
- Adjusted EBITDA as a percentage of net sales was 2.7%, an increase of 58 basis points from the prior year.

For the nine months ended September 30, 2015, compared to the nine months ended September 30, 2014 (on a pro forma basis):

- Net sales were \$6.5 billion, a decrease of 6.0% from the prior year.
- Adjusted EBITDA was \$129.7 million, an increase of 14.5% from the prior year.
- Adjusted EBITDA as a percentage of net sales was 2.0%, an increase of 36 basis points from the prior year.

Net income, as reported for the three months ended September 30, 2015, was \$14.5 million, which includes \$11.3 million of integration expenses and restructuring charges. Net income, as reported for the nine months ended September 30, 2015, was \$16.6 million, which includes \$37.2 million of integration expenses and restructuring charges.

In the third quarter of 2015, net sales per shipping day decreased 7.1% from the prior year. Year-to-date net sales per shipping day decreased 5.5% from the prior year. The nine months ended September 30, 2015 had one less shipping day compared to the same period in the prior year.

“Our continued company-wide focus on synergy capture and efficiency improvements resulted in sound financial results in the third quarter,” said Stephen Smith, Senior Vice President and Chief Financial Officer of Veritiv Corporation. “We expect to sustain this momentum into the fourth quarter through strong program management of our integration, and are reaffirming our expectation to reach the middle to higher end of our range for Adjusted EBITDA of \$165 to \$175 million for the full year 2015.”

Veritiv Corporation will host a live conference call and webcast today, November 12, 2015, at 10 a.m. (ET) to discuss its third quarter 2015 financial results. All interested parties are invited to listen online at [ir.veritivcorp.com](http://ir.veritivcorp.com). A replay of the call and webcast will be available online for a limited period of time at [ir.veritivcorp.com](http://ir.veritivcorp.com) shortly after the live webcast is completed.

Important information regarding GAAP and pro forma operating results and related reconciliations of non-GAAP financial measures to the most comparable GAAP measures can be found in the schedules and related footnotes to this press release, which should be thoroughly reviewed.

When reviewing the reconciliations included for the non-GAAP measures, please note that certain information is presented on a pro forma basis. The pro forma information includes historical Unisource Worldwide, Inc. ("Unisource") results, other purchase accounting adjustments and adjustments for one-time costs as if the merger of the legacy xpedx business and UWW Holdings, Inc., the parent company of Unisource, had occurred on January 1, 2013.

#### **About Veritiv**

Veritiv Corporation (NYSE: VRTV), with executive offices in Atlanta, and significant operations in the Greater Cincinnati, Ohio area, is a North American leader in business-to-business distribution solutions. Serving customers across virtually every industry, Veritiv provides print, publishing, packaging, facility and logistics solutions that help shape the success of its customers. Established in 2014, following the merger of International Paper Company's xpedx division and Unisource Worldwide, the Company employs approximately 8,900 team members across about 180 distribution centers throughout the U.S., Mexico and Canada. For more information about Veritiv and its business segments visit [www.veritivcorp.com](http://www.veritivcorp.com).

#### **Safe Harbor Provision**

Certain statements contained in this press release regarding Veritiv Corporation's (the "Company") future operating results, performance, business plans, prospects, guidance and any other statements not constituting historical fact are "forward-looking statements" subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. Where possible, the words "believe," "expect," "anticipate," "intend," "should," "will," "would," "planned," "estimated," "potential," "goal," "outlook," "may," "predicts," "could," or the negative of such terms, or other comparable expressions, as they relate to the Company or its management, have been used to identify such forward-looking statements. All forward-looking statements reflect only the Company's current beliefs and assumptions with respect to future operating results, performance, business plans, prospects, guidance and other matters, and are based on information currently available to the Company. Accordingly, the statements are subject to significant risks, uncertainties and contingencies, which could cause the Company's actual operating results, performance, business plans, prospects or guidance to differ materially from those expressed in, or implied by, these statements.

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Factors that could cause actual results to differ materially from current expectations include risks and other factors described in the Company's publicly available reports filed with the Securities and Exchange Commission ("SEC"), which contain a discussion of various factors that may affect the Company's business or financial results. Such risks and other factors, which in some instances are beyond the Company's control, include: the industry-wide decline in demand for paper and related products; increased competition from existing and non-traditional sources; adverse developments in general business and economic conditions as well as conditions in the global capital and credit markets; foreign currency fluctuations; our ability to collect trade receivables from customers to whom we extend credit; our ability to attract, train and retain highly qualified employees; the effects of work stoppages, union negotiations and union disputes; loss of significant customers; changes in business conditions in our international operations; procurement and other risks in obtaining packaging, paper and facility products from our suppliers for resale to our customers; changes in prices for raw materials; fuel cost increases; inclement weather, anti-terrorism measures and other disruptions to the transportation network; our dependence on a variety of IT and telecommunications systems and the Internet; our reliance on third-party vendors for various services; cyber-security risks; costs to comply with laws, rules and regulations, including environmental, health and safety laws, and to satisfy any liability or obligation imposed under such laws; regulatory changes and judicial rulings impacting our business; adverse results from litigation, governmental investigations or audits, or tax-related proceedings or audits; our inability to renew existing leases on acceptable terms, negotiate rent decreases or concessions and identify affordable real estate; our ability to adequately protect our material intellectual property and other proprietary rights, or to defend successfully against intellectual property infringement claims by third parties; our pension and health care costs and participation in multi-employer plans; increasing interest rates; our ability to generate sufficient cash to service our debt; our ability to comply with the covenants contained in our debt agreements; our ability to refinance or restructure our debt on reasonable terms and conditions as might be necessary from time to time; changes in accounting standards and methodologies; our ability to realize the anticipated synergies, cost savings and growth opportunities from the Merger, our ability to integrate the xpedx business with the Unisource business, the possibility of incurring expenditures in excess of those currently budgeted in connection with the integration, and our limited experience complying with the reporting and other requirements of a publicly traded company, including the Sarbanes-Oxley Act; and other events of which we are presently unaware or that we currently deem immaterial that may result in unexpected adverse operating results. The Company is not responsible for updating the information contained in this press release beyond the published date, or for changes made to this document by wire services or Internet service providers. This press release is being furnished to the SEC through a Form 8-K. The Company's Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2015 to be filed with the SEC may contain updates to the information included in this release.

## **Financial Statements**

Because the merger of the legacy xpedx distribution solutions business with that of UWW Holdings, Inc., the parent company of Unisource, occurred on July 1, 2014, please note the following when reviewing the Veritiv Statements of Operations, Balance Sheets, and Statements of Cash Flows included with this release:

- The Veritiv Condensed Consolidated and Combined Statement of Operations for the three and nine months ended September 30, 2014 reflects the results of the legacy xpedx business for the full nine months presented and the legacy Unisource business from July 1, 2014. The Veritiv Condensed Consolidated Statement of Operations for the three and nine months ended September 30, 2015 includes the combined legacy xpedx and Unisource businesses.
  - The Veritiv Condensed Consolidated and Combined Statement of Cash Flows for the nine months ended September 30, 2014 reflects the results of the legacy xpedx business for the full nine months presented and the legacy Unisource business from July 1, 2014. The Veritiv Condensed Consolidated Statement of Cash Flows for the nine months ended September 30, 2015 includes the combined legacy xpedx and Unisource businesses.
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**VERITIV CORPORATION**  
**CONDENSED CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS**  
(in millions, except per share data, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net sales	\$ 2,219.8	\$ 2,390.3	\$ 6,517.0	\$ 5,026.7
Cost of products sold (excluding depreciation and amortization)	1,825.8	1,987.1	5,356.0	4,192.2
Distribution expenses	129.8	138.2	390.0	289.5
Selling and administrative expenses	207.1	212.9	635.7	469.2
Depreciation and amortization	13.7	14.2	42.5	23.1
Merger and integration expenses	8.3	54.8	28.6	56.9
Restructuring charges (income)	3.0	0.1	8.6	(1.0)
<b>Operating income (loss)</b>	<b>32.1</b>	<b>(17.0)</b>	<b>55.6</b>	<b>(3.2)</b>
Interest expense, net	7.0	6.8	19.8	6.8
Other expense, net	1.7	0.6	3.7	0.1
<b>Income (loss) from continuing operations before income taxes</b>	<b>23.4</b>	<b>(24.4)</b>	<b>32.1</b>	<b>(10.1)</b>
Income tax expense (benefit)	8.9	(10.4)	15.5	(4.6)
<b>Income (loss) from continuing operations</b>	<b>14.5</b>	<b>(14.0)</b>	<b>16.6</b>	<b>(5.5)</b>
Loss from discontinued operations, net of income taxes	-	-	-	(0.1)
<b>Net income (loss)</b>	<b>\$ 14.5</b>	<b>\$ (14.0)</b>	<b>\$ 16.6</b>	<b>\$ (5.6)</b>
<b>Earnings (loss) per share:</b>				
Basic and diluted				
Continuing operations	\$ 0.91	\$ (0.88)	\$ 1.04	\$ (0.51)
Discontinued operations	-	-	-	(0.01)
Basic and diluted earnings (loss) per share	<u>\$ 0.91</u>	<u>\$ (0.88)</u>	<u>\$ 1.04</u>	<u>\$ (0.52)</u>
Weighted average shares outstanding - basic and diluted	16.00	16.00	16.00	10.77

**VERITIV CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(dollars in millions, except par value, unaudited)

	September 30, 2015	December 31, 2014
<b>Assets</b>		
Current assets:		
Cash	\$ 53.5	\$ 57.6
Accounts receivable, less allowances of \$37.0 and \$39.0, respectively	1,074.0	1,115.1
Related party receivable	4.0	3.9
Inventories	705.4	673.2
Other current assets	120.1	109.3
<b>Total current assets</b>	<u>1,957.0</u>	<u>1,959.1</u>
Property and equipment, net	368.5	377.4
Goodwill	52.1	52.4
Other intangibles, net	31.2	36.1
Deferred income tax assets	94.9	105.6
Other non-current assets	39.2	43.9
<b>Total assets</b>	<u>\$ 2,542.9</u>	<u>\$ 2,574.5</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 645.3	\$ 589.8
Related party payable	12.7	11.0
Accrued payroll and benefits	110.3	111.1
Deferred income tax liabilities	20.8	21.1
Other accrued liabilities	94.9	100.5
Current maturities of long-term debt	3.3	3.8
Financing obligations to related party, current portion	14.5	13.8
<b>Total current liabilities</b>	<u>901.8</u>	<u>851.1</u>
Long-term debt, net of current maturities	777.5	855.0
Financing obligations to related party, less current portion	201.5	212.4
Defined benefit pension obligations	30.2	36.3
Other non-current liabilities	110.4	107.2
<b>Total liabilities</b>	<u>2,021.4</u>	<u>2,062.0</u>
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, \$0.01 par value, 10.0 million shares authorized, none issued	-	-
Common stock, \$0.01 par value, 100.0 million shares authorized, 16.0 million shares issued and outstanding	0.2	0.2
Additional paid-in capital	565.4	562.4
Accumulated deficit	(11.4)	(28.0)
Accumulated other comprehensive loss	(32.7)	(22.1)
<b>Total shareholders' equity</b>	<u>521.5</u>	<u>512.5</u>
<b>Total liabilities and shareholders' equity</b>	<u>\$ 2,542.9</u>	<u>\$ 2,574.5</u>

**VERITIV CORPORATION**  
**CONDENSED CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS**  
(in millions, unaudited)

	<b>Nine Months Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>Operating Activities</b>		
Net income (loss)	\$ 16.6	\$ (5.6)
Loss from discontinued operations, net of income taxes	-	(0.1)
Income (loss) from continuing operations	16.6	(5.5)
Depreciation and amortization	42.5	23.1
Amortization of deferred financing fees	3.3	1.1
Net losses (gains) on sales of property and equipment	0.5	(1.8)
Long-lived asset impairment charges	2.6	-
Provision for allowance for doubtful accounts	6.8	6.2
Deferred income tax provision (benefit)	13.7	(9.3)
Stock-based compensation	3.0	4.3
Other non-cash items, net	-	1.0
Changes in operating assets and liabilities		
Accounts receivable and related party receivable	20.0	(53.2)
Inventories	(43.6)	6.0
Accounts payable and related party payable	81.5	55.4
Accrued payroll and benefits	0.1	16.9
Other	(16.5)	(14.6)
Net cash provided by operating activities – continuing operations	130.5	29.6
Net cash used for operating activities – discontinued operations	-	(1.1)
Net cash provided by operating activities	130.5	28.5
<b>Investing Activities</b>		
Net cash acquired in Merger	-	37.0
Property and equipment additions	(34.2)	(5.7)
Proceeds from asset sales	0.2	4.8
Other	-	0.3
Net cash (used for) provided by investing activities	(34.0)	36.4
<b>Financing Activities</b>		
Net cash transfers to Parent	-	(61.5)
Change in book overdrafts	(15.1)	9.1
Transfer to Parent in connection with Spin-off	-	(404.2)
Borrowings of long-term debt	3,458.9	1,774.1
Repayments of long-term debt	(3,529.9)	(1,302.4)
Payments under equipment capital lease obligations	(2.8)	-
Payments under financing obligations to related party	(10.3)	(3.9)
Deferred financing fees	-	(22.5)
Other	-	(0.6)
Net cash used for financing activities – continuing operations	(99.2)	(11.9)
Net cash provided by financing activities – discontinued operations	-	1.1
Net cash used for financing activities	(99.2)	(10.8)
Effect of exchange rate changes on cash	(1.4)	1.2
Net change in cash	(4.1)	55.3
Cash at beginning of period	57.6	5.7
Cash at end of period	\$ 53.5	\$ 61.0
<b>Supplemental Cash Flow Information</b>		
Cash paid for income taxes, net of refunds	\$ 1.4	\$ 1.4
Cash paid for interest	16.0	5.2
<b>Non-Cash Investing and Financing Activities</b>		
Common stock issued in connection with Spin-off	\$ -	\$ 302.3
Common stock issued in connection with Merger	-	284.7
Contingent liability associated with the Tax Receivable Agreement	-	60.9
Non-cash transfers to Parent	-	(21.1)
Non-cash additions to property and equipment	3.1	-

## Non-GAAP Measures

We supplement our financial information prepared in accordance with GAAP with Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, restructuring charges (income), non-restructuring stock-based compensation expense, LIFO (income) expense, non-restructuring severance charges, gain on sale of joint venture, merger and integration expenses, loss from discontinued operations, net of income taxes, fair value adjustments on the contingent liability associated with the Tax Receivable Agreement ("TRA") and certain other adjustments) because we believe investors commonly use Adjusted EBITDA as a key financial metric for valuing companies such as ours. In addition, the credit agreement governing our asset-based lending facility permits us to exclude these and other charges in calculating "Consolidated EBITDA", as defined in the ABL Facility.

Adjusted EBITDA is not an alternative measure of financial performance under GAAP. Non-GAAP measures do not have definitions under GAAP and may be defined differently by, and not be comparable to, similarly titled measures used by other companies. As a result, we consider and evaluate non-GAAP measures in connection with a review of the most directly comparable measure calculated in accordance with GAAP. We caution investors not to place undue reliance on such non-GAAP measures and to consider them with the most directly comparable GAAP measures. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for analyzing our results as reported under GAAP. Please see the following tables and related footnote for reconciliations of non-GAAP measures to the most comparable GAAP measures.

**Table I**  
**VERITIV CORPORATION**  
**RECONCILIATION OF NON-GAAP MEASURES**  
(in millions, unaudited)

	<b>Three Months Ended September 30, 2015</b>	<b>Three Months Ended September 30, 2014</b>
Net income (loss)	\$ 14.5	\$ (14.0)
Interest expense, net	7.0	6.8
Income tax expense (benefit)	8.9	(10.4)
Depreciation and amortization	13.7	14.2
EBITDA	44.1	(3.4)
Restructuring charges	3.0	0.1
Non-restructuring stock-based compensation	1.0	-
LIFO (income) expense	2.2	(0.5)
Non-restructuring severance charges	0.5	-
Merger and integration expenses	8.3	54.8
Fair value adjustment on TRA contingent liability	0.3	-
Other	1.2	0.5
Adjusted EBITDA	<u>\$ 60.6</u>	<u>\$ 51.5</u>
Net sales	\$ 2,219.8	\$ 2,390.3
Adjusted EBITDA as a % of net sales	2.7%	2.2%

**Table II**  
**VERITIV CORPORATION**  
**RECONCILIATION OF NON-GAAP MEASURES**  
(in millions, unaudited)

	<b>Nine Months Ended September 30, 2015</b>	<b>Nine Months Ended September 30, 2014</b>		
		<b>Veritiv As Reported</b>	<b>Pro Forma Adjustments*</b>	<b>Veritiv Pro Forma</b>
Net income (loss)	\$ 16.6	\$ (5.6)	\$ (16.2)	\$ (21.8)
Interest expense, net	19.8	6.8	12.4	19.2
Income tax expense (benefit)	15.5	(4.6)	6.8	2.2
Depreciation and amortization	42.5	23.1	16.8	39.9
<b>EBITDA</b>	<b>94.4</b>	<b>19.7</b>	<b>19.8</b>	<b>39.5</b>
Restructuring charges (income)	8.6	(1.0)	0.2	(0.8)
Non-restructuring stock-based compensation	3.0	4.0	0.1	4.1
LIFO (income) expense	(7.8)	(0.8)	1.3	0.5
Non-restructuring severance charges	1.9	2.4	0.4	2.8
Gain on sale of joint venture	-	-	(6.6)	(6.6)
Merger and integration expenses	28.6	56.9	14.1	71.0
Fair value adjustment on TRA contingent liability	(0.1)	-	-	-
Other	1.1	0.5	2.2	2.7
Loss from discontinued operations, net of income taxes	-	0.1	-	0.1
<b>Adjusted EBITDA / Pro Forma Adjusted EBITDA</b>	<b>\$ 129.7</b>	<b>\$ 81.8</b>	<b>\$ 31.5</b>	<b>\$ 113.3</b>
Net sales	\$ 6,517.0	\$ 5,026.7	\$ 1,907.5	\$ 6,934.2
Adjusted EBITDA / Pro Forma Adjusted EBITDA as a % of net sales	2.0%	1.6%		1.6%

\* Pro forma adjustments take into account the merger with UWW Holdings, Inc. and the related financing as if they occurred on January 1, 2013, as well as purchase accounting adjustments and adjustments for one-time costs related to the merger.

**Veritiv Contacts:**

Investors: Tom Morabito, 770-391-8451

Media: Ed Patterson, 770-391-8244



# Veritiv Corporation Third Quarter 2015 Financial Results

November 12, 2015





**Tom Morabito**  
Director of Investor Relations

## Safe Harbor Provision

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We reference non-GAAP financial measures in this presentation. Please see the appendix for reconciliations of non-GAAP measures to the most comparable GAAP measures.



**Mary Laschinger**  
Chairman & CEO

# Financial Results <sup>1</sup>



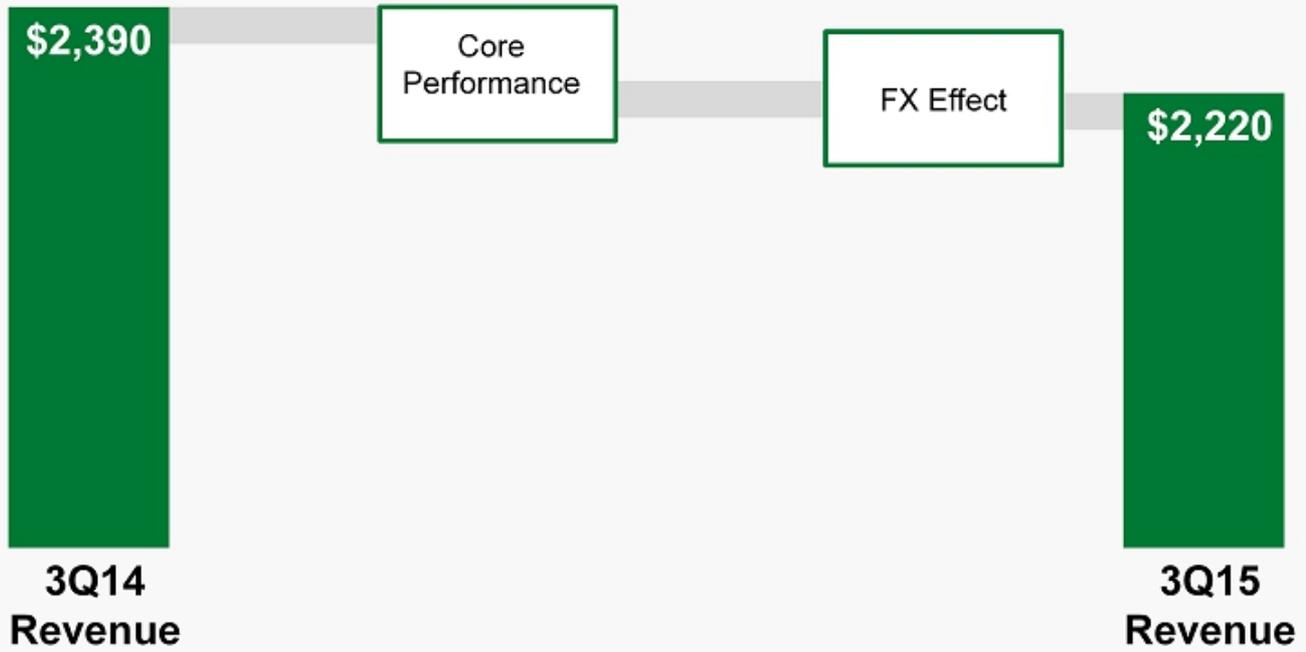
	<b>3Q15 Actual</b>	<b>YOY% Change</b>
<b>Net Sales</b>	\$2.2 B	(7.1%)
<b>Adjusted EBITDA</b>	\$61 M	17.7%

**On track to reach Adjusted EBITDA and net synergy goals**

1) Please see the appendix for reconciliations of non-GAAP measures to the most comparable GAAP measures.

# Third Quarter 2015 Veritiv Revenue

(Dollars In Millions)



# Key Developments

## 2015 Milestones and Developments

- Successfully transitioned remaining information technology systems from International Paper
  - ✓ Completed project on time and on budget
- Decided on common suite of information technology applications and core operating system
- Continued execution of sourcing strategies
- Upcoming Developments for Long-Term Milestones:
  - Establishing execution plan for information technology applications and core operating system conversion
  - On track for internal controls portion of Sarbanes-Oxley compliance



**Stephen Smith**  
CFO

# Third Quarter 2015 Veritiv Financial Results<sup>1</sup>

NEW YORK STOCK

<i>(Unaudited, Dollars In Millions)</i>	<b>3Q15</b> <i>Three Months Ended September 30</i>	<b>YOY % Change</b>	<b>YTD 15</b> <i>Nine Months Ended September 30</i>	<b>YOY % Change<sup>2</sup></b>
<i>Pro Forma:</i>				
Net sales	\$2,220	(7.1%)	\$6,517	(6.0%)
Net sales per shipping day	-	(7.1%)	-	(5.5%)
Cost of products sold	\$1,826	(8.1%)	\$5,356	(7.0%)
Net sales less cost of products sold	\$394	(2.3%)	\$1,161	(1.4%)
Adjusted EBITDA	\$60.6	17.7%	\$129.7	14.5%
Adjusted EBITDA as a % of net sales	2.7%	58 BPS	2.0%	36 BPS
<i>As Reported:</i>				
Net income	\$14.5	N/A	\$16.6	N/A

1) Please see the appendix for reconciliations of non-GAAP measures to the most comparable GAAP measures.

2) Amounts calculated on a pro forma basis, which assumes the Merger with UWW Holdings, Inc. and the related financing occurred on January 1, 2013, as well as purchase accounting adjustments and adjustments for one-time costs related to the Merger.

# Third Quarter 2015 Veritiv Segment Financial Results

(Unaudited, Dollars In Millions)



## Print

	3Q15 Three Months Ended September 30	YOY % Change	YTD 15 Nine Months Ended September 30	YOY % Change <sup>1</sup>
Net Sales	\$832	(12.1%)	\$2,466	(11.1%)
Net sales per shipping day	-	(12.1%)	-	(10.6%)
Adjusted EBITDA	\$23.2	13.2%	\$57.1	13.3%
Adj. EBITDA as a % of net sales	2.8%	62 BPS	2.3%	50 BPS

## Publishing

	3Q15 Three Months Ended September 30	YOY % Change	YTD 15 Nine Months Ended September 30	YOY % Change <sup>1</sup>
Net Sales	\$303	(10.4%)	\$907	(6.6%)
Net sales per shipping day	-	(10.4%)	-	(6.2%)
Adjusted EBITDA	\$9.3	1.1%	\$23.1	0.0%
Adj. EBITDA as a % of net sales	3.1%	35 BPS	2.5%	17 BPS

## Packaging

	3Q15 Three Months Ended September 30	YOY % Change	YTD 15 Nine Months Ended September 30	YOY % Change <sup>1</sup>
Net Sales	\$722	(0.4%)	\$2,097	0.3%
Net sales per shipping day	-	(0.4%)	-	0.8%
Adjusted EBITDA	\$59.0	11.3%	\$156.5	13.8%
Adj. EBITDA as a % of net sales	8.2%	86 BPS	7.5%	89 BPS

## Facility Solutions

	3Q15 Three Months Ended September 30	YOY % Change	YTD 15 Nine Months Ended September 30	YOY % Change <sup>1</sup>
Net Sales	\$331	(7.2%)	\$965	(7.1%)
Net sales per shipping day	-	(7.2%)	-	(6.6%)
Adjusted EBITDA	\$12.7	(18.1%)	\$30.2	(15.2%)
Adj. EBITDA as a % of net sales	3.8%	(51 BPS)	3.1%	(30 BPS)

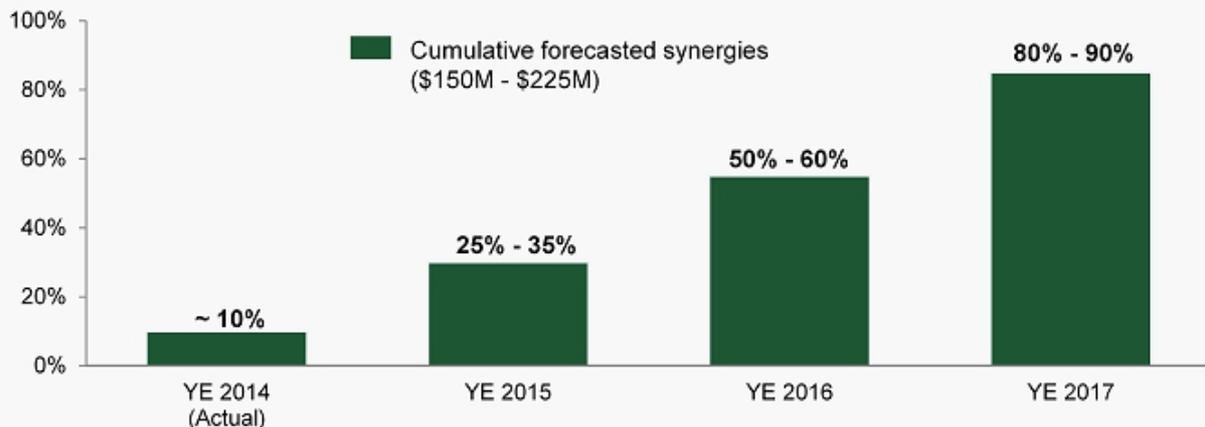
<sup>1</sup>) Amounts calculated on a pro forma basis, which assumes the Merger with UWW Holdings, Inc. and the related financing occurred on January 1, 2013, as well as purchase accounting adjustments and adjustments for one-time costs related to the Merger.

# Synergies & One-Time Integration Costs



## Management intends to improve Adjusted EBITDA by an incremental \$100 million over the first few years after the Merger

➤ Key areas that synergies will be derived from include supply chain efficiencies and SG&A



Forecasted costs to achieve <sup>1</sup> (\$225M):	YE 2014 (Actual)	YE 2015	YE 2016	YE 2017
	~ 30%	60-70%	80- 90%	90-100%

**Through the first nine months of 2015, Veritiv is pacing ahead of its synergy plan**

1) Includes ~ \$55 million of one-time integration capital expenditures; does not include approximately \$27 million of merger related expenses.

## Capital Structure

- At the end of September 2015:
  - The borrowing base availability for the ABL facility was ~ \$1.2 billion
  - ~ \$770M drawn against the ABL facility
  - ~ \$450M of available borrowing capacity

## Capital Allocation

- Capital Allocation Priorities:
  - Invest in the company
    - YTD: CapEx totaled ~ \$34M, with ~ \$23M related to integration
    - Expect 2015 incremental CapEx for integration projects of \$30M - \$40M
    - Ordinary course 2015 CapEx expected to be ~ \$20M
  - Pay down debt
  - Return value to shareholders

We supplement our financial information prepared in accordance with GAAP with Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, restructuring charges (income), non-restructuring stock-based compensation expense, LIFO (income) expense, non-restructuring severance charges, gain on sale of joint venture, merger and integration expenses, loss from discontinued operations, net of income taxes, fair value adjustments on the contingent liability associated with the Tax Receivable Agreement ("TRA") and certain other adjustments) and Free Cash Flow because we believe investors commonly use Adjusted EBITDA and Free Cash Flow as key financial metrics for valuing companies such as ours. In addition, the credit agreement governing our asset-based lending facility permits us to exclude these and other charges in calculating "Consolidated EBITDA", as defined in the ABL Facility.

Adjusted EBITDA and Free Cash Flow are not alternative measures of financial performance under GAAP. Non-GAAP measures do not have definitions under GAAP and may be defined differently by, and not be comparable to, similarly titled measures used by other companies. As a result, we consider and evaluate non-GAAP measures in connection with a review of the most directly comparable measure calculated in accordance with GAAP. We caution investors not to place undue reliance on such non-GAAP measures, and to consider them with the most directly comparable GAAP measures. Adjusted EBITDA and Free Cash Flow have limitations as analytical tools and should not be considered in isolation or as a substitute for analyzing our results as reported under GAAP. Please see the following tables and related footnotes for reconciliations of non-GAAP measures to the most comparable GAAP measures.

# Appendix: Reconciliation of Non-GAAP Financial Measures



**Table I**  
**VERITIV CORPORATION**  
**RECONCILIATION OF NON-GAAP MEASURES**  
(in millions, unaudited)

	<b>Three Months Ended September 30, 2015</b>	<b>Three Months Ended September 30, 2014</b>
Net income (loss)	\$ 14.5	\$ (14.0)
Interest expense, net	7.0	6.8
Income tax expense (benefit)	8.9	(10.4)
Depreciation and amortization	13.7	14.2
EBITDA	<u>44.1</u>	<u>(3.4)</u>
Restructuring charges	3.0	0.1
Non-restructuring stock-based compensation	1.0	-
LIFO (income) expense	2.2	(0.5)
Non-restructuring severance charges	0.5	-
Merger and integration expenses	8.3	54.8
Fair value adjustment on TRA contingent liability	0.3	-
Other	1.2	0.5
Adjusted EBITDA	<u>\$ 60.6</u>	<u>\$ 51.5</u>
Net sales	\$ 2,219.8	\$ 2,390.3
Adjusted EBITDA as a % of net sales	2.7%	2.2%

# Appendix: Reconciliation of Non-GAAP Financial Measures



**Table II**  
**VERITIV CORPORATION**  
**RECONCILIATION OF NON-GAAP MEASURES**  
(in millions, unaudited)

	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014		
		Veritiv As Reported	Pro Forma Adjustments*	Veritiv Pro Forma
Net income (loss)	\$ 16.6	\$ (5.6)	\$ (16.2)	\$ (21.8)
Interest expense, net	19.8	6.8	12.4	19.2
Income tax expense (benefit)	15.5	(4.6)	6.8	2.2
Depreciation and amortization	42.5	23.1	16.8	39.9
EBITDA	94.4	19.7	19.8	39.5
Restructuring charges (income)	8.6	(1.0)	0.2	(0.8)
Non-restructuring stock-based compensation	3.0	4.0	0.1	4.1
LIFO (income) expense	(7.8)	(0.8)	1.3	0.5
Non-restructuring severance charges	1.9	2.4	0.4	2.8
Gain on sale of joint venture	-	-	(6.6)	(6.6)
Merger and integration expenses	28.6	56.9	14.1	71.0
Fair value adjustment on TRA contingent liability	(0.1)	-	-	-
Other	1.1	0.5	2.2	2.7
Loss from discontinued operations, net of income taxes	-	0.1	-	0.1
Adjusted EBITDA / Pro Forma Adjusted EBITDA	\$ 129.7	\$ 81.8	\$ 31.5	\$ 113.3
Net sales	\$ 6,517.0	\$ 5,026.7	\$ 1,907.5	\$ 6,934.2
Adjusted EBITDA / Pro Forma Adjusted EBITDA as a % of net sales	2.0%	1.6%		1.6%

\* Pro forma adjustments take into account the merger with UWW Holdings, Inc. and the related financing as if they occurred on January 1, 2013, as well as purchase accounting adjustments and adjustments for one-time costs related to the merger.

**Table III**  
**VERITIV CORPORATION**  
**RECONCILIATION OF NON-GAAP MEASURES**  
(in millions, unaudited)

	<b>Nine Months Ended September 30, 2015</b>
Net cash flows provided by operating activities	\$ 130.5
Less: Capital expenditures	<u>(34.2)</u>
Free cash flow	96.3
Add back: Cash payments for restructuring, integration-related capex and other items	<u>58.6</u>
Free cash flow excluding cash impact of restructuring, integration-related capex and other items	<u>\$ 154.9</u>





**Mary Laschinger**  
Chairman & CEO



# Veritiv Corporation Third Quarter 2015 Financial Results

November 12, 2015



