3rd Quarter 2021 Earnings Call

November 3, 2021

Quad

50 YEARS

Call Participants & Forward-Looking Statements

Joel Quadracci
Chairman, President & Chief Executive Officer

Dave Honan
Executive Vice President & Chief Financial Officer

Forward-Looking Statements

This communication contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements regarding, among other things, our current expectations about the Company's future results, financial condition, sales, earnings, free cash flow, margins, objectives, goals, strategies, beliefs, intentions, plans, estimates, prospects, projections and outlook of the Company and can generally be identified by the use of words or phrases such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "foresee," "project," "believe," "continue" or the negatives of these terms, variations on them and other similar expressions. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from those expressed in or implied by such forward-looking statements. Forward-looking statements are based largely on the Company's expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control.

The factors that could cause actual results to materially differ include, among others: the negative impacts the coronavirus (COVID-19) has had and will continue to have on the Company's business, financial condition, cash flows, results of operations and supply chain, as well as the global economy in general (including future uncertain impacts); the impact of decreasing demand for printed materials and significant overcapacity in a highly competitive environment creates downward pricing pressures and potential underutilization of assets; the impact of digital media and similar technological changes, including digital substitution by consumers; the impact of increases in costs (including labor and labor-related costs, energy costs, freight rates and raw materials, including paper and the materials to manufacture ink) and the impact of fluctuations in the availability of raw materials, including paper and the materials to manufacture ink; the impact of inflationary cost pressures and supply chain shortages; the inability of the Company to reduce costs and improve operating efficiency rapidly enough to meet market conditions; the impact of the various restrictive covenants in the Company's debt facilities on the Company's ability to operate its business, as well as the uncertain negative impacts COVID-19 may have on the Company's ability to continue to be in compliance with these restrictive covenants; the impact of increased business complexity as a result of the Company's transformation to a marketing solutions partner; the impact negative publicity could have on our business; the failure to successfully identify, manage, complete and integrate acquisitions, investment opportunities or other significant transactions, as well as the successful identification and execution of strategic divestitures; the failure of clients to perform under contracts or to renew contracts with clients on favorable terms or at all; the impact of changing future economic conditions; the fragility and decline in overall distribution channels; the impact of changes in postal rates, service levels or regulations, including delivery delays due to ongoing COVID-19 impacts on daily operational staffing at the United States Postal Service; the failure to attract and retain qualified talent across the enterprise; the impact of regulatory matters and legislative developments or changes in laws, including changes in cyber-security, privacy and environmental laws; significant capital expenditures may be needed to maintain the Company's platforms and processes and to remain technologically and economically competitive; the impact of risks associated with the operations outside of the United States, including costs incurred or reputational damage suffered due to improper conduct of its employees, contractors or agents; the impact of an other than temporary decline in operating results and enterprise value that could lead to non-cash impairment charges due to the impairment of property, plant and equipment and intangible assets; the impact on the holders of Quad's class A common stock of a limited active market for such shares and the inability to independently elect directors or control decisions due to the voting power of the class B common stock; and the other risk factors identified in the Company's most recent Annual Report on Form 10-K, which may be amended or supplemented by subsequent Quarterly Reports on Form 10-Q or other reports filed with the Securities and Exchange Commission.

Except to the extent required by the federal securities laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Our Key Competitive Advantages

Strategic priorities are powered by three key competitive advantages that distinguish Quad as a Marketing Solutions Partner:

Commitment to Innovation

Opportunity

- Improved the effectiveness and execution of client’s consumer loyalty program personalization strategy across 20+ grocery banners nationwide

Quad Solution

- Leveraged technology portal to assign personalized offers and content to loyalty members
- Analyzed client data and executed multi-channel campaigns via digital and print channels

OUTCOME

- Extended and grew relationships between the client and its customers
- Added revenue across each of its retail brands

Commitment to Innovation

Opportunity

- Partnered with large retailer and the Sustainable Packaging Coalition to study how consumers perceive food freshness labels on packaging as part of an effort to reduce food waste

Quad Solution

- Conducted research using biometric technology, such as eye tracking and facial coding
- Deployed a series of national surveys to identify consumer pain points around food waste and packaging

OUTCOME

- Noted improved visual attention and purchase for SKUs with sustainable messaging
- Conducting further research into how suppliers, vendors, manufacturers and retailers can collaborate to reduce food waste

Commitment to Platform Excellence

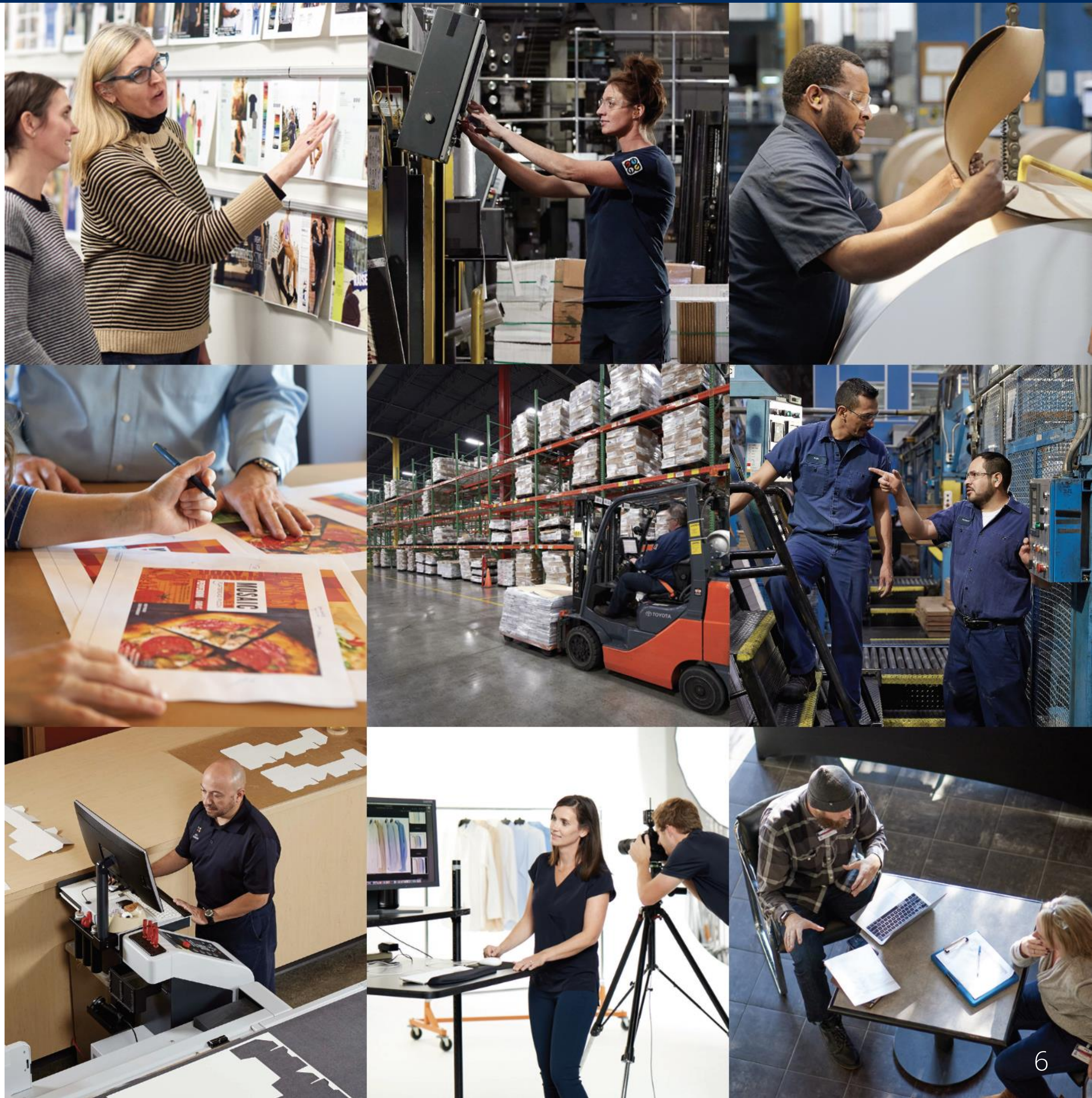
Attract

Offer interesting work with competitive compensation and benefits while providing a safe and inclusive environment

+

Retain

Support positive coaching and training and development programs so employees understand the next step on their career journey with us



Commitment to Culture & Social Purpose

Environmental

Social

Governance

Financial Overview

US $ Millions	Third Quarter September 30, 2021	Third Quarter September 30, 2020	Year-to-Date September 30, 2021	Year-to-Date September 30, 2020
STATEMENT OF OPERATIONS *(excluding discontinued operations)*				
Net Sales	$ 706.1	$ 679.3	$ 2,105.8	$ 2,086.3
Cost of Sales	574.1	543.3	1,688.1	1,651.9
Selling, General and Administrative Expenses	68.7	75.1	229.3	238.0
Adjusted EBITDA [(1)]	**$ 64.1**	**$ 60.7**	**$ 189.6**	**$ 196.0**
Adjusted EBITDA Margin [(1)]	**9.1%**	**8.9%**	**9.0%**	**9.4%**
STATEMENT OF CASH FLOWS *(including discontinued operations)*				
Net Cash Provided By Operating Activities			$ 22.1	$ 107.4
Capital Expenditures			(41.6)	(50.7)
Free Cash Flow [(1)]			**$ (19.5)**	**$ 56.7**

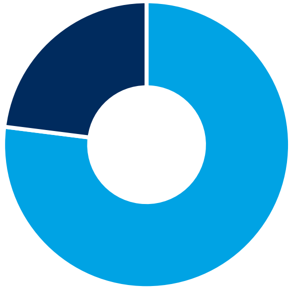
(1) See slide 14 for definitions of our Non-GAAP measures, slides 15 and 16 for reconciliations of Adjusted EBITDA and Adjusted EBITDA Margin and slide 17 for a reconciliation of Free Cash Flow as Non-GAAP measures

Debt Capital Structure

3.14x

Debt Leverage Ratio (1)
as of September 30, 2021

23%
Floating



77%
Fixed

5%

Blended Interest Rate
as of September 30, 2021

$27 million

Cash on Hand
as of September 30, 2021

$463 million

Unused Capacity under Revolver
as of September 30, 2021
Subject to Certain Covenants

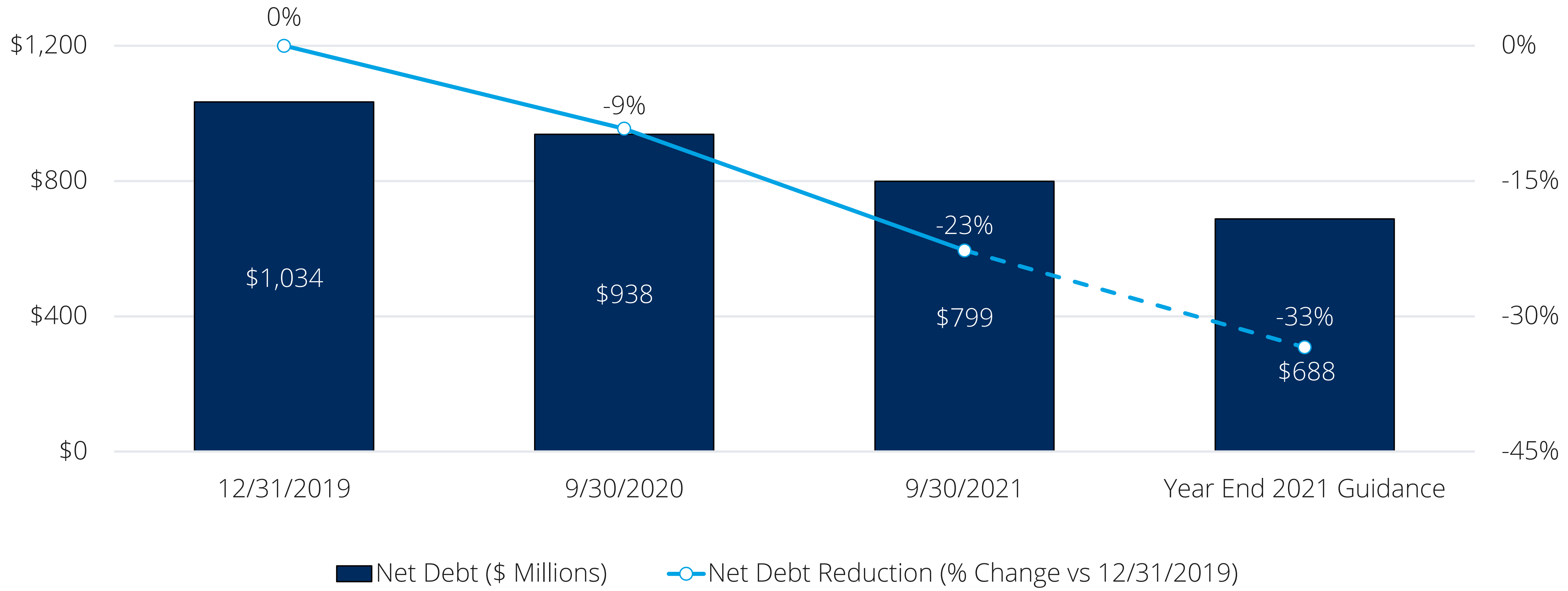
May 2022

Next Significant Debt Maturity of
$239 Million

We completed the amendment and extension of our $1 billion bank debt agreement to November 2026

(1) See slide 14 for definitions of our Non-GAAP measures and slide 18 for a reconciliation of Debt Leverage Ratio as a Non-GAAP measure

Debt Reduction



We expect to reduce Net Debt [1] by approximately $350 million, or 33%, over the past two years despite challenges from the COVID-19 pandemic

(1) See slide 14 for definitions of our Non-GAAP measures

2021 Outlook

Full-Year 2021	Current Outlook
Annual Net Sales Change (1)	1% to 3% increase
Full-Year Adjusted EBITDA (2)	$240 to $260 million
Year-End Debt Leverage Ratio (2)(3)	Approximately 2.75x

Due to strong financial performance, as well as continued sales momentum into the fourth quarter, we reaffirm our financial outlook for 2021

(1) Annual Net Sales Change excludes the Net Sales impact from the divestiture of QuadExpress, which was sold on June 30, 2021
(2) See slide 14 for definitions of our Non-GAAP measures
(3) Debt Leverage Ratio is calculated at the midpoint of the Adjusted EBITDA outlook

Thank You

Supplemental Information

Non-GAAP Financial Measures

- In addition to financial measures prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), this presentation also contains Non-GAAP financial measures, specifically EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Net Debt, Debt Leverage Ratio, and Adjusted Diluted Earnings (Loss) Per Share From Continuing Operations. The Company believes that these Non-GAAP measures, when presented in conjunction with comparable GAAP measures, provide additional information for evaluating Quad's performance and are important measures by which Quad's management assesses the profitability and liquidity of its business. These Non-GAAP measures should be considered in addition to, not as a substitute for or superior to, net earnings (loss) as a measure of operating performance or to cash flows provided by operating activities as a measure of liquidity. These Non-GAAP measures may be different than Non-GAAP financial measures used by other companies. Reconciliations to the GAAP equivalent of these Non-GAAP measures are contained on slides 15 - 21.
- Adjusted EBITDA is defined as net earnings (loss) attributable to Quad common shareholders excluding interest expense, income tax expense (benefit), depreciation and amortization ("EBITDA"), restructuring, impairment and transaction-related charges, gain from sale and leaseback, loss from discontinued operations, net of tax, net pension income, loss on debt extinguishment, equity in (earnings) loss of unconsolidated entity, the Adjusted EBITDA for unconsolidated equity method investments (calculated in a consistent manner with the calculation for Quad) and net earnings (loss) attributable to noncontrolling interests.
- EBITDA Margin and Adjusted EBITDA Margin are defined as EBITDA or Adjusted EBITDA divided by net sales.
- Free Cash Flow is defined as net cash provided by operating activities less purchases of property, plant and equipment.
- Debt Leverage Ratio is defined as total debt and finance lease obligations less cash and cash equivalents (Net Debt) divided by the last twelve months of Adjusted EBITDA.
- Adjusted Diluted Earnings (Loss) Per Share From Continuing Operations is defined as earnings (loss) from continuing operations before income taxes and equity in (earnings) loss of unconsolidated entity excluding restructuring, impairment and transaction-related charges, gain from sale and leaseback, loss on debt extinguishment, and adjusted for income tax expense at a normalized tax rate, divided by diluted weighted average number of common shares outstanding.

Adjusted EBITDA

Third Quarter

	Three Months Ended September 30,	
US $ Millions	**2021**	**2020**
Net earnings attributable to Quad common shareholders	$ 14.3	$ 1.6
Interest expense	15.0	17.9
Income tax expense (benefit)	2.3	(12.0)
Depreciation and amortization	38.7	44.8
EBITDA [Non-GAAP]	$ 70.3	$ 52.3
EBITDA Margin [Non-GAAP]	10.0%	7.7%
Restructuring, impairment and transaction-related charges	7.4	9.8
Gain from sale and leaseback	(10.8)	—
Loss from discontinued operations, net of tax	—	1.1
Net pension income	(3.4)	(2.7)
Other [(1)]	0.6	0.2
Adjusted EBITDA [Non-GAAP]	**$ 64.1**	**$ 60.7**
Adjusted EBITDA Margin [Non-GAAP]	**9.1%**	**8.9%**

(1) Other includes the following items: (a) the equity in (earnings) loss of unconsolidated entity, which includes the results of operations for an investment in an entity where Quad has the ability to exert significant influence, but not control, and is accounted for using the equity method of accounting; (b) the Adjusted EBITDA for unconsolidated equity method investments, which was calculated in a consistent manner with the calculation above for Quad; and (c) the net earnings (loss) attributable to noncontrolling interests, which is the portion of the net earnings (loss) not owned by Quad for an investment where Quad has a controlling financial interest.

Adjusted EBITDA

Year-to-Date

US $ Millions	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Net earnings (loss) attributable to Quad common shareholders	$ 58.9	$ (34.3)
Interest expense	45.1	52.2
Income tax expense (benefit)	4.1	(17.5)
Depreciation and amortization	119.3	138.9
EBITDA [Non-GAAP]	$ 227.4	$ 139.3
EBITDA Margin [Non-GAAP]	10.8%	6.7%
Restructuring, impairment and transaction-related charges	(3.4)	49.0
Gains from sale and leaseback	(24.5)	—
Loss from discontinued operations, net of tax	—	13.6
Net pension income	(11.0)	(8.0)
Loss on debt extinguishment	—	1.8
Other [(1)]	1.1	0.3
Adjusted EBITDA [Non-GAAP]	**$ 189.6**	**$ 196.0**
Adjusted EBITDA Margin [Non-GAAP]	**9.0%**	**9.4%**

(1) Other includes the following items: (a) the equity in (earnings) loss of unconsolidated entity, which includes the results of operations for an investment in an entity where Quad has the ability to exert significant influence, but not control, and is accounted for using the equity method of accounting; (b) the Adjusted EBITDA for unconsolidated equity method investments, which was calculated in a consistent manner with the calculation above for Quad; and (c) the net earnings (loss) attributable to noncontrolling interests, which is the portion of the net earnings (loss) not owned by Quad for an investment where Quad has a controlling financial interest.

Free Cash Flow

Year-to-Date

	Nine Months Ended September 30,	
US $ Millions	**2021**	**2020**
Net cash provided by operating activities	$ 22.1	$ 107.4
Less: purchases of property, plant and equipment	(41.6)	(50.7)
Free Cash Flow [Non-GAAP]	**$ (19.5)**	**$ 56.7**

The above calculation of Free Cash Flow includes the cash flows related to the discontinued United States Book business for the nine months ended September 30, 2020.

Debt Leverage Ratio

US $ Millions, Except Ratio	September 30, 2021	December 31, 2020
Total debt and finance lease obligations on the balance sheets	$ 826.1	$ 928.2
Less: Cash and cash equivalents	27.4	55.2
Net Debt [Non-GAAP]	$ 798.7	$ 873.0
Divided by: trailing twelve months Adjusted EBITDA [Non-GAAP] (1)	$ 254.0	$ 260.4
Debt Leverage Ratio [Non-GAAP]	**3.14x**	**3.35x**

(1) The calculation of Adjusted EBITDA for the trailing twelve months ended September 30, 2021, and December 31, 2020, was as follows:

		Add	Subtract	
	Year Ended	Nine Months Ended		Trailing Twelve Months Ended
	December 31, 2020	September 30, 2021	September 30, 2020	September 30, 2021
Net earnings (loss) attributable to Quad common shareholders	$ (128.3)	$ 58.9	$ (34.3)	$ (35.1)
Interest expense	68.8	45.1	52.2	61.7
Income tax expense (benefit)	0.3	4.1	(17.5)	21.9
Depreciation and amortization	181.6	119.3	138.9	162.0
EBITDA [Non-GAAP]	$ 122.4	$ 227.4	$ 139.3	$ 210.5
Restructuring, impairment and transaction-related charges	124.1	(3.4)	49.0	71.7
Loss from discontinued operations, net of tax	21.9	—	13.6	8.3
Net pension income	(10.5)	(11.0)	(8.0)	(13.5)
Gains from sale and leaseback	—	(24.5)	—	(24.5)
Loss on debt extinguishment	1.8	—	1.8	—
Other	0.7	1.1	0.3	1.5
Adjusted EBITDA [Non-GAAP]	**$ 260.4**	**$ 189.6**	**$ 196.0**	**$ 254.0**

Balance Sheet

US $ Millions	September 30, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	$ 27.4	$ 55.2
Receivables, less allowance for credit losses	392.5	399.1
Inventories	240.9	170.2
Prepaid expenses and other current assets	82.2	54.7
Property, plant and equipment—net	746.6	884.2
Operating lease right-of-use assets—net	109.0	81.0
Goodwill	86.4	103.0
Other intangible assets—net	82.0	104.3
Other long-term assets	75.0	76.0
Total assets	**$ 1,842.0**	**$ 1,927.7**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 341.3	$ 320.0
Accrued liabilities	232.4	305.6
Current portion of debt and finance lease obligations	260.7	23.5
Current portion of operating lease obligations	27.9	28.4
Long-term debt and finance lease obligations	565.4	904.7
Operating lease obligations	83.1	54.5
Deferred income taxes	9.5	4.2
Single and multi-employer pension obligations	76.5	92.3
Other long-term liabilities	100.5	109.7
Total liabilities	**1,697.3**	**1,842.9**
Total shareholders' equity and noncontrolling interests	**144.7**	**84.8**
Total liabilities and shareholders' equity	**$ 1,842.0**	**$ 1,927.7**

Adjusted Diluted Earnings Per Share

Third Quarter

	Three Months Ended September 30,	
US $ Millions (Except Per Share Data)	**2021**	**2020**
Earnings (loss) from continuing operations before income taxes and equity in (earnings) loss of unconsolidated entity	$ 16.4	$ (8.9)
Restructuring, impairment and transaction-related charges	7.4	9.8
Gain from sale and leaseback	(10.8)	—
Adjusted net earnings from continuing operations, before income taxes [Non-GAAP]	13.0	0.9
Income tax expense at 25% normalized tax rate	3.3	0.2
Adjusted net earnings from continuing operations [Non-GAAP]	$ 9.7	$ 0.7
Basic weighted average number of common shares outstanding	51.3	50.7
Plus: effect of dilutive equity incentive instruments [Non-GAAP]	1.8	0.4
Diluted weighted average number of common shares outstanding [Non-GAAP]	53.1	51.1
Adjusted diluted earnings per share from continuing operations [Non-GAAP]	**$ 0.18**	**$ 0.01**
Diluted earnings per share from continuing operations [GAAP]	$ 0.27	$ 0.05

Adjusted Diluted Earnings Per Share

Year-to-Date

US $ Millions (Except Per Share Data)	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Earnings (loss) from continuing operations before income taxes and equity in (earnings) loss of unconsolidated entity	$ 62.9	$ (37.5)
Restructuring, impairment and transaction-related charges	(3.4)	49.0
Gains from sale and leaseback	(24.5)	—
Loss on debt extinguishment	—	1.8
Adjusted net earnings from continuing operations, before income taxes [Non-GAAP]	35.0	13.3
Income tax expense at 25% normalized tax rate	8.8	3.3
Adjusted net earnings from continuing operations [Non-GAAP]	$ 26.2	$ 10.0
Basic weighted average number of common shares outstanding	51.3	50.6
Plus: effect of dilutive equity incentive instruments [Non-GAAP]	1.5	0.4
Diluted weighted average number of common shares outstanding [Non-GAAP]	52.8	51.0
Adjusted diluted earnings per share from continuing operations [Non-GAAP]	**$ 0.50**	**$ 0.20**
Diluted earnings (loss) per share from continuing operations [GAAP]	$ 1.12	$ (0.41)