



Investor Presentation

Fiscal Year 2022



As of August 4, 2021

Forward Looking Information

This presentation includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. The Company cautions readers that any statements contained herein regarding financial condition, results of operation, and future business plans, operations, opportunities, and prospects for its performance are forward-looking statements based upon management’s current knowledge and assumptions about future events, and involve risks and uncertainties that could cause actual results, performance, or achievements to be materially different from any anticipated results, prospects, performance, or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, impacts of the ongoing COVID-19 pandemic; success in pursuing strategic investments or acquisitions and integration of new businesses and the impact of these new businesses on future results; product purchased not meeting quality and quantity requirements; reliance on a few large customers; its ability to maintain effective information technology systems and safeguard confidential information; anticipated levels of demand for and supply of its products and services; costs incurred in providing these products and services; timing of shipments to customers; changes in market structure; government regulation and other stakeholder expectations; product taxation; industry consolidation and evolution; changes in exchange rates and interest rates; impacts of regulation and litigation on its customers; industry-specific risks related to its plant-based ingredient businesses; exposure to certain regulatory and financial risks related to climate change; changes in estimates and assumptions underlying its critical accounting policies; the promulgation and adoption of new accounting standards, new government regulations and interpretation of existing standards and regulations; and general economic, political, market, and weather conditions. Actual results, therefore, could vary from those expected. A further list and description of these risks, uncertainties, and other factors can be found in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2021, and in other documents the Company files with the Securities and Exchange Commission. This information should be read in conjunction with the Annual Report on Form 10-K for the year ended March 31, 2021 and the Form 10-Q for the most recently ended fiscal quarter. The Company cautions investors not to place undue reliance on any forward-looking statements as these statements speak only as of the date when made, and it undertakes no obligation to update any forward-looking statements made.

Web Disclosure

Universal Corporation’s website, www.universalc corp.com, is the primary source of publicly disclosed news about Universal Corporation and its operating companies. Those wishing to stay on top of company news can sign up for email alerts by going to Investor Relations in the website’s Investor section.

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Investment Highlights



Universal Corporation At-A-Glance

Agri-Products Supplier	Leading Global Leaf Tobacco Supplier
Founded	1918
Annual Revenue*	\$2.0 B
Market Cap**	\$1.4 B
Dividend yield**	5.48%
Dividend track record	51 years of consecutive annual common stock dividend increases
Countries	>30

* As of 3/31/2021

** As of 6/30/2021

Why Universal

**The leading global
leaf tobacco supplier**

**Experienced
management team
with proven track
record**

**Long history of
returning value to
shareholders
through dividends
and share
repurchases**

**Full service leaf
tobacco provider
with long standing
supplier and
customer
relationships**

**Defensible leaf
tobacco market
position given
strong barriers
to entry**

**Building out a plant-
based ingredients
platform with recent
acquisitions of fruit
and vegetable
processing companies**



Focus on Creating Shareholder Value



Capital Allocation Strategy

- The Company's capital allocation strategy focuses on four strategic items listed below in order of priority:

1 Strengthening and investing for growth in Universal's tobacco operations;

2 Increasing our strong dividend;

3 Exploring growth opportunities in non-tobacco industries and markets that utilize our assets and capabilities; and

4 Returning excess capital through share repurchases

- We review our capital allocation on an annual basis

Strengthening and Investing for Growth in our Tobacco Operations

1

We see opportunities in our leaf tobacco business to:

- Increase the services we provide our customers;
- Provide further supply chain efficiencies; and
- Expand our market share

Increasing our Strong Dividend

2

- We announced a 36% increase in our annual dividend in May 2018 and a further 1% increase in May 2019, May 2020, and May 2021 to reach an annualized current dividend of \$3.12
- We are proud of our 51-year history of dividend increases, and we intend to continue that tradition
- We are focused on sustainable shareholder value

Exploring Growth Opportunities in Non-Tobacco Industries Markets that Utilize our Assets and Capabilities

3

- We look for opportunities outside of our leaf tobacco business that position us for long-term success
- We remain committed to maintaining our investment grade credit rating
- We announced the completion of our first such acquisition, FruitSmart, Inc., in early January 2020
- We expanded our plant-based ingredients platform on October 1, 2020 with the completion of our acquisition of Silva International (“Silva”), a privately-held, natural, specialty dehydrated vegetable, fruit and herb processing company
- We have entered a definitive agreement to acquire Shank’s Extracts, Inc. (“Shank’s”), a privately-held, specialty ingredient, flavoring and food company with bottling and packaging capabilities

Returning Excess Capital through Share Repurchases

4

- When there are no other investment alternatives to create shareholder value, we will return excess funds to shareholders

Creating Shareholder Value

Sustainable dividend payout

**Demonstrated ability to generate
free cash flow**

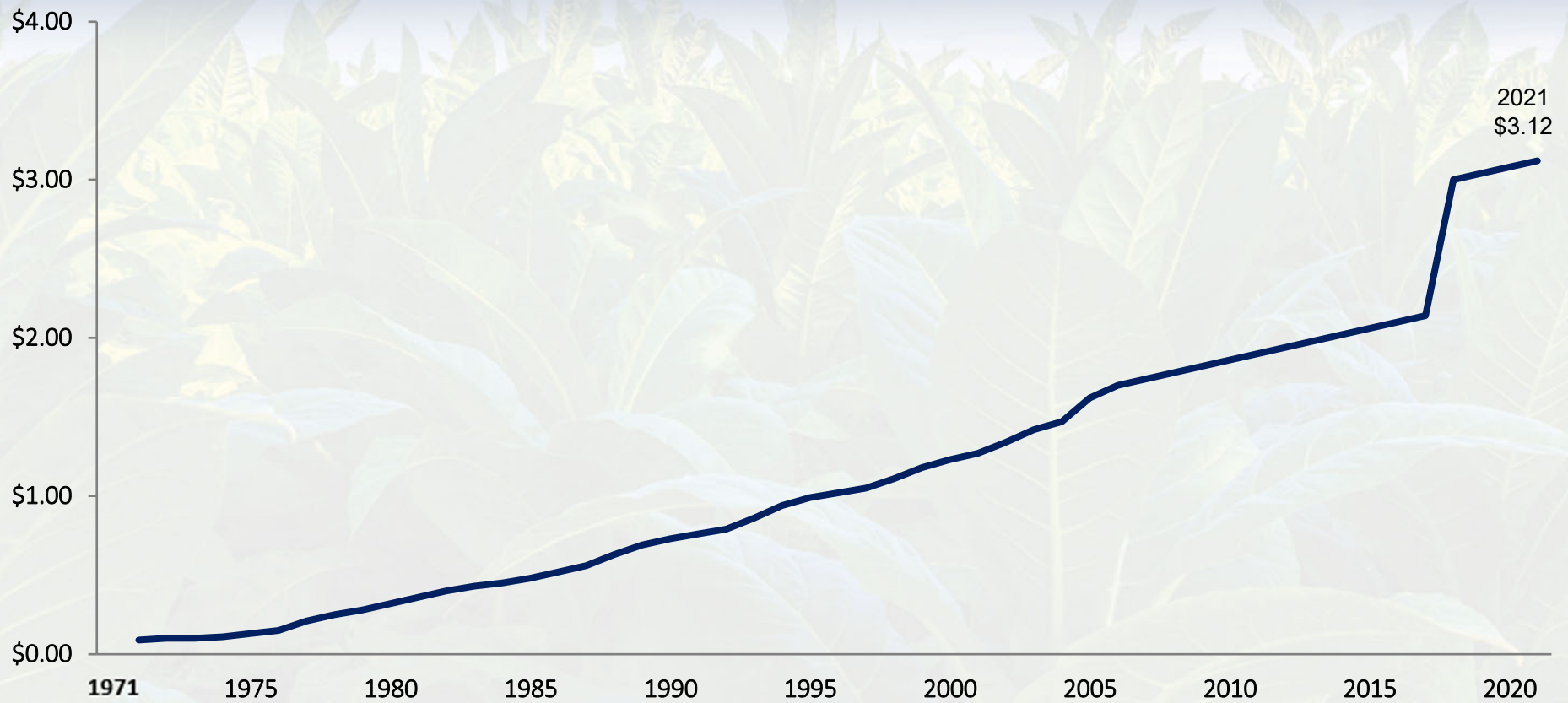
**Low capital investment required
to maintain
leaf tobacco business**

**Healthy balance sheet allowing
for flexibility**

**Continued commitment to
51-year tradition of increasing
dividend paid**

Dividend History

51 consecutive years of increases in common stock dividend



Business Opportunities and Trends



Continue to increase market share in our tobacco operations



Continue to assess opportunities for supply chain efficiencies and restructurings that help reduce costs



Expand services provided to our tobacco customers



Continue to be part of the supply chain for next generation tobacco products



Explore growth opportunities in non-tobacco businesses and markets that utilize our assets and capabilities and continue growing our plant-based ingredients platform



Financial Overview



First Quarter FY2022 Results

Highlights

- Results for our Tobacco Operations segment improved on higher African carryover tobacco shipments and a favorable tobacco product mix compared to the prior fiscal quarter
- Our Ingredients Operations segment, which includes our October 2020 acquisition of Silva International, Inc. (“Silva”), delivered very strong performance in the three months ended June 30, 2021
- Consolidated revenues increased by \$34.2 million to \$350.0 million for the three months ended June 30, 2021, compared to the same period in fiscal year 2021, on the addition of the business acquired in October 2020 in the Ingredients Operations segment, offset in part by modestly lower comparative leaf tobacco sales volumes
- Excluding restructuring and impairment costs and certain other non-recurring items, detailed in Other Items below, net income and diluted earnings per share increased by \$6.8 million and \$0.28, respectively, for the quarter ended June 30, 2021, compared to the quarter ended June 30, 2020

Summary Financials

In millions	Three Months Ended June 30,	
	2021	2020
Revenues	\$350	\$316
EBITDA ¹	\$23	\$19
Operating income	\$11	\$9
Segment operating income	\$13	\$4
Net income ²	\$6	\$7
Adjusted net income ¹	\$7	\$1

¹ Non-GAAP measure. Please see Appendix

² Attributable to Universal Corporation. Universal holds less than 100% financial interest in certain consolidated subsidiaries, and a portion of net income is attributable to the non-controlling interests in those subsidiaries

Fiscal Year Outlook¹

- We will continue to seek prudent, strategic opportunities to enhance our businesses and return value to our shareholders
- Like other industries, we are seeing some logistical constraints around the world with regard to vessel and container availability stemming from the ongoing COVID-19 pandemic
- We do not know what significance such constraints may have on shipment timing or our results
- We are continuing to monitor these and other pandemic-related conditions which affect our operations
- Our greenhouse gas emissions targets were recently approved by the Science Based Targets initiative (SBTi), and reflect our commitment to reduce our global greenhouse gas emissions by 30% by 2030

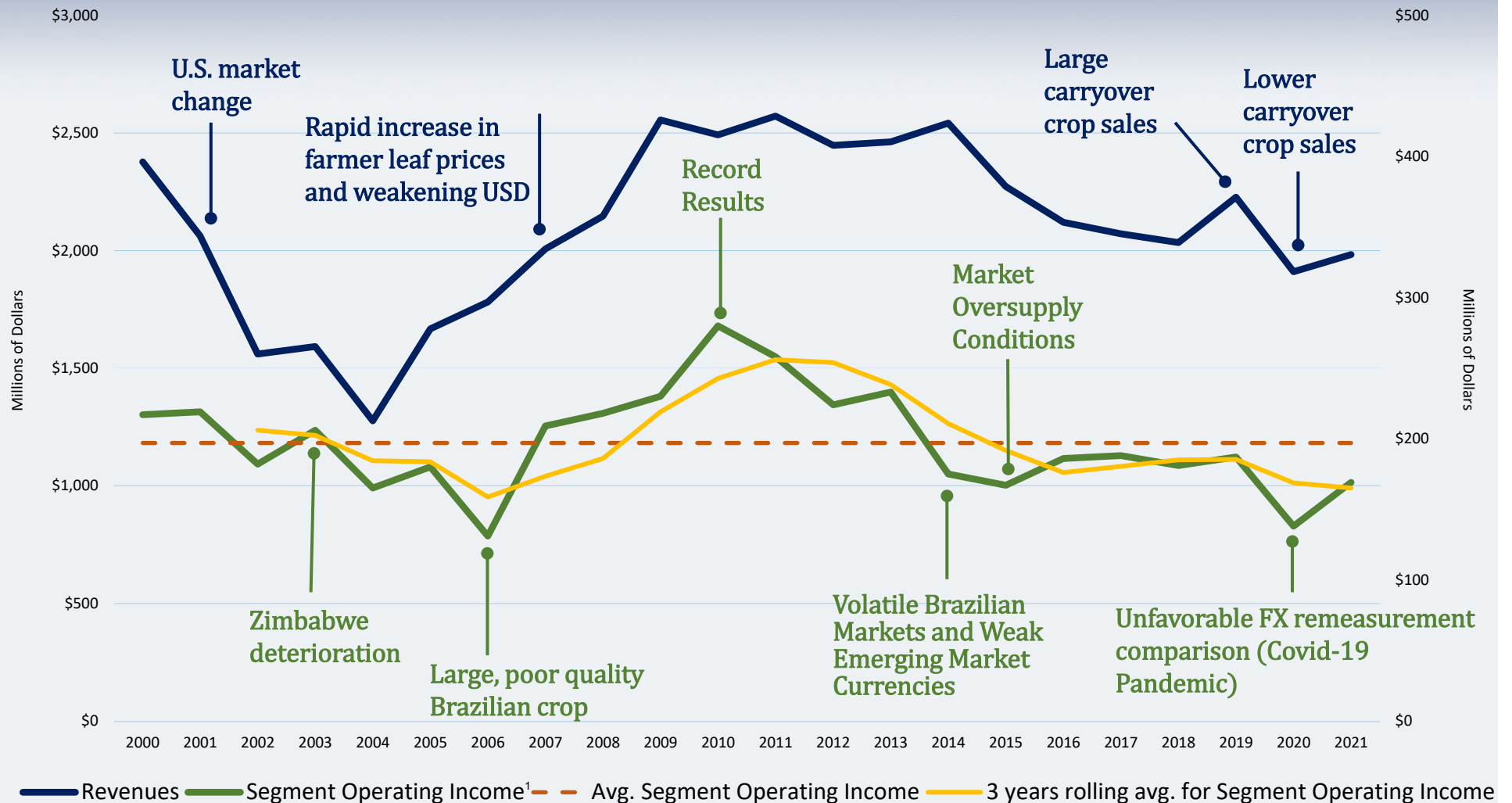
¹As of August 4, 2021

COVID-19 Pandemic Impact

- Have taken steps to mitigate potential risks
 - Employee and facility hygiene
 - Travel limitations
 - Work-from-home procedures
- Continue to assess and reevaluate protocols
- Have not experienced a material impact on our supply chain
- Increased volatility at times in foreign exchange rates
- Monitoring some logistical constraints around worldwide vessel and container availability
- Some shifts in our plant-based ingredients platform in product mix due to changes in customer demand

Segment Revenues & Operating Income

(By Fiscal Year)



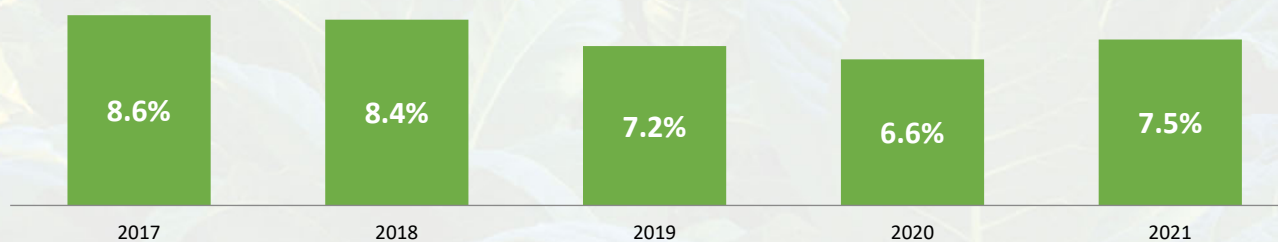
¹ Segment operating income includes equity in pretax earnings of unconsolidated affiliates and excludes restructuring and impairment charges and certain non-operating items as presented in our audited financial statements. Total segment operating income is a non-GAAP measure. See Appendix.

Financial Results

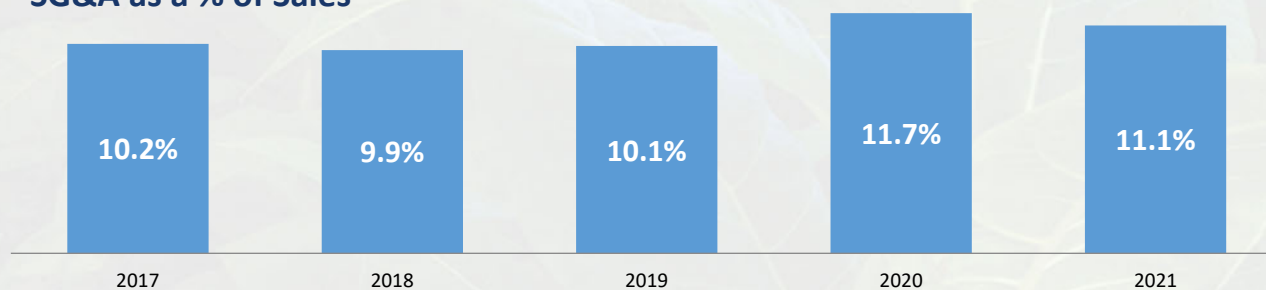
(By Fiscal Year)

In millions	FY 2017 ¹	FY 2018 ¹	FY 2019 ¹	FY 2020 ¹	FY 2021 ¹
Revenues	\$2,071	\$2,034	\$2,227	\$1,910	\$1,983
EBITDA ²	\$220	\$215	\$204	\$169	\$195
Operating income	\$178	\$171	\$161	\$126	\$148
Net income ³	\$106	\$106	\$104	\$72	\$87

Operating Margin



SG&A as a % of Sales



¹ Results include the net effect of unusual items. See Appendix for details.

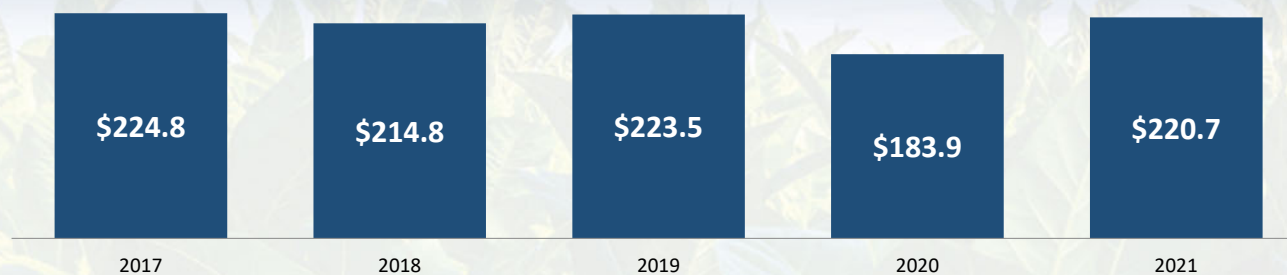
² Non-GAAP measure. Please see Appendix

³ Attributable to Universal Corporation. Universal holds less than 100% financial interest in certain consolidated subsidiaries, and a portion of net income is attributable to the non-controlling interests in those subsidiaries.

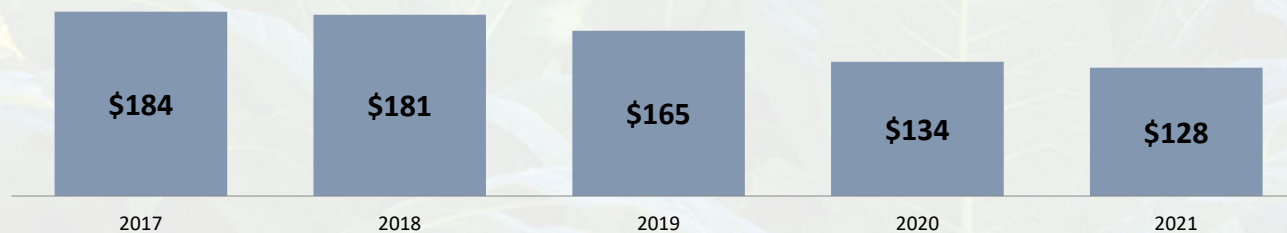
Financial Results (continued)

(By Fiscal Year)

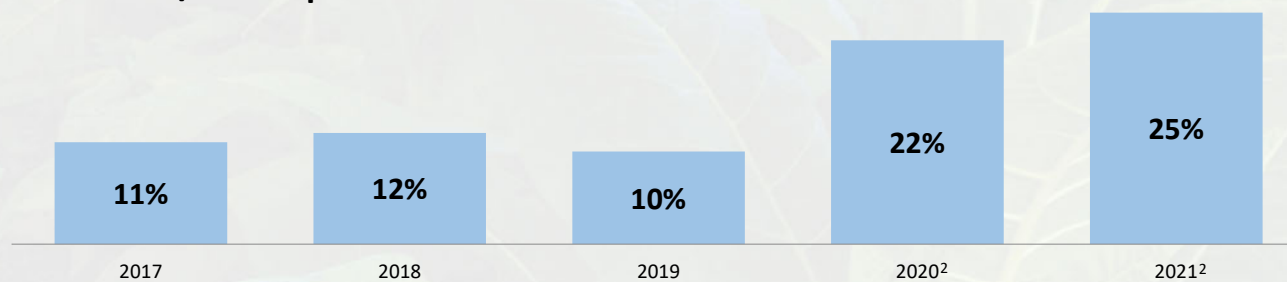
Adjusted EBITDA¹



Free Cash Flow¹



Net Debt / Net Capitalization¹

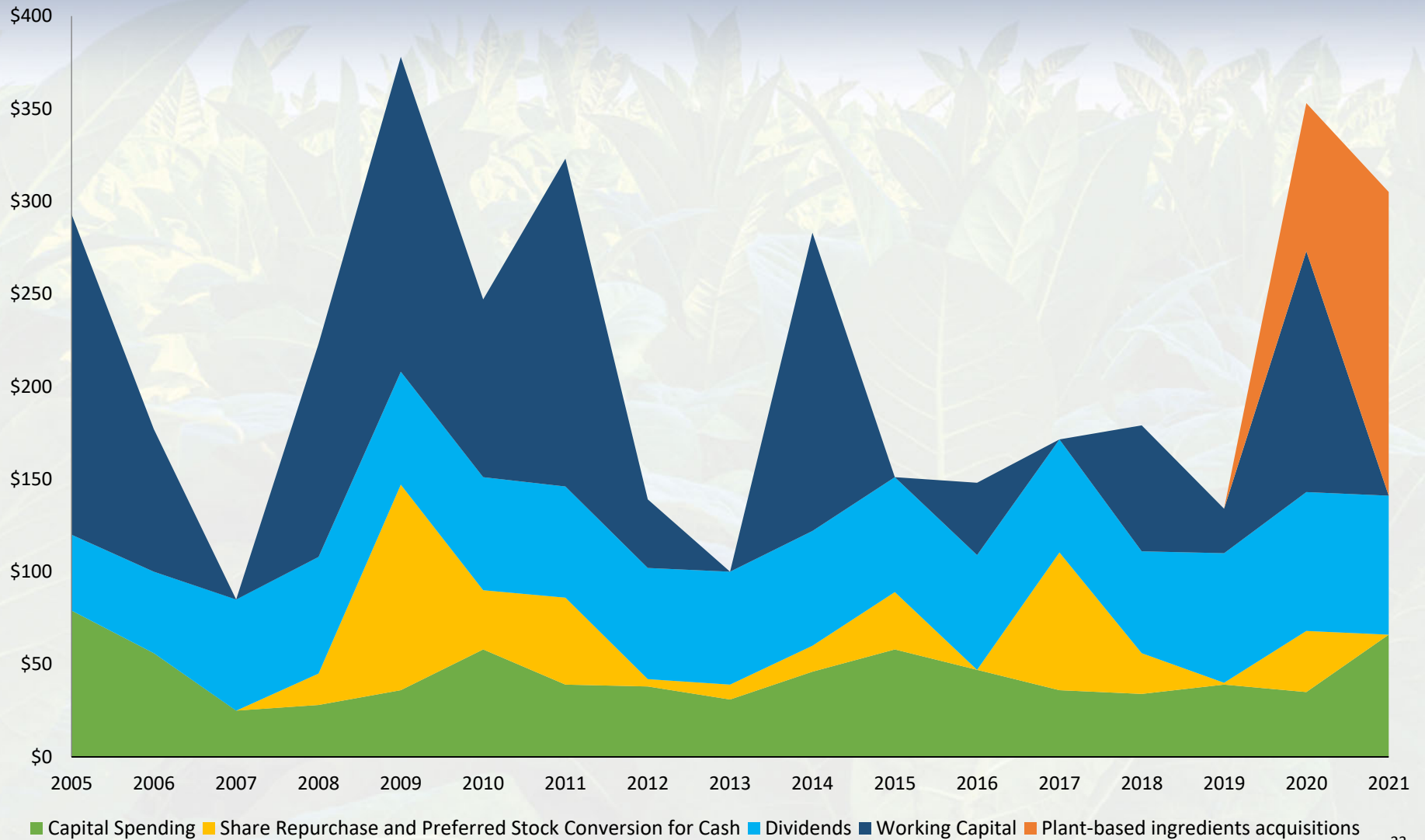


¹ Non-GAAP measure. Please see Appendix. Free cash flow defined as EBITDA – Capex

² Plant-based ingredients acquisitions

Universal's Uses of Cash

(In Millions)



Working Capital

Universal's working capital resource requirements are predominately short-term in nature

Most working capital needs are for tobacco crop purchases

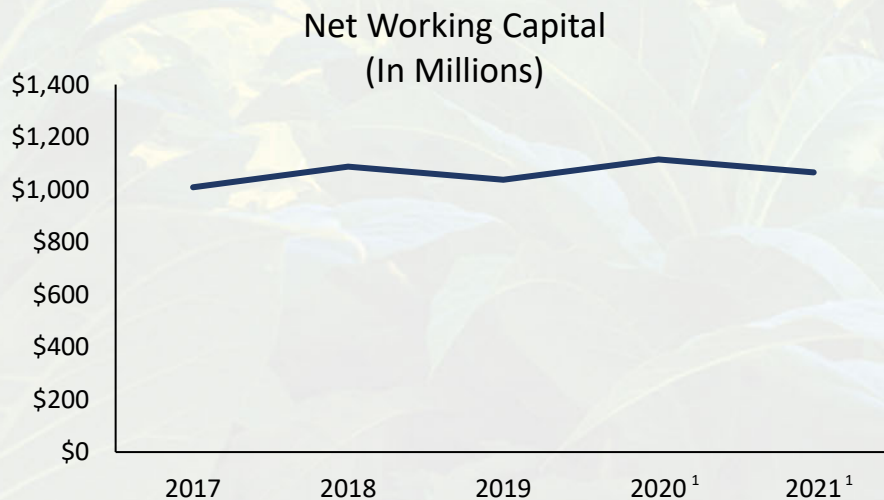
Working capital needs for tobacco crops are seasonal within each geographic region - peak working capital requirements are generally reached during the first and second fiscal quarters

Seasonal borrowing requirements largely relate to purchasing tobacco crops in South America and Africa

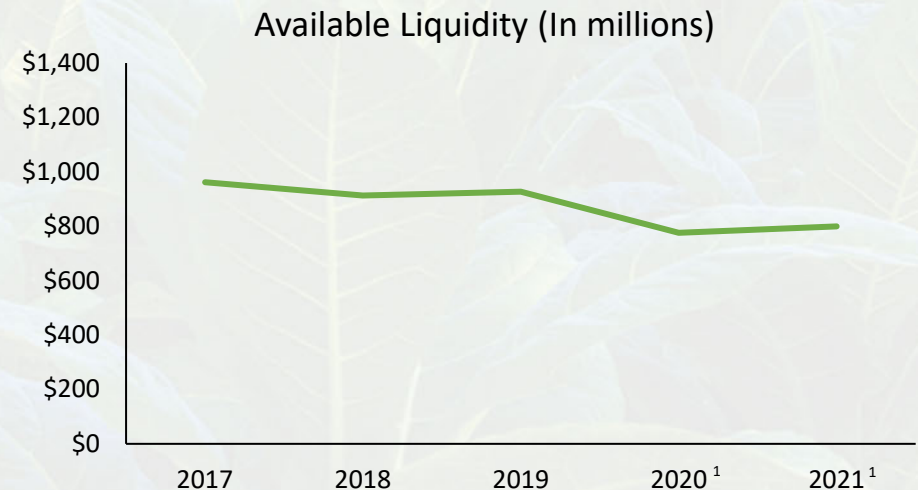
Available capital resources include cash balances, a committed revolving credit facility, uncommitted lines of credit and long-term debt

Balance Sheet

- An important part of our role is to provide working capital to fund seasonal tobacco crop purchases
- We utilize over \$1 Billion of Working Capital each tobacco crop year



We consider net working capital to exclude cash and accounts receivable.



We consider available liquidity to include cash, committed revolving credit facility, and unused uncommitted lines of credit.



Tobacco Operations



Tobacco Operations

- Universal buys, sells, and processes flue-cured, burley, and other leaf tobaccos from around the globe for manufacturers of consumer tobacco products
- Universal is the leading global supplier of leaf tobacco and promotes a sustainable farmer base and Good Agricultural Practices (GAP)
- Universal does not manufacture consumer tobacco products

Universal's global operations footprint

- Africa, Brazil, and the United States produce approximately two-thirds of the flue-cured and burley tobacco grown outside China
- Annual production of such tobaccos handled on average by Universal: Africa 25-35%, Brazil 15-25%, United States 35-45%
- Universal conducts its business in more than 30 countries on five continents and employs over 20,000 permanent and seasonal workers



Diverse Tobacco Product Portfolio



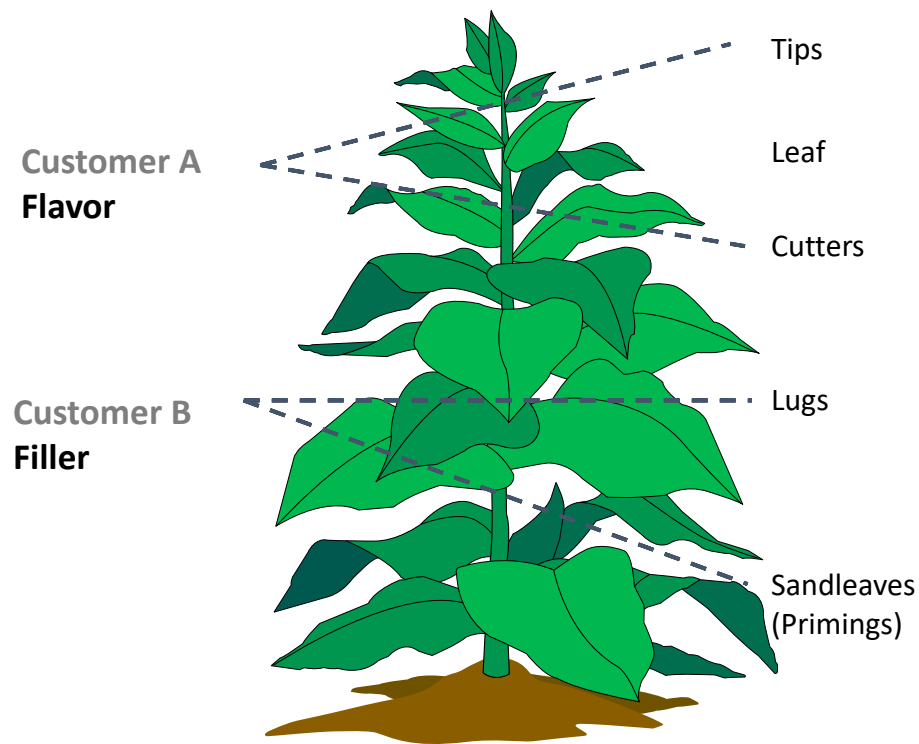
Flue-cured	Burley	Oriental	Dark
<ul style="list-style-type: none"> • Cured leaves have a yellow to orange color and grow well in subtropical regions with light rainfall • Matures from the bottom leaves up and are harvested at different times as they mature, after which they are cured using heat • Used in American and English blend cigarettes 	<ul style="list-style-type: none"> • Cured leaves are brown in color and are typically grown in heavier soils than flue-cured • Leaves are graded by their position on the stalk and are air-cured in barns • Used in American blend cigarettes 	<ul style="list-style-type: none"> • Small, aromatic leaf grown in Turkey, Macedonia, Bulgaria and Greece • Sun-cured • Used in American blend cigarettes 	<ul style="list-style-type: none"> • Used in cigars, pipe tobacco and smokeless products • Air or fire cured

The Tobacco Plant

Style and quality variation, regional variation

Not a commodity product

Leaves harvested at different times



Role of the Tobacco Leaf Supplier

- Intermediary between farmers and manufacturers of tobacco products
- Sources leaf tobacco for customers
- Processes tobacco to customer specifications
- Does not manufacture cigarettes or other consumer tobacco products



With Tobacco Farmers

Contracts with farmers for crops

Manages large number of farmer relationships

Provides seed and fertilizer in most cases

Offers agronomy support

Promotes sustainable farmer base and Good Agricultural Practices (GAP)

Responsibly sourced leaf - grown under GAP supporting an approach to farming focused on sustainability, sound field production, labor management practices, farmer profitability and environmental sensitivity

With Tobacco Manufacturers

Works with customers before the tobacco is grown to understand needs

Finds buyers for the different grades and styles of tobacco produced in each crop

Processes tobacco by separating lamina from stem, removing non-tobacco materials and drying to precise moisture targets for long-term storage

Delivers a compliant, traceable product that meets customer specifications

Supports sustainable tobacco production

Operates as a business to business supplier

Why Universal is the Leading Global Leaf Tobacco Supplier

**Strategic Market
Position**

**Strong
Local
Management**

**Responsibly
Sourced
Products**

**Diversified
Sources**

**Financial
Strength**

Universal's Strengths as a Leaf Tobacco Supplier



Sourcing

- Global reach
- Strong local management teams
- Capability to market all of the different grades and styles produced in a single crop



Agronomy

- Continuous and substantial investment in grower base
- Strong commitment to delivering a quality, compliant product
 - Product traceability
 - Good agricultural practices which encompass crop quality, environmental stewardship and agricultural labor practices
 - Agronomists working with individual farmers
 - Managing future production to meet customer regulatory requirements
- Seed research and development facilities



Processing

- State of the art processing facilities
 - Facilities in the major tobacco producing areas
 - Efficient operations



Logistics

- Proven ability in managing a robust end-to-end tobacco supply chain connecting hundreds of thousands of small-scale farmers with the end-market
- Operational efficiency in areas with limited infrastructure and political challenges

Sustainability at Universal



Sustainability at Universal

- Our commitment to sustainability encompasses a wide array of programs and initiatives
- We have committed to annual sustainability reporting
- Our Nominating and Corporate Governance Committee oversees our Environment, Social and Governance programs
- Sustainability effort with respect to our facilities and with our supply chain focus on agricultural labor practices and environmental impacts

Agricultural Labor Practices

Universal Commits to:

- No child labor on contracted farms by Calendar Year (CY) 2025
- Access to personal protective equipment (PPE) for farmers and farm workers on contracted farms where we supply crop inputs by CY 2022
- Minimum wage paid to farm workers on contracted farms by CY 2022
- Appropriate farm worker accommodations on contracted farms by CY 2022, where applicable



Source tobacco through

185,000+

direct contracted growers



2,300+

Agronomists and leaf technicians who work directly with growers

1,600,000+

Farm Visits and Contacts by Field Technicians



Environmental Impacts



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Universal Commits to:

- Reduce absolute Scope 1 and 2 Greenhouse Gases (GHG) emissions 30% by CY 2030 from a 2020 base year and Scope 3 GHG emissions from purchased goods and services 30% within the same timeframe
- Collect 5 Million Liters of Rainwater annually for operational use by CY 2025
- Compost or recycle 75% of waste annually by CY 2025

SCOPE 1 EMISSIONS

114,537

TONS OF CO₂e

SCOPE 2 EMISSIONS

48,349

TONS OF CO₂e



11,800,000+

Planted Trees in FY2020 Crop Season

23,000+

Improved Flue-Cured Curing Barns Around the World



RAINWATER
COLLECTED

3.4

MILLION LITERS

PERCENT
COMPOSTED

17%

PERCENT
RECYCLED

42%

Benefits of a Supply Chain Focused on Sustainability



FOR FARMERS

- Shared best practices to help improve yields and value and promote fair labor practices
- Focused and proactive support from leaf technicians
- Access to global marketplace



FOR CUSTOMERS

- Responsibly sourced products that suit each customer's requirements
- Greater transparency on compliance with good agricultural and labor practices
- A more responsive tobacco supply chain



Universal

FOR UNIVERSAL

- Broad customer support
- Focus on efficiency and diversity in the supply footprint
- Development of mutually beneficial relationships with farmers and supply chain stakeholders

To read the full Universal Corporation Sustainability Report for Fiscal Year 2020, please click link below:

<http://www.universalcorp.com/Resources/Practices/2020%20Universal%20Sustainability%20Report.pdf>

High Quality Customer Base

- Over 75% of our tobacco sales are to customers with major positions in their respective markets and with whom we have long-standing relationships
- Our largest customers include Altria Group Inc., British American Tobacco plc, China Tobacco International, Inc., Imperial Brands plc, Japan Tobacco, Inc., Philip Morris International, Inc., and Swedish Match AB
- In total, these customers accounted for more than two-thirds of Universal's consolidated revenues for the past three years

Drivers of Customer Leaf Tobacco Purchases

Price / value of the product

Responsibly sourced products

Supply / demand balance

**Consistent supply
to protect continuity
of customer blends**

Global unsold stocks

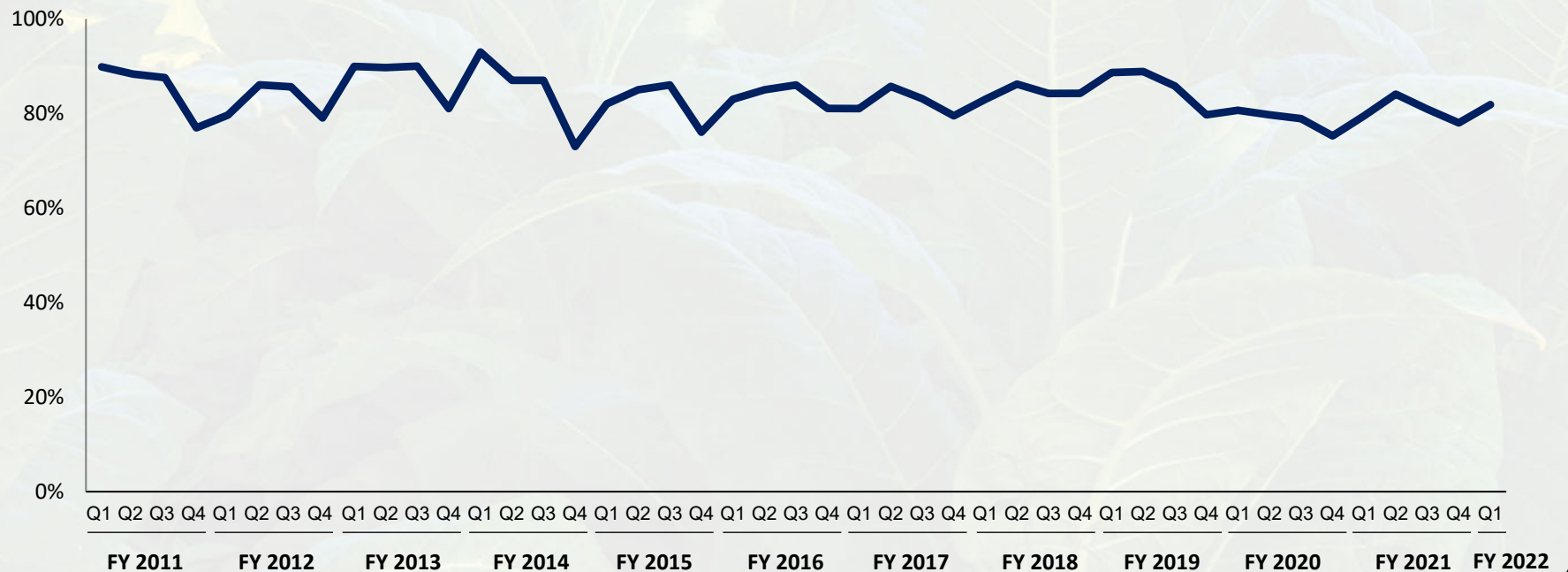
**Inventory durations
held by customers**

Committed Inventory

We target at least 80% of our tobacco inventory to be committed for sale to customers

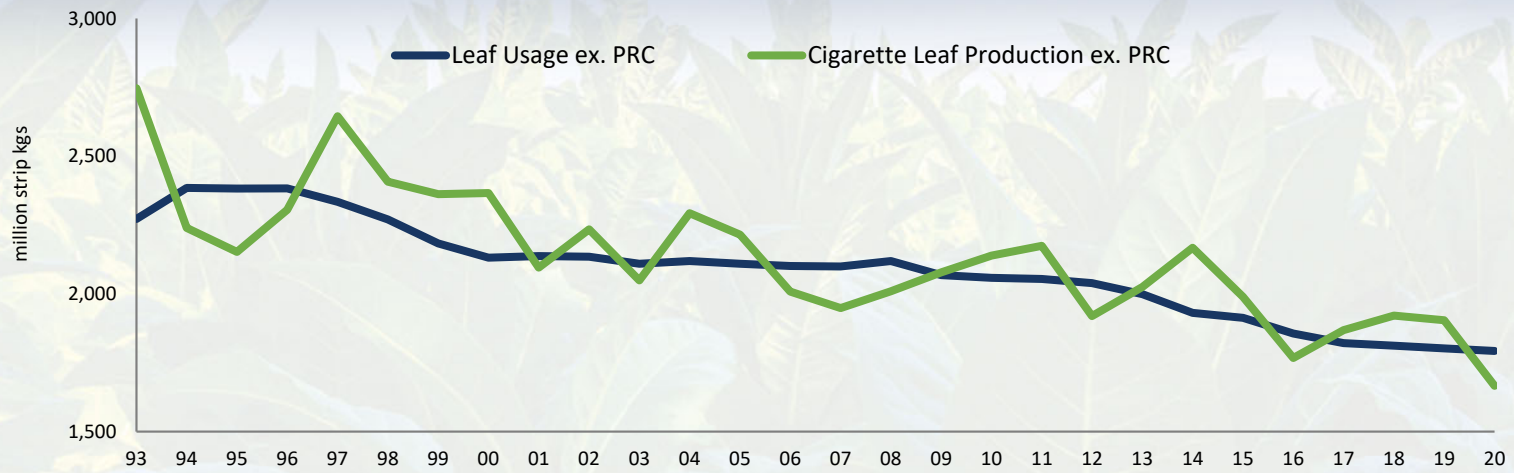
We source tobacco to meet anticipated demand

Percent of Tobacco Inventory Committed for Sale by Customers

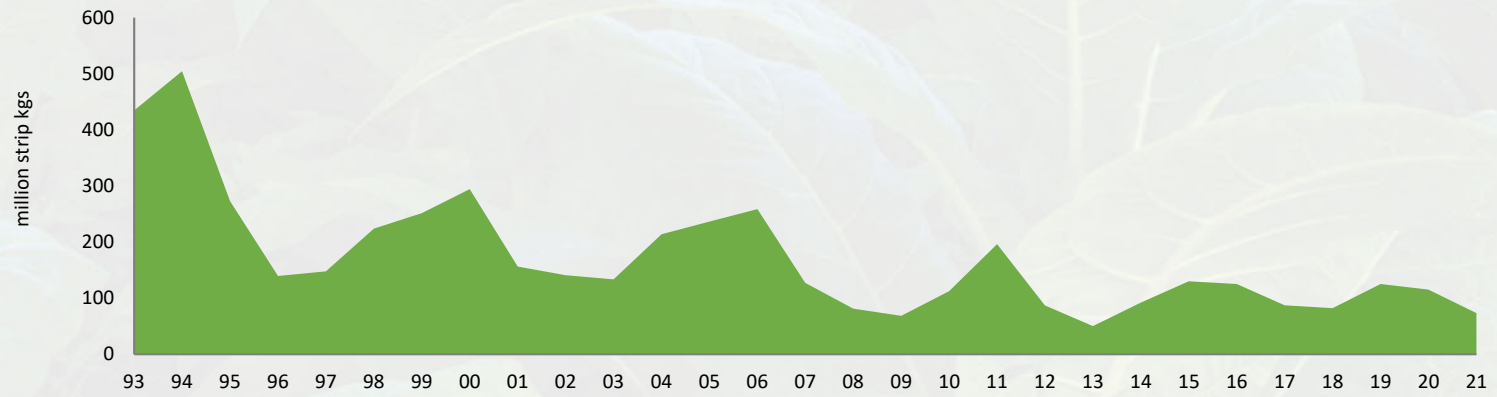


Tobacco Industry Supply and Demand

Leaf Usage vs. Cigarette Leaf Production by Crop Year



Flue-Cured and Burley Unsold Stocks (as of June 30)



Leaf Tobacco Competitive Environment

Barriers to Entry

Worldwide network

Capital investment

Long-term relationship business

Mature industry

Industry Structure



Universal

Global



Global

Others

Local / Regional

Global Cigarette Market

The global tobacco industry produces about 5.2 trillion cigarettes a year

Less than 5% of cigarettes manufactured worldwide are consumed in the United States

Universal believes that growth in world consumption of cigarettes peaked several years ago and is declining. As a result, Universal expects that near term global demand for leaf tobacco will continue to slowly decline in line with declining cigarette consumption

Next Generation Tobacco Products Continuing to be Developed

Current Status

- All of the major tobacco product manufacturers are developing next generation products
- There are many types of next generation products
- Next generation products use less leaf tobacco in a strict 1-1 comparison with a combustible cigarette

Still Unclear or Developing

- Consumer consumption habits and patterns
- Production regulation in various countries
- Effect on demand for leaf tobacco

Universal continues to be part of the Supply Chain for Next Generation Tobacco Products

Other Tobacco Businesses

Sheet Tobacco

(Deli-HTL and DHT GmbH & Co.)

- Sheet tobacco is a malleable sheet formed from a pulp of stems and other tobacco remnants
- Produces wrapper and binder sheet for all types of cigars, as well as cigar and cigarette filler sheets

Global Laboratory Services, Inc.

- Physical and chemical testing, as well as E-Liquid and vapor testing
- Pesticide and other Crop Protection Agents (CPA) testing
- Moisture and chemical check samples
- Research and Development

AmeriNic

- U.S. based producer of high quality liquid nicotine for the electronic nicotine delivery systems and next generation products markets

ULT Agronomic Center

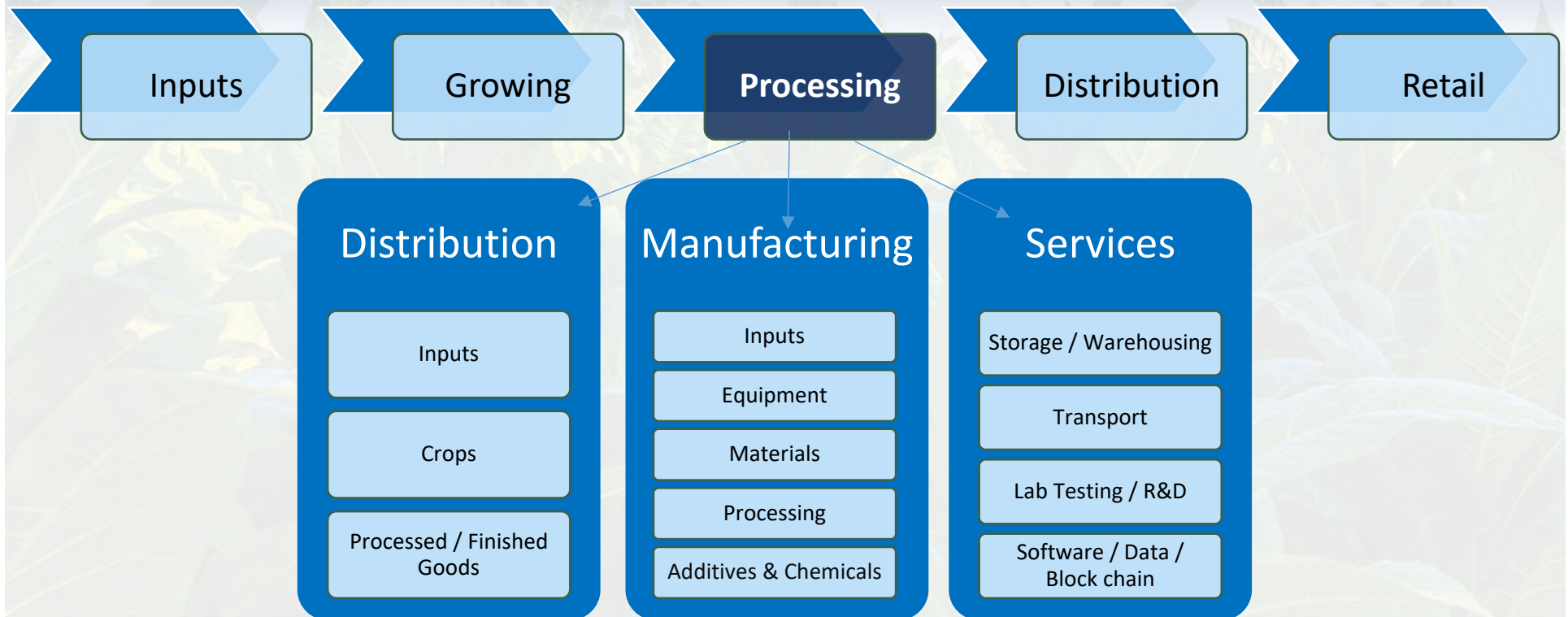
- Seed variety research & development
- Production techniques
- Grower sustainability studies
- Integrated Pest Management (IPM)
- Evaluation of new agrochemical products



Ingredients Operations



Agricultural Value Chain



Tobacco Operations and Ingredients Operations

Shared Core Competencies

Universal's Core Competencies

Diversified, Global
Procurement
Strategy

Strong Local
Management

Supplying High-
Quality Products
to Major Market
Customers

Value-Added
Processing

Ingredients Operations

FruitSmart, Inc.

- We completed our acquisition of FruitSmart in early January 2020. FruitSmart is an independent specialty fruit and vegetable ingredient processor, serving global markets
- FruitSmart supplies a broad set of juices, concentrates, pomaces, purees, fibers, seed and seed powders, and other value-added products to food, beverage, and flavor companies throughout the United States and internationally through value-added processing of various fruit and vegetable products
- FruitSmart processes apples, grapes, blueberries, raspberries, cherries, blackberries, pears, cranberries and strawberries as well as other fruits and vegetables
- FruitSmart's top five products are apple juice concentrate, not from concentrate apple juice, concord grape, raspberry, and blueberry juice concentrates
- FruitSmart is headquartered in the Yakima Valley of the state of Washington, where it has approximately 200 employees and two manufacturing facilities
- FruitSmart is well-positioned to capitalize on recent shifts in market dynamics and consumer behavior including a secular shift towards health and wellness
 - Demand for clean-label ingredients
 - Rise of fruit as a natural label sweetener alternative to processed sugar
 - Growing consumer interest in better-for-you premium ingredients

Ingredients Operations (continued)

Silva International

- We completed our acquisition of Silva, a privately-held, natural, specialty dehydrated vegetable, fruit and herb processing company, on October 1, 2020
- Silva procures over 60 types of dehydrated vegetables, fruits and herbs from over 20 countries around the world
- In addition to sourcing, Silva specializes in processing natural raw materials into custom designed dehydrated vegetable- and fruit-based ingredients for a variety of end products
- Silva's top five ingredient product categories are vegetable blends, peppers, spinach, carrots, and pumpkin
- Headquartered in Momence, Illinois, Silva employs over 200 people and has a 380,000 square foot manufacturing facility
- Silva has established a reputation as the 'go-to' provider for 'clean', natural, specialty dehydrated vegetable- and fruit-based ingredients
 - Longstanding relationships with farmers and suppliers around the world
 - Strong quality control procedures, ensuring consistent, high quality supply
 - Recently expanded and enhanced its manufacturing facility, therefore is well positioned to take advantage of increasing demand for natural and clean-label products across the end markets it serves, including within the attractive and growing savory and pet food end markets
- Silva has also demonstrated consistent, long-term revenue growth and has strong customer diversity

Fruit & Vegetable Ingredients Market Segments

Ingredient Types

- Fruit
- Vegetable

Product Types

- Concentrates
- Not-from-Concentrate Juices (NFC)
- Pastes & Purees
- Pieces
- Powders

Applications

- Beverages
- Confectionary
- Bakery
- Soups & Sauces
- Dairy
- Ready-to-Eat (RTE)



Fruit and Vegetable Ingredients Market

Competitive Landscape

- Highly fragmented
- Essential to food value chain
- Multiple strategies for growth
- R&D as differentiator with continued brand proliferation



Globally, 73% of market is spread across companies with less than 3% share



In U.S. there are over 30K total food processing facilities owned by 26K companies



Fruit & vegetable are ~10% of total U.S. food processing, implying thousands of facilities and competitors



Growth is driven by a combination of new product development, expanding capabilities, geographic expansion and M&A

The Universal Effect

Every step in our production process requires action

Each action ripples out and impacts lives in our communities around the globe

We can't work effectively without investing in and strengthening the communities where we operate



Universal



Appendix



Appendix

EBITDA

We consider operating income plus equity in pretax earnings of unconsolidated affiliates before interest expense, amortization, depreciation and taxes to be our EBITDA

In millions	2017	2018	2019	2020	2021	Three Months Ended June 30,	
						2020	2021
Net income(loss)¹	\$106	\$106	\$104	\$72	\$87	\$7	\$6
Subtract: Net income (loss) attributable to noncontrolling interests in subsidiaries	(6)	(11)	(6)	(6)	(9)	0	2
Add: Income taxes	57	51	41	35	29	(5)	1
Subtract: Interest income	1	2	2	2	0	0	0
Add: Interest expense	16	16	18	20	25	7	6
Subtract: Equity in pretax earnings (losses) of unconsolidated affiliates	6	9	5	4	3	0	1
Subtract: Other non-operating income (expense)	0	1	1	1	0	0	0
Operating income (loss)	\$178	\$171	\$161	\$126	\$147	\$9	\$11
Add: Depreciation and amortization	36	35	37	38	45	10	12
Add: Equity in pretax earnings (losses) of unconsolidated affiliates	6	9	5	4	3	0	1
EBITDA	\$220	\$215	\$204	\$169	\$195	\$19	\$23

1. Attributable to Universal Corporation. Universal holds less than 100% financial interest in certain consolidated subsidiaries, and a portion of net income is attributable to the non-controlling interests in those subsidiaries.

Note: Numbers may not sum to totals due to rounding

Appendix

The following tables set forth the unusual items included in reported results:

In millions	2017	2018	2019	2020	2021	Three Months Ended June 30,	
						2020	2021
Operating Income	\$178.4	\$170.8	\$161.2	\$126.4	\$147.8	\$8.5	\$10.6
Transaction costs for acquisitions	—	—	—	\$(4.7)	\$(3.9)	—	—
Acquired companies purchase accounting adjustment	—	—	—	\$(2.7)	\$(2.8)	—	—
Fair value adjustment to contingent consideration for FruitSmart acquisition	—	—	—	—	\$4.2	\$(4.2)	—
Restructuring and impairment costs	\$(4.4)	—	\$(20.3)	\$(7.5)	\$(22.6)	—	\$2.0
Total effect on Operating Income	\$(4.4)	—	\$(20.3)	\$(14.9)	\$(25.1)	\$(4.2)	\$2.0
Adjusted Operating Income¹	\$182.8	\$170.8	\$181.5	\$141.3	\$172.9	\$4.4	\$12.6
In millions	2017	2018	2019	2020	2021	2020	2021
EBITDA	\$220	\$215	\$204	\$169	\$195	\$18.6	\$23.3
Adjusted Operating Income¹	\$183	\$171	\$181	\$141	\$173	\$4.4	\$12.6
Depreciation and amortization	\$36	\$35	\$37	\$38	\$45	\$10.1	\$12.1
Equity in pretax earnings (losses) of unconsolidated affiliates	\$6	\$9	\$5	\$4	\$3	—	\$0.6
Adjusted EBITDA¹	\$224	\$215	\$224	\$184	\$221	\$14.5	\$25.3

¹ Non-GAAP measure

Note: Numbers may not sum to totals due to rounding

Please see the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q for the corresponding fiscal periods for additional information on the unusual items.

Appendix

The following tables set forth the unusual items included in reported results:

In millions	2017	2018	2019	2020	2021	Three Months Ended June 30,	
						2020	2021
Net Income	\$106.3	\$105.7	\$104.1	\$71.7	\$87.4	\$7.3	\$6.4
Transaction costs for acquisitions	—	—	—	\$(4.7)	\$(3.9)	—	—
Acquired companies purchase accounting adjustment	—	—	—	\$(2.1)	\$(2.8)	—	—
Fair value adjustment to contingent consideration for FruitSmart acquisition	—	—	—	—	\$4.2	\$4.2	—
Interest expense related to an uncertain tax matter at a foreign subsidiary	—	—	—	—	\$(1.8)	\$(1.8)	—
Income tax benefit for final tax regulations for dividends paid by foreign subsidiaries	—	—	—	—	\$4.4	\$4.4	—
Income tax settlement for foreign subsidiary	—	—	—	\$(2.8)	—	—	—
Restructuring and impairment costs	\$(2.8)	—	\$(16.5)	\$(6.3)	\$(17.8)	—	\$(1.0)
Effect of changes to U.S. Corporate Income Taxation	—	\$4.5	—	—	—	—	—
Reversal of Dividend Withholding Tax	—	—	\$7.8	—	—	—	—
Total effect on Net Income	\$(2.8)	\$4.5	\$(8.7)	\$(15.9)	\$(17.8)	\$6.7	\$(1.0)
Adjusted Net Income¹	\$109.1	\$101.2	\$112.8	\$87.5	\$105.2	\$0.5	\$7.4
Dollars per Share	2018	2019	2019	2020	2021	2020	2021
EPS (diluted)	\$0.88	\$4.14	\$4.11	\$2.86	\$3.53	\$0.29	\$0.26
Transaction costs for acquisitions	—	—	—	\$(0.19)	\$(0.16)	—	—
Acquired companies purchase accounting adjustment	—	—	—	\$(0.08)	\$(0.11)	—	—
Fair value adjustment to contingent consideration for FruitSmart acquisition	—	—	—	—	\$0.17	\$0.17	—
Interest expense related to an uncertain tax matter at a foreign subsidiary	—	—	—	—	—	\$(0.08)	—
Foreign Subsidiaries Hybrid Dividend Tax Regulations	—	—	—	—	\$0.18	\$0.18	—
Income tax settlement for foreign subsidiary	—	—	—	\$(0.11)	\$(0.08)	—	—
Restructuring and impairment costs	\$(0.10)	—	\$(0.64)	\$(0.25)	\$(0.72)	—	\$(0.04)
Effect of changes to U.S. Corporate Income Taxation	—	\$0.18	—	—	—	—	—
Reversal of Dividend Withholding Tax	—	—	\$0.30	—	—	—	—
Mandatory Conversion of Preferred Stock	\$(2.99)	—	—	—	—	—	—
Total effect on EPS (diluted)	\$(3.09)	\$0.18	\$(0.34)	\$(0.63)	\$(0.72)	\$0.27	\$(0.04)
Adjusted EPS (diluted)¹	\$3.97	\$3.96	\$4.45	\$3.49	\$4.25	\$0.02	\$0.30

¹ Non-GAAP measure

Note: Numbers may not sum to totals due to rounding

Please see the Company's Annual Reports on Form 10-K and Quarterly Reports 10-Q for the corresponding fiscal periods for additional information on the unusual items.

Appendix

Net Debt and Net Capitalization

We consider the sum of notes payable and overdrafts, long-term debt (including current portion), and customer advances and deposits, less cash and cash equivalents, and short-term investments on our balance sheet to be our net debt. We also consider our net debt plus shareholders' equity to be our net capitalization.

In millions	2017	2018	2019	2020	2021
Notes payables and overdrafts	\$59	\$45	\$54	\$78	\$101
Long term debt (inc. current portion)	\$369	\$369	\$369	\$369	\$518
Customer advances and deposits	\$11	\$7	\$22	\$10	\$9
Cash and cash equivalents	\$284	\$234	\$298	\$107	\$197
Net debt	\$155	\$187	\$147	\$350	\$431
Total Universal Corporation shareholders' equity	\$1,286	\$1,342	\$1,337	\$1,247	\$1,307
Net capitalization	\$1,441	\$1,530	\$1,484	\$1,596	\$1,738

Note: Numbers may not sum to totals due to rounding

Appendix

Free Cash Flow

Free Cash Flow defined as EBITDA less Capital Expenditures

In millions	2017	2018	2019	2020	2019	2021	Three Months Ended June 30,	
							2020	2021
EBITDA	\$220	\$215	\$204	\$169	\$125	\$195	\$19	\$23
Capital Expenditures	\$36	\$34	\$39	\$35	\$22	\$66	\$8	\$14
Free Cash Flow	\$184	\$181	\$165	\$134	\$103	\$128	\$10	\$9

Note: Included in this presentation are certain non-GAAP financial measures that are not determined in accordance with US generally accepted accounting principles. The non-GAAP results described in this presentation are financial measures that are not required by, or presented in accordance with generally accepted accounting principles ("GAAP"). The non-GAAP information provides information to assist comparability and estimates of future performance. Universal believes these measures are helpful in assessing operations and estimating future results and enable period-to-period comparability of financial performance. Non-GAAP results should not be considered as an alternative to revenue or income amounts determined in accordance with GAAP and should be read in conjunction with their GAAP counterparts.

Note: Numbers may not sum to totals due to rounding