

Investor Presentation

Sidoti 2022 Summer Small Cap Conference

JUNE 15, 2022

DFINsolutions.com

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FORWARD LOOKING STATEMENTS AND USE OF NON-GAAP FINANCIAL MEASURES

USE OF FORWARD-LOOKING STATEMENTS

This presentation includes certain "forward-looking statements" within the meaning of, and subject to the safe harbor created by, Section 21E of the Securities Exchange Act of 1934, as amended, with respect to the business, strategy and plans of Donnelley Financial and its expectations relating to future financial condition and performance. Statements that are not historical facts, including statements about Donnelley Financial management's beliefs and expectations, are forward-looking statements. Words such as "believes," "anticipates," "estimates," "expects," "intends," "aims," "potential," "will," "would," "could," "considered," "likely," "estimate" and variations of these words and similar future or conditional expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. While Donnelley Financial believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond Donnelley Financials' control. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur. Actual results may differ materially from Donnelley Financials' current expectations depending upon a number of factors affecting the business and risks associated with the performance of the business. These factors include such risks and uncertainties detailed in Donnelley Financials' periodic public filings with the SEC, including but not limited to those discussed under "Risk Factors" in Donnelley Financials' Form 10-K for the fiscal year ended December 31, 2021, those discussed under "Cautionary Statement" in Donnelley Financials' quarterly Form 10-Q filings, and in other investor communications of Donnelley Financials' from time to time. Donnelley Financial does not undertake to and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect future events or circumstances after the date of such statement or to reflect the occurrence of anticipated or unanticipated events.

Forward looking statements in this presentation are provided on a non-GAAP basis only, without providing a reconciliation to a GAAP basis. Information is presented in this manner, consistent with SEC rules, because the preparation of such a reconciliation could not be accomplished without "unreasonable efforts." The Company does not have access to certain information that would be necessary to provide such a reconciliation, including non-recurring items that are not indicative of the Company's ongoing operations. Such items include, but are not limited to, restructuring charges, impairment charges, spinoff-related transaction expenses, acquisition-related expenses, gains or losses on investments and business disposals and other similar gains or losses not reflective of the Company's ongoing operations. The Company does not believe that this information is likely to be significant to an assessment of the Company's ongoing operations, given that it is not an indicator of business performance.

NON-GAAP FINANCIAL INFORMATION

This presentation contains certain non-GAAP measures, including non-GAAP adjusted EBITDA, non-GAAP adjusted EBITDA margin and free cash flow. The Company believes that these non-GAAP measures, when presented in conjunction with comparable GAAP measures, provide useful information about the Company's operating results and liquidity and enhance the overall ability to assess the Company's financial performance. The Company uses these measures, together with other measures of performance under GAAP, to compare the relative performance of operations in planning, budgeting and reviewing the performance of its business.

Our non-GAAP adjusted EBITDA and non-GAAP adjusted EBITDA margin are adjusted to exclude the impact of certain expenses, gains and losses and other specified items that management believes are not indicative of our ongoing operations. These adjusted measures exclude the impact of expenses associated with the Company's acquisition activities, spin-off related expenses, share-based compensation, pension income and eliminate potential differences in results of operations between periods caused by factors such as depreciation and amortization methods, historic cost and age of assets, financing and capital structures, taxation positions or regimes, restructuring, impairment and other charges and gain or loss on certain equity investments and asset sales.

Free cash flow is a non-GAAP financial measure and is defined by the Company as net cash flow provided by operating activities less capital expenditures. By adjusting for the level of capital investment in operations, the Company believes that free cash flow can provide useful additional basis for understanding the Company's ability to generate cash after capital investment and provides a comparison to peers with differing capital intensity.

These non-GAAP measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. In addition, these measures are defined differently by different companies in our industry and, accordingly, such measures may not be comparable to similarly-titled measures of other companies.

Certain components of the guidance given herein are provided on a non-GAAP basis only, without providing a reconciliation to guidance provided on a GAAP basis. Information is presented in this manner, consistent with SEC rules, because the preparation of such a reconciliation could not be accomplished without "unreasonable efforts." The Company does not have access to certain information that would be necessary to provide such a reconciliation, including non-recurring items that are not indicative of the Company's ongoing operations. Such items include, but are not limited to, restructuring charges, impairment charges, spinoff-related transaction expenses, acquisition-related expenses, gains or losses on investments and business disposals and other similar gains or losses not reflective of the Company's ongoing operations. The Company does not believe that this information is likely to be significant to an assessment of the Company's ongoing operations, given that it is not an indicator of business performance.

DFIN AT A GLANCE

What we do

- DFIN assists private/public companies and investment firms with the creation, submission and distribution of regulatory filings
- In its transactional business, DFIN is a leader in assisting companies doing IPO's, M&A transactions and debt offerings with prospectus creation, filing and printing needs
- DFIN has a strong portfolio of software solutions
  - **New ActiveDisclosure**: Document tagging, collaboration and filing
  - **Venue**: Virtual Data Room for M&A, equity and debt transactions
  - **ArcSuite:** Investment company cloud-based content management platform

Capitalization

$ in millions, except per share amounts

Share price (6.14.22)	**$28.17**
Shares outstanding (3.31.22)	34.4
Market Capitalization	**$969.0**
Net debt (3.31.22)	183.7
Enterprise Value	**$1,152.7**
EV/2021 TTM EBITDA	**3.9x**

Full-Year 2021

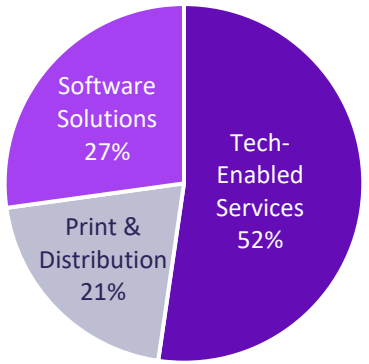
Revenue	$993
EBITDA	$295
Adj. Free Cash Flow	$152

Segment overview

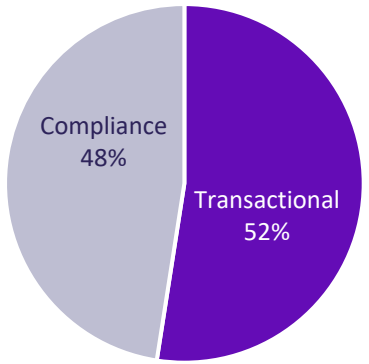
- **Capital Markets** services corporate clients by providing digital document creation and online content management tools to support regulatory reporting for transactions (i.e. IPOs, M&A, and debt offerings) and re-occurring filings (i.e. 10K's, 10Q's, and proxies)
  - CM Software Solutions: **Venue**, **New ActiveDisclosure**, **eBrevia**
- **Investment Companies** services mutual funds, insurance companies and hedge funds – provides cloud-based tools for creating and filing high quality regulatory documents (i.e. Forms NMFP, N-PORT, N-CEN)
  - IC Software Solutions: **ArcSuite**

Revenue breakdown (Full-Year 2021)

Revenue by product



Revenue by type[1]



1. eBrevia and EDGAR Online included in Compliance

KEY INVESTMENT HIGHLIGHTS

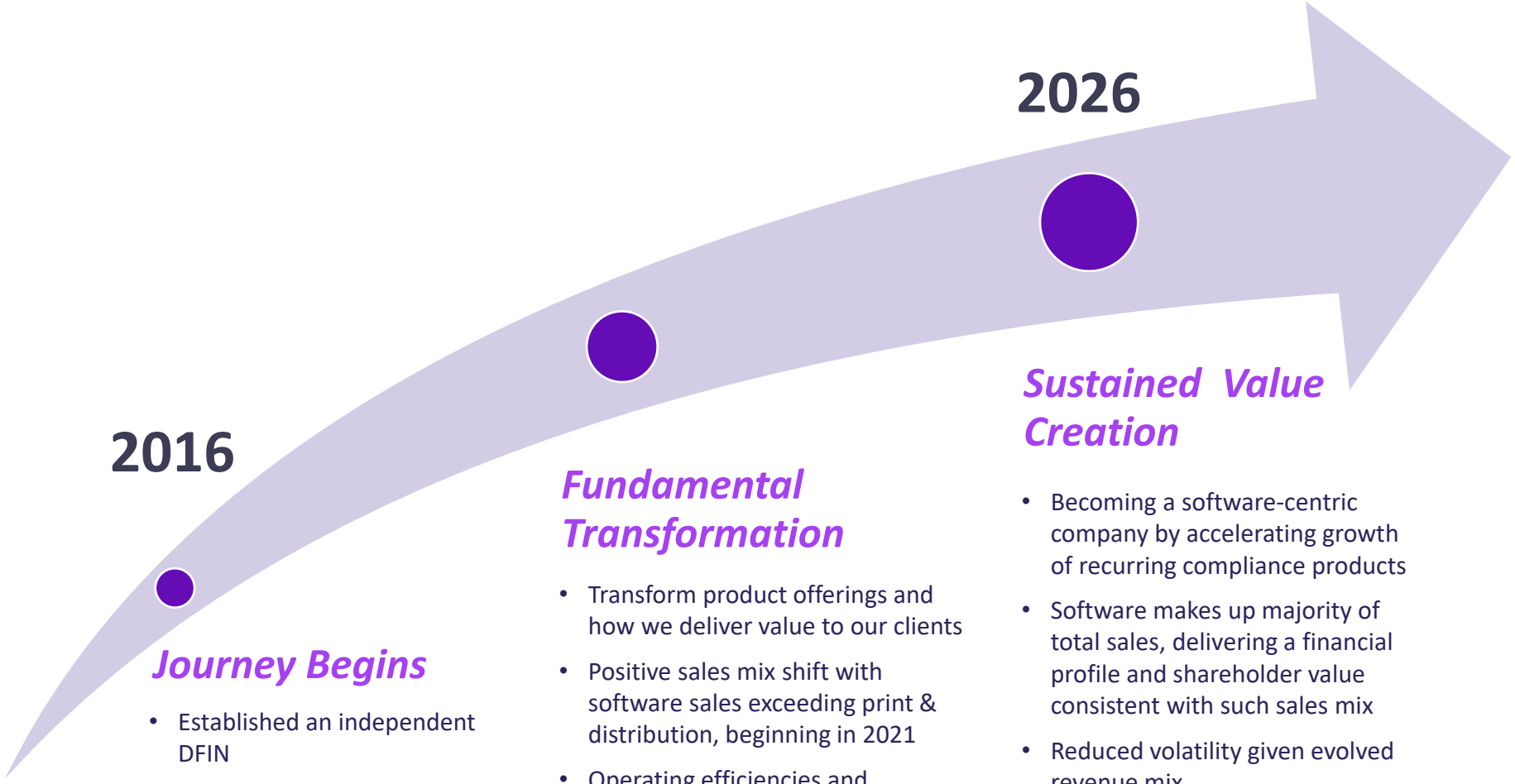
Growing Software Sales	$270 million of software sales in FY21, expected to grow at a double-digit rate annually
	Expect software sales to exceed $500 million by 2026
Shifting Revenue Mix	Growth of high-margin software is offsetting declining low-margin print services
	Expect EBITDA margin to approach 30% by 2026
Leading Market Positions	#1, #2 or #3 share position in each of our end markets with strong client adoption of our products and services
Strong Free Cash Flow	Robust EBITDA margins, modest CapEx, and declining interest expense driving strong free cash flow
	Expect to generate more than $500 million in free cash from 2022 to 2026
Shareholder Focused	Consistently reducing expenses. Repurchasing shares & reducing debt. Divesting non-core assets.
	Financial flexibility to execute Plan and shareholder returns
Attractive Valuation[1]	EV/2021 TTM EBITDA: ~3.9x, with <1.0 turn of leverage (12/31/2021 non-GAAP Net Debt/EBITDA ~= 0.2x)

1 Market data as of 6.14.22

* All estimates assume no impact from potential M&A activity or share repurchases

LONG-TERM ROADMAP

- DFIN aspires to be the market-leading provider of regulatory and compliance solutions, delivering confidence to clients through document management, tagging, and filing
- Our strategy centers around accelerating growth in our Software Solutions and Tech-Enabled Services revenue, while migrating away from print and distribution revenue
- Over the last 5 years, Software Solutions revenue nearly doubled to $270 million, representing 27% of total revenue in 2021
- Looking ahead 5 years, we expect Software Solutions revenue in excess of $500 million by 2026, representing 55% to 60% of total 2026 revenue



2016

Journey Begins

- Established an independent DFIN
- Team, strategy and brand in place to support transformation and future growth
- Changes implemented while respecting the past

Fundamental Transformation

- Transform product offerings and how we deliver value to our clients
- Positive sales mix shift with software sales exceeding print & distribution, beginning in 2021
- Operating efficiencies and permanent cost reductions
- De-levering the balance sheet
- Upgrade organizational capabilities and cultural transformation
- Internal processes overhaul, standardization
- Serving our clients, employees and shareholders well

2026

Sustained Value Creation

- Becoming a software-centric company by accelerating growth of recurring compliance products
- Software makes up majority of total sales, delivering a financial profile and shareholder value consistent with such sales mix
- Reduced volatility given evolved revenue mix
- Strong underlying profitability and cash generation of business
- Continued investment to serve our clients, employees and shareholders even better

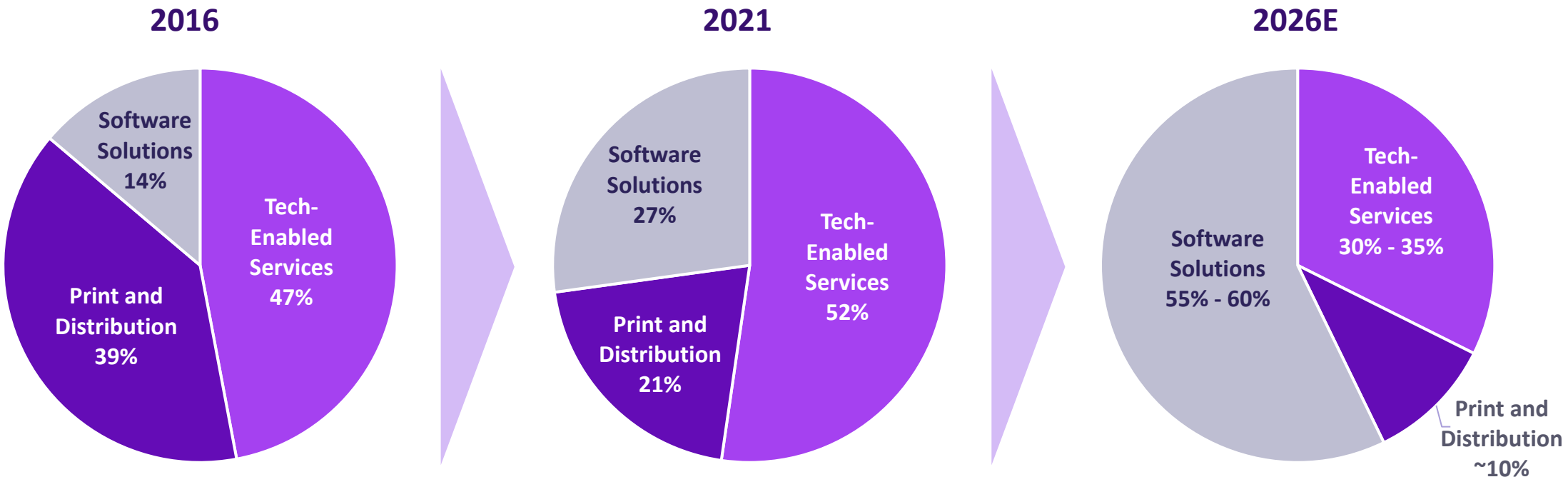
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DFIN'S SOFTWARE ASSETS ARE WELL-POSITIONED FOR FUTURE GROWTH

	Transactional Software	Compliance Software	Other Software[1]	Total Software
	VENUE	ActiveDisclosure℠ DFIN | Arc Suite File16® by DFIN	eBREVIA intelligent contract analytics EDGAR® Online	
FY 2021 Net Sales	$105M	$154M	$11M	$270M
2016 to 2021 Net Sales CAGR	14%	18%	flat	15%
Long-Term Sales Growth Projection[2]	Mid- to high-single-digits	High-teens	20%+	Mid-teens
Predominant Revenue Type	Transactional driven	Recurring	Recurring	>70% Recurring by 2026
Growth Drivers	• M&A and De-SPAC activity • Market share gains • Subscriptions / Enterprise Model	• Price uplifts • Customer/Fund growth • Shift from traditional compliance to SaaS • Expansion into adjacent markets and use cases • New product platform	• Price uplifts • Product enhancements • Sales and marketing	

[1] EDGAR Online is expected to be discontinued in 2023 (~$7 million in 2021 sales)
[2] 2022 to 2026 CAGR

ACCELERATING THE SHIFT TO A MORE FAVORABLE SALES MIX

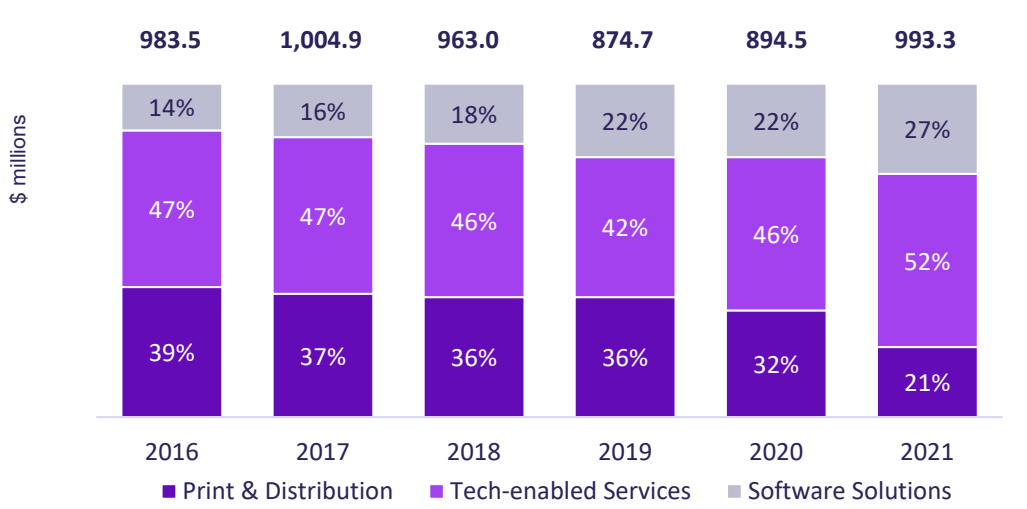


Expecting to exceed original goal of “44 in ‘24” - software sales making up 44% of total sales by 2024

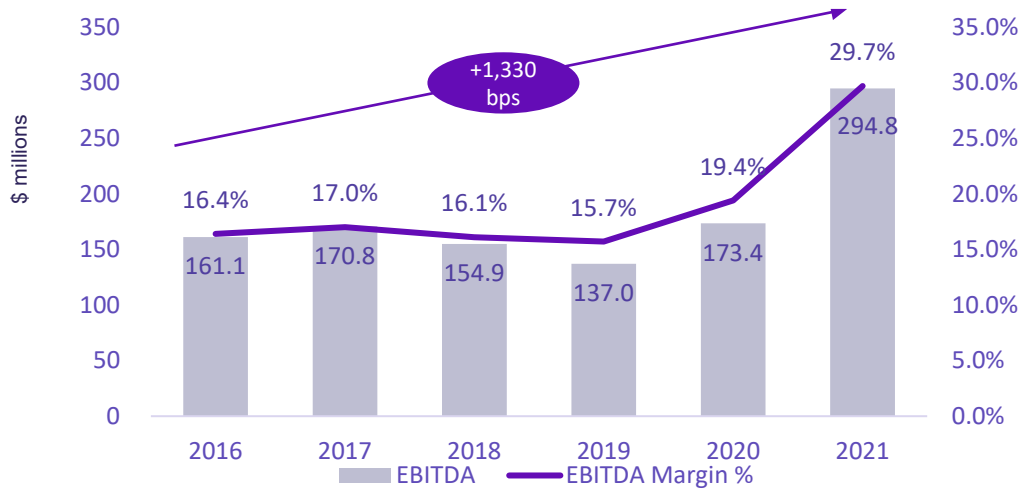
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PERFORMANCE[1] HIGHLIGHTS POST-SPIN

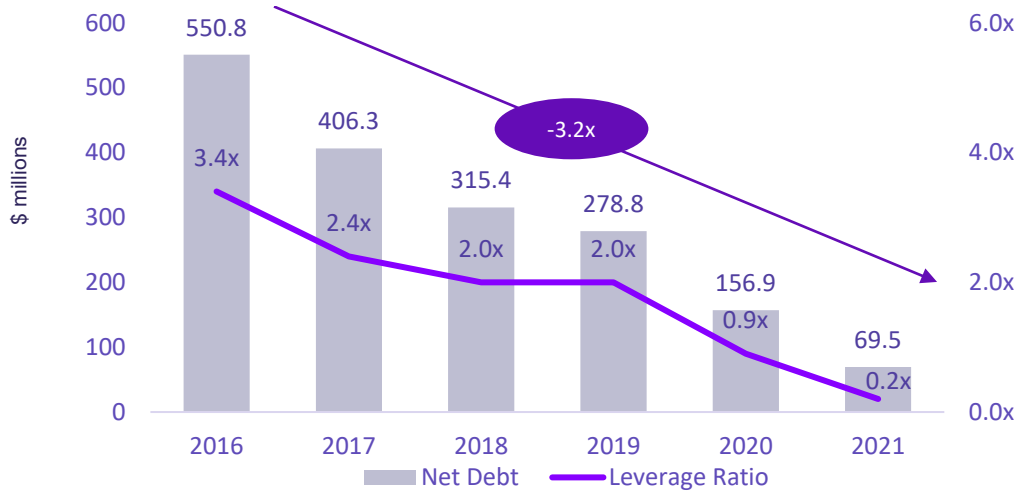
Revenue and Revenue Mix



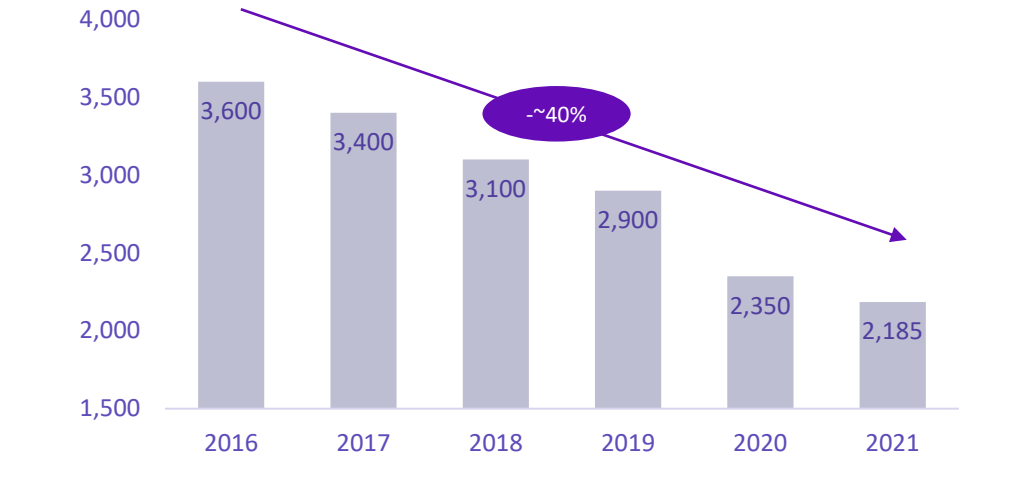
Profitability



Debt & Leverage



Employee Count



Business transformation and mix shift delivering positive financial and operational performance

1. Results (including employee count) are as reported; includes a) separation and standalone costs upon 2016 spin and b) results of Language Solutions business prior to July 2018 disposition

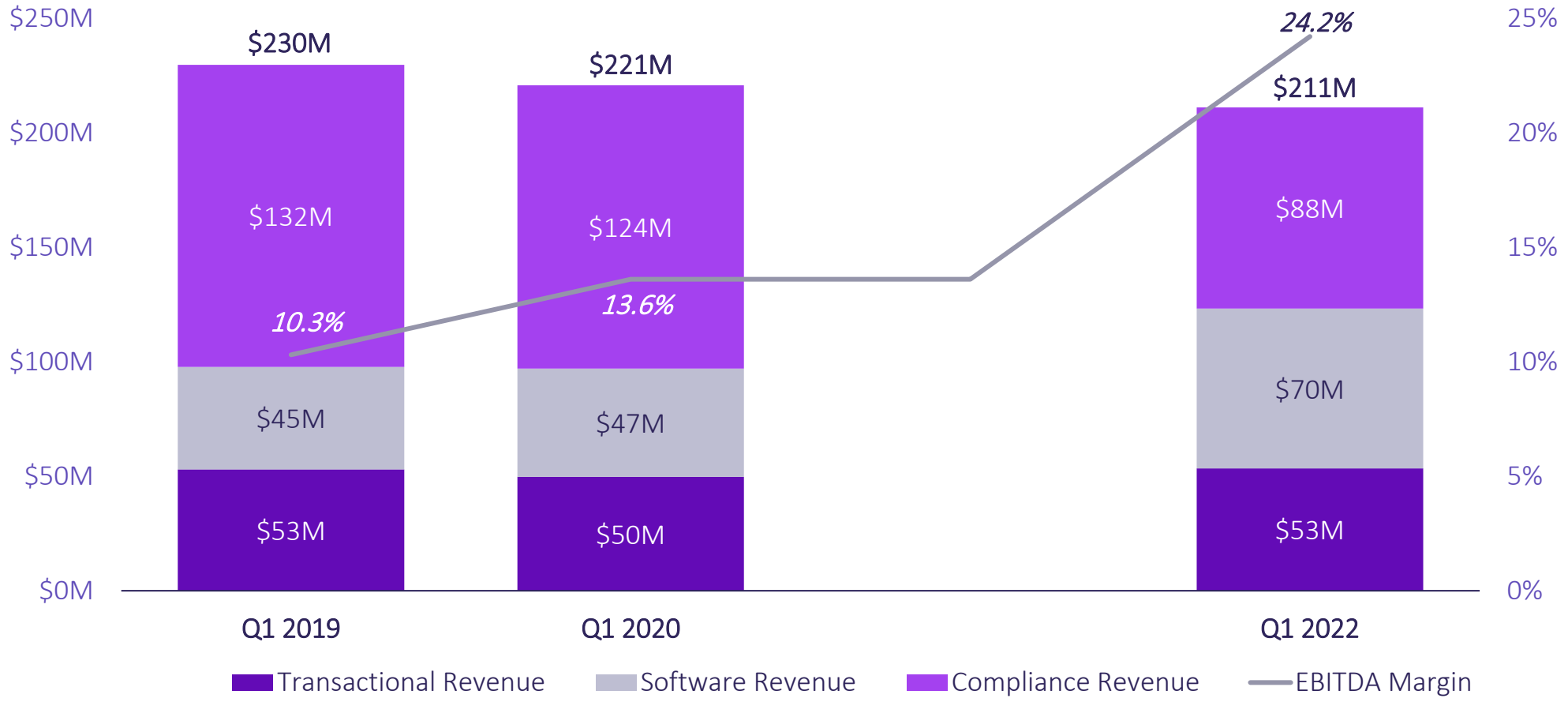
LONG-TERM FINANCIAL TARGETS

	Historical[1]	Long-Term Projection[2]	Commentary
Total Sales Growth	0.2% CAGR	Low-single-digit	• Sales mix continues to evolve • Software growth more than offsets decline in transactional and print & distribution sales, driving consolidated sales growth
Total Software Solutions Sales Growth	14.7% CAGR	Mid-teens	• Software revenue in excess of $500 million by 2026, representing 55% to 60% of total 2026 revenue • Growth driven by increased adoption, pricing opportunities, new products, and expansion into new markets and use cases for recurring compliance software • Modest Venue growth
Compliance Software Sales Growth[3]	17.5% CAGR	High-teens	• High-teens growth across all Compliance Software products (ActiveDisclosure and ArcSuite)
Non-GAAP Adj. EBITDA Margin[4]	19.1%	Expanding to 30%	• Mix shift, growing software offerings, and productivity driving margin expansion • EBITDA margins expand over time as software solutions become a greater proportion of total revenue • EBITDA margin approaching 30% by 2026
Capital Spending as a % of Revenue[5]	3.7%	5% - 6%	• Increase vs. historical % of revenue driven, in part, by exiting of print-related revenue • As a percentage of Software Solutions revenue (predominant area of Capex investment), Capex decreasing vs. historical spending
Adj. Free Cash Flow/EBITDA Conversion %[6]	44.6%	~50%	• Expect to convert EBITDA to FCF at a ~50% rate on a cumulative basis from 2022 to 2026 • Expect to generate more than $500 million in free cash from 2022 to 2026

[1] From 2016 to 2021; Results are as reported; includes a) separation and standalone costs upon 2016 spin and b) results of Language Solutions business prior to July 2018 disposition
[2] Long-term sales growth projections represent 2022 to 2026 CAGR
[3] Includes ActiveDisclosure, File 16, and Arc Suite
[4] Historical Non-GAAP adjusted EBITDA margin over 5 years from 2016 to 2021
[5] Historical capital spending as % of revenue represents cumulative capital spending from 2016 to 2021 as percentage of cumulative Net Sales from 2016 to 2021
[6] Historical Adjusted Free Cash Flow/EBITDA conversion % represents cumulative Adjusted Free Cash Flow from 2016 to 2021 as percentage of cumulative Adjusted EBITDA from 2016 to 2021

Reconciliations of GAAP to non-GAAP measures can be found in the appendix

DFIN IS BECOMING FUNDAMENTALLY MORE PROFITABLE



Mix shift and impact of permanent cost reductions driving 2022 EBITDA margin significantly above historical quarters with similar overall and transactional revenues

STRONG TRACK-RECORD OF SHAREHOLDER FRIENDLY ACTIVITY

Reduced leverage



- Utilized strong free cash flow and proceeds from assets sales to pay down debt
- Reduced non-GAAP net leverage from 3.4x at year-end 2016 to 0.2x as of 12/31/21

Efficient Capital Structure



- Redeemed $233 million of outstanding 8.25% notes in October 2021 using proceeds from Term Loan A facility and cash on hand; realizing ~$14 million reduction of interest expense on an annualized basis in 2022
- Following redemption, capital structure is 100% variable, comprised of Term Loan A and $300 million revolver

Share Buybacks



- During 2020 and 2021, repurchased 2.1 million shares for $42.7 million at an average price of $20.33 per share
- A new $150 million share repurchase program expiring December 31, 2023 in place

Asset Divestitures



- $134 million in cash generated from assets sales since 2016
- Includes sale of Language Solutions business in July 2018 for $77.5 million

Shrinking Cost Base



- Aggressively reducing cost and improving bottom line performance
- Traditional print work transitioned to a third-party vendor network driving a more efficient variable cost structure

Created Strong Balance Sheet to Execute Business Strategy

Appendix

GAAP TO NON-GAAP RECONCILIATIONS

Donnelley Financial Solutions, Inc. and Subsidiaries ("DFIN")
Reconciliation of GAAP to Non-GAAP Measures
For the Three and Twelve Months Ended December 31, 2021
(UNAUDITED)
(in millions, except per share data)

	For the Three Months Ended December 31, 2021					
	Gross profit	SG&A	Income (loss) from operations	Operating margin	Net earnings (loss)	Net earnings (loss) per diluted share
GAAP basis measures	$ 140.6	$ 82.1	$ 41.4	17.8%	$ 25.6	$ 0.73
Non-GAAP adjustments:						
Restructuring, impairment and other charges, net	—	—	6.7	2.9%	4.9	0.14
Share-based compensation expense	—	(5.3)	5.3	2.3%	3.7	0.11
LSC multiemployer pension plans obligation	—	2.3	(2.3)	(1.0%)	(1.7)	(0.05)
Non-income tax, net	—	0.2	(0.2)	(0.1%)	(0.2)	(0.01)
Loss on debt extinguishments [(b)]	—	—	—	—	5.4	0.16
Total Non-GAAP adjustments [(a)]	—	(2.8)	9.5	4.1%	12.1	0.34
Non-GAAP measures [(a)]	$ 140.6	$ 79.3	$ 50.9	21.9%	$ 37.7	$ 1.07

	For the Twelve Months Ended December 31, 2021					
	Gross profit	SG&A	Income (loss) from operations	Operating margin	Net earnings (loss)	Net earnings (loss) per diluted share
GAAP basis measures	$ 580.2	$ 307.7	$ 219.3	22.1%	$ 145.9	$ 4.14
Non-GAAP adjustments:						
Restructuring, impairment and other charges, net	—	—	13.6	1.4%	9.9	0.28
Share-based compensation expense	—	(19.5)	19.5	2.0%	9.9	0.28
LSC multiemployer pension plans obligation	—	(5.4)	5.4	0.5%	3.9	0.11
Non-income tax, net	—	1.6	(1.6)	(0.2%)	(1.2)	(0.03)
COVID-19 related recoveries, net	(1.0)	—	(1.0)	(0.1%)	(0.7)	(0.02)
Gain on sale of long-lived assets, net	—	—	(0.7)	(0.1%)	(0.5)	(0.01)
Gain on equity investments, net	—	—	—	—	(0.3)	(0.01)
Loss on debt extinguishments [(b)]	—	—	—	—	5.4	0.16
Total Non-GAAP adjustments [(a)]	(1.0)	(23.3)	35.2	3.5%	26.4	0.75
Non-GAAP measures [(a)]	$ 579.2	$ 284.4	$ 254.5	25.6%	$ 172.3	$ 4.89

(a) Totals may not foot due to rounding.
(b) Loss on debt extinguishment is recorded within interest expense, net in the Company's Unaudited Condensed Consolidated Statements of Operations.

GAAP TO NON-GAAP RECONCILIATIONS

Donnelley Financial Solutions, Inc. and Subsidiaries ("DFIN")
Reconciliation of GAAP to Non-GAAP Measures
(UNAUDITED)
(in millions, except per share data)

	For the Three Months Ended December 31, 2019					For the Twelve Months Ended December 31, 2019				
	SG&A	Income from operations	Operating margin	Net earnings	Net earnings per diluted share	SG&A	Income from operations	Operating margin	Net earnings	Net earnings per diluted share [1]
GAAP basis measures	$ 46.8	$ 6.4	3.4%	$ 7.0	$ 0.20	$205.8	$ 78.5	9.0%	$ 37.6	$ 1.10
Non-GAAP adjustments:										
Net gain on sale of building	—	—	—	—	—	—	(19.2)	(2.2%)	(13.7)	(0.40)
Gain on equity investment	—	—	—	(9.7)	(0.28)	—	—	—	(9.7)	(0.28)
Restructuring, impairment and other charges - net	—	4.9	2.6%	3.3	0.10	—	13.6	1.6%	9.9	0.29
Share-based compensation expense	(1.2)	1.2	0.6%	1.3	0.04	(8.9)	8.9	1.0%	7.0	0.20
Loss on debt extinguishment	—	—	—	3.1	0.09	—	—	—	3.1	0.09
Net loss on sale of Language Solutions business	—	1.2	0.6%	0.1	0.00	—	4.0	0.5%	2.2	0.06
Pension settlement charges	—	—	—	2.8	0.08	—	—	—	2.8	0.08
Investor-related expenses	—	—	—	—	—	(1.5)	1.5	0.1%	1.1	0.03
Acquisition-related expenses	—	—	—	—	—	(0.1)	0.1	—	—	—
Spin-off related expenses	0.4	(0.4)	(0.2%)	(0.3)	(0.01)	—	—	—	—	—
Total Non-GAAP adjustments	(0.8)	6.9	3.6%	0.6	0.02	(10.5)	8.9	1.0%	2.7	0.08
Non-GAAP measures	$ 46.0	$ 13.3	7.0%	$ 7.6	$ 0.22	$195.3	$ 87.4	10.0%	$ 40.3	$ 1.17

	For the Three Months Ended December 31, 2018					For the Twelve Months Ended December 31, 2018				
	SG&A	Income from operations	Operating margin	Net earnings	Net earnings (loss) per diluted share	SG&A	Income from operations	Operating margin	Net earnings	Net earnings per diluted share
GAAP basis measures	$ 54.4	$ 3.4	1.7%	$ (1.0)	$ (0.03)	$258.2	$ 121.1	12.6%	$ 73.6	$ 2.16
Non-GAAP adjustments:										
Net gain on sale of Language Solutions business	—	(0.3)	(0.1%)	(0.2)	(0.01)	—	(53.8)	(5.6%)	(38.6)	(1.14)
Gain on equity investment	—	—	—	—	—	—	—	—	(8.5)	(0.25)
Gain on eBrevia investment	—	—	—	(1.5)	(0.04)	—	—	—	(1.5)	(0.04)
Restructuring, impairment and other charges - net	—	0.3	0.1%	0.2	0.01	—	4.4	0.4%	3.2	0.09
Spin-off related transaction expenses	(0.2)	0.2	0.1%	0.1	0.00	(20.1)	20.1	2.1%	14.6	0.43
Share-based compensation expense	(2.0)	2.0	1.0%	1.4	0.04	(9.2)	9.2	0.9%	6.7	0.20
Disposition-related expenses	(0.3)	0.3	0.1%	0.4	0.01	(6.8)	6.8	0.7%	5.1	0.15
Acquisition-related expenses	(0.3)	0.3	0.1%	0.2	0.01	(0.8)	0.8	0.1%	0.5	0.02
Investor-related expenses	(0.5)	0.5	0.3%	0.4	0.01	(0.5)	0.5	0.1%	0.4	0.01
Income tax adjustments	—	—	—	(2.1)	(0.06)	—	—	—	(2.1)	(0.06)
Total Non-GAAP adjustments	(3.3)	3.3	1.6%	(1.1)	(0.03)	(37.4)	(12.0)	(1.3%)	(20.2)	(0.59)
Non-GAAP measures	$ 51.1	$ 6.7	3.3%	$ (2.1)	$ (0.06)	$220.8	$ 109.1	11.3%	$ 53.4	$ 1.57

(1) Net earnings per diluted share totals may not foot due to rounding.

The Company believes that certain non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the Company's operating performance. Internally, the Company uses this non-GAAP information as an indicator of business performance, and evaluates management's effectiveness with specific reference to this indicator. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Donnelley Financial Solutions, Inc. and Subsidiaries ("DFIN")
Reconciliation of GAAP to Non-GAAP Measures
For the Three and Twelve Months Ended December 31, 2020 and 2019
(UNAUDITED)
(in millions, except per share data)

	For the Three Months Ended December 31, 2020						For the Twelve Months Ended December 31, 2020					
	Gross profit	SG&A	Income (loss) from operations	Operating margin	Net earnings (loss)	Net earnings (loss) per diluted share [1]	Gross profit	SG&A	Income (loss) from operations	Operating margin	Net earnings (loss)	Net earnings (loss) per diluted share [1]
GAAP basis measures	$ 100.6	$ 72.8	$ (27.4)	(13.0%)	$ (35.8)	$ (1.07)	$ 398.5	$ 264.8	$ 3.6	0.4%	$ (25.9)	$ (0.76)
Non-GAAP adjustments:												
Restructuring, impairment and other charges, net	—	—	44.0	20.9%	42.2	1.26	—	—	79.2	8.9%	67.9	2.00
Share-based compensation expense	—	(3.8)	3.8	1.8%	3.1	0.09	—	(13.6)	13.6	1.5%	11.1	0.33
LSC multiemployer pension plans obligation	—	(0.9)	0.9	0.4%	0.7	0.02	—	(19.0)	19.0	2.1%	13.9	0.41
Non-income tax expense	—	(2.5)	2.5	1.2%	1.8	0.05	—	(5.2)	5.2	0.6%	3.8	0.11
COVID-19 sales surcharges and related expenses	(0.4)	—	(0.4)	(0.2%)	(0.4)	(0.01)	0.8	0.3	0.5	0.1%	0.2	0.01
Accelerated rent expense	0.2	(0.1)	0.3	0.1%	0.3	0.01	1.8	(0.4)	2.2	0.2%	1.7	0.05
Gain on debt extinguishment [2]	—	—	—	—	—	—	—	—	—	—	(1.7)	(0.05)
eBrevia contingent consideration	—	—	—	—	—	—	—	0.8	(0.8)	(0.1%)	(0.8)	(0.02)
Total Non-GAAP adjustments	(0.2)	(7.3)	51.1	24.3%	47.7	1.43	2.6	(37.1)	118.9	13.3%	96.1	2.83
Non-GAAP measures	$ 100.4	$ 65.5	$ 23.7	11.3%	$ 11.9	$ 0.36	$ 401.1	$ 227.7	$ 122.5	13.7%	$ 70.2	$ 2.07

	For the Three Months Ended December 31, 2019						For the Twelve Months Ended December 31, 2019					
	Gross profit	SG&A	Income (loss) from operations	Operating margin	Net earnings (loss)	Net earnings (loss) per diluted share [1]	Gross profit	SG&A	Income (loss) from operations	Operating margin	Net earnings (loss)	Net earnings (loss) per diluted share [1]
GAAP basis measures	$ 72.1	$ 46.8	$ 6.4	3.4%	$ 7.0	$ 0.20	$ 332.3	$ 205.8	$ 78.5	9.0%	$ 37.6	$ 1.10
Non-GAAP adjustments:												
Net gain on sale of building	—	—	—	—	—	—	—	—	(19.2)	(2.2%)	(13.7)	(0.40)
Gain on equity investment	—	—	—	—	(9.7)	(0.28)	—	—	—	—	(9.7)	(0.28)
Restructuring, impairment and other charges, net	—	—	4.9	2.6%	3.3	0.10	—	—	13.6	1.6%	9.9	0.29
Share-based compensation expense	—	(1.2)	1.2	0.6%	1.3	0.04	—	(8.9)	8.9	1.0%	7.0	0.20
Loss on debt extinguishment	—	—	—	—	3.1	0.09	—	—	—	—	3.1	0.09
Loss on sale of Language Solutions business	—	—	1.2	0.6%	0.1	—	—	—	4.0	0.5%	2.2	0.06
Pension settlement charges	—	—	—	—	2.8	0.08	—	—	—	—	2.8	0.08
Investor-related expenses	—	—	—	—	—	—	—	(1.5)	1.5	0.1%	1.1	0.03
Spin-off related transaction expenses	—	0.4	(0.4)	(0.2%)	(0.3)	(0.01)	—	—	—	—	—	—
Acquisition-related expenses	—	—	—	—	—	—	—	(0.1)	0.1	—	—	—
Total Non-GAAP adjustments	—	(0.8)	6.9	3.6%	0.6	0.02	—	(10.5)	8.9	1.0%	2.7	0.08
Non-GAAP measures	$ 72.1	$ 46.0	$ 13.3	7.0%	$ 7.6	$ 0.22	$ 332.3	$ 195.3	$ 87.4	10.0%	$ 40.3	$ 1.17

(1) Net earnings per diluted share totals may not foot due to rounding.
(2) Gain on debt extinguishment is recorded within interest expense, net in the Company's Consolidated Statements of Operations.

The Company believes that certain non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the Company's operating performance. Internally, the Company uses this non-GAAP information as an indicator of business performance, and evaluates management's effectiveness with specific reference to this indicator. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

RECONCILIATION OF GAAP NET EARNINGS (LOSS) TO ADJUSTED EBITDA

Donnelley Financial Solutions, Inc. and Subsidiaries ("DFIN")
Reconciliation of GAAP Net Earnings to Adjusted EBITDA
(UNAUDITED)
(in millions)

	For the Twelve Months Ended	For the Three Months Ended			
	December 31, 2021	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Net earnings	$ 145.9	$ 25.6	$ 42.2	$ 42.9	$ 35.2
Adjustments					
Restructuring, impairment and other charges, net	13.6	6.7	3.3	2.8	0.8
Share-based compensation expense	19.5	5.3	5.2	5.9	3.1
LSC multiemployer pension plans obligation	5.4	(2.3)	0.2	0.2	7.3
Non-income tax, net	(1.6)	(0.2)	(0.5)	(1.0)	0.1
COVID-19 related recoveries, net	(1.0)	—	—	(0.1)	(0.9)
Gain on sale of long-lived assets, net	(0.7)	—	(0.7)	—	—
Gain on equity investments, net	(0.4)	—	(0.6)	—	0.2
Depreciation and amortization	40.3	10.4	10.0	10.1	9.8
Interest expense, net	26.6	9.5	5.9	5.9	5.3
Pension income and other income, net	(4.7)	(1.1)	(1.1)	(1.5)	(1.0)
Income tax expense	51.9	7.4	18.6	14.7	11.2
Total Non-GAAP adjustments	148.9	35.7	40.3	37.0	35.9
Adjusted EBITDA	$ 294.8	$ 61.3	$ 82.5	$ 79.9	$ 71.1

Donnelley Financial Solutions, Inc. and Subsidiaries ("DFIN")
Reconciliation of GAAP Net (Loss) Earnings to Adjusted EBITDA
(UNAUDITED)
(in millions)

	For the Twelve Months Ended	For the Three Months Ended			
	December 31, 2020	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
Net (loss) earnings	$ (25.9)	$ (35.8)	$ 7.1	$ (1.3)	$ 4.1
Adjustments					
Restructuring, impairment and other charges, net	79.2	44.0	7.0	25.1	3.1
Share-based compensation expense	13.6	3.8	4.4	3.1	2.3
LSC multiemployer pension plans obligation	19.0	0.9	5.8	12.3	—
Non-income tax, net	5.2	2.5	2.7	—	—
COVID-19 related expense (recoveries), net	0.5	(0.4)	(1.0)	1.1	0.8
Accelerated rent expense	2.2	0.3	1.3	0.6	—
eBrevia contingent consideration	(0.8)	—	(0.4)	—	(0.4)
Depreciation and amortization	50.9	11.2	12.6	14.7	12.4
Interest expense, net	22.8	6.0	5.9	6.3	4.6
Pension income and other income, net	(1.7)	(0.4)	(0.4)	(0.5)	(0.4)
Income tax expense (benefit)	8.4	2.8	2.6	(0.6)	3.6
Total Non-GAAP adjustments	199.3	70.7	40.5	62.1	26.0
Adjusted EBITDA	$ 173.4	$ 34.9	$ 47.6	$ 60.8	$ 30.1



DFINsolutions.com

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