

Table of Contents

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

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended July 31, 2010

Commission File Number 001-00566



GREIF, INC.

(Exact name of registrant as specified in its charter)

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

**31-4388903
(I.R.S. Employer
Identification No.)**

**425 Winter Road, Delaware, Ohio
(Address of principal executive offices)**

**43015
(Zip Code)**

Registrant's telephone number, including area code (740) 549-6000

Not Applicable

Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

The number of shares outstanding of each of the issuer's classes of common stock at the close of business on August 31, 2010:

Class A Common Stock	24,742,974 shares
Class B Common Stock	22,412,266 shares

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF OPERATIONS

CONSOLIDATED BALANCE SHEETS

CONSOLIDATED STATEMENTS OF CASH FLOWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL

CONDITION AND RESULTS OF OPERATIONS

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

ITEM 4. CONTROLS AND PROCEDURES

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

ITEM 6. EXHIBITS

SIGNATURES

Exhibit 10.1

Exhibit 10.2

Exhibit 31.1

Exhibit 31.2

Exhibit 32.1

Exhibit 32.2

EX-101 INSTANCE DOCUMENT

EX-101 SCHEMA DOCUMENT

EX-101 CALCULATION LINKBASE DOCUMENT

EX-101 LABELS LINKBASE DOCUMENT

EX-101 PRESENTATION LINKBASE DOCUMENT

EX-101 DEFINITION LINKBASE DOCUMENT

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GREIF, INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

(Dollars in thousands, except per share amounts)

	Three months ended July 31,		Nine months ended July 31,	
	2010	2009 (As Adjusted) ¹	2010	2009 (As Adjusted) ¹
Net sales	\$ 921,333	\$ 717,567	\$ 2,467,595	\$ 2,031,724
Cost of products sold	730,294	578,140	1,970,328	1,700,636
Gross profit	191,039	139,427	497,267	331,088
Selling, general and administrative expenses ⁽²⁾	90,461	67,374	264,511	191,503
Restructuring charges	9,779	10,277	20,566	57,748
Gain on disposal of properties, plants and equipment, net	(4,875)	(5,256)	(6,904)	(9,810)
Operating profit	95,674	67,032	219,094	91,647
Interest expense, net	15,935	12,125	47,582	37,727
Debt extinguishment charge	—	—	—	782
Other expense, net	713	4,245	4,372	4,075
Income before income tax expense and equity earnings (losses) of unconsolidated affiliates, net	79,026	50,662	167,140	49,063
Income tax expense	14,408	11,489	31,590	9,567
Equity earnings (loss) of unconsolidated affiliates, net of tax	3,141	374	3,272	(221)
Net income	67,759	39,547	138,822	39,275
Net income attributable to noncontrolling interests	1,784	1,736	5,394	2,183
Net income attributable to Greif, Inc.	<u>\$ 65,975</u>	<u>\$ 37,811</u>	<u>\$ 133,428</u>	<u>\$ 37,092</u>

Basic earnings per share attributable to Greif, Inc.

common shareholders:

Class A Common Stock	\$ 1.13	\$ 0.65	\$ 2.29	\$ 0.64
Class B Common Stock	\$ 1.70	\$ 0.98	\$ 3.43	\$ 0.96

Diluted earnings per share attributable to Greif, Inc.

common shareholders:

Class A Common Stock	\$ 1.12	\$ 0.65	\$ 2.28	\$ 0.64
Class B Common Stock	\$ 1.70	\$ 0.98	\$ 3.43	\$ 0.96

See accompanying Notes to Consolidated Financial Statements

- (1) In the first quarter of 2010, the Company changed from using a combination of first-in, first out (“FIFO”) and last-in, first-out (“LIFO”) inventory accounting methods to the FIFO method for all of its businesses. All amounts included herein have been presented on the FIFO basis. Refer to Note 4 presented in the Notes to Consolidated Financial Statements.
- (2) In the first quarter of 2010, the Company adopted Statement of Financial Accounting “SFAS” No. 141(R) (*codified under Accounting Standards Codification “ASC” 805, “Business Combinations”*), which requires it to expense acquisition costs in the period incurred. Previously, these costs were capitalized as part of the purchase price of the acquisition. Under this guidance, the Company recorded \$2.8 million and \$16.1 million of expenses in the three-month and nine-month periods ended July 31, 2010. The nine-month period ended July 31, 2010 included \$6.1 million for acquisition costs incurred prior to November 1, 2009 that were previously accumulated to the consolidated balance sheet for acquisitions not consummated by October 31, 2009. Refer to Note 1 presented in the Notes to Consolidated Financial Statements.

GREIF, INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(Dollars in thousands)

ASSETS

	<u>July 31, 2010</u>	<u>October 31, 2009</u> (As Adjusted) ¹
Current assets		
Cash and cash equivalents	\$ 84,174	\$ 111,896
Trade accounts receivable, less allowance of \$13,117 in 2010 and \$12,510 in 2009	464,778	337,054
Inventories	353,030	238,851
Deferred tax assets	14,465	19,901
Net assets held for sale	24,789	31,574
Prepaid expenses and other current assets	137,480	105,904
	<u>1,078,716</u>	<u>845,180</u>
Long-term assets		
Goodwill	661,095	592,117
Other intangible assets, net of amortization	150,713	131,370
Assets held by special purpose entities	50,891	50,891
Other long-term assets	100,361	112,092
	<u>963,060</u>	<u>886,470</u>
Properties, plants and equipment		
Timber properties, net of depletion	215,184	197,114
Land	115,933	120,667
Buildings	374,485	380,816
Machinery and equipment	1,195,787	1,148,406
Capital projects in progress	135,289	70,489
	<u>2,036,678</u>	<u>1,917,492</u>
Accumulated depreciation	(861,196)	(825,213)
	<u>1,175,482</u>	<u>1,092,279</u>
Total assets	<u>\$ 3,217,258</u>	<u>\$ 2,823,929</u>

See accompanying Notes to Consolidated Financial Statements

- (1) In the first quarter of 2010, the Company changed from using a combination of FIFO and LIFO inventory accounting methods to the FIFO method for all of its businesses. All amounts included herein have been presented on the FIFO basis. Refer to Note 4 presented in the Notes to Consolidated Financial Statements.

GREIF, INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(Dollars in thousands)

LIABILITIES AND SHAREHOLDERS' EQUITY

	<u>July 31, 2010</u>	<u>October 31, 2009</u> (As Adjusted) ¹
Current liabilities		
Accounts payable	\$ 380,890	\$ 335,816
Accrued payroll and employee benefits	72,318	74,475
Restructuring reserves	17,793	15,315
Current portion of long-term debt	20,000	17,500
Short-term borrowings	50,958	19,584
Other current liabilities	138,304	99,407
	<u>680,263</u>	<u>562,097</u>
Long-term liabilities		
Long-term debt	948,626	721,108
Deferred tax liabilities	158,033	161,152
Pension liabilities	79,366	77,942
Postretirement benefit obligations	26,527	25,396
Liabilities held by special purpose entities	43,250	43,250
Other long-term liabilities	111,877	126,392
	<u>1,367,679</u>	<u>1,155,240</u>
Shareholders' equity		
Common stock, without par value	105,070	96,504
Treasury stock, at cost	(117,447)	(115,277)
Retained earnings	1,271,435	1,206,614
Accumulated other comprehensive loss:		
- foreign currency translation	(19,903)	(6,825)
- interest rate derivatives	(1,449)	(1,484)
- energy and other derivatives	(93)	(391)
- minimum pension liabilities	(78,467)	(79,546)
Total Greif, Inc. shareholders' equity before noncontrolling interests	<u>1,159,146</u>	<u>1,099,595</u>
Noncontrolling interests	10,170	6,997
Total shareholders' equity	<u>1,169,316</u>	<u>1,106,592</u>
Total liabilities and shareholders' equity	<u>\$ 3,217,258</u>	<u>\$ 2,823,929</u>

See accompanying Notes to Consolidated Financial Statements

- (1) In the first quarter of 2010, the Company changed from using a combination of FIFO and LIFO inventory accounting methods to the FIFO method for all of its businesses. All amounts included herein have been presented on the FIFO basis. Refer to Note 4 presented in the Notes to Consolidated Financial Statements.

GREIF, INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(Dollars in thousands)

For the nine months ended July 31,	2010	2009
		(As Adjusted) ¹
Cash flows from operating activities:		
Net income	\$ 138,822	\$ 39,275
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	84,927	74,562
Asset impairments	2,356	13,332
Deferred income taxes	2,317	(5,182)
Gain on disposals of properties, plants and equipment, net	(6,904)	(9,810)
Equity (earnings) losses of unconsolidated affiliates	(3,272)	221
Increase (decrease) in cash from changes in certain assets and liabilities:		
Trade accounts receivable	(83,713)	78,577
Inventories	(92,845)	118,947
Prepaid expenses and other current assets	(21,144)	2,933
Accounts payable	(71,330)	(167,506)
Accrued payroll and employee benefits	1,774	(33,727)
Restructuring reserves	2,478	3,459
Other current liabilities	29,981	(29,382)
Pension and postretirement benefit liabilities	2,555	(3,394)
Other long-term assets, other long-term liabilities and other	31,773	6,999
Net cash provided by operating activities	<u>17,775</u>	<u>89,304</u>
Cash flows from investing activities:		
Acquisitions of companies, net of cash acquired	(152,739)	(32,999)
Purchases of properties, plants and equipment	(101,046)	(81,400)
Purchases of timber properties	(19,500)	(600)
Proceeds from the sale of properties, plants, equipment and other assets	13,034	14,806
Purchases of land rights and other	—	(9,588)
Net cash used in investing activities	<u>(260,251)</u>	<u>(109,781)</u>
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	2,497,953	2,738,793
Payments on long-term debt	(2,259,612)	(2,629,675)
Proceeds from short-term borrowings, net	20,554	1,125
Dividends paid	(68,607)	(65,864)
Acquisitions of treasury stock and other	(2,696)	(3,145)
Exercise of stock options	1,164	747
Settlement of derivatives	29,248	—
Debt issuance cost	—	(13,124)
Net cash provided by financing activities	<u>218,004</u>	<u>28,857</u>
Effects of exchange rates on cash	<u>(3,250)</u>	<u>(337)</u>
Net increase (decrease) in cash and cash equivalents	<u>(27,722)</u>	<u>8,043</u>
Cash and cash equivalents at beginning of period	<u>111,896</u>	<u>77,627</u>
Cash and cash equivalents at end of period	<u>\$ 84,174</u>	<u>\$ 85,670</u>

See accompanying Notes to Consolidated Financial Statements

- (1) In the first quarter of 2010, the Company changed from using a combination of FIFO and LIFO inventory accounting methods to the FIFO method for all of its businesses. All amounts included herein have been presented on the FIFO basis. Refer to Note 4 presented in the Notes to Consolidated Financial Statements.

GREIF, INC. AND SUBSIDIARY COMPANIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2010

NOTE 1 — BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The information furnished herein reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the consolidated balance sheets as of July 31, 2010 and October 31, 2009 and the consolidated statements of operations and cash flows for the three-month and nine-month periods ended July 31, 2010 and 2009 of Greif, Inc. and subsidiaries (the “Company”). The consolidated financial statements include the accounts of the Company and all wholly-owned and majority-owned subsidiaries.

The unaudited consolidated financial statements included in the Quarterly Report on Form 10-Q (this “Form 10-Q”) should be read in conjunction with the consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for its fiscal year ended October 31, 2009 (the “2009 Form 10-K”) and the Company’s Form 8-K filed on May 27, 2010 (the “May 27 Form 8-K”) to update certain sections of the 2009 Form 10-K to reflect revised financial information and disclosures resulting from the application of a change in an accounting principle from using a combination of the last-in, first-out (“LIFO”) and the first-in, first-out (“FIFO”) inventory accounting methods to the FIFO method for all the Company’s businesses effective November 1, 2009. All references in this Form 10-Q to the 2009 Form 10-K also include the financial information and disclosures contained in the May 27 Form 8-K. Note 1 of the “Notes to Consolidated Financial Statements” from the 2009 Form 10-K is specifically incorporated in this Form 10-Q by reference. In the opinion of Management, all adjustments necessary for fair presentation of the consolidated financial statements have been included. Except as disclosed elsewhere in this Form 10-Q, all such adjustments are of a normal and recurring nature.

The consolidated financial statements have been prepared in accordance with the U.S. Securities and Exchange Commission (“SEC”) instructions to Quarterly Reports on Form 10-Q and include all of the information and disclosures required by accounting principles generally accepted in the United States (“GAAP”) for interim financial reporting. The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual amounts could differ from those estimates.

The Company’s fiscal year begins on November 1 and ends on October 31 of the following year. Any references to the year 2010 or 2009, or to any quarter of those years, relates to the fiscal year or quarter, as the case may be, ending in that year.

Certain and appropriate prior year amounts have been reclassified to conform to the 2010 presentation. In addition, certain prior year financial information has been adjusted to reflect the Company’s change in inventory accounting discussed in Note 4.

Newly Adopted Accounting Standards

In December 2007, the Financial Accounting Standards Board (“FASB”) issued Statement of Financial Accounting Standard (“SFAS”) No. 141(R), (*codified under Accounting Standards Codification (“ASC”) 805 “Business Combinations”*), which replaces SFAS No. 141. The objective of SFAS No. 141(R) is to improve the relevance, representational faithfulness and comparability of the information that a reporting entity provides in its financial reports about a business combination and its effects. SFAS No. 141(R) establishes principles and requirements for how the acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the acquiree; recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141(R) applies to all transactions or other events in which an entity (the acquirer) obtains control of one or more businesses (the acquiree), including those sometimes referred to as “true mergers” or “mergers of equals” and combinations achieved without the transfer of consideration. SFAS No. 141(R) applies to any acquisition entered into on or after November 1, 2009. The Company adopted the new guidance beginning on November 1, 2009, which impacted the Company’s financial position, results of operations or cash flows and related disclosures.

In December 2007, the FASB issued SFAS No. 160, “Accounting and Reporting of Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51,” (*codified under ASC 810 “Consolidation”*). The objective of SFAS No. 160 is to improve the relevance, comparability and transparency of the financial information that a reporting entity provides in its consolidated financial statements. SFAS No. 160 amends ARB No. 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 also changes the way the consolidated financial statements are presented, establishes a single method of accounting for changes in a parent’s ownership interest in a subsidiary that do not result in deconsolidation, requires that a parent recognize a gain or loss in net income when a subsidiary is deconsolidated and expands disclosures in the consolidated financial statements that clearly identify and distinguish between the parent’s ownership interest and the interest of the noncontrolling owners of a subsidiary. The provisions of SFAS No. 160 are to be applied prospectively as of the beginning of the fiscal year in which SFAS No. 160 is adopted, except for the presentation and disclosure requirements, which are to be applied retrospectively for all periods presented. The Company adopted the new guidance beginning November 1, 2009, and the adoption of the new guidance did not impact the Company’s financial position, results of operations or cash flows, other than the related disclosures.

In December 2008, the FASB issued FASB Staff Position FAS 132(R)-1, “Employers’ Disclosures About Postretirement Benefit Plan Assets” (“FSP FAS 132(R)-1”) (*codified under ASC 715 “Compensation – Retirement Benefits”*), to provide guidance on employers’ disclosures about assets of a defined benefit pension or other postretirement plan. FSP FAS 132(R)-1 requires employers to disclose information about fair value measurements of plan assets similar to SFAS No. 157, “Fair Value Measurements.” The objectives of the disclosures are to provide an understanding of: (a) how investment allocation decisions are made, including the factors that are pertinent to an understanding of investment policies and strategies, (b) the major categories of plan assets, (c) the inputs and valuation techniques used to measure the fair value of plan assets, (d) the effect of fair value measurements using significant unobservable inputs on changes in plan assets for the period and (e) significant concentrations of risk within plan assets. The Company adopted the new guidance beginning November 1, 2009, and the adoption of the new guidance did not impact the Company’s financial position, results of operations or cash flows, other than the related disclosures.

Recently Issued Accounting Standards

In June 2009, the FASB issued SFAS No. 166, “Accounting for Transfers of Financial Assets—an amendment of FASB Statement No. 140” (*codified under ASC 860 “Transfers and Servicing”*). The Statement amends SFAS No. 140 to improve the information provided in financial statements concerning transfers of financial assets, including the effects of transfers on financial position, financial performance and cash flows, and any continuing involvement of the transferor with the transferred financial assets. The provisions of SFAS 166 are effective for the Company’s financial statements for the fiscal year beginning November 1, 2010. The Company is in the process of evaluating the impact that the adoption of the guidance may have on its consolidated financial statements and related disclosures. However, the Company does not anticipate a material impact on the Company’s financial position, results of operations or cash flows.

In June 2009, the FASB issued SFAS No. 167, “Amendments to FASB Interpretation No. 46(R)” (*codified under ASC 810 “Consolidation”*). SFAS 167 amends FIN 46(R) to require an enterprise to perform an analysis to determine whether the enterprise’s variable interest or interests give it a controlling financial interest in a variable interest entity. It also amends FIN 46 (R) to require enhanced disclosures that will provide users of financial statements with more transparent information about an enterprise’s involvement in a variable interest entity. The provisions of SFAS 167 are effective for the Company’s financial statements for the fiscal year beginning November 1, 2010. The Company is in the process of evaluating the impact that the adoption of SFAS No. 167 may have on its consolidated financial statements and related disclosures. However, the Company does not anticipate a material impact on the Company’s financial position, results of operations or cash flows.

NOTE 2 — ACQUISITIONS, DIVESTITURES AND OTHER SIGNIFICANT TRANSACTIONS

During the first nine months of 2010, the Company completed acquisitions of three rigid industrial packaging companies and two flexible products companies and made a contingent purchase price payment related to a 2008 rigid industrial packaging acquisition. The five 2010 acquisitions consisted of the acquisition of a European rigid industrial packaging company in November 2009, an Asian rigid industrial packaging company in June 2010, a North American drum reconditioning company in July 2010, and two European flexible products companies, one in February and the other in June 2010. The aggregate purchase price for the five 2010 acquisitions was less than \$200 million. The European and Asian rigid industrial packaging acquisitions are expected to complement the Company’s existing product lines that together will provide growth opportunities and economies of scale. The drum reconditioning and flexible products acquisitions expand the Company’s product and service offerings.

During 2009, the Company completed acquisitions of five rigid industrial packaging companies and one paper packaging company and made a contingent purchase price payment related to a 2005 acquisition for an aggregate purchase price of \$90.8 million. These six acquisitions consisted of two North American rigid industrial packaging companies in February 2009, the acquisition of a North American rigid industrial packaging company in June 2009, the acquisition of a rigid industrial packaging company in Asia in July 2009, the acquisition of a South American rigid industrial packaging company in October 2009, and the acquisition of a 75 percent interest in a North American paper packaging company in October 2009. These rigid industrial packaging and paper packaging acquisitions complemented the Company's existing product lines and provided growth opportunities and economies of scale. These acquisitions, included in operating results from the acquisition dates, were accounted for using the purchase method of accounting and, accordingly, the purchase prices were allocated to the assets purchased and liabilities assumed based upon their estimated fair values at the dates of acquisition. The estimated fair values of the net assets acquired were \$23.5 million (including \$8.4 million of accounts receivable and \$4.4 million of inventory) and liabilities assumed were \$20.7 million. Identifiable intangible assets, with a combined fair value of \$34.5 million, including trade-names, customer relationships, and certain non-compete agreements, have been recorded for these acquisitions. The excess of the purchase prices over the estimated fair values of the net tangible and intangible assets acquired of \$53.5 million was recorded as goodwill. The final allocation of the purchase prices may differ due to additional refinements in the fair values of the net assets acquired as well as the execution of consolidation plans to eliminate duplicate operations, in accordance with SFAS No. 141, "Business Combinations." This is due to the valuation of certain other assets and liabilities that are subject to refinement and therefore the actual fair value may vary from the preliminary estimates. Adjustments to the acquired net assets resulting from final valuations are not expected to be significant. The Company is finalizing certain closing date adjustments with the sellers, as well as the allocation of income tax adjustments.

The Company implemented a restructuring plan for one of the 2009 acquisitions above. The Company's restructuring activities, which were accounted for in accordance with Emerging Task Force Issue No. 95-3, "Recognition of Liabilities in Connection with a Purchase Business Combination" ("EITF 95-3"), primarily included exit costs associated with the consolidation of facilities, facility relocation, and the reduction of excess capacity. In connection with these restructuring activities, as part of the cost of the above acquisition, the Company established reserves, primarily for excess facilities, in the amount of \$1.7 million, of which \$0.8 million remains in the restructuring reserve at July 31, 2010.

Had the transactions occurred on November 1, 2008, results of operations would not have differed materially from reported results.

NOTE 3 — SALE OF NON-UNITED STATES ACCOUNTS RECEIVABLE

Pursuant to the terms of a Receivable Purchase Agreement (the "RPA") dated October 28, 2004 between Greif Coordination Center BVBA, an indirect wholly-owned subsidiary of Greif, Inc., and a major international bank, the seller agreed to sell trade receivables meeting certain eligibility requirements that seller had purchased from other indirect wholly-owned subsidiaries of Greif, Inc., including Greif Belgium BVBA, Greif Germany GmbH, Greif Nederland BV, Greif Spain SA and Greif UK Ltd, under discounted receivables purchase agreements and from Greif France SAS under a factoring agreement. The RPA was amended on October 28, 2005 to include receivables originated by Greif Portugal Lda, also an indirect wholly-owned subsidiary of Greif, Inc. In addition, on October 28, 2005, Greif Italia S.P.A., also an indirect wholly-owned subsidiary of Greif, Inc., entered into the Italian Receivables Purchase Agreement with the Italian branch of the major international bank (the "Italian RPA") with Greif Italia S.P.A., agreeing to sell trade receivables that meet certain eligibility criteria to the Italian branch of the major international bank. The Italian RPA is similar in structure and terms as the RPA. The RPA was amended April 30, 2007 to include receivables originated by Greif Packaging Belgium NV, Greif Packaging France SAS and Greif Packaging Spain SA, all wholly-owned subsidiaries of Greif, Inc. The maximum amount of receivables that may be sold under the RPA and the Italian RPA is €115 million (\$149.5 million) at July 31, 2010.

In October 2007, Greif Singapore Pte. Ltd., an indirect wholly-owned subsidiary of Greif, Inc., entered into the Singapore Receivable Purchase Agreement (the "Singapore RPA") with a major international bank. The maximum amount of aggregate receivables that may be sold under the Singapore RPA is 15.0 million Singapore Dollars (\$11.0 million) at July 31, 2010.

In October 2008, Greif Embalagens Industriais do Brasil Ltda., an indirect wholly-owned subsidiary of Greif, Inc., entered into agreements (the "Brazil Agreements") with Brazilian banks. There is no maximum amount of aggregate receivables that may be sold under the Brazil Agreements; however, the sale of individual receivables is subject to approval by the banks.

In May 2009, Greif Malaysia Sdn Bhd., an indirect wholly-owned Malaysian subsidiary of Greif, Inc., entered into the Malaysian Receivables Purchase Agreement (the "Malaysian Agreements") with Malaysian banks. The maximum amount of the aggregate receivables that may be sold under the Malaysian Agreements is 15.0 million Malaysian Ringgits (\$4.7 million) at July 31, 2010.



The structure of the transactions provide for a legal true sale, on a revolving basis, of the receivables transferred from the various Greif, Inc. subsidiaries to the respective banks. The bank funds an initial purchase price of a certain percentage of eligible receivables based on a formula with the initial purchase price approximating 75 percent to 90 percent of eligible receivables. The remaining deferred purchase price is settled upon collection of the receivables. At the balance sheet reporting dates, the Company removes from accounts receivable the amount of proceeds received from the initial purchase price since they meet the applicable criteria of SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" (*codified under ASC 860 "Transfers and Servicing"*), and continues to recognize the deferred purchase price in its accounts receivable. The receivables are sold on a non-recourse basis with the total funds in the servicing collection accounts pledged to the banks between settlement dates.

At July 31, 2010 and October 31, 2009, €85.3 million (\$110.8 million) and €77.0 million (\$114.0 million), respectively, of accounts receivable were sold under the RPA and Italian RPA. At July 31, 2010 and October 31, 2009, 8.1 million Singapore Dollars (\$5.9 million) and 5.6 million Singapore Dollars (\$4.0 million), respectively, of accounts receivable were sold under the Singapore RPA. At July 31, 2010 and October 31, 2009, 18.1 million Brazilian Reais (\$10.2 million) and 13.3 million Brazilian Reais (\$7.6 million), respectively, of accounts receivable were sold under the Brazil Agreements. At July 31, 2010 and October 31, 2009, 6.6 million Malaysian Ringgits (\$2.1 million) and 6.3 million Malaysian Ringgits (\$1.8 million), respectively, of accounts receivable were sold under the Malaysian Agreements.

At the time the receivables are initially sold, the difference between the carrying amount and the fair value of the assets sold are included as a loss on sale in the consolidated statements of operations.

Expenses, primarily related to the loss on sale of receivables, associated with the RPA and Italian RPA totaled €0.8 million (\$1.0 million) and €0.8 million (\$1.2 million) for the three months ended July 31, 2010 and 2009, respectively; and €2.2 million (\$2.9 million) and €2.9 million (\$3.9 million) for the nine months ended July 31, 2010 and 2009, respectively.

Expenses associated with the Singapore RPA totaled 0.1 million Singapore Dollars (\$0.1 million) and 0.1 million Singapore Dollars (\$0.1 million) for the three months ended July 31, 2010 and 2009, respectively; and 0.3 million Singapore Dollars (\$0.3 million) and 0.3 million Singapore Dollars (\$0.2 million) for the nine months ended July 31, 2010 and 2009, respectively.

Expenses associated with the Brazil Agreements totaled 1.2 million Brazilian Reais (\$0.7 million) and 0.9 million Brazilian Reais (\$0.4 million) for the three months ended July 31, 2010 and 2009, respectively; and 3.3 million (\$1.9 million) and 1.4 million (\$0.7 million) for the nine months ended July 31, 2010 and 2009, respectively.

Expenses associated with the Malaysian Agreements were insignificant for the three months ended July 31, 2010 and 2009; and 0.1 million Malaysian Ringgits (\$0.1 million) for the nine months ended July 31, 2010 and were insignificant for the nine months ended July 31, 2009.

Additionally, the Company performs collections and administrative functions on the receivables sold similar to the procedures it uses for collecting all of its receivables, including receivables that are not sold under the RPA, the Italian RPA, the Singapore RPA, the Brazil Agreements, and the Malaysian Agreements. The servicing liability for these receivables is not material to the consolidated financial statements.

NOTE 4 — INVENTORIES

On November 1, 2009, the Company elected to adopt the FIFO method of inventory valuation for all locations, whereas in all prior years inventory for certain U.S. locations was valued using the LIFO method. The Company believes that the FIFO method of inventory valuation is preferable because (i) the change conforms to a single method of accounting for all of the Company's inventories on a U.S. and global basis, (ii) the change simplifies financial disclosures, (iii) financial statement comparability and analysis for investors and analysts is improved, and (iv) the majority of the Company's key competitors use FIFO. The comparative consolidated financial statements of prior periods presented have been adjusted to apply the new accounting method retrospectively. The change in accounting principle is reported through retrospective application as described in ASC 250, "Accounting Changes and Error Corrections."

Table of Contents

The following consolidated statement of operations line items for the three and nine-month periods ended July 31, 2009 were affected by the change in accounting principle (Dollars in thousands):

	For the three months ended July 31, 2009			For the nine months ended July 31, 2009		
	As Originally	Adjustments	As Adjusted	As Originally	Adjustments	As Adjusted
	Reported			Reported		
Cost of products sold	\$ 575,018	\$ 3,122	\$ 578,140	\$ 1,674,538	\$ 26,098	\$ 1,700,636
Gross profit	142,549	(3,122)	139,427	357,186	(26,098)	331,088
Operating profit	70,154	(3,122)	67,032	117,745	(26,098)	91,647
Income tax expense	12,691	(1,202)	11,489	19,617	(10,050)	9,567
Net income attributable to Greif, Inc.	\$ 39,731	\$ (1,920)	\$ 37,811	\$ 53,139	\$ (16,047)	\$ 37,092

The following consolidated balance sheet line items at October 31, 2009 were affected by the change in accounting principle (Dollars in thousands):

	As Originally	Adjustments	As Adjusted
	Reported		
Inventory	\$ 227,432	\$ 11,419	\$ 238,851
Total assets	\$ 2,812,510	\$ 11,419	\$ 2,823,929
Deferred tax liabilities	\$ 156,755	\$ 4,397	\$ 161,152
Total liabilities	\$ 1,712,940	\$ 4,397	\$ 1,717,337
Retained earnings	\$ 1,199,592	\$ 7,022	\$ 1,206,614
Total liabilities and shareholders' equity	\$ 2,812,510	\$ 11,419	\$ 2,823,929

NOTE 5 — NET ASSETS HELD FOR SALE

Net assets held for sale represent land, buildings and land improvements for locations that have met the criteria of “held for sale” accounting, as specified by SFAS No. 144, “Accounting for Impairment or Disposal of Long-Lived Assets” (*codified under ASC 360 “Property, Plant, and Equipment”*). As of July 31, 2010 and October 31, 2009, there were thirteen and fourteen facilities held for sale, respectively. The net assets held for sale are being marketed for sale and it is the Company’s intention to complete the facility sales within the upcoming year.

NOTE 6 — GOODWILL AND OTHER INTANGIBLE ASSETS

The Company reviews goodwill and indefinite-lived intangible assets for impairment as required by SFAS No. 142 “Goodwill and Other Intangible Assets” (*codified under ASC 350 “Intangibles — Goodwill and Other”*), either annually or when events and circumstances indicate an impairment may have occurred. The following table summarizes the changes in the carrying amount of goodwill by segment for the nine month period ended July 31, 2010 (Dollars in thousands):

	Rigid Industrial Packaging & Services		Flexible Products & Services		Paper Packaging	Land Management	Total	
Balance at October 31, 2009	\$	530,717	\$	—	\$ 61,400	\$	—	\$592,117
Goodwill acquired		37,372		42,013			150	79,535
Goodwill adjustments		6,481		—			(1,075)	5,406
Currency translation		(15,963)		—			—	(15,963)
Balance at July 31, 2010	\$	558,607	\$	42,013	\$ 60,325	\$	150	\$661,095

The goodwill acquired of \$79.5 million consisted of preliminary goodwill related to acquisitions in the Rigid Industrial Packaging & Services and Flexible Products & Services segments. The goodwill adjustments increased goodwill by \$5.4 million and consisted of a \$3.4 million contingent payment relating to a 2008 acquisition, with the balance related to purchase price adjustments for nine of the 2009 acquisitions.

The detail of other intangible assets by class as of July 31, 2010 and October 31, 2009 are as follows (Dollars in thousands):

	<u>Gross Intangible Assets</u>	<u>Accumulated Amortization</u>	<u>Net Intangible Assets</u>
October 31, 2009:			
Trademark and patents	\$ 35,081	\$ 15,457	\$ 19,624
Non-compete agreements	18,842	6,143	12,699
Customer relationships	110,298	17,190	93,108
Other	11,018	5,079	5,939
Total	<u>\$ 175,239</u>	<u>\$ 43,869</u>	<u>\$ 131,370</u>
July 31, 2010:			
Trademark and patents	\$ 39,868	\$ 16,640	\$ 23,228
Non-compete agreements	18,630	6,796	11,834
Customer relationships	131,954	23,771	108,183
Other	13,340	5,872	7,468
Total	<u>\$ 203,792</u>	<u>\$ 53,079</u>	<u>\$ 150,713</u>

Gross intangible assets increased by \$28.5 million for the nine-month period ended July 31, 2010. The increase in gross intangible assets consisted of \$3.0 million in final purchase price allocations related to the 2009 acquisitions in the Rigid Industrial Packaging & Services and Paper Packaging segments, \$29.9 million in preliminary purchase price allocations related to 2010 acquisitions in the Rigid Industrial Packaging & Services and Flexible Products & Services segments and a \$4.4 million decrease due to currency fluctuations both related to the Rigid Industrial Packaging & Services and to the Flexible Products & Services segment. Amortization expense for the nine months ended July 31, 2010 and 2009 was \$10.0 million and \$8.0 million, respectively. Amortization expense for the next five years is expected to be \$18.1 million in 2011, \$17.8 million in 2012, \$14.2 million in 2013, \$12.3 million in 2014 and \$11.7 million in 2015.

All intangible assets for the periods presented are subject to amortization and are being amortized using the straight-line method over periods that range from three to 23 years, except for \$12.4 million related to the Tri-Sure trademark and the trade names related to Blagden Express, Closed-loop, and Box Board, all of which have indefinite lives.

NOTE 7 — RESTRUCTURING CHARGES

During the first nine months of 2010, the Company recorded restructuring charges of \$20.7 million, which compares to \$57.7 million of restructuring charges during the first nine months of 2009. The restructuring activity for the nine month period ended July 31, 2010 consisted of \$11.4 million in employee separation costs, \$2.3 million in asset impairments and \$6.9 million in other costs. In addition, during that period there was a restructuring-related inventory charge of \$0.1 million recorded in cost of products sold. During the first nine months of 2010, five locations within the Rigid Industrial Packaging & Services and two locations within the Paper Packaging segments were closed and the total number of employees severed was 163. The restructuring activity for the nine month period ended July 31, 2009 consisted of \$29.8 million in employee separation costs, \$14.6 million in asset impairments and \$13.3 million in other costs. In addition, during that period there was a restructuring-related inventory charge for \$10.1 million recorded in cost of products sold. During the nine months of 2009, sixteen company-owned plants in the Rigid Industrial Packaging & Services segment were closed and the total number of employees severed was 1,178.

During the three months ended July 31, 2010, the Company recorded restructuring charges of \$9.8 million, consisting of \$4.7 million in employee separation costs, \$2.1 million in asset impairments, \$1.1 million in professional fees, and \$1.9 million in other costs. In addition, the Company recorded \$0.1 million in restructuring related inventory charges in cost of products sold. During this period, two company owned plants in the Rigid Industrial Packaging & Services segment and two company owned plants in the Paper Packaging segment were closed and the total number of employees severed was 104. During the three months ended July 31, 2009, the Company recorded restructuring charges of \$10.3 million, consisting of \$4.7 million in employee separation costs, \$1.7 million in asset impairments and \$3.9 million in other costs. In addition, the Company recorded \$0.9 million in restructuring related inventory charges in cost of products sold. During the three months of 2009, three company owned plants in the Rigid Industrial Packaging & Services segment were closed and the total number employees severed was 54.

Table of Contents

For each relevant business segment, costs incurred in 2010 are as follows (Dollars in thousands):

	Three months			
	Amounts Expected to be Incurred	ended July 31, 2010	Nine months ended July 31, 2010	Amounts Remaining to be Incurred
Rigid Industrial Packaging & Services				
Employee separation costs	\$ 9,241	\$ 1,959	\$ 8,657	\$ 584
Asset impairments	832	594	832	—
Professional fees	4,815	1,045	2,271	2,544
Inventory adjustments	227	94	131	96
Other restructuring costs	9,384	1,661	4,173	5,211
	<u>24,499</u>	<u>5,353</u>	<u>16,064</u>	<u>8,435</u>
Flexible Products & Services				
Other restructuring costs	\$ —	\$ 45	\$ 45	\$ —
Paper Packaging				
Employee separation costs	\$ 2,815	\$ 2,699	\$ 2,699	\$ 116
Asset impairments	1,524	1,524	1,524	—
Other restructuring costs	2,418	252	365	2,053
	<u>6,757</u>	<u>4,475</u>	<u>4,588</u>	<u>2,169</u>
	<u>\$ 31,256</u>	<u>\$ 9,873</u>	<u>\$ 20,697</u>	<u>\$ 10,604</u>

Total amounts expected to be incurred above are from open restructuring plans which are anticipated to be realized in 2010 and 2011 or plans that are being formulated and have not been announced as of the date of this Form 10-Q.

The following is a reconciliation of the beginning and ending restructuring reserve balances for the nine month period ended July 31, 2010 (Dollars in thousands):

	<u>Cash Charges</u>		<u>Non-cash Charges</u>		<u>Total</u>
	<u>Employee Separation Costs</u>	<u>Other Costs</u>	<u>Asset Impairments</u>	<u>Inventory write-down</u>	
Balance at October 31, 2009	\$ 9,239	\$ 6,076	\$ —	\$ —	\$ 15,315
Costs incurred and charged to expense	11,356	6,854	2,356	131	20,697
Costs paid or otherwise settled	(9,034)	(6,698)	(2,356)	(131)	(18,219)
Balance at July 31, 2010	<u>\$ 11,561</u>	<u>\$ 6,232</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 17,793</u>

NOTE 8 — SIGNIFICANT NONSTRATEGIC TIMBERLAND TRANSACTIONS AND CONSOLIDATION OF VARIABLE INTEREST ENTITIES

On March 28, 2005, Soterra LLC (a wholly owned subsidiary) entered into two real estate purchase and sale agreements with Plum Creek Timberlands, L.P. (“Plum Creek”) to sell approximately 56,000 acres of timberland and related assets located primarily in Florida for an aggregate sales price of approximately \$90 million, subject to closing adjustments. In connection with the closing of one of these agreements, Soterra LLC sold approximately 35,000 acres of timberland and associated assets in Florida, Georgia and Alabama for \$51.0 million, resulting in a pretax gain of \$42.1 million, on May 23, 2005. The purchase price was paid in the form of cash and a \$50.9 million purchase note payable by an indirect subsidiary of Plum Creek (the “Purchase Note”). Soterra LLC contributed the Purchase Note to STA Timber LLC (“STA Timber”), one of the Company’s indirect wholly owned subsidiaries. The Purchase Note is secured by a Deed of Guarantee issued by Bank of America, N.A., London Branch, in an amount not to exceed \$52.3 million (the “Deed of Guarantee”), as a guarantee of the due and punctual payment of principal and interest on the Purchase Note.

The Company completed the second phase of these transactions in the first quarter of 2006. In this phase, the Company sold 15,300 acres of timberland holdings in Florida for \$29.3 million in cash, resulting in a pre-tax gain of \$27.4 million. The final phase of this transaction, approximately 5,700 acres sold for \$9.7 million, occurred on April 28, 2006 and the Company recognized additional timberland gains in its consolidated statements of operations in the periods that these transactions occurred resulting in a pre-tax gain of \$9.0 million.

On May 31, 2005, STA Timber issued in a private placement its 5.20% Senior Secured Notes due August 5, 2020 (the “Monetization Notes”) in the principal amount of \$43.3 million. In connection with the sale of the Monetization Notes, STA Timber entered into note purchase agreements with the purchasers of the Monetization Notes (the “Note Purchase Agreements”) and related documentation. The Monetization Notes are secured by a pledge of the Purchase Note and the Deed of Guarantee. The Monetization Notes may be accelerated in the event of a default in payment or a breach of the other obligations set forth therein or in the Note Purchase Agreements or related documents, subject in certain cases to any applicable cure periods, or upon the occurrence of certain insolvency or bankruptcy related events. The Monetization Notes are subject to a mechanism that may cause them, subject to certain conditions, to be extended to November 5, 2020. The proceeds from the sale of the Monetization Notes were primarily used for the repayment of indebtedness.

In addition, Greif, Inc. and its other subsidiaries have not extended any form of guaranty of the principal or interest on the Monetization Notes. Accordingly, Greif, Inc. and its other subsidiaries will not become directly or contingently liable for the payment of the Monetization Notes at any time.

The Company has consolidated the assets and liabilities of the buyer-sponsored special purpose entity (the “Buyer SPE”) involved in these transactions as the result of ASC 810. However, because the Buyer SPE is a separate and distinct legal entity from the Company, the assets of the Buyer SPE are not available to satisfy the liabilities and obligations of the Company and its other subsidiaries and the liabilities of the Buyer SPE are not liabilities or obligations of the Company and its other subsidiaries.

Assets of the Buyer SPE at July 31, 2010 and October 31, 2009 consist of restricted bank financial instruments of \$50.9 million, respectively. STA Timber had long-term debt of \$43.3 million as of July 31, 2010 and October 31, 2009, respectively. STA Timber is exposed to credit-related losses in the event of nonperformance by the issuer of the Deed of Guarantee. The accompanying consolidated income statements for the nine-month periods ended July 31, 2010 and 2009 include interest expense on STA Timber debt of \$1.7 million and interest income on Buyer SPE investments of \$1.8 million, respectively.

NOTE 9 — LONG-TERM DEBT

Long-term debt is summarized as follows (Dollars in thousands):

	July 31, 2010	October 31, 2009
\$700 Million Credit Agreement	\$ 294,007	\$ 192,494
Senior Notes due 2017	303,532	300,000
Senior Notes due 2019	242,158	241,729
Trade accounts receivable credit facility	117,800	—
Other long-term debt	11,129	4,385
	<u>968,626</u>	<u>738,608</u>
Less current portion	(20,000)	(17,500)
Long-term debt	<u>\$ 948,626</u>	<u>\$ 721,108</u>

\$700 Million Credit Agreement

On February 19, 2009, the Company and Greif International Holding B.V., as borrowers, entered into a \$700 million Senior Secured Credit Agreement (the "Credit Agreement") with a syndicate of financial institutions. The Credit Agreement provides for a \$500 million revolving multicurrency credit facility and a \$200 million term loan, both maturing in February 2012, with an option to add \$200 million to the facilities with the agreement of the lenders. The \$200 million term loan is scheduled to amortize by \$2.5 million each quarter-end for the first four quarters, \$5.0 million each quarter-end for the next eight quarters and \$150.0 million on the maturity date. The Credit Agreement is available to fund ongoing working capital and capital expenditure needs, for general corporate purposes, to finance acquisitions, and to repay amounts outstanding under the previous \$450 million credit agreement. Interest is based on a Eurodollar rate or a base rate that resets periodically plus a calculated margin amount. As of July 31, 2010, \$294.0 million was outstanding under the Credit Agreement. The current portion of the Credit Agreement is \$20.0 million and the long-term portion is \$274.0 million. The weighted average interest rate on the Credit Agreement was 3.16% for the nine months ended July 31, 2010 and the interest rate was 3.30% at July 31, 2010.

The Credit Agreement contains financial covenants that require the Company to maintain a certain leverage ratio and a fixed charge coverage ratio. At July 31, 2010, the Company was in compliance with these covenants.

Senior Notes due 2017

On February 9, 2007, the Company issued \$300.0 million of 6.75% Senior Notes due February 1, 2017. Interest on these Senior Notes is payable semi-annually. Proceeds from the issuance of these Senior Notes were principally used to fund the purchase of previously outstanding 8.875% Senior Subordinated Notes in a tender offer and for general corporate purposes.

The fair value of these Senior Notes due 2017 was \$311.0 million at July 31, 2010 based upon quoted market prices. The Indenture pursuant to which these Senior Notes were issued contains certain covenants. At July 31, 2010, the Company was in compliance with these covenants.

Senior Notes due 2019

On July 28, 2009, the Company issued \$250.0 million of 7.75% Senior Notes due August 1, 2019. Interest on these Senior Notes is payable semi-annually. Proceeds from the issuance of Senior Notes were principally used for general corporate purposes, including the repayment of amounts outstanding under the Company's revolving multicurrency credit facility, without any permanent reduction of the commitments.

The fair value of these Senior Notes due 2019 was \$257.5 million at July 31, 2010 based upon quoted market prices. The Indenture pursuant to which these Senior Notes were issued contains certain covenants. At July 31, 2010, the Company was in compliance with these covenants.

United States Trade Accounts Receivable Credit Facility

On December 8, 2008, the Company entered into a \$135.0 million trade accounts receivable credit facility with a financial institution and its affiliate, with a maturity date of December 8, 2013, subject to earlier termination of their purchase commitment on December 6, 2010, or such later date to which the purchase commitment may be extended by agreement of the parties. The credit facility is secured by certain of the Company's trade accounts receivable in the United States and bears interest at a variable rate based on the applicable commercial paper rate plus a margin or other agreed-upon rate (1.71% at July 31, 2010). In addition, the Company can terminate the credit facility at any time upon five days prior written notice. A significant portion of the initial proceeds from this credit facility was used to pay the obligations under the previous trade accounts receivable credit facility, which was terminated. The remaining proceeds were and will be used to pay certain fees, costs and expenses incurred in connection with the credit facility and for working capital and general corporate purposes. At July 31, 2010, there was \$117.8 million outstanding under the Receivables Facility. The agreement for this receivables financing facility contains financial covenants that require the Company to maintain a certain leverage ratio and a fixed charge coverage ratio. At July 31, 2010, the Company was in compliance with these covenants.

Greif Receivables Funding LLC ("GRF"), an indirect subsidiary of the Company, has participated in the purchase and transfer of receivables in connection with these credit facilities and is included in the Company's consolidated financial statements. However, because GRF is a separate and distinct legal entity from the Company and its other subsidiaries, the assets of GRF are not available to satisfy the liabilities and obligations of the Company and its other subsidiaries, and the liabilities of GRF are not the liabilities or obligations of the Company and its other subsidiaries. This entity purchases and services the Company's trade accounts receivable that are subject to these credit facilities.

Other

In addition to the amounts borrowed under the Credit Agreement and proceeds from these Senior Notes and the United States Trade Accounts Receivable Credit Facility, at July 31, 2010, the Company had outstanding other debt of \$62.1 million, comprised of \$11.1 million in long-term debt and \$51.0 million in short-term borrowings, compared to other debt outstanding of \$24.0 million, comprised of \$4.4 million in long-term debt and \$19.6 million in short-term borrowings, at October 31, 2009.

At July 31, 2010, the current portion of the Company’s long-term debt was \$20.0 million. Annual maturities, including the current portion, of long-term debt under the Company’s various financing arrangements were \$5.0 million in 2010, \$31.1 million in 2011, \$269.0 million in 2012, \$117.8 million in 2013 and \$545.7 million thereafter.

At July 31, 2010 and October 31, 2009, the Company had deferred financing fees and debt issuance costs of \$11.9 million and \$14.9 million, respectively, which are included in other long-term assets.

NOTE 10 — FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

In September 2006, the FASB issued SFAS No. 157, “Fair Value Measurements” (*codified under ASC 820 “Fair Value Measurements and Disclosures”*). SFAS No. 157 defines fair value, establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. Additionally, this guidance established a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of inputs used to measure fair values are as follows:

- Level 1 — Observable inputs such as unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 — Observable inputs other than quoted prices in active markets for identical assets and liabilities.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

Recurring Fair Value Measurements

The following table presents the fair values adjustments for those assets and (liabilities) measured on a recurring basis as of July 31, 2010 (Dollars in thousands):

	<u>Fair Value Measurement</u>				<u>Balance sheet Location</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	
Interest rate derivatives	\$ —	\$ (2,229)	\$ —	\$ (2,229)	Other long-term liabilities
Foreign exchange hedges	—	(2,427)	—	(2,427)	Other current liabilities
Energy hedges	—	(143)	—	(143)	Other current liabilities
Total*	<u>\$ —</u>	<u>\$ (4,799)</u>	<u>\$ —</u>	<u>\$ (4,799)</u>	

* The carrying amounts of cash and cash equivalents, trade accounts receivable, accounts payable, current liabilities and short-term borrowings at July 31, 2010 approximate their fair values because of the short-term nature of these items and are not included in this table.

Derivatives and Hedging Activity

The Company uses derivatives from time to time to partially mitigate the effect of exposure to interest rate movements, exposure to currency fluctuations, and energy cost fluctuations. Under SFAS No. 133, “Accounting for Derivative Instruments and Hedging Activities” (*codified under ASC 815 “Derivatives and Hedging”*), all derivatives are to be recognized as assets or liabilities in the balance sheet and measured at fair value. Changes in the fair value of derivatives are recognized in either net income or in other comprehensive income, depending on the designated purpose of the derivative.

While the Company may be exposed to credit losses in the event of nonperformance by the counterparties to its derivative financial instrument contracts, its counterparties are established banks and financial institutions with high credit ratings. The Company has no reason to believe that such counterparties will not be able to fully satisfy their obligations under these contracts.

During the next three months, the Company expects to reclassify into earnings a net loss from accumulated other comprehensive loss of approximately \$2.6 million after tax at the time the underlying hedge transactions are realized.

Cross-Currency Interest Rate Swaps

The Company entered into cross-currency interest rate swap agreements which were designated as a hedge of a net investment in a foreign operation. Under these swap agreements, the Company received interest semi-annually from the counterparties in an amount equal to a fixed rate of 6.75% on \$200.0 million and paid interest in an amount equal to a fixed rate of 6.25% on €146.6 million. During the third quarter of 2010, the Company terminated these swap agreements, including any future cash flows. The termination of these swap agreements resulted in a cash benefit of \$25.7 million (\$15.8 million, net of tax) which is included within foreign currency translation adjustments. At October 31, 2009, the Company had recorded an other comprehensive loss of \$14.6 million as a result of these swap agreements.

Interest Rate Derivatives

The Company has interest rate swap agreements with various maturities through 2012. These interest rate swap agreements are used to manage the Company's fixed and floating rate debt mix. Under these agreements, the Company receives interest monthly from the counterparties based upon a designated London Interbank Offered Rate ("LIBOR") and pays interest based upon a designated fixed rate over the life of the swap agreements.

The Company has two interest rate derivatives (floating to fixed swap agreements recorded as cash flow hedges) with a total notional amount of \$125 million. Under these swap agreements, the Company receives interest based upon a variable interest rate from the counterparties (weighted average of 0.27% at July 31, 2010 and 0.25% at October 31, 2009) and pays interest based upon a fixed interest rate (weighted average of 1.78% at July 31, 2010 and 2.71% at October 31, 2009).

In the first quarter of 2010, the Company entered into a \$100.0 million fixed to floating swap agreement which was recorded as a fair value hedge. Under this swap agreement, the Company received interest from the counterparty based upon a fixed rate of 6.75% and paid interest based upon a variable rate on a semi-annual basis. In the third quarter of 2010, the Company terminated this swap agreement, including any future cash flows. The termination of this swap agreement resulted in a cash benefit of \$3.6 million (\$2.2 million, net of tax) which is included within long-term debt on the balance sheet.

Foreign Exchange Hedges

At July 31, 2010, the Company had outstanding foreign currency forward contracts in the notional amount of \$148.1 million (\$70.5 million at October 31, 2009). The purpose of these contracts is to hedge the Company's exposure to foreign currency transactions and short-term intercompany loan balances in its international businesses. The fair value of these contracts at July 31, 2010 resulted in an immaterial gain recorded in the consolidated statements of operations and a loss of \$2.4 million recorded in other comprehensive income. The fair value of similar contracts at October 31, 2009 resulted in an immaterial loss in the consolidated statements of operations.

Energy Hedges

The Company has entered into certain cash flow agreements to mitigate its exposure to cost fluctuations in natural gas prices through October 31, 2010. Under these hedge agreements, the Company agrees to purchase natural gas at a fixed price. At July 31, 2010, the notional amount of these hedges was \$3.0 million (\$4.0 million at October 31, 2009). The other comprehensive loss on these agreements was \$0.1 million at July 31, 2010 and \$0.6 million at October 31, 2009. As a result of the high correlation between the hedged instruments and the underlying transactions, ineffectiveness has not had a material impact on the Company's consolidated statements of operations for the quarter ended July 31, 2010.

Other financial instruments

The estimated fair values of the Company's long-term debt were \$991.5 million and \$744.9 million compared to the carrying amounts of \$968.6 million and \$738.6 million at July 31, 2010 and October 31, 2009, respectively. The current portion of the long-term debt was \$20.0 million and \$17.5 million at July 31, 2010 and October 31, 2009, respectively. The fair values of the Company's long-term obligations are estimated based on either the quoted market prices for the same or similar issues or the current interest rates offered for debt of the same remaining maturities.

Non-Recurring Fair Value Measurements

The Company has reviewed its non-financial assets and non-financial liabilities for fair value treatment under the current guidance.

Net Assets Held for Sale

Net assets held for sale are considered level three inputs which include recent purchase offers, market comparables and/or data obtained from commercial real estate brokers. As of July 31, 2010, the Company has not recognized impairments related to the net assets held for sale.

Long-Lived Assets

As part of the Company's restructuring plans following current and future acquisitions, the Company may shut down manufacturing facilities during the next few years. The long-lived assets are considered level three inputs which were valued based on bids received from third parties and using discounted cash flow analysis based on assumptions that the Company believes market participants would use. Key inputs included anticipated revenues, associated manufacturing costs, capital expenditures and discount, growth and tax rates. For the three-month and nine-month periods ended July 31, 2010, the Company recorded restructuring related expenses of \$2.1 million and \$2.4 million, respectively on long lived assets with net book values of \$3.5 million and \$4.0 million, respectively over the same period.

Goodwill

On an annual basis, the Company performs its impairment tests for goodwill as defined under SFAS No. 142, (*codified under ASC 350 "Intangibles-Goodwill and Other"*). As a result of this review during 2009, the Company concluded that no impairment existed at that time. As of July 31, 2010, the Company has concluded that no impairment exists.

NOTE 11 — STOCK-BASED COMPENSATION

On November 1, 2005, the Company adopted SFAS No. 123(R), "Share-Based Payment" (*codified under ASC 718 "Compensation – Stock Compensation"*), which requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense in the Company's consolidated statements of operations over the requisite service periods. The Company uses the straight-line single option method of expensing stock options to recognize compensation expense in its consolidated statements of operations for all share-based awards. Because share-based compensation expense is based on awards that are ultimately expected to vest, share-based compensation expense will be reduced to account for estimated forfeitures. SFAS No. 123(R) requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. No options have been granted in 2010 and 2009. For any options granted in the future, compensation expense will be based on the grant date fair value estimated in accordance with the provisions of SFAS No. 123(R). There was no share-based compensation expense recognized under SFAS No. 123(R) for the first nine months of 2010 or 2009.

NOTE 12 — INCOME TAXES

The quarterly effective tax rate was 18.2% and 22.7% in the third quarter of 2010 and 2009, respectively. The year to date effective tax rate was 18.9% and 19.5% in the nine month periods ended July 31, 2010 and 2009, respectively. The change in the effective tax rate is primarily due to a change in the forecasted mix of income in the United States versus outside the United States for the respective periods as well as an incremental benefit from an alternative fuel credit.

The Company has estimated the reasonably possible expected net change in unrecognized tax benefits through July 31, 2011 based on expected settlements or payments of uncertain tax positions, and lapses of the applicable statutes of limitations of unrecognized tax benefits under FASB Interpretation No. (“FIN”) 48, “Accounting for Uncertainty in Income Taxes.” FIN 48 is an interpretation of SFAS No. 109, “Accounting for Income Taxes,” and clarifies the accounting for uncertainty in income tax positions (codified under ASC 740 “Income Taxes”). The Company estimates that the range of possible change in unrecognized tax benefits within the next 12 months is a decrease of approximately zero to \$2.8 million. Actual results may differ materially from this estimate.

The Company’s uncertain tax positions for the nine months ended July 31, 2010 were reduced by approximately \$1.7 million due to settlements with tax authorities. There were no other significant changes in the Company’s uncertain tax positions for this period.

NOTE 13 — RETIREMENT PLANS AND POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The components of net periodic pension cost include the following (Dollars in thousands):

	Three months ended July 31		Nine months ended July 31	
	2010	2009	2010	2009
Service cost	\$ 2,293	\$ 1,842	\$ 6,879	\$ 5,526
Interest cost	3,998	4,143	11,994	12,429
Expected return on plan assets	(4,524)	(4,398)	(13,572)	(13,194)
Amortization of prior service cost, initial net asset and net actuarial gain	1,700	288	5,100	864
Net periodic pension costs	<u>\$ 3,467</u>	<u>\$ 1,875</u>	<u>\$ 10,401</u>	<u>\$ 5,625</u>

The Company made \$12.2 million in pension contributions in the nine months ended July 31, 2010. The Company estimates \$17.1 million of pension contributions for the entire 2010 fiscal year.

The components of net periodic cost for postretirement benefits include the following (Dollars in thousands):

	Three months ended July 31		Nine months ended July 31	
	2010	2009	2010	2009
Service cost	\$ 1	\$ —	\$ 3	\$ —
Interest cost	283	374	849	1,122
Amortization of prior service cost and recognized actuarial gain	(251)	(283)	(753)	(849)
Net periodic cost for postretirement benefits	<u>\$ 33</u>	<u>\$ 91</u>	<u>\$ 99</u>	<u>\$ 273</u>

NOTE 14 — CONTINGENT LIABILITIES

Various lawsuits, claims and proceedings have been or may be instituted or asserted against the Company, including those pertaining to environmental, product liability and safety and health matters. While the amounts claimed may be substantial, the ultimate liability cannot now be determined because of considerable uncertainties that exist. Therefore, it is possible that results of operations or liquidity in a particular period could be materially affected by certain contingencies.

All lawsuits, claims and proceedings are considered by the Company in establishing reserves for contingencies in accordance with SFAS No. 5, “Accounting for Contingencies” (codified under ASC 450 “Contingencies”). In accordance with the provisions of this standard, the Company accrues for a litigation-related liability when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Based on currently available information known to the Company, the Company had no recorded legal liabilities at July 31, 2010 and October 31, 2009. The ultimate outcome of any pending matters is not likely to have a material adverse effect on the Company’s financial position or results from operations.

The most significant contingencies of the Company relate to environmental liabilities. The following is additional information with respect to these matters.

At July 31, 2010 and October 31, 2009, the Company had recorded liabilities of \$31.1 million and \$33.4 million, respectively, for estimated environmental remediation costs. The liabilities were recorded on an undiscounted basis and are included in other long-term liabilities. At July 31, 2010 and October 31, 2009, the Company had recorded environmental liability reserves of \$17.4 million and \$17.9 million, respectively, for its blending facility in Chicago, Illinois; \$9.3 million and \$10.9 million, respectively, for various European drum facilities acquired in November 2006; and \$2.8 million and \$3.4 million, respectively, related to the Company's facility in Lier, Belgium. These reserves are principally based on environmental studies and cost estimates provided by third parties, but also take into account management estimates.

These environmental liabilities were not individually material. The Company only reserves for those unasserted claims that it believes are probable of being asserted at some time in the future. The liabilities recorded are based upon an evaluation of currently available facts with respect to each individual site, including the results of environmental studies and testing, and considering existing technology, presently enacted laws and regulations, and prior experience in remediation of contaminated sites. The Company initially provides for the estimated cost of environmental-related activities when costs can be reasonably estimated. If the best estimate of costs can only be identified as a range and no specific amount within that range can be determined more likely than any other amount within the range, the minimum of the range is accrued.

The estimated liabilities are reduced to reflect the anticipated participation of other potentially responsible parties in those instances where it is probable that such parties are legally responsible and financially capable of paying their respective shares of relevant costs. For sites that involve formal actions subject to joint and several liability, these actions have formal agreements in place to apportion the liability. The Company's potential future obligations for environmental contingencies related to facilities acquired in the 2001 Van Leer Industrial Packaging acquisition may, under certain circumstances, be reduced by insurance coverage and seller cost sharing provisions. In connection with that acquisition, the Company was issued a 10-year term insurance policy, which insures the Company against environmental contingencies unidentified at the acquisition date, subject to a \$50.0 million aggregate self-insured retention. Liability for this first \$50.0 million of unidentified environmental contingencies is shared 70 percent by the seller and 30 percent by the Company if such contingency is identified within 10 years following the acquisition date. The Company is liable for identified environmental contingencies at the acquisition date up to an aggregate \$10.0 million, and thereafter the liability is shared 70 percent by the Company and 30 percent by the seller.

The Company anticipates that cash expenditures in future periods for remediation costs at identified sites will be made over an extended period of time. Given the inherent uncertainties in evaluating environmental exposures, actual costs may vary from those estimated at July 31, 2010. The Company's exposure to adverse developments with respect to any individual site is not expected to be material. Although environmental remediation could have a material effect on results of operations if a series of adverse developments occur in a particular quarter or fiscal year, the Company believes that the chance of a series of adverse developments occurring in the same quarter or fiscal year is remote. Future information and developments will require the Company to continually reassess the expected impact of these environmental matters.

NOTE 15 — EARNINGS PER SHARE

Earnings per share

The Company has two classes of common stock and, as such, applies the "two-class method" of computing earnings per share as prescribed in SFAS No. 128, "Earnings Per Share" (*codified under ASC 260 "Earnings Per Share"*). In accordance with guidance, earnings are allocated first to Class A and Class B Common Stock to the extent that dividends are actually paid and the remainder allocated assuming all of the earnings for the period have been distributed in the form of dividends.

Table of Contents

The following table summarizes the Company's Class A and Class B common and treasury shares at the specified dates:

	<u>Authorized Shares</u>	<u>Issued Shares</u>	<u>Outstanding Shares</u>	<u>Treasury Shares</u>
July 31, 2010:				
Class A Common Stock	128,000,000	42,281,920	24,731,074	17,550,846
Class B Common Stock	69,120,000	34,560,000	22,412,266	12,147,734
October 31, 2009:				
Class A Common Stock	128,000,000	42,281,920	24,474,773	17,807,147
Class B Common Stock	69,120,000	34,560,000	22,462,266	12,097,734

The following is a reconciliation of the shares used to calculate basic and diluted earnings per share:

	<u>Three months ended</u>		<u>Nine months ended</u>	
	<u>July 31</u>		<u>July 31</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Class A Common Stock:				
Basic shares	24,687,006	24,386,195	24,623,262	24,289,802
Assumed conversion of stock options	312,895	361,572	307,577	307,566
Diluted shares	<u>24,999,901</u>	<u>24,747,767</u>	<u>24,930,839</u>	<u>24,597,368</u>
Class B Common Stock:				
Basic and diluted shares	<u>22,444,488</u>	<u>22,462,266</u>	<u>22,456,340</u>	<u>22,480,187</u>

No stock options were antidilutive for the three or nine months ended July 31, 2010. There were no stock options that were antidilutive for the three months ended July 31, 2009 and 20,000 stock options that were antidilutive for the nine months ended July 31, 2009.

Dividends per share

The following dividends per share were paid during the periods indicated:

	<u>Three Months ended July 31</u>		<u>Nine Months ended July 31</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Class A Common Stock	\$ 0.42	\$ 0.38	\$ 1.18	\$ 1.14
Class B Common Stock	\$ 0.63	\$ 0.57	\$ 1.76	\$ 1.70

Class A Common Stock is entitled to cumulative dividends of 1 cent a share per year after which Class B Common Stock is entitled to non-cumulative dividends up to one half (1/2) cent per share per year. Further distribution in any year must be made in proportion of one cent a share for Class A Common Stock to one and one-half (1 1/2) cents a share for Class B Common Stock. The Class A Common Stock has no voting rights unless four quarterly cumulative dividends upon the Class A Common Stock are in arrears or unless changes are proposed to the Company's certificate of incorporation. The Class B Common Stock has full voting rights. There is no cumulative voting for the election of directors.

Common stock repurchases

The Company's Board of Directors has authorized the purchase of up to four million shares of Class A Common Stock or Class B Common Stock or any combination of the foregoing. During the first nine months of 2010, the Company did not repurchase any shares of Class A Common Stock, but did purchase 50,000 shares of Class B Common Stock. As of July 31, 2010, the Company had repurchased 2,883,272 shares, including 1,416,752 shares of Class A Common Stock and 1,466,520 shares of Class B Common Stock, under this program. The total cost of the shares repurchased from November 1, 2008 through July 31, 2010 was approximately \$5.8 million.

NOTE 16 — EQUITY EARNINGS (LOSSES) OF UNCONSOLIDATED AFFILIATES, NET OF TAX AND NONCONTROLLING INTERESTS***Equity earnings (losses) of unconsolidated affiliates, net of tax***

Equity earnings (losses) of unconsolidated affiliates, net of tax represent investments in affiliates in which the Company does not exercise control and has a 20 percent or more voting interest. Such investments in affiliates are accounted for using the equity method of accounting. If the fair value of an investment in an affiliate is below its carrying value and the difference is deemed to be other than temporary, the difference between the fair value and the carrying value is charged to earnings. The Company has an equity interest in six affiliates, and the equity earnings of these interests were recorded in net income. Equity earnings (losses) of unconsolidated affiliates, net of tax for the three months ended July 31, 2010 and 2009 were \$3.1 and \$0.4 million, respectively. Equity earnings (losses) of unconsolidated affiliates, net of tax for the nine months ended July 31, 2010 and 2009 were \$3.3 and (\$0.2) million, respectively. There were no dividends received from the Company's equity method affiliates for the nine months ended July 31, 2010 and 2009.

Noncontrolling interests

Noncontrolling interests reflect the portion of earnings or losses of operations that are majority owned by the Company which are applicable to the noncontrolling interest partners. Noncontrolling interests for the three months ended July 31, 2010 and 2009 were \$1.8 million and \$1.7 million, respectively. Noncontrolling interests for the nine months ended July 31, 2010 and 2009 were \$5.4 million and \$2.2 million, respectively, and were deducted from net income to arrive at net income attributable to Greif, Inc.

NOTE 17 — COMPREHENSIVE INCOME

Comprehensive income is comprised of net income and other charges and credits to equity that are not the result of transactions with the Company's owners. The components of comprehensive income are as follows (Dollars in thousands):

	Three months ended July 31		Nine months ended July 31	
	2010	2009 (As Adjusted)	2010	2009 (As Adjusted)
Net income	\$ 67,759	\$ 39,547	\$ 138,822	\$ 39,275
Other comprehensive income:				
Foreign currency translation adjustment	79,050	8,989	(13,078)	(29,343)
Changes in fair value of interest rate derivatives, net of tax	(1,432)	(178)	35	610
Changes in fair value of energy and other derivatives, net of tax	309	1,300	298	3,217
Minimum pension liability adjustment, net of tax	136	(137)	1,079	(728)
Comprehensive income	<u>\$ 145,822</u>	<u>\$ 49,521</u>	<u>\$ 127,156</u>	<u>\$ 13,031</u>

The following is the income tax benefit (expense) for each other comprehensive income line items:

	Three months ended July 31		Nine months ended July 31	
	2010	2009 (As Adjusted)	2010	2009 (As Adjusted)
Income tax benefit (expense):				
Changes in fair value of interest rate derivatives, net of tax	771	96	(19)	(328)
Changes in fair value of energy and other derivatives, net of tax	(166)	(700)	(160)	(1,732)
Minimum pension liability adjustment, net of tax	(30)	40	(251)	176

NOTE 18 — BUSINESS SEGMENT INFORMATION

The Company operates in four business segments: Rigid Industrial Packaging & Services, Flexible Products & Services, Paper Packaging, and Land Management.

Operations in the Rigid Industrial Packaging & Services segment involve the production and sale of industrial packaging products, such as steel, fiber and plastic drums, intermediate bulk containers, closure systems for industrial packaging products, transit protection products, polycarbonate water bottles and reconditioned containers, and services, such as container lifecycle management, blending, filling and other packaging services, logistics and warehousing. These products are manufactured and sold in over 50 countries throughout the world.

Operations in the Flexible Products & Services segment involve the production, global distribution and sale of flexible intermediate bulk containers as well as industrial and consumer multiwall bag products, and related services in the North America market. These products are manufactured in North America, Europe, the Middle East, and Asia and sold throughout the world.

Operations in the Paper Packaging segment involve the production and sale of containerboard (both semi-chemical and recycled), corrugated sheets, corrugated containers and related services. These products are manufactured and sold in North America. Operations related to the Company's industrial and consumer multiwall bag products have been reclassified from this segment to the Flexible Products & Services segment.

Operations in the Land Management segment involve the management and sale of timber and special use properties from approximately 267,000 acres of timber properties in the southeastern United States. The Company also owns approximately 24,700 acres of timber properties in Canada, which are not actively managed at this time. In addition, the Company sells, from time to time, timberland and special use land, which consists of surplus land, higher and better use land, and development land.

The Company's reportable segments are strategic business units that offer different products. The accounting policies of the reportable segments are substantially the same as those described in the "Description of Business and Summary of Significant Accounting Policies" note (see Note 1) in the 2009 Form 10-K.



The following table presents net sales to external customers by geographic area (Dollars in thousands):

	<u>Three months ended July 31,</u>		<u>Nine months ended July 31,</u>	
	<u>2010</u>	<u>2009</u> (As Adjusted)	<u>2010</u>	<u>2009</u> (As Adjusted)
Net sales:				
North America	\$ 465,268	\$ 374,636	\$ 1,247,095	\$ 1,129,996
Europe, Middle East and Africa	313,756	233,504	826,674	608,215
Other	142,309	109,427	393,826	293,513
Total net sales	<u>\$ 921,333</u>	<u>\$ 717,567</u>	<u>\$ 2,467,595</u>	<u>\$ 2,031,724</u>

The following table presents total assets by geographic area (Dollars in thousands):

	<u>July 31, 2010</u>	<u>October 31, 2009</u> (As Adjusted)
Assets:		
North America	\$ 1,960,081	\$ 1,826,840
Europe, Middle East and Africa	757,489	601,841
Other	499,688	395,248
Total assets	<u>\$ 3,217,258</u>	<u>\$ 2,823,929</u>

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The terms "Greif," "our company," "we," "us" and "our" as used in this discussion refer to Greif, Inc. and its subsidiaries. Our fiscal year begins on November 1 and ends on October 31 of the following year. Any references in this Form 10-Q to the years 2010 or 2009, or to any quarter of those years, relates to the fiscal year or quarter, as the case may be, ending in that year.

The discussion and analysis presented below relates to the material changes in financial condition and results of operations for our consolidated balance sheets as of July 31, 2010 and October 31, 2009, and for the consolidated statements of operations for the three and nine months ended July 31, 2010 and 2009. This discussion and analysis should be read in conjunction with the consolidated financial statements that appear elsewhere in this Form 10-Q and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the fiscal year ended October 31, 2009 (the "2009 Form 10-K") and our Form 8-K filed on May 27, 2010 (the "May 27 Form 8-K") to update certain sections of the 2009 Form 10-K to reflect revised financial information and disclosures resulting from the application of a change in an accounting principle from using a combination of the last-in, first-out ("LIFO") and the first-in, first-out ("FIFO") inventory accounting methods to the FIFO method for all of our businesses effective November 1, 2009. All references in this Form 10-Q to the 2009 Form 10-K also include the financial information and disclosures contained in the May 27 Form 8-K. Readers are encouraged to review the entire 2009 Form 10-K, as it includes information regarding Greif not discussed in this Form 10-Q. This information will assist in your understanding of the discussion of our current period financial results.

All statements, other than statements of historical facts, included in this Form 10-Q, including without limitation, statements regarding our future financial position, business strategy, budgets, projected costs, goals and plans and objectives of management for future operations, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "project," "believe," "continue," "on track" or "target" or the negative thereof or variations thereon or similar terminology. All forward-looking statements made in this Form 10-Q are based on information currently available to our management. Although we believe that the expectations reflected in forward-looking statements have a reasonable basis, we can give no assurance that these expectations will prove to be correct. Forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed in or implied by the statements. Such risks and uncertainties that might cause a difference include, but are not limited to, the following: (i) the current and future challenging global economy may adversely affect our business, (ii) historically our business has been sensitive to changes in general economic or business conditions, (iii) our operations are subject to currency exchange and political risks, (iv) we operate in highly competitive industries, (v) our business is sensitive to changes in industry demands, (vi) the continuing consolidation of our customer base

may intensify pricing pressure, (vii) raw material and energy price fluctuations and shortages may adversely impact our manufacturing operations and costs, (viii) tax legislation initiatives or challenges to our tax positions may adversely impact our financial results or condition, (ix) we may encounter difficulties arising from our acquisitions or joint ventures, or both (x) environmental and health and safety matters and product liability claims may adversely impact our operations or financial performance, (xi) our business may be adversely impacted by work stoppages and other labor relations disputes, (xii) we may be subject to losses that might not be covered in whole or in part by existing insurance reserves or insurance coverage, (xiii) the volatility in the frequency and volume of our timber and timberland sales impacts our financial performance, and (xiv) our restructuring efforts may not realize the expected benefits. The risks described above are not all inclusive and given these and other possible risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. For a more detailed discussion of the most significant risks and uncertainties that could cause Greif's actual results to differ materially from those projected, see "Risk Factors" in Part I, Item 1A of the 2009 Form 10-K, updated by Part II, Item 1A of this Form 10-Q. All forward-looking statements made in this Form 10-Q are expressly qualified in their entirety by reference to such risk factors. Except to the limited extent required by applicable law, Greif undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

OVERVIEW

We operate in four business segments: Rigid Industrial Packaging & Services; Flexible Products & Services; Paper Packaging; and Land Management.

We are a leading global provider of rigid industrial packaging products, such as steel, fibre and plastic drums, rigid intermediate bulk containers, closure systems for industrial packaging products, transit protection products, polycarbonate water bottles and reconditioned containers, and services, such as container lifecycle management, blending, filling and other packaging services, logistics and warehousing. We sell our industrial packaging products to customers in industries such as chemicals, paints and pigments, food and beverage, petroleum, industrial coatings, agricultural, pharmaceutical and mineral, among others.

We are a leading global provider of flexible intermediate bulk containers and North American provider of industrial and consumer multiwall bag products. Our flexible intermediate bulk containers consist of a polypropylene-based woven fabric that is partly produced at our fully integrated production sites, as well as sourced from strategic regional suppliers. Our flexible products are sold globally and service similar customers and market segments as our Rigid Industrial Packaging & Services segment. Additionally, our flexible products significantly expand our presence in the agricultural and food industries, among others. Our industrial and consumer multiwall bag products are used to ship a wide range of industrial and consumer products, such as seed, fertilizers, chemicals, concrete, flour, sugar, feed, pet foods, popcorn, charcoal and salt, primarily for the agricultural, chemical, building products and food industries.

We sell containerboard, corrugated sheets and other corrugated products to customers in North America in industries such as packaging, automotive, food and building products. Our corrugated container products are used to ship such diverse products as home appliances, small machinery, grocery products, building products, automotive components, books and furniture, as well as numerous other applications. Operations related to our industrial and consumer multiwall bag products have been reclassified to our Flexible Products & Services segment.

As of July 31, 2010, we owned approximately 267,000 acres of timber properties in the southeastern United States, which were actively managed, and approximately 24,700 acres of timber properties in Canada. Our Land Management team is focused on the active harvesting and regeneration of our United States timber properties to achieve sustainable long-term yields. While timber sales are subject to fluctuations, we seek to maintain a consistent cutting schedule, within the limits of market and weather conditions. We also sell, from time to time, timberland and special use land, which consists of surplus land, higher and better use ("HBU") land, and development land.

In 2003, we began a transformation to become a leaner, more market-focused, performance-driven company – what we call the "Greif Business System." We believe the Greif Business System has and will continue to generate productivity improvements and achieve permanent cost reductions. The Greif Business System continues to focus on opportunities such as improved labor productivity, material yield and other manufacturing efficiencies, along with further plant consolidations. In addition, as part of the Greif Business System, we have launched a strategic sourcing initiative to more effectively leverage our global spending and lay the foundation for a world-class sourcing and supply chain capability. In response to the economic slowdown that began at the end of 2008, we accelerated the implementation of certain Greif Business System initiatives.

CRITICAL ACCOUNTING POLICIES

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”). The preparation of these consolidated financial statements, in accordance with these principles, require us to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of our consolidated financial statements.

Our significant accounting policies are discussed in Part II, Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operation of the 2009 Form 10-K. We believe that the consistent application of these policies enables us to provide readers of the consolidated financial statements with useful and reliable information about our results of operations and financial condition. The following accounting policy is important to the portrayal of our results of operations and financial condition for the three and nine-month periods ended July 31, 2010.

Inventory. At the beginning of fiscal 2010, we changed our method of accounting for inventories at certain of our U.S. locations from the lower of cost, as determined by the LIFO method of accounting, or market to the lower of cost, as determined by the FIFO method of accounting, or market. We believe that this change is preferable because: (1) the change conforms to a single method of accounting for all of our inventories on a U.S. and global basis, (2) the change simplifies financial disclosures, (3) financial statement comparability and analysis for investors and analysts is improved, and (4) the majority of our key competitors use FIFO. The financial information presented has been adjusted for all prior periods presented as if we had used FIFO instead of LIFO for each reporting period for all of our operations. The change in accounting principle is further discussed in Note 4 to the Consolidated Financial Statements included in this Form 10-Q.

Other Items. Other items that could have a significant impact on the financial statements include the risks and uncertainties listed in Part I, Item 1A—Risk Factors, of the 2009 Form 10-K, as updated by Part II, Item 1A of this Form 10-Q. Actual results could differ materially using different estimates and assumptions, or if conditions are significantly different in the future.

RESULTS OF OPERATIONS

The following comparative information is presented for the three-month and nine-month periods ended July 31, 2010 and 2009. Historically, revenues or earnings may or may not be representative of future operating results due to various economic and other factors.

The non-GAAP financial measure of operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs is used throughout the following discussion of our results of operations. Operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs is equal to operating profit plus restructuring charges, restructuring-related inventory charges and acquisition-related costs. We use operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs because we believe that this measure provides a better indication of our operational performance because it excludes restructuring charges, restructuring-related inventory charges and acquisition-related costs, which are not representative of ongoing operations, and it provides a more stable platform on which to compare our historical performance.

As discussed in “Critical Accounting Policies,” at the beginning of fiscal 2010, we changed our method of accounting for inventories at certain of our U.S. locations from the LIFO method of accounting to the FIFO method of accounting. The financial information presented in “Results of Operations” has been adjusted for all prior periods presented as if we had used the FIFO method of accounting instead of the LIFO method of accounting for each reporting period for all of our operations. Refer to the May 27 Form 8-K which updated certain sections of the 2009 Form 10-K for revised financial information and disclosures resulting from the application of a change in an accounting principle from using a combination of the LIFO and the FIFO inventory accounting methods to the FIFO method for all of our businesses effective November 1, 2009.

In the second quarter of 2010, we acquired Storsack Holding GmbH and its subsidiaries (“Storsack”), which is the world’s largest producer of flexible intermediate bulk containers. Based on an analysis of the qualitative and quantitative standards, Storsack’s results are included in a new reporting segment called Flexible Products & Services. Our multiwall bag operations, previously included in the Paper Packaging segment, are also included in Flexible Products & Services. The Industrial Packaging segment has been renamed Rigid Industrial Packaging & Services.

Third Quarter Results

Overview

Net sales increased 28 percent to \$921.3 million in the third quarter of 2010 compared to \$717.6 million in the third quarter of 2009. The 28 percent increase was due to higher sales volumes (23 percent or 10 percent excluding acquisitions) and higher selling prices (5 percent). The \$203.7 million increase was due to Rigid Industrial Packaging & Services (\$87.5 million increase), Flexible Products & Services (\$57.7 million increase), Paper Packaging (\$57.8 million increase) and Land Management (\$0.7 million increase).

Operating profit was \$95.7 million and \$67.0 million in the third quarter of 2010 and 2009, respectively. Operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs was \$111.1 million for the third quarter of 2010 compared to \$78.1 million for the third quarter of 2009. The \$33.0 million increase in operating deficit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs was due to Rigid Industrial Packaging & Services (\$11.9 million increase), Flexible Products & Services (\$4.0 million increase) and Paper Packaging (\$18.9 million increase), partially offset by Land Management (\$1.8 million decrease).

The following table sets forth the net sales and operating profit for each of our business segments (Dollars in thousands):

For the three months ended July 31,	2010	2009
		(As Adjusted)
Net Sales		
Rigid Industrial Packaging & Services	\$ 681,709	\$ 594,236
Flexible Products & Services	66,938	9,222
Paper Packaging	168,758	110,971
Land Management	3,928	3,138
Total net sales	<u>\$ 921,333</u>	<u>\$ 717,567</u>
Operating Profit:		
Operating profit, before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs:		
Rigid Industrial Packaging & Services	\$ 79,417	\$ 67,467
Flexible Products & Services	5,747	1,754
Paper Packaging	23,337	4,578
Land Management	2,522	4,340
Total operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs:	<u>\$ 111,023</u>	<u>\$ 78,139</u>
Restructuring charges:		
Rigid Industrial Packaging & Services	\$ 5,259	\$ 10,022
Flexible Products & Services	45	—
Paper Packaging	4,475	245
Land Management	—	10
Restructuring charges	<u>\$ 9,779</u>	<u>\$ 10,277</u>
Restructuring-related inventory charges:		
Rigid Industrial Packaging & Services	\$ 94	\$ 830
Acquisition-related costs:		
Rigid Industrial Packaging & Services	\$ 2,587	\$ —
Flexible Products & Services	2,889	—
Acquisition-related costs	<u>\$ 5,476</u>	<u>\$ —</u>
Operating profit:		
Rigid Industrial Packaging & Services	\$ 71,477	\$ 56,615
Flexible Products & Services	2,813	1,754
Paper Packaging	18,862	4,333
Land Management	2,522	4,330
Total operating profit	<u>\$ 95,674</u>	<u>\$ 67,032</u>

Segment Review

Rigid Industrial Packaging & Services

Our Rigid Industrial Packaging & Services segment offers a comprehensive line of industrial packaging products, such as steel, fibre and plastic drums, intermediate bulk containers, closure systems for industrial packaging products, transit protection products, polycarbonate water bottles and reconditioned containers, and services, such as container lifecycle management, blending, filling and other packaging services, logistics and warehousing. The key factors influencing profitability in the Rigid Industrial Packaging & Services segment are:

- Selling prices, customer demand and sales volumes;
- Raw material costs, primarily steel, resin and containerboard;
- Energy and transportation costs;
- Benefits from executing the Greif Business System;
- Restructuring charges;
- Contributions from recent acquisitions;
- Divestiture of business units; and
- Impact of foreign currency translation.

In this segment, net sales were \$681.7 million in the third quarter of 2010 compared to \$594.2 million in the third quarter of 2009. The 15 percent increase in net sales was due to higher sales volumes (11 percent or 6 percent excluding acquisitions) and higher selling prices (5 percent) due to the pass-through of higher input costs, partially offset by the impact of foreign currency translation (1 percent).

Operating profit was \$71.5 million in the third quarter of 2010 and \$56.7 million in the third quarter of 2009. Operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs increased to \$79.4 million in the third quarter of 2010 from \$67.5 million in the third quarter of 2009. The \$11.9 million increase in operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs was primarily due to higher sales volumes, slight margin expansion, disciplined execution of the Greif Business System and further benefits from the permanent cost savings achieved during 2009.

Flexible Products & Services

Our Flexible Products & Services segment offers a comprehensive line of flexible products, such as flexible intermediate bulk containers and multiwall bags. The key factors influencing profitability in the Flexible Products & Services segment are:

- Selling prices, customer demand and sales volumes;
- Raw material costs, primarily resin and containerboard;
- Energy and transportation costs;
- Benefits from executing the Greif Business System;
- Contributions from recent acquisitions; and
- Impact of foreign currency translation.

In this segment, net sales were \$66.9 million in the third quarter of 2010 compared to \$9.2 million in the third quarter of 2009. The increase was primarily due to the acquisition of Storsack during the second quarter of 2010. Both periods included our multiwall bag operations, which were previously included in the Paper Packaging segment, but which have been reclassified to conform to the current year's presentation.

Operating profit was \$2.8 million in the third quarter of 2010 and \$1.8 million in the third quarter of 2009. Operating profit before the impact of restructuring charges and acquisition-related costs increased to \$5.8 million in the third quarter of 2010 from \$1.8 million in the third quarter of 2009 primarily as a result of the Storsack acquisition in the second quarter of 2010.

Paper Packaging

Our Paper Packaging segment sells containerboard, corrugated sheets, and corrugated containers in North America. The key factors influencing profitability in the Paper Packaging segment are:

- Selling prices, customer demand and sales volumes;
- Raw material costs, primarily old corrugated containers;
- Energy and transportation costs;
- Benefits from executing the Greif Business System;
- Contributions from recent acquisitions; and
- Restructuring charges.

In this segment, net sales were \$168.8 million in the third quarter of 2010 compared to \$116.0 million in the third quarter of 2009. The 46 percent increase in net sales was due to higher sales volumes, recent acquisitions and higher selling prices.

Operating profit was \$18.9 million and \$4.2 million in the third quarter of 2010 and 2009, respectively. Operating profit before the impact of restructuring charges increased to \$23.4 million in the third quarter of 2010 from \$4.5 million in the third quarter of 2009 primarily due to higher sales volumes, improved selling prices, recent acquisitions and disciplined execution of the Greif Business System.

Land Management

As of July 31, 2010, our Land Management segment consists of approximately 267,000 acres of timber properties in the southeastern United States, which are actively harvested and regenerated, and approximately 24,700 acres in Canada. The key factors influencing profitability in the Land Management segment are:

- Planned level of timber sales;
- Selling prices and customer demand;
- Gains (losses) on sale of timberland; and
- Gains on the sale of special use properties (surplus, HBU, and development properties).

Net sales were \$3.9 million and \$3.2 million in the third quarter of 2010 and 2009, respectively.

Operating profit was \$2.5 million and \$4.3 million in the third quarter of 2010 and 2009, respectively. Included in these amounts were profits from the sale of special use properties (surplus, HBU, and development properties) of \$1.3 million and \$3.9 million in the third quarters of 2010 and 2009, respectively.

Other Income Statement Changes

Cost of products sold

Cost of products sold, as a percentage of net sales, decreased to 79 percent for the third quarter of 2010 compared to 81 percent for the third quarter of 2009. The lower cost of products sold, as a percentage of net sales, was primarily due to higher sales volumes, slight margin expansion, disciplined execution of the Greif Business System and further benefits from the permanent cost savings achieved during 2009.

Selling, general and administrative (“SG&A”) expenses

SG&A expenses were \$90.5 million, or 10 percent of net sales, in the third quarter of 2010 compared to \$67.3 million, or 9 percent of net sales, in the third quarter of 2009. The increase in SG&A expenses was primarily due to the inclusion of SG&A of acquired companies, acquisition-related costs, and higher employment-related costs as compared to the same period in 2009, when normal increases and certain benefits were curtailed.

Restructuring charges

The focus of the 2010 restructuring activities is primarily related to the business realignment due to the economic downturn and further implementation of the Greif Business System. During the third quarter of 2010, we recorded restructuring charges of \$9.7 million, consisting of \$4.7 million in employee separation costs, \$2.1 million in asset impairments and \$2.9 million in other costs.

The focus of the 2009 restructuring activities was on business realignment due to the economic downturn. During the third quarter of 2009, we recorded restructuring charges of \$10.3 million, consisting of \$4.7 million in employee separation costs, \$1.7 million in asset impairments, and \$3.9 million in other costs.

Gain on disposal of properties, plants and equipment, net

During the third quarter of 2010, we recorded gains on disposals of properties, plants and equipment, net of \$4.9 million, primarily from gains on the sale of properties in the Rigid Industrial Packaging & Services segment of \$2.0 million, the sale of equipment in the Paper Packaging segment of \$1.6 million and the sale of special use properties (surplus, HBU, and development properties) in the Land Management segment of \$1.3 million. During the third quarter of 2009, we recorded gains on disposals of properties, plants and equipment, net of \$5.3 million, primarily from gains on the sale of properties in the Rigid Industrial Packaging & Services segment of \$1.4 million and special use properties (surplus, HBU, and development properties) in the Land Management segment of \$3.9 million.

Interest expense, net

Interest expense, net was \$16.0 million and \$12.1 million for the third quarter of 2010 and 2009, respectively. The increase in interest expense, net was primarily attributable to a higher amount of average debt outstanding and an increase in our borrowing costs. We refinanced our senior secured credit facility in February 2009 and also issued new senior notes in July 2009, both at higher interest rates.

Other expense, net

Other expense, net was \$0.7 million and \$4.2 million for the third quarter of 2010 and 2009, respectively. The decrease in other expense, net was primarily due to fees associated with the sale of non-United States account receivable as well as favorable foreign currency exchange translation in the third quarter of 2010 compared to the third quarter of 2009.

Income tax expense

The effective tax rate was 18.2% in the third quarter of 2010 compared to an adjusted effective tax rate of 22.7% in the third quarter of 2009. The change in the effective tax rate was primarily due to a change in the forecasted mix of income in the United States versus outside the United States for the respective periods as well as an incremental benefit from an alternative fuel credit.

Equity earnings of unconsolidated affiliates, net of tax

During the third quarter of 2010 and 2009, we recorded equity earnings of unconsolidated affiliates, net of tax of \$3.1 million and \$0.4 million, respectively.

Noncontrolling interests

Noncontrolling interests reflect the portion of earnings or losses of operations that are majority owned by us which are applicable to the noncontrolling interest partners. During the third quarter of 2010 and 2009, noncontrolling interests were \$1.8 million and \$1.7 million, respectively, and were deducted from net income to arrive at net income attributable to us.

Net income

Based on the foregoing, we recorded net income of \$65.8 million for the third quarter of 2010 compared to net income of \$37.8 million in the third quarter of 2009.

Year-to-Date Results

Overview

Net sales increased 22 percent (19 percent excluding the impact of foreign currency translation) to \$2,467.6 million in the first nine months of 2010 compared to \$2,031.7 million in the first nine months of 2009. The \$435.9 million increase was due to Rigid Industrial Packaging & Services (\$232.2 million increase), Flexible Products & Services (\$99.6 million increase) and Paper Packaging (\$105.0 million increase), slightly offset by Land Management (\$0.9 million decrease).

Operating profit was \$219.1 million and \$91.7 million in the first nine months of 2010 and 2009, respectively. Operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs was \$259.9 million for the first nine months of 2010 compared to \$159.5 million for the first nine months of 2009. The \$100.4 million increase in operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs was principally due to higher operating profit in Rigid Industrial Packaging & Services (\$89.4 million increase), Flexible Products & Services (\$7.2 million increase) and Paper Packaging (\$7.7 million increase), partially offset by Land Management (\$3.9 million decrease).

Table of Contents

The following table sets forth the net sales and operating profit for each of our business segments (Dollars in thousands):

For the nine months ended July 31,	2010	2009
Net Sales		
Rigid Industrial Packaging & Services	\$ 1,883,017	\$ 1,650,825
Flexible Products & Services	128,679	29,120
Paper Packaging	444,548	339,522
Land Management	11,351	12,257
Total net sales	<u>\$ 2,467,595</u>	<u>\$ 2,031,724</u>
Operating Profit:		
Operating profit, before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs:		
Rigid Industrial Packaging & Services	\$ 206,836	\$ 117,406
Flexible Products & Services	12,277	5,085
Paper Packaging	34,784	27,095
Land Management	<u>\$ 6,013</u>	<u>\$ 9,924</u>
Total operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition related costs:	<u>\$ 259,910</u>	<u>\$ 159,510</u>
Restructuring charges:		
Rigid Industrial Packaging & Services	\$ 15,933	\$ 54,760
Flexible Products & Services	45	—
Paper Packaging	4,588	2,828
Land Management	—	160
Restructuring charges	<u>\$ 20,566</u>	<u>\$ 57,748</u>
Restructuring-related inventory charges:		
Rigid Industrial Packaging & Services	\$ 131	\$ 10,115
Acquisition-related costs:		
Rigid Industrial Packaging & Services	\$ 6,390	\$ —
Flexible Products & Services	13,729	—
Acquisition-related costs	<u>\$ 20,119</u>	<u>\$ —</u>
Operating profit (loss):		
Rigid Industrial Packaging & Services	\$ 184,382	\$ 52,531
Flexible Products & Services	(1,497)	5,085
Paper Packaging	30,196	24,267
Land Management	6,013	9,764
Total operating profit	<u>\$ 219,094</u>	<u>\$ 91,647</u>

Segment Review

Rigid Industrial Packaging & Services

Our Rigid Industrial Packaging & Services segment offers a comprehensive line of industrial packaging products, such as steel, fibre and plastic drums, intermediate bulk containers, closure systems for industrial packaging products, transit protection products, polycarbonate water bottles and reconditioned containers, and services, such as container lifecycle management, blending, filling and other packaging services, logistics and warehousing. The key factors influencing profitability in the Rigid Industrial Packaging & Services segment are:

- Selling prices and sales volumes;
- Raw material costs, primarily steel, resin and containerboard;
- Energy and transportation costs;
- Benefits from executing the Greif Business System;

- Restructuring charges;
- Contributions from recent acquisitions;
- Divestiture of business units; and
- Impact of foreign currency translation.

In this segment, net sales increased to \$1,883.0 million in the first nine months of 2010 compared to \$1,650.8 million in the first nine months of 2009 — an increase of 14 percent excluding the impact of foreign currency translation. The increase in net sales was primarily attributable to the higher sales volumes and higher selling prices due to the pass-through of higher input costs in most of the Rigid Industrial Packaging & Services businesses.

Operating profit was \$184.4 million in the first nine months of 2010 compared to \$52.6 million in the first nine months of 2009. Operating profit before the impact of restructuring charges, restructuring-related inventory charges and acquisition-related costs increased to \$206.8 million in the first nine months of 2010 compared to \$117.4 million in the first nine months of 2009. The \$89.4 million increase was primarily due to higher sales volumes, slight margin expansion, disciplined execution of the Greif Business System and further benefits from the permanent cost savings achieved during 2009.

Flexible Products & Services

Our Flexible Products & Services segment offers a comprehensive line of flexible industrial packaging products, such as flexible intermediate bulk containers and multiwall bags. The key factors influencing profitability in the Flexible Products & Services segment are:

- Selling prices, customer demand and sales volumes;
- Raw material costs, primarily resin and containerboard;
- Energy and transportation costs;
- Benefits from executing the Greif Business System;
- Contributions from recent acquisitions; and
- Impact of foreign currency translation.

In this segment, net sales were \$128.7 million in the first nine months of 2010 compared to \$29.1 million in the first nine months of 2009. The increase was primarily due to the acquisition of Storsack during the second quarter of 2010. Both periods include our multiwall bag operations, which were previously included in the Paper Packaging segment but which have been reclassified to conform to the current year's presentation.

Operating loss was \$1.5 million in the first nine months of 2010 and operating profit was \$5.1 million in the first nine months of 2009. Operating profit before the impact of restructuring charges and acquisition-related costs increased to \$12.3 million in the first nine months of 2010 from \$5.1 million in the first nine months of 2009 primarily as a result of the Storsack acquisition in the second quarter of 2010.

Paper Packaging

Our Paper Packaging segment sells containerboard, corrugated sheets, and corrugated containers in North America. The key factors influencing profitability in the Paper Packaging segment are:

- Selling prices, customer demand and sales volumes;
- Raw material costs, primarily old corrugated containers;

Table of Contents

- Energy and transportation costs;
- Benefits from executing the Greif Business System;
- Contributions from recent acquisition, and
- Restructuring charges.

In this segment, net sales were \$444.5 million in the first nine months of 2010 compared to \$339.5 million in the first nine months of 2009. The increase in net sales was principally due to strong volume recovery, recent acquisitions and higher selling prices in the first nine months of 2010 compared to first nine months of 2009.

Operating profit was \$30.2 million and \$24.3 million in the first nine months of 2010 and 2009, respectively. Operating profit before the impact of restructuring charges increased to \$34.8 million in the first nine months of 2010 compared to \$27.1 million in the first nine months of 2009. The \$7.7 million increase in operating profit before the impact of restructuring charges was primarily due to higher sales volumes, improved selling prices, recent acquisitions and disciplined execution of the Greif Business System.

Land Management

As of July 31, 2010, our Land Management segment consists of approximately 267,000 acres of timber properties in the southeastern United States, which are actively harvested and regenerated, and approximately 24,700 acres in Canada. The key factors influencing profitability in the Land Management segment are:

- Planned level of timber sales;
- Selling prices and customer demand
- Gains (losses) on sale of timberland; and
- Sale of special use properties (surplus, HBU, and development properties).

Net sales were \$11.4 million in the first nine months of 2010 and \$12.3 million in the first nine months of 2009.

Operating profit was \$6.0 million and \$9.7 million in the first nine months of 2010 and 2009, respectively. Operating profit before the impact of restructuring charges was \$6.0 million in the first nine months of 2010 compared to \$9.9 million in the first nine months of 2009. Included in these amounts were profits from the sale of special use properties of \$4.1 million in the first nine months of 2010 and \$5.4 million in the first nine months of 2009.

Other Income Statement Changes

Cost of products sold

The cost of products sold, as a percentage of net sales, was 80 percent for the first nine months of 2010 compared to 84 percent for the first nine months of 2009. The lower cost of products sold as a percentage of net sales were primarily due to higher net sales which were driven by higher selling prices and lower raw material costs in the Rigid Industrial Packaging & Services segment on a period over period basis. In addition, we achieved permanent cost savings during 2009 from the execution of our Greif Business System.

SG&A expenses

SG&A expenses were \$264.5 million, or 11 percent of net sales, in the first nine months of 2010 compared to \$191.5 million, or 9 percent of net sales, in the first nine months of 2009. The increase in SG&A expense as a percent of sales was due to the inclusion of SG&A of acquired companies, acquisition-related costs, and higher employment-related costs as compared to the same period in 2009, when normal increases and certain benefits were curtailed.

Restructuring charges

During the first nine months of 2010, we recorded restructuring charges of \$20.6 million, consisting of \$11.4 million in employee separation costs, \$2.3 million in asset impairments and \$6.9 million in other costs. The focus of the 2010 restructuring activities is on continued business realignment due to the economic downturn and further implementation of the Greif Business System.

During the first nine months of 2009, we recorded restructuring charges of \$57.7 million, consisting of \$29.8 million in employee separation costs, \$13.3 million in asset impairments and \$14.6 million in other costs. The focus of the 2009 restructuring activities was on business realignment due to the economic downturn and further implementation of the Greif Business System.

Gain on disposal of properties, plants, and equipment, net

During the first nine months of 2010, we recorded gains on disposals of properties, plants and equipment, net of \$6.9 million, primarily from gains on the sale of properties and equipment in the Rigid Industrial Packaging & Services segment of \$3.5 million, the sale of properties and equipment in the Paper Packaging segment of \$1.3 million, and the sale of special use properties (surplus, HBU, and development properties) in the Land Management segment of \$2.1 million. During the first nine months of 2009, we recorded gains on disposals of properties, plants and equipment, net of \$9.8 million, primarily from gains on the sale of properties in the Rigid Industrial Packaging & Services segment of \$3.0 million, properties in the Paper Packaging segment of \$1.3 million, and special use properties (surplus, HBU, and development properties) in the Land Management segment of \$5.5 million.

Interest expense, net

Interest expense, net was \$47.6 million and \$37.7 million for the first nine months of 2010 and 2009, respectively. The increase in interest expense, net was primarily attributable to higher average debt outstanding and an increase in our borrowing costs. We refinanced our senior secured credit facility in February 2009 and also issued new senior notes in July 2009, both at higher interest rates.

Debt extinguishment charge

In the first nine months of 2009, we completed a \$700 million senior secured credit facility which replaced an existing \$450 million revolving credit facility. As a result of this transaction, a debt extinguishment charge of \$0.8 million in non-cash items, such as write-off of unamortized capitalized debt issuance costs, was recorded. There were no debt extinguishment charges in 2010.

Other expense, net

Other expense, net for the first nine months of 2010 and 2009 was \$4.4 million and \$4.1 million, respectively. The increase in other expense, net was primarily due to fees associated with the sale of non-United States account receivable.

Income tax expense

The effective tax rate was 18.9% and 19.5% in the first nine months of 2010 and 2009, respectively. The change in the effective tax rate was primarily due to a change in the forecasted mix of income in the United States for the respective periods as well as an incremental benefit from an alternative fuel credit.

Equity earnings (losses) of unconsolidated affiliates, net of tax

Equity earnings of unconsolidated affiliates, net of tax were \$3.3 million for the first nine months of 2010 while equity losses of unconsolidated affiliates, net of tax were \$0.2 million for the first nine months of 2009.

Noncontrolling interests

Noncontrolling interests reflect the portion of earnings or losses of operations that are majority owned by us which are applicable to the noncontrolling interest partners. Noncontrolling interests were \$5.4 million and \$2.2 million during the first nine months of 2010 and 2009, respectively, and were deducted from net income to arrive at net income attributable to us.

Net income

Based on the foregoing, we recorded net income of \$133.4 million for the first nine months of 2010 compared to net income of \$37.1 million in the first nine months of 2009.

BALANCE SHEET CHANGES

Accounts receivable increased \$127.7 million from October 31, 2009 to July 31, 2010 primarily due to higher sales activity, acquisitions in our Rigid Industrial Packaging & Services segment and Flexible Products & Services segment, and the impact of foreign currency translation.

Inventories increased \$114.2 million from October 31, 2009 to July 31, 2010 primarily due to acquisitions in our Rigid Industrial Packaging & Services segment and Flexible Products & Services segment, higher steel and resin costs, and growth in our Latin America and Asia Pacific regions.

Goodwill increased \$69.0 million from October 31, 2009 to July 31, 2010 due to acquisitions in the Rigid Industrial Packaging & Services segment and Flexible Products & Services segment, a contingent purchase price payment related to a 2008 Rigid Industrial Packaging & Services segment acquisition and final purchase price adjustments from our 2009 acquisitions less foreign currency translation adjustments.

Property, plant and equipment increased \$119.2 million from October 31, 2009 to July 31, 2010 primarily due to assets acquired through acquisitions and additional capital projects.

Accounts payable increased \$45.1 million from October 31, 2009 to July 31, 2010 due to acquisitions in the Flexible Products & Services segment, seasonality factors and the timing of payments, which were partially offset by the impact of foreign currency translation.

Short-term borrowings increased \$31.4 million from October 31, 2009 to July 31, 2010 due to acquisitions in the Rigid Industrial Packaging & Services segment and Flexible Products & Services segment.

Other current liabilities increased \$38.9 million from October 31, 2009 to July 31, 2010 due to acquisitions in the Rigid Industrial Packaging & Services segment and timing of accruals and payments.

Long-term debt increased \$227.5 million through the \$700 million credit facility and the trade accounts receivable credit facility to finance acquisitions, payment of dividends, and continued capital expenditures.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are operating cash flows, the proceeds from our trade accounts receivable credit facility, proceeds from the sale of our non-United States accounts receivable and borrowings under our Credit Agreement and Senior Notes, further discussed below. We have used these sources to fund our working capital needs, capital expenditures, cash dividends, common stock repurchases and acquisitions. We anticipate continuing to fund these items in a like manner. We currently expect that operating cash flows, the proceeds from our trade accounts receivable credit facility, proceeds from the sale of our non-United States accounts receivable and borrowings under our Credit Agreement and Senior Notes will be sufficient to fund our currently anticipated working capital, capital expenditures, debt repayment, potential acquisitions of businesses and other liquidity needs for at least 12 months.

Capital Expenditures

During the first nine months of 2010, we invested \$101.0 million in capital expenditures, excluding timberland purchases of \$19.5 million, compared with capital expenditures of \$81.4 million, excluding timberland purchases of \$0.6 million, during the same period last year.

We expect capital expenditures, excluding timberland purchases, to be approximately \$130 million in 2010. The expenditures will primarily be to replace and improve equipment.

Business Acquisitions and Divestitures

During the first nine months of 2010, we completed acquisitions of three rigid industrial packaging companies and two flexible products companies and made a contingent purchase price payment related to a 2008 rigid industrial packaging acquisition. The five 2010 acquisitions consisted of the acquisition of a European rigid industrial packaging company in November 2009, an Asian rigid industrial packaging company in June 2010, two European flexible products companies, one in February and the other in June 2010, and a North American drum reconditioning company in July 2010. The aggregate purchase price for the five 2010 acquisitions was less than \$200 million.

There were \$20.1 million of acquisition-related costs recognized in the nine month period ended July 31, 2010 included in SG&A expenses. This amount included \$16.1 million of acquisition costs previously capitalized as part of the purchase price of acquisitions, of which \$6.1 million was incurred prior to November 1, 2009, the date on which we adopted SFAS No. 141(R) (codified under ASC 805, "Business Combinations"). In addition, we recorded post acquisition-related integration costs of \$4.0 million which represented costs associated with integrating acquired companies, such as costs associated with Greif Business System initiatives, sourcing and supply chain initiatives, and finance and administrative reorganizations.

Borrowing Arrangements

Credit Agreements

We have a \$700 million Senior Secured Credit Agreement (the "Credit Agreement") with a syndicate of financial institutions. The Credit Agreement provides us with a \$500.0 million revolving multicurrency credit facility and a \$200.0 million term loan, both maturing in February 2012, with an option to add \$200.0 million to the facilities with the agreement of the lenders. The \$200 million term loan is scheduled to amortize by \$2.5 million per quarter for the first four quarters, \$5.0 million per quarter for the next eight quarters and \$150.0 million on the maturity date. The Credit Agreement is available to fund ongoing working capital and capital expenditure needs, to finance acquisitions and for general corporate purposes. Interest is based on either a Eurodollar rate or a base rate that resets periodically plus a calculated margin amount. There was \$294.0 million outstanding under the Credit Agreement at July 31, 2010.

The Credit Agreement contains certain covenants, which include financial covenants that require us to maintain a certain leverage ratio and a fixed charge coverage ratio. The leverage ratio generally requires that at the end of any fiscal quarter we will not permit the ratio of (a) our total consolidated indebtedness, to (b) our consolidated net income plus depreciation, depletion and amortization, interest expense (including capitalized interest), income taxes, and minus certain extraordinary gains and non-recurring gains (or plus certain extraordinary losses and non-recurring losses) and plus or minus certain other items for the preceding twelve months ("EBITDA") to be greater than 3.5 to 1. The fixed charge coverage ratio generally requires that at the end of any fiscal quarter we will not permit the ratio of (a) (i) consolidated EBITDA, less (ii) the aggregate amount of certain cash capital expenditures, and less (iii) the aggregate amount of Federal, state, local and foreign income taxes actually paid in cash (other than taxes related to asset sales not in the ordinary course of business), to (b) the sum of (i) consolidated interest expense to the extent paid or payable in cash during such period and (ii) the aggregate principal amount of all regularly scheduled principal payments or redemptions or similar acquisitions for value of outstanding debt for borrowed money, but excluding any such payments to the extent refinanced through the incurrence of additional indebtedness, to be less than 1.5 to 1. At July 31, 2010, we were in compliance with the covenants under the Credit Agreement.

The terms of the Credit Agreement limit our ability to make "restricted payments," which includes dividends and purchases, redemptions and acquisitions of our equity interests. The repayment of this facility is secured by a security interest in our personal property and the personal property of our United States subsidiaries, including equipment and inventory and certain intangible assets, as well as a pledge of the capital stock of substantially all of our United States subsidiaries and, in part, by the capital stock of international borrowers. The payment of outstanding principal under the Credit Agreement and accrued interest thereon may be accelerated and become immediately due and payable upon the default in our payment or other performance obligations or our failure to comply with the financial and other covenants in the Credit Agreement, subject to applicable notice requirements and cure periods as provided in the Credit Agreement.

See Note 9 to the Consolidated Financial Statements included in Item 1 of Part I of this Form 10-Q for additional disclosures regarding the Credit Agreement.

Senior Notes

We have issued \$300.0 million of our 6.75% Senior Notes due February 1, 2017. Proceeds from the issuance of these Senior Notes were principally used to fund the purchase of our previously outstanding senior subordinated notes and for general corporate purposes. These Senior Notes are general unsecured obligations of Greif, Inc. only, provide for semi-annual payments of interest at a fixed rate of 6.75%, and do not require any principal payments prior to maturity on February 1, 2017. These Senior Notes are not guaranteed by any of our subsidiaries and thereby are effectively subordinated to all of our subsidiaries' existing and future indebtedness. The Indenture pursuant to which these Senior Notes were issued contains covenants, which, among other things, limit our ability to create liens on our assets to secure debt and to enter into sale and leaseback transactions. These covenants are subject to a number of limitations and exceptions as set forth in the Indenture. At July 31, 2010, we were in compliance with these covenants.

We have issued \$250.0 million of our 7.75% Senior Notes due August 1, 2019. Proceeds from the issuance of these Senior Notes were principally used for general corporate purposes, including the repayment of amounts outstanding under our revolving multicurrency credit facility under the Credit Agreement, without any permanent reduction of the commitments. These Senior Notes are general unsecured obligations of Greif, Inc. only, provide for semi-annual payments of interest at a fixed rate of 7.75%, and do not require any principal payments prior to maturity on August 1, 2019. These Senior Notes are not guaranteed by any of our subsidiaries and thereby are effectively subordinated to all of our subsidiaries' existing and future indebtedness. The Indenture pursuant to which these Senior Notes were issued contains covenants, which, among other things, limit our ability to create liens on our assets to secure debt and to enter into sale and leaseback transactions. These covenants are subject to a number of limitations and exceptions as set forth in the Indenture. At July 31, 2010, we were in compliance with these covenants.

See Note 9 to the Consolidated Financial Statements included in Item 1 of Part I of this Form 10-Q for additional disclosures regarding the Senior Notes.

United States Trade Accounts Receivable Credit Facility

We have a \$135.0 million trade accounts receivable facility (the "Receivables Facility") with a financial institution and its affiliate (the "Purchasers"). The Receivables Facility matures in December 2013, subject to earlier termination by the Purchasers of their purchase commitment in December 2010. In addition, we can terminate the Receivables Facility at any time upon five days prior written notice. The Receivables Facility is secured by certain of our United States trade receivables and bears interest at a variable rate based on the commercial paper rate, or alternatively, the LIBOR, plus a margin. Interest is payable on a monthly basis and the principal balance is payable upon termination of the Receivables Facility. The Receivables Facility contains certain covenants, including financial covenants for leverage and fixed charge ratios identical to the Credit Agreement. Proceeds of the Receivables Facility are available for working capital and general corporate purposes. At July 31, 2010, \$117.8 million was outstanding under the Receivables Facility.

See Note 9 to the Consolidated Financial Statements included in Item 1 of Part I of this Form 10-Q for additional disclosures regarding this credit facility.

Sale of Non-United States Accounts Receivable

Certain of our international subsidiaries have entered into discounted receivables purchase agreements and factoring agreements (the "RPAs") pursuant to which trade receivables generated from certain countries other than the United States and which meet certain eligibility requirements are sold to certain international banks or their affiliates. The structure of these transactions provides for a legal true sale, on a revolving basis, of the receivables transferred from our various subsidiaries to the respective banks. The banks fund an initial purchase price of a certain percentage of eligible receivables based on a formula with the initial purchase price approximating 75 percent to 90 percent of eligible receivables. The remaining deferred purchase price is settled upon collection of the receivables. At the balance sheet reporting dates, we remove from accounts receivable the amount of proceeds received from the initial purchase price since they meet the applicable criteria of SFAS No. 140, "Accounting for Transfer and Servicing of Financial Assets and Extinguishments of Liabilities" (*codified under ASC 860 "Transfers and Servicing"*), and continue to recognize the deferred purchase price in our accounts receivable. The receivables are sold on a non-recourse basis with the total funds in the servicing collection accounts pledged to the respective banks between the settlement dates. The maximum amount of aggregate receivables that may be sold under our various RPAs was \$165.2 million at July 31, 2010. At July 31, 2010, total accounts receivable of \$129.0 million were sold under the various RPAs.

At the time the receivables are initially sold, the difference between the carrying amount and the fair value of the assets sold are included as a loss on sale and classified as "other expense" in the consolidated statements of operations. Expenses associated with the various RPAs totaled \$1.8 million for the three months ended July 31, 2010. Additionally, we perform collections and administrative functions on the receivables sold similar to the procedures we use for collecting all of our receivables. The servicing liability for these receivables is not material to the consolidated financial statements.

See Note 3 to the Consolidated Financial Statements included in Item 1 of Part I of this Form 10-Q for additional information regarding these various RPAs.

Other

In addition to the amounts borrowed against the Credit Agreement and proceeds from the Senior Notes and the United States trade accounts receivable credit facility, at July 31, 2010, we had outstanding other debt of \$62.1 million, comprised of \$11.1 million in long-term debt and \$51.0 million in short-term borrowings.

At July 31, 2010, annual maturities, including current portion, of our long-term debt under our various financing arrangements were \$5.0 million in 2010, \$31.1 million in 2011, \$269.0 million in 2012, \$117.8 million in 2013 and \$545.7 million thereafter.

At July 31, 2010 and October 31, 2009, we had deferred financing fees and debt issuance costs of \$11.9 million and \$14.9 million, respectively, which were included in other long-term assets.

Financial Instruments***Cross-Currency Interest Rate Swaps***

We entered into cross-currency interest rate swap agreements which were designated as a hedge of a net investment in a foreign operation. Under these swap agreements, we received interest semi-annually from the counterparties in an amount equal to a fixed rate of 6.75% on \$200.0 million and paid interest in an amount equal to a fixed rate of 6.25% on €146.6 million. During the third quarter of 2010, we terminated these swap agreements, including any future cash flows. The termination of these swap agreements resulted in a cash benefit of \$25.7 million (\$15.8 million, net of tax) which is included within foreign currency translation adjustments. At October 31, 2009, we had recorded an other comprehensive loss of \$14.6 million as a result of these swap agreements.

Interest Rate Derivatives

We have interest rate swap agreements with various maturities through 2012. These interest rate swap agreements are used to manage our fixed and floating rate debt mix. Under these swap agreements, we receive interest monthly from the counterparties based on LIBOR, and we pay interest based upon a designated fixed rate over the life of the swap agreements.

We have two interest rate derivatives (floating to fixed swap agreements recorded as cash flow hedges) with a total notional amount of \$125 million. Under these swap agreements, we receive interest based upon a variable interest rate from the counterparties (weighted average of 0.27% at July 31, 2010 and 0.25% at October 31, 2009) and pays interest based upon a fixed interest rate (weighted average of 1.78% at July 31, 2010 and 2.71% at October 31, 2009).

In the first quarter of 2010, we entered into a \$100.0 million fixed to floating swap agreement which was recorded as a fair value hedge. Under this swap agreement, we received interest from the counterparty based upon a fixed rate of 6.75% and paid interest based upon a variable rate on a semi-annual basis. In the third quarter of 2010, we terminated this swap agreement, including any future cash flows. The termination of this swap agreement resulted in a cash benefit of \$3.6 million (\$2.2 million, net of tax) which is included within long-term debt on the balance sheet.

Foreign Exchange Hedges

At July 31, 2010, we had outstanding foreign currency forward contracts in the notional amount of \$148.1 million (\$70.5 million at October 31, 2009). The purpose of these contracts is to hedge our exposure to foreign currency transactions and short-term intercompany loan balances in our international businesses. The fair value of these contracts at July 31, 2010 resulted in an immaterial gain recorded in the consolidated statements of operations and a loss of \$2.4 million recorded in other comprehensive income. The fair value of similar contracts at October 31, 2009 resulted in an immaterial loss recorded in the consolidated statements of operations.

Energy Hedges

We have entered into certain cash flow hedge agreements to mitigate our exposure to cost fluctuations in natural gas prices through October 31, 2010. Under these hedge agreements, we have agreed to purchase natural gas at a fixed price. At July 31, 2010, the notional amount of these hedge agreements was \$3.0 million (\$4.0 million at October 31, 2009). The other comprehensive loss on these hedge agreements was \$0.1 million at July 31, 2010 and \$0.6 million at October 31, 2009. As a result of the high correlation between the hedged instruments and the underlying transactions, ineffectiveness has not had a material impact on the our consolidated statements of operations for the quarter ended July 31, 2010.

Contractual Obligations

As of July 31, 2010, we had the following contractual obligations (Dollars in millions):

	Total	Payments Due by Period			
		Less than 1 year	1-3 years	3-5 years	After 5 years
Long-term debt	\$ 1,310.3	\$ 13.0	\$ 540.2	\$ 79.3	\$ 677.8
Current portion of long-term debt	20.0	5.0	15.0	—	—
Short-term borrowing	54.1	51.8	2.3	—	—
Capital lease obligations	0.4	0.1	0.2	0.1	—
Operating leases	6.9	0.6	3.9	2.0	0.4
Liabilities held by special purpose entities	67.3	0.6	4.5	2.2	60.0
Total	\$ 1,459.0	\$ 71.1	\$ 566.1	\$ 83.6	\$ 738.2

Note: Amounts presented in the contractual obligation table include interest.

Our unrecognized tax benefits under FIN 48, “Accounting for Uncertainty in Income Taxes” (codified under ASC 740 “Income Taxes”) have been excluded from the contractual obligations table because of the inherent uncertainty and the inability to reasonably estimate the timing of cash outflows.

Significant Nonstrategic Timberland Transactions

In connection with a 2005 timberland transaction with Plum Creek Timberlands, L.P. (“Plum Creek”), Soterra LLC (one of our wholly-owned subsidiaries) received cash and a \$50.9 million purchase note payable by an indirect subsidiary of Plum Creek (the “Purchase Note”). Soterra LLC contributed the Purchase Note to STA Timber LLC (“STA Timber”), one of our indirect wholly-owned subsidiaries. The Purchase Note is secured by a Deed of Guarantee issued by Bank of America, N.A., London Branch, in an amount not to exceed \$52.3 million (the “Deed of Guarantee”). STA Timber has issued in a private placement 5.20% Senior Secured Notes due August 5, 2020 (the “Monetization Notes”) in the principal amount of \$43.3 million. The Monetization Notes are secured by a pledge of the Purchase Note and the Deed of Guarantee. Greif, Inc. and its other subsidiaries have not extended any form of guaranty of the principal or interest on the Monetization Notes. Accordingly, Greif, Inc. and its other subsidiaries will not become directly or contingently liable for the payment of the Monetization Notes at any time. See Note 8 to the Consolidated Financial Statements included in Item 1 of this Form 10-Q for additional information regarding these transactions.

RECENT ACCOUNTING STANDARDS**Newly Adopted Accounting Standards**

In December 2007, the Financial Accounting Standards Board (“FASB”) issued SFAS No. 141(R), (codified under ASC 805 “Business Combinations”), which replaces SFAS No. 141. The objective of SFAS No. 141(R) is to improve the relevance, representational faithfulness and comparability of the information that a reporting entity provides in its financial reports about a business combination and its effects. SFAS No. 141(R) establishes principles and requirements for how the acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the acquiree; recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141(R) applies to all transactions or other events in which an entity (the acquirer) obtains control of one or more businesses (the acquiree), including those sometimes referred to as “true mergers” or “mergers of equals” and combinations achieved without the transfer of consideration. SFAS No. 141(R) applies to any acquisition entered into on or after November 1, 2009. We adopted the new guidance beginning on November 1, 2009, which impacted our financial position, results of operations, cash flows and related disclosures.



In December 2007, the FASB issued SFAS No. 160, “Accounting and Reporting of Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51,” (*codified under ASC 810 “Consolidation”*). The objective of SFAS No. 160 is to improve the relevance, comparability and transparency of the financial information that a reporting entity provides in its consolidated financial statements. SFAS No. 160 amends ARB No. 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 also changes the way the consolidated financial statements are presented, establishes a single method of accounting for changes in a parent’s ownership interest in a subsidiary that do not result in deconsolidation, requires that a parent recognize a gain or loss in net income when a subsidiary is deconsolidated and expands disclosures in the consolidated financial statements that clearly identify and distinguish between the parent’s ownership interest and the interest of the noncontrolling owners of a subsidiary. The provisions of SFAS No. 160 are to be applied prospectively as of the beginning of the fiscal year in which SFAS No. 160 is adopted, except for the presentation and disclosure requirements, which are to be applied retrospectively for all periods presented. We adopted the new guidance beginning November 1, 2009, and the adoption of the new guidance did not impact our financial position, results of operations or cash flows, other than the related disclosures.

In December 2008, the FASB issued FASB Staff Position FAS 132(R)-1, “Employers’ Disclosures About Postretirement Benefit Plan Assets” (“FSP FAS 132(R)-1”) (*codified under ASC 715 “Compensation — Retirement Benefits”*), to provide guidance on employers’ disclosures about assets of a defined benefit pension or other postretirement plan. FSP FAS 132(R)-1 requires employers to disclose information about fair value measurements of plan assets similar to SFAS No. 157, “Fair Value Measurements.” The objectives of the disclosures are to provide an understanding of: (a) how investment allocation decisions are made, including the factors that are pertinent to an understanding of investment policies and strategies, (b) the major categories of plan assets, (c) the inputs and valuation techniques used to measure the fair value of plan assets, (d) the effect of fair value measurements using significant unobservable inputs on changes in plan assets for the period and (e) significant concentrations of risk within plan assets. We adopted the new guidance beginning November 1, 2009, and the adoption of the new guidance did not impact our financial position, results of operations or cash flows, other than the related disclosures.

Recently Issued Accounting Standards

In June 2009, the FASB issued SFAS No. 166, “Accounting for Transfers of Financial Assets—an amendment of FASB Statement No. 140” (*codified under ASC 860 “Transfers and Servicing”*). The Statement amends SFAS No. 140 to improve the information provided in financial statements concerning transfers of financial assets, including the effects of transfers on financial position, financial performance and cash flows, and any continuing involvement of the transferor with the transferred financial assets. The provisions of SFAS 166 are effective for our financial statements for the fiscal year beginning November 1, 2010. We are in the process of evaluating the impact that the adoption of the guidance may have on our consolidated financial statements and related disclosures. However, we do not anticipate a material impact on our financial position, results of operations or cash flows.

In June 2009, the FASB issued SFAS No. 167, “Amendments to FASB Interpretation No. 46(R)” (*codified under ASC 810 “Consolidation”*). SFAS 167 amends FIN 46(R) to require an enterprise to perform an analysis to determine whether the enterprise’s variable interest or interests give it a controlling financial interest in a variable interest entity. It also amends FIN 46 (R) to require enhanced disclosures that will provide users of financial statements with more transparent information about an enterprise’s involvement in a variable interest entity. The provisions of SFAS 167 are effective for our financial statements for the fiscal year beginning November 1, 2010. We are in the process of evaluating the impact, if any, that the adoption of SFAS No. 167 may have on our consolidated financial statements and related disclosures. However, we do not anticipate a material impact on our financial position, results of operations or cash flows.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

There has not been a significant change in the quantitative and qualitative disclosures about our market risk from the disclosures contained in the 2009 Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

With the participation of our principal executive officer and principal financial officer, Greif's management has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this report. Based upon that evaluation, our principal executive officer and principal financial officer have concluded that, as of the end of the period covered by this report:

- Information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission;
- Information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure; and
- Our disclosure controls and procedures are effective.

There has been no change in our internal controls over financial reporting that occurred during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION**ITEM 1A. RISK FACTORS**

There have been no other material changes in our risk factors from those disclosed in the 2009 Form 10-K under Part I, Item 1A — Risk Factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Issuer Purchases of Class A Common Stock**

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased under the Plans or Programs (1)
November 2009	—	—	—	1,166,728
December 2009	—	—	—	1,166,728
January 2010	—	—	—	1,166,728
February 2010	—	—	—	1,166,728
March 2010	—	—	—	1,166,728
April 2010	—	—	—	1,166,728
May 2010	—	—	—	1,166,728
June 2010	—	—	—	1,116,728
July 2010	—	—	—	1,116,728

Issuer Purchases of Class B Common Stock

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased under the Plans or Programs (1)
November 2009	—	—	—	1,166,728
December 2009	—	—	—	1,166,728
January 2010	—	—	—	1,166,728
February 2010	—	—	—	1,166,728
March 2010	—	—	—	1,166,728
April 2010	—	—	—	1,166,728
May 2010	—	—	—	1,166,728
June 2010	50,000	53.92	50,000	1,116,728
July 2010	—	—	—	1,116,728

- (1) Our Board of Directors has authorized a stock repurchase program which permits us to purchase up to 4.0 million shares of our Class A Common Stock or Class B Common Stock, or any combination thereof. As of July 31, 2010, the maximum number of shares that may yet be purchased was 1,116,728 shares, which may be any combination of Class A Common Stock or Class B Common Stock.

ITEM 6. EXHIBITS

(a.) Exhibits

Exhibit No.	Description of Exhibit
10.1	Fourth Amendment (dated as of June 22, 2010) to the Transfer and Administration Agreement dated as of December 8, 2008, by and among Greif Receivables Funding LLC, Greif Packaging LLC, YC SUSI Trust, as Conduit Investor and Uncommitted Investor, and Bank of America National Association, as Agent, Managing Agent, an Administrator and a Committed Investor.
10.2	Formation Agreement dated as of June 14, 2010, by and among Greif, Inc. and Greif International Holding Supra C.V. and National Scientific Company Limited and Dabbagh Group Holding Company Limited.
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a — 14(a) of the Securities Exchange Act of 1934.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a — 14(a) of the Securities Exchange Act of 1934.
32.1	Certification of Chief Executive Officer required by Rule 13a — 14(b) of the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code.
32.2	Certification of Chief Financial Officer required by Rule 13a — 14(b) of the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code.

SIGNATURES

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

Greif, Inc.
(Registrant)

Date: September 9, 2010

/s/ Donald S. Huml
Donald S. Huml,
Executive Vice President and Chief Financial Officer
(Duly Authorized Signatory)

FOURTH AMENDMENT
Dated as of June 22, 2010
to
TRANSFER AND ADMINISTRATION AGREEMENT
Dated as of December 8, 2008

This FOURTH AMENDMENT (this “ Amendment ”), dated as of June 22, 2010, is entered into among GREIF PACKAGING LLC, a Delaware limited liability company (“ Greif ”), GREIF RECEIVABLES FUNDING LLC, a Delaware limited liability company (the “ SPV ”), the Investors, Managing Agents and Administrators party hereto, and BANK OF AMERICA, N.A., as Agent (the “ Agent ”).

RECITALS

WHEREAS, the parties hereto have entered into that certain Transfer and Administration Agreement dated as of December 8, 2008 (the “ Transfer and Administration Agreement ”);

WHEREAS, the parties hereto desire to amend the Transfer and Administration Agreement as provided herein;

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein and the Transfer and Administration Agreement, the parties hereto agree as follows:

SECTION 1. Definitions . All capitalized terms not otherwise defined herein are used as defined in the Transfer and Administration Agreement.

SECTION 2. Amendments to Transfer and Administration Agreement . The Transfer and Administration Agreement is hereby amended as follows:

2.1. The definition of “Alternate Rate” in Section 1.1 of the Transfer and Administration Agreement is hereby amended and restated in its entirety as follows:

““ Alternate Rate ” means, for each day during a Rate Period for any Portion of Investment, an interest rate per annum equal to the Offshore Rate; *provided that* in the case of:

(i) any Rate Period which commences on a date prior to the Agent receiving at least three (3) Business Days’ notice thereof, or

(ii) any Rate Period relating to a Portion of Investment which is less than \$1,000,000,

the “ Alternate Rate ” for each day in such Rate Period shall be an interest rate per annum equal to the Base Rate in effect on such day. The “ Alternate Rate ” for any date on or after the declaration or automatic occurrence of Termination Date pursuant to Section 8.2 shall be an interest rate equal to 2.00% per annum above the Base Rate in effect on such day.”

2.2. The definition of “Facility Limit” in Section 1.1 of the Transfer and Administration Agreement is hereby amended and restated in its entirety as follows:

““ Facility Limit ” means at any time \$135,000,000, as such amount may be reduced in accordance with Section 2.16; *provided* that such amount may not at any time exceed the aggregate Commitments then in effect.”

2.3. The definition of “Maximum Net Investment” in Section 1.1 of the Transfer and Administration Agreement is hereby amended and restated in its entirety as follows:

““ Maximum Net Investment ” means, at any time, an amount equal to the Facility Limit.”

2.4. The definition of “Offshore Base Rate” in Section 1.1 of the Transfer and Administration Agreement is hereby amended and restated in its entirety as follows:

““ Offshore Base Rate ” means, for each day during a Rate Period:

(i) the rate per annum (carried out to the fifth decimal place) equal to the rate determined by the Agent to be the offered rate that appears on the page of the Reuters Screen on such day that displays an average British Bankers Association Interest Settlement Rate (such page currently being LIBOR01) for deposits in United States dollars (for delivery on a date two Business Days later) with a term equivalent to one month;

(ii) in the event the rate referenced in the preceding subsection (i) does not appear on such page or service or such page or service shall cease to be available, the rate per annum (carried to the fifth decimal place) equal to the rate determined by the Agent to be the offered rate on such day on such other page or other service that displays an average British Bankers Association Interest Settlement Rate for deposits in United States dollars (for delivery on a date two Business Days later) with a term equivalent to one month; or

(iii) in the event the rates referenced in the preceding subsections (i) and (ii) are not available, the rate per annum determined by the Agent on such day as the rate of interest at which Dollar deposits (for delivery on a date two Business days later than such day) in same day funds in the approximate amount of the applicable investment to be funded by reference to the Offshore Rate and with a term equivalent to one month would be offered by its London Branch to major banks in the London interbank eurodollar market at their request.”

2.5. The definition of “Offshore Rate” in Section 1.1 of the Transfer and Administration Agreement is hereby amended and restated in its entirety, as follows:

““ Offshore Rate ” means, for any day during any Rate Period, a rate per annum determined by the applicable Managing Agent pursuant to the following formula:

$$\text{Offshore Rate} = \frac{\text{Offshore Base Rate}}{1.00 - \text{Eurodollar Reserve Percentage}}$$

2.6. The Commitment of Bank of America as Committed Investor for the Bank of America Investor Group as set forth on its signature page to the Transfer and Administration Agreement is hereby decreased to \$135,000,000.

SECTION 3. Conduit Investment Termination Date. YC SUSI Trust hereby informs the SPV, effective on the date of this Amendment, that it elects to permanently cease to fund Investments under the Transfer and Administration Agreement and the Conduit Investment Termination Date has occurred. The parties hereto hereby agree that, on the date hereof, YC SUSI Trust hereby assigns its interest in the Net Investment and Asset Interest to Bank of America, as its Related Committed Investor, in accordance with Section 3.1 of the Transfer and Administration Agreement, and that all Portions of Investment outstanding shall be allocated to a new Rate Period accruing Yield at the Alternate Rate on the date hereof.

SECTION 4. Conditions Precedent. Section 2 hereof shall become effective on the date first written above upon receipt by the Agent (and each Managing Agent, upon its request) of: (a) a counterpart (or counterparts) of this Amendment, duly executed by each of the parties hereto, or other evidence satisfactory to the Agent of the execution and delivery of this Amendment by such parties and (b) a counterpart (or counterparts) of the Fee Letter, duly executed by each of the parties thereto.

SECTION 5. Miscellaneous.

5.1. Representations and Warranties. The SPV hereby represents and warrants that (i) this Amendment constitutes a legal, valid and binding obligation of the SPV, enforceable against it in accordance with its terms and (ii) upon the effectiveness of this Amendment, no Termination Event or Potential Termination Event shall exist.

5.2. References to Transfer and Administration Agreement. Upon the effectiveness of this Amendment, each reference in the Transfer and Administration Agreement to “this Agreement”, “hereunder”, “hereof”, “herein”, or words of like import shall mean and be a reference to the Transfer and Administration Agreement as amended hereby, and each reference to the Transfer and Administration Agreement in any other document, instrument or agreement executed and/or delivered in connection with the Transfer and Administration Agreement shall mean and be a reference to the Transfer and Administration Agreement as amended hereby.

5.3. Effect on Transfer and Administration Agreement. Except as specifically amended above, the Transfer and Administration Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

5.4. No Waiver. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Agent or any Investor under the Transfer and Administration Agreement or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein, except as specifically set forth herein.

5.5. Governing Law. This Amendment, including the rights and duties of the parties hereto, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

5.6. Successors and Assigns. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

5.7. Headings. The Section headings in this Amendment are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Amendment or any provision hereof.

5.8. Counterparts. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

5.9. Legal Fees. Notwithstanding any thing to the contrary in the Transfer and Administration Agreement, the Agent shall bear its own fees and expenses in connection with this Amendment, including its own legal fees.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

GREIF RECEIVABLES FUNDING LLC,
as SPV

By: /s/ John K. Dieker
Name: John K. Dieker
Title: Vice President and Treasurer

GREIF PACKAGING LLC,
individually, as an Originator and as the Servicer

By: /s/ John K. Dieker
Name: John K. Dieker
Title: Vice President and Treasurer

YC SUSI TRUST,
as a Conduit Investor and an Uncommitted Investor

By: Bank of America, National Association,
as Administrative Trustee

By: /s/ Nina Austin
Name: Nina Austin
Title: Vice President

**BANK OF AMERICA,
NATIONAL ASSOCIATION**,
as Agent and as Managing Agent, Administrator and Committed
Investor for the Bank of America Investor Group

By: /s/ Nina Austin
Name: Nina Austin
Title: Vice President

FORMATION AGREEMENT

by and among

GREIF, INC.

and

GREIF INTERNATIONAL HOLDING SUPRA C.V.

and

NATIONAL SCIENTIFIC COMPANY LIMITED

and

DABBAGH GROUP HOLDING COMPANY LIMITED

dated as of JUNE 14, 2010

CONTENTS

Section	Page
1. Formation of the Global Alliance	5
1.1 Purpose and Scope; Commitments	5
1.2 Formation of the Global Alliance Entities	7
1.3 Transaction Documents	8
2. Closing	9
2.1 The Closing	9
2.2 Conditions to Greif's Obligations to Consummate the Closing	10
2.3 Conditions to NSC's Obligations to Consummate the Closing	11
2.4 Covenants Pending the Closing	12
2.5 Termination Prior to the Closing	13
2.6 Survival of Certain Terms	13
3. Representations and Warranties	13
3.1 Representations and Warranties of Greif	13
3.2 Representations and Warranties of NSC	15
4. Covenants	19
4.1 Global Alliance Entity Board Composition	19
4.2 Acquisitions	20
4.3 Capital Commitments; Financing Matters	21
4.4 Confidentiality	24
4.5 Fiduciary Duties	25
4.6 Compliance with Agreement	25
4.7 Compliance with Laws	25
4.8 Cooperation; Resolution of Objections	27
4.9 Further Assurances	28
5. Indemnification	28
5.1 Indemnification for Representations, Warranties, Covenants and Agreements	28
5.2 Indemnification for Post-Closing Matters	29
5.3 Notice	29
5.4 Defense of Third-Party Claims	30
5.5 Indemnification Payments	30
6. Dispute Resolution	31
6.1 General	31
6.2 Arbitration	32

Section	Page
7. Miscellaneous	33
7.1 Notices	33
7.2 Governing Law; Jurisdiction	35
7.3 Severability	36
7.4 Amendments	36
7.5 Waiver	36
7.6 Counterparts	37
7.7 Entire Agreement	37
7.8 No Assignment; No Third Party Beneficiaries	37
7.9 Expenses	37
7.10 Publicity	37
7.11 Construction	37
7.12 Interpretation and Construction of this Agreement	38
7.13 Disclaimer of Agency	38
7.14 Relationship of Greif, Greif Parent, NSC and Dabbagh Parent	39
7.15 Language	39
7.16 Interest	39
Signatories	40
Exhibits	
Exhibit 1 Corporate Structure Chart	
Exhibit 2 Joint Venture Agreement	

FORMATION AGREEMENT

THIS FORMATION AGREEMENT (this **Agreement**), dated as of June 14, 2010, is made and entered into

AMONG:

- (1) **GREIF, INC.**, a corporation formed under the laws of Delaware (**Greif Parent**), solely for the purpose of the obligations set forth in Section 4.4 (*Confidentiality*) and Section 7 (*Miscellaneous*);
- (2) **GREIF INTERNATIONAL HOLDING SUPRA C.V.** , a limited partnership formed under the laws of the Netherlands (**Greif**);
- (3) **DABBAGH GROUP HOLDING COMPANY LIMITED**, a corporation formed under the laws of Saudi Arabia (**Dabbagh Parent**), solely for the purpose of the obligations set forth in Section 4.7 (*Compliance with Laws*), Section 4.4 (*Confidentiality*) and Section 7 (*Miscellaneous*); and
- (4) **NATIONAL SCIENTIFIC COMPANY LIMITED**, a limited liability company formed under the laws of Saudi Arabia (**NSC**).

WHEREAS:

- (A) Greif is engaged, directly and indirectly, in the business of producing industrial packaging products, such as steel, fibre and plastic drums, intermediate bulk containers, closure systems for industrial packaging products, certain transit protection products, and polycarbonate water bottles, and services, such as blending, filling and other packaging services, logistics and warehousing. NSC is engaged, directly and indirectly, in the business of wholesale and retail trading of human and veterinary medicine, chemicals, medical equipment, scientific equipment, scientific instruments, laboratory equipment and furniture, and providing maintenance and installation services for such equipment.
- (B) Since 2007, Greif (indirectly through its portfolio company Greif International Holding B.V.) and an Affiliate of Dabbagh Parent, Petromin Corporation, have been participating in a fifty-one percent-forty-nine percent (51%/49%) joint venture called Greif Saudi Arabia Ltd.
- (C) Greif and NSC regard each other as valuable partners and wish to expand their relationship by participating in a new joint venture that will engage in the Polywoven Industrial Packaging Business (as defined herein).
- (D) Greif and NSC desire to locate polywoven fabric manufacturing in Saudi Arabia and possibly other countries.
- (E) Greif wishes to contribute capital and the Greif Brand, Channel and Expertise (as defined herein) and NSC wishes to contribute capital and KSA Expertise and Support (as defined herein) to newly-formed entities in accordance with the provisions of this Agreement and the other Transaction Documents (as defined herein), and to create cross-ownership in each of these entities and joint management in a manner that will promote long-term cooperation, growth, coordination and synergies among such entities as provided herein (the **Global Alliance**).

- (F) The Global Alliance will benefit from Greif's expertise, know-how and branding and NSC's access to capital, proven record of successful asset management and understanding of the Saudi Arabian market and regional business environment, local knowledge and local presence.
- (G) Greif and NSC intend to make certain strategic acquisitions of businesses that are engaged in the Polywoven Industrial Packaging Business through the Global Alliance.
- (H) Greif and NSC intend that the Global Alliance will provide highly competitive services and products in the Polywoven Industrial Packaging Business more cost effectively, more efficiently and more rapidly than they each could provide alone.
- (I) Greif and NSC intend that the Global Alliance will be a fifty percent-fifty percent (50%/50%) joint venture between Greif and NSC in all respects notwithstanding the Ownership Interests (as defined herein) in individual Global Alliance Entities and that all of the Global Alliance Entities will be operated in a transparent and operationally efficient manner.
- (J) In furtherance of the objectives set forth above, Greif Parent, Greif, Dabbagh Parent and NSC desire to enter into this Agreement and the other Transaction Documents to govern the ongoing operation of the Global Alliance. Certain terms used in this Agreement and the other Transaction Documents shall have the meanings ascribed to such terms in Annex 1. The Annexes, Schedules and Exhibits to this Agreement are all integral parts of this Agreement.

NOW, THEREFORE , each of Greif Parent, Greif, Dabbagh Parent and NSC, intending to be legally bound to the extent provided in this Agreement, hereby agree as follows:

1. FORMATION OF THE GLOBAL ALLIANCE

1.1 Purpose and Scope; Commitments

(a) Purpose and Scope of the Global Alliance

Each of Greif and NSC agree to establish the Global Alliance in accordance with the corporate structure chart attached as Exhibit 1 , and the Transaction Documents for the purpose of establishing a Polywoven Industrial Packaging Business as provided herein throughout the world through cross-ownership of entities and the coordination of activities and cooperation among such entities. Following the consummation of the Transactions, the parties shall conduct the Polywoven Industrial Packaging Business globally through Greif HoldCo and Dabbagh HoldCo and their three (3) principal subsidiaries, ChannelCo, AssetCo and KSA Hub, and the parties shall contribute their respective expertise and access on an ongoing basis to these entities.

(b) Commitments of Greif

- (i) General Commitment . Greif shall use, and shall cause each of its Affiliates to use, commercially reasonable efforts to provide the Global Alliance with access to expertise, know-how and branding, as well as access to Greif customer relationships.

- (ii) Specific Commitment . As of the Closing, and upon the reasonable request of the relevant Global Alliance Entity, Greif shall provide such Global Alliance Entity with the following:
 - (A) a commitment to fund Greif's Capital Contribution (as defined in Section 4.3(a)) in accordance with the Strategic Plan;
 - (B) management support to conduct the Polywoven Industrial Packaging Business through such Global Alliance Entity;
 - (C) its commercially reasonable efforts to make qualified personnel available to such Global Alliance Entity on a permanent or temporary basis and provide technical and other services to such Global Alliance Entity on an arms length basis in accordance with the terms of the Shared Services Agreement;
 - (D) support with regard to mergers and acquisitions in connection with acquiring the Acquired Businesses by such Global Alliance Entity;
 - (E) access to Greif's name and the Greif Business System through the IP License Agreement; and
 - (F) access to Greif's customer relationships, distribution network, sales infrastructure and shared services.
 - (c) Commitments of NSC
 - (i) General Commitment . NSC shall use, and shall cause each of its Affiliates to use, commercially reasonable efforts to provide the Global Alliance with the benefit of NSC's understanding of the Saudi Arabian market and regional business environment, local knowledge and local presence.
 - (ii) Specific Commitment . As of the Closing, and upon the reasonable request of the relevant Global Alliance Entity, NSC shall provide such Global Alliance Entity with the following:
 - (A) a commitment to fund NSC's Capital Contribution (as defined in Section 4.3(a)) in accordance with the Strategic Plan;
 - (B) assistance in obtaining permits and approvals for the construction of KSA Hub;
 - (C) expertise in obtaining the most favorable terms for resin, land, energy, labor and building;
 - (D) services of NSC portfolio companies as needed; and
 - (E) support in recruiting and training employees of such Global Alliance Entity.
-

1.2 Formation of the Global Alliance Entities

(a) Pre-Closing

Subject to the provisions of this Agreement and the other Transaction Documents:

- (i) Dabbagh Parent and NSC will form Gulf Packaging Industrial Co. as a new Saudi limited liability company (**Dabbagh HoldCo**) with capital of SR 1,000,000 of which one hundred percent (100%) will be initially held by Dabbagh Parent and NSC;
- (ii) Greif and Greif Capital B.V. will form Pinwheel General Partnership as a new Bermuda general partnership (**Greif HoldCo**);
- (iii) Greif, through its Affiliate Greif Capital B.V., will form Pinwheel Holding Spain, S.L. as a new Spanish limited liability company (**Greif Spain HoldCo**) and Greif Capital B.V. shall contribute 3,006.00 Euros to Pinwheel Holding Spain, S.L. in exchange for all of the economic and voting interests in Pinwheel Holding Spain, S.L.;
- (iv) Greif, through its Affiliate Greif Capital B.V., has incorporated Pinwheel Trading Holding B.V. as a new Dutch limited liability Company (*besloten vennootschap*) (**ChannelCo**), Greif Capital B.V. has transferred 100 percent (100%) of the economic and voting interests in ChannelCo to Greif HoldCo and Greif HoldCo will transfer at Closing forty-nine percent (49%) of the economic and voting interests (shares) in ChannelCo to Dabbagh HoldCo for a purchase price per share equal to the nominal value (EUR10) of such share (the **ChannelCo Formation**);
- (v) Greif, through its Affiliate Greif Capital B.V., has incorporated Pinwheel Asset Holding B.V. as a new as a new Dutch limited liability Company (*besloten vennootschap*) (**AssetCo**), Greif Capital B.V. has transferred 100 percent (100%) of the economic and voting interests in AssetCo to Greif HoldCo and Greif HoldCo will transfer at Closing fifty-one percent (51%) of the economic and voting interests (shares) in AssetCo to Dabbagh HoldCo for a purchase price per share equal to the nominal value (EUR10) of such share (the **AssetCo Formation**);
- (vi) Each of Greif and NSC shall cause ChannelCo and AssetCo and KSA Hub to form new Subsidiaries as needed in connection with any acquisition of Acquired Businesses (each, a **Global Alliance Subsidiary**). Each Global Alliance Subsidiary shall be Wholly-Owned by either ChannelCo or AssetCo or KSA Hub. Each of Greif and NSC shall cause each Global Alliance Subsidiary (as and when formed) to be established and operated in accordance with Constituent Documents that are consistent with the Constituent Documents of the parent entity of such Global Alliance Subsidiary. Each of Greif and NSC shall cause each Global Alliance Subsidiary (as and when formed) to be managed exclusively by or under the direction of a Board of Directors designated by the parent entity of such Global Alliance Subsidiary; and

(b) Post-Closing

Dabbagh HoldCo and Greif Spain HoldCo will use their respective commercially reasonable efforts to jointly license, form and register as soon as reasonably practicable after the date hereof, but in any event within four (4) months after the date hereof, KSA Hub as a new Saudi limited liability company (**KSA Hub**), with share capital of SR1,000,000 in which Dabbagh HoldCo shall hold fifty-one percent (51%) of the economic and voting interests and Greif Spain HoldCo shall hold forty-nine percent (49%) of the economic and voting interests (the **KSA Hub Formation**).

1.3 Transaction Documents

Each Global Alliance Entity will be established and operated in accordance with this Agreement, its Constituent Documents (as more fully described below) and each of the other documents and agreements described below (together with this Agreement, the **Transaction Documents**):

(a) Constituent Documents:

- (i) the Constituent Documents for Dabbagh HoldCo (**Dabbagh HoldCo Constituent Documents**) in the form agreed upon in writing by the parties;
- (ii) the Constituent Documents for Greif HoldCo (**Greif HoldCo Constituent Documents**) in the form agreed upon in writing by the parties;
- (iii) the Constituent Documents for Greif Spain HoldCo (**Greif Spain HoldCo Constituent Documents**) in the form agreed upon in writing by the parties;
- (iv) the Constituent Documents for ChannelCo (the **ChannelCo Constituent Documents**) in the form agreed upon in writing by the parties;
- (v) the Constituent Documents for AssetCo (the **AssetCo Constituent Documents**) in the form agreed upon in writing by the parties; and
- (vi) the Constituent Documents for KSA Hub (the **KSA Hub Constituent Documents**) in the form agreed upon in writing by the parties.

(b) Joint Venture Documents:

- (i) the Joint Venture Agreement in the form of Exhibit 2 ; and
- (ii) the Shared Services Agreement in the form agreed upon in writing by the parties.

(c) Operational Documents:

- (i) the Supply Agreement in the form agreed upon in writing by the parties;
- (ii) the IP License Agreement in the form agreed upon in writing by the parties; and
- (iii) the Initial Strategic Plan in the form agreed upon in writing by the parties.

2. CLOSING

2.1 The Closing

- (a) Location; Time. The transactions described in Section 2.1(b) shall take place at or prior to a closing (the **Closing**) at a location to be mutually agreed upon by each of Greif and NSC, and shall be effective as of 12:01 a.m., local time in New York, New York, five Business Days after the fulfillment (or waiver) of the conditions set forth in Section 2.2 and Section 2.3 (except for such conditions that are to be fulfilled concurrently with the Closing, but subject to the satisfaction of such conditions) or at such other date and time as each of Greif and NSC may agree in writing. At the Closing, upon the terms and subject to the conditions set forth herein, each of Greif and NSC will and will cause its Affiliates to take the actions described in Section 2.1(b) and Section 2.2 and execute and deliver such other instruments and take all such other reasonable actions as are necessary to consummate the Transactions contemplated by the Transaction Documents to be consummated by it and its Affiliates at or prior to the Closing.
- (b) Items to Be Delivered and Actions to Be Taken in Connection with the Closing. At or prior to the Closing and subject to the terms and conditions herein contained, each of Greif and NSC shall, and shall cause their respective Affiliates to, deliver the documents and take the actions described in this Section 2.1(b) (the **Closing Date Transactions**) to the extent not previously completed. Each of Greif and NSC acknowledge and agree that all such actions shall be deemed to be taken in the order set forth in this Section 2.1(b) prior to the Closing if the Closing is consummated, but that if the Closing is not promptly consummated, such actions shall be rescinded and rendered null and void and of no effect and all necessary steps will promptly be taken to cancel all licenses and approvals issued for the Global Alliance Entities, withdraw all pending applications for such licenses and approvals and refund all contributions of capital.
 - (i) Dabbagh Parent shall form Dabbagh HoldCo and shall take the actions described in Section 1.2(a)(i).
 - (ii) Greif and Greif Capital B.V. shall form Greif HoldCo and shall take the actions described in Section 1.2(a)(ii).
 - (iii) Greif HoldCo shall form Greif Spain HoldCo and shall take the actions described in Section 1.2(a)(iii).
 - (iv) Greif shall cause its Affiliates to take the actions described in Section 1.2(a)(iv).
 - (v) Greif shall cause its Affiliates to take the actions described in Section 1.2(a)(v).
 - (vi) At Closing, each of Greif and NSC shall (A) provide the funding commitments to fund their respective Capital Contributions, as described in Section 4.3 and that are required to be made at the Closing and (B) reimburse the other for fifty percent (50%) of the Acquired Business Costs and any Transaction Costs that are incurred by the other or its Affiliates in connection with this Agreement or the other Transaction Documents.
 - (vii) Each of Greif and NSC shall cause ChannelCo, AssetCo or KSA Hub (as the case may be) to take any of the actions set forth in Section 1.2(a)(vi) as they reasonably determine, with effect from and after the Closing.

- (viii) Each of Greif, Dabbagh Parent and NSC and (to the extent contemplated by the Transaction Documents) each Global Alliance Entity shall execute and deliver each of the other Transaction Documents and the other agreements, certificates and documents and instruments referred to in Section 1 and this Section 2 required to be delivered at the Closing.

2.2 Conditions to Greif's Obligations to Consummate the Closing

The obligations of Greif and its Affiliates to take the actions described in Section 2.1 and to consummate the Closing and otherwise to consummate the Transactions are subject to the fulfillment to the satisfaction of Greif, as of the Closing, of the following conditions:

- (a) Accuracy of Representations and Warranties. The representations and warranties made by NSC and its Affiliates in each Transaction Document to which they are a party or made in writing pursuant thereto shall be true and correct (without any reference to materiality or Material Adverse Effect) on and as of the Closing as if made on and as of the Closing (except for such representations and warranties that expressly relate to an earlier date, which shall be true and correct (without any reference to materiality or Material Adverse Effect) on and as of such earlier date), in each case, except for such failures to be true and correct as would not, individually or in the aggregate, have a Material Adverse Effect on NSC or Dabbagh Parent.
- (b) Performance of Obligations. NSC and its Affiliates shall have performed or complied in all material respects with their respective covenants and agreements contained herein and in the other Transaction Documents required to be performed or complied with by them on or prior to the Closing.
- (c) No Material Adverse Effect. Since the date of this Agreement, there shall have been no Material Adverse Effect on NSC or Dabbagh Parent.
- (d) No Proceedings. (i) No Governmental Order shall be in existence that restrains, prohibits, or prevents the consummation of the Transactions or materially changes the terms of the Transactions, and (ii) no Proceeding shall be pending or threatened that presents a substantial possibility of restraining, prohibiting, preventing or materially changing, the terms of the Transactions, or resulting in material damages to, or imposing a Burdensome Condition upon, either of Greif or NSC or their respective Affiliates in connection with the Transactions.
- (e) Governmental Approvals. All Governmental Approvals, including approvals required to be obtained to consummate the Closing Date Transactions shall have been obtained, and all applicable pre-consummation waiting periods shall have expired, except for such Governmental Approvals and waiting periods the failure of which to obtain or satisfy would not, individually or in the aggregate, be reasonably likely to impose a Burdensome Condition on a party, ChannelCo, AssetCo or KSA Hub or materially and adversely affect the ability of a party to perform its obligations hereunder or under the other Transaction Documents.
- (f) Transaction Documents. Each of the Transaction Documents to be executed by NSC and its Affiliates shall have been executed and delivered in escrow in a manner acceptable to Greif.

- (g) Delivery of Certificates . NSC shall have delivered to Greif such certificates or documents (A) as may be reasonably necessary to evidence the satisfaction in all material respects of the conditions to Closing; (B) certifying that attached thereto is a true and complete copy of the Dabbagh HoldCo Constituent Documents, the KSA Hub Constituent Documents, the Supply Agreement, the Initial Strategic Plan and the Joint Venture Compliance Policy; and (C) certifying the identity of the owners of NSC and Dabbagh Holdco.
- (h) Joint Venture Compliance Policy . NSC shall have formally adopted and agreed to implement the Global Alliance compliance policy and procedures to be applicable to (i) the Global Alliance, the Global Alliance Entities, the Global Alliance Subsidiaries, and (ii) Greif, NSC, their Affiliates and their respective directors, officers, employees and agents with respect to Greif, the Global Alliance, the Global Alliance Entities and the Global Alliance Subsidiaries in the form agreed upon by the parties (the **Joint Venture Compliance Policy**).

2.3 Conditions to NSC's Obligations to Consummate the Closing

The obligations of NSC and its Affiliates to take the actions described in Section 2.1 and to consummate the Closing and otherwise to consummate the Transactions are subject to the fulfillment to the satisfaction of NSC, as of the Closing, of the following conditions:

- (a) Accuracy of Representations and Warranties . The representations and warranties made by Greif and its Affiliates in each Transaction Document to which they are a party or made in writing pursuant thereto shall be true and correct (without any reference to materiality or Material Adverse Effect) on and as of the Closing as if made on and as of the Closing (except for such representations and warranties that expressly relate to an earlier date, which shall be true and correct (without any reference to materiality or Material Adverse Effect) on and as of such earlier date), in each case, except for such failures to be true and correct as would not, individually or in the aggregate, have a Material Adverse Effect on Greif or Greif Parent.
- (b) Performance of Obligations . Greif and its Affiliates shall have performed or complied in all material respects with their respective covenants and agreements contained herein and in the other Transaction Documents required to be performed or complied with by them on or prior to the Closing.
- (c) No Material Adverse Effect . Since the date of this Agreement, there shall have been no Material Adverse Effect on Greif or Greif Parent.
- (d) No Proceedings . (i) No Governmental Order shall be in existence that restrains, prohibits, or prevents the consummation of the Transactions or materially changes the terms of the Transactions, and (ii) no Proceeding shall be pending or threatened that presents a substantial possibility of restraining, prohibiting, preventing or materially changing, the terms of the Transactions, or resulting in material damages to, or imposing a Burdensome Condition upon, either of Greif or NSC or their respective Affiliates in connection with the Transactions.
- (e) Governmental Approvals . All Governmental Approvals, including approvals required to be obtained to consummate the Closing Date Transactions shall have been obtained, and all applicable pre-consummation waiting periods shall have expired, except for such Governmental Approvals and waiting periods the failure of which to obtain or satisfy would not, individually or in the aggregate, be reasonably likely to impose a Burdensome Condition on a party, ChannelCo, AssetCo or KSA Hub or materially and adversely affect the ability of a party to perform its obligations hereunder or under the other Transaction Documents.

- (f) Transaction Documents . Each of the Transaction Documents to be executed by Greif and its Affiliates shall have been executed and delivered in escrow in a manner acceptable to NSC.
- (g) Delivery of Certificates . Greif shall have delivered to NSC such certificates or documents (A) as may be reasonably necessary to evidence the satisfaction in all material respects of the conditions to Closing; (B) certifying that attached thereto is a true and complete copy of the Greif HoldCo Constituent Documents, the Greif Spain HoldCo Constituent Documents, the ChannelCo Constituent Documents, the AssetCo Constituent Documents, the Supply Agreement, the Initial Strategic Plan, the Joint Venture Compliance Policy, Greif's Global Transfer Pricing Policy and the Greif Business System; and (C) certifying the identity of the owners of Greif and Greif Holdco.
- (h) Joint Venture Compliance Policy . Greif shall have formally adopted and agreed to implement the Joint Venture Compliance Policy to be applicable to (i) the Global Alliance, the Global Alliance Entities, the Global Alliance Subsidiaries, and (ii) Greif, NSC, their Affiliates and their respective directors, officers, employees and agents with respect to Greif, the Global Alliance, the Global Alliance Entities and the Global Alliance Subsidiaries in the form agreed upon by the parties.

2.4 Covenants Pending the Closing

Each of Greif and NSC covenant and agree to take the following actions between the date of this Agreement and the Closing Date:

- (a) Compliance with Laws .
 - (i) Each of Greif and NSC and their respective Affiliates shall comply with all applicable Laws, the noncompliance with which might materially affect the Greif Brand, Channel and Expertise or KSA Expertise and Support.
 - (ii) Neither Greif nor NSC nor any of their respective Affiliates shall take any action that would, if the Closing had occurred, violate Section 4.7 .
- (b) Update Schedules . Each of Greif and NSC shall promptly disclose to each other any information contained in its representations and warranties or the Schedules that is incomplete or is no longer correct as of all times after the date hereof until the Closing; provided, however , that none of such disclosures shall be deemed to modify, amend or supplement the representations and warranties of either Greif or NSC or the schedules hereto for the purposes of Section 2.2 , unless (i) with respect to disclosures made by NSC, Greif shall have consented thereto in writing, and (ii) with respect to disclosures made by Greif, NSC shall have consented thereto in writing.
- (c) Fulfillment of Conditions . Each of Greif and NSC shall use its commercially reasonable efforts and shall cause its respective Affiliates to use its commercially reasonable efforts to ensure that the conditions to the Closing set forth herein to be satisfied by it are satisfied on or prior to the Closing and that its representations and warranties are true, complete, correct and accurate in all material respects at the Closing.
- (d) Books and Records . Each of Greif and NSC shall, and shall cause its respective Affiliates to, continue to maintain its and its respective Affiliates' books, accounts and records relating to Greif Brand, Channel and Expertise or KSA Expertise and Support, as the case may be, to be transferred to a Global Alliance Entity in the usual, regular and ordinary manner on a basis consistent with prior years and periods, except as required by applicable Law or applicable GAAP, as the case may be.

2.5 Termination Prior to the Closing

This Agreement may be terminated at any time prior to the Closing:

- (a) Impossibility. By any party if it has become impossible to satisfy any material condition precedent to its obligations under this Agreement or any other Transaction Document related to the Closing, provided that if such condition precedent has become impossible to satisfy as a result of the failure of (i) Greif or any of its Affiliates to take any reasonable action or perform its obligations under this Agreement or any other Transaction Document, then Greif and Greif Parent may not exercise such right, and (ii) NSC or any of its Affiliates to take any reasonable action or perform its obligations under this Agreement or any other Transaction Document, then NSC and Dabbagh Parent may not exercise such right.
- (b) Mutual Consent. By consent in writing executed by each party.
- (c) Termination Date. By Greif if the Closing has not occurred within one hundred and eighty (180) calendar days after the date of this Agreement through no fault of Greif or its Affiliates; and by NSC if the Closing has not occurred within one hundred and eighty (180) calendar days after the date of this Agreement through no fault of NSC or its Affiliates.

2.6 Survival of Certain Terms

If this Agreement is terminated pursuant to Section 2.5, this Agreement shall forthwith cease to have effect between Greif, NSC, Greif Parent and Dabbagh Parent and all further obligations of each of Greif, NSC, Greif Parent and Dabbagh Parent shall terminate without further Liability, except that the covenants and agreements contained in Section 2.4 shall survive for a period of six (6) months following such termination, except as may be otherwise specified herein and subject to applicable Law. No party may bring a claim for breach of any such covenant or agreement after such survival period.

3. REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Greif

Unless otherwise stated, Greif hereby represents and warrants to NSC, as of the date of this Agreement and as of the Closing Date, that except as set forth on a Schedule delivered by Greif concurrently with the execution and delivery of this Agreement (for the purpose of this Section 3.1, any terms that are defined in this Section 3.1 shall apply only to Greif and its Affiliates):

- (a) Organization and Standing.
 - (i) Greif Parent is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and is qualified to do business as a foreign corporation in any jurisdiction where the failure to be so qualified would have a Material Adverse Effect on Greif Parent, and Greif Parent has all requisite corporate power and corporate authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted.

- (ii) Greif is a limited partnership duly organized and validly existing under the Laws of the Netherlands, and Greif has all requisite corporate power and corporate authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted.
- (b) Authorization; Validity . Greif and each of its applicable Affiliates have all requisite corporate power and corporate authority to enter into and perform their obligations under this Agreement and to consummate the Transactions to be consummated by them, as applicable. Greif and each of its applicable Affiliates have or will have at the Closing Date, all requisite corporate power and corporate authority to enter into and perform their obligations under the other Transaction Documents to which they are a party and to consummate the Transactions to be consummated by them. The execution, delivery and performance by Greif and Greif Parent of this Agreement has been, and the execution, delivery and performance by Greif and each of its applicable Affiliates of the other Transaction Documents to which they are a party and the consummation by Greif and each of its applicable Affiliates of the Transactions to be consummated by them have been or at the Closing Date, will have been, duly authorized by all necessary corporate action on the part of Greif and each of its applicable Affiliates. This Agreement has been, and the other Transaction Documents to which Greif and each of its Affiliates are a party, have been or at the Closing Date, will have been, duly executed and delivered by Greif and each of its Affiliates, as applicable. This Agreement constitutes, and the other Transaction Documents to which Greif or any of its Affiliates is a party will constitute, legal, valid and binding obligations of Greif or such Affiliate, as applicable, enforceable against it or them in accordance with (i) their respective terms and (ii) the applicable Law to which they are expressed to be subject.
- (c) No Conflicts . The execution, delivery and performance by Greif and each of its applicable Affiliates of this Agreement do not, and the execution, delivery and performance by Greif and each of its Affiliates of the other Transaction Documents to which it is a party, the consummation of the Transactions to be consummated by it and the compliance with the terms of the Transaction Documents to which it is a party will not, conflict with, result in any violation of or default (with or without notice or lapse of time or both) under, give rise to a right of termination, cancellation or acceleration of any obligation (in each case by any third party) or to the loss of any benefit under, or result in or require the creation, imposition or extension of any Encumbrance upon any of its properties or assets under (i) any provision of the Constituent Documents of Greif or any of its applicable Affiliates or (ii) any Judgment, Injunction, applicable Law or Contract to which Greif or any of its applicable Affiliates is a party or by which they or any of their properties is bound (except, with respect to clause (ii), for such conflicts, violations, defaults, rights or losses that, individually or in the aggregate, would not have a Material Adverse Effect on Greif or Greif Parent, such that Greif or its Affiliates, as applicable, would not be able to perform in all material respects its obligations under this Agreement and the other Transaction Documents to which it is a party in accordance with their respective terms). To the knowledge of Greif, except for filing with the competition authorities in Pakistan and the Ukraine, no Third Party Approval and no Governmental Approval is required to be obtained or made by Greif or any of its Affiliates in connection with the execution, delivery and performance of this Agreement and the Transactions contemplated by this Agreement, except for Third Party Approvals or Governmental Approvals the absence of which, individually or in the aggregate, would not have a Material Adverse Effect on Greif or Greif Parent, such that Greif or its Affiliates, as applicable, would not be able to perform in all material respects its obligations under this Agreement and the other Transaction Documents to which it is a party in accordance with its terms.

(d) Legal Proceedings and Compliance with Laws .

- (i) Litigation . There are no material Proceedings pending or, to Greif's knowledge, threatened against or relating to it or Greif Parent.
- (ii) Compliance with Laws . There has been no Default by Greif or its Affiliates under any Laws applicable to it and Greif or any of its Affiliates has not received any notices from any Governmental Authority or third party regarding any alleged Defaults applicable to Greif or any of its Affiliates under any Laws, except for Defaults the existence of which has not had, or would not reasonably be expected to have, a material adverse effect on Greif or Greif Parent, or, if such Default were to be continuing, the Global Alliance. Greif and its Affiliates (which Affiliates are directly or indirectly engaged in the Polywoven Industrial Packaging Business) would be in full compliance with Section 4.7 hereof if such section were in effect on the date hereof.
- (iii) Governmental Permits .
 - (A) Greif has obtained and is in compliance with all Governmental Approvals relating to it, that are required for its operations, except for any failure to obtain or non-compliance that would not have a Material Adverse Effect on Greif. All of such Governmental Approvals are currently valid and in full force and Greif has filed such timely and complete renewal applications as may be required with respect to such Governmental Approvals. To the knowledge of Greif, no revocation, cancellation or withdrawal thereof has been threatened.
 - (B) Greif Parent has obtained and is in compliance with all Governmental Approvals relating to it, that are required for its operations, except for any failure to obtain or non-compliance that would not have a Material Adverse Effect on Greif Parent. All of such Governmental Approvals are currently valid and in full force and Greif Parent has filed such timely and complete renewal applications as may be required with respect to such Governmental Approvals. To the knowledge of Greif Parent, no revocation, cancellation or withdrawal thereof has been threatened.
- (e) No Other Warranties . Except for the representations and warranties expressly set forth in this Agreement, there are no other warranties (INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF HABITABILITY, MERCHANTABILITY OR WARRANTY FOR A PARTICULAR PURPOSE), express or implied.

3.2 Representations and Warranties of NSC

Unless otherwise stated, NSC hereby represents and warrants to Greif as of the date of this Agreement and as of the Closing Date, that, except as set forth on a Schedule delivered by NSC concurrently with the execution and delivery of this Agreement (for the purpose of this Section 3.2 , any terms that are defined in this Section 3.2 shall apply only to NSC and its Affiliates):

Organization and Standing .

- (i) NSC is a corporation duly organized, validly existing and in good standing under the Laws of Saudi Arabia and is qualified to do business as a foreign corporation in any jurisdiction where the failure to be so qualified would have a Material Adverse Effect on NSC, and NSC has all requisite corporate power and corporate authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted.

- (ii) Dabbagh Parent is a corporation duly organized, validly existing and in good standing under the Laws of Saudi Arabia and is qualified to do business as a foreign corporation in any jurisdiction where the failure to be so qualified would have a Material Adverse Effect on Dabbagh Parent, and Dabbagh Parent has all requisite corporate power and corporate authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted.
- (iii) As of the Closing Date, Dabbagh HoldCo is a corporation duly organized, validly existing and in good standing under the Laws of Saudi Arabia and is qualified to do business as a foreign corporation in any jurisdiction where the failure to be so qualified would have a Material Adverse Effect on Dabbagh HoldCo, and Dabbagh HoldCo has all requisite corporate power and corporate authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted.

Authorization; Validity. NSC and each of its applicable Affiliates have all requisite corporate power and corporate authority to enter into and perform their obligations under this Agreement and to consummate the Transactions to be consummated by them, as applicable. NSC and each of its applicable Affiliates have or will have at the Closing Date, all requisite corporate power and corporate authority to enter into and perform their obligations under the other Transaction Documents to which they are a party and to consummate the Transactions to be consummated by them. The execution, delivery and performance by NSC and Dabbagh Parent of this Agreement has been, and the execution, delivery and performance by NSC and each of its applicable Affiliates of the other Transaction Documents to which they are a party and the consummation by NSC and each of its applicable Affiliates of the Transactions to be consummated by them have been or at the Closing Date, will have been, duly authorized by all necessary corporate action on the part of NSC and each of its applicable Affiliates. This Agreement has been, and the other Transaction Documents to which NSC and each of its Affiliates are a party, have been or at the Closing Date, will have been, duly executed and delivered by NSC and each of its Affiliates, as applicable. This Agreement constitutes, and the other Transaction Documents to which NSC or any of its Affiliates is a party will constitute, legal, valid and binding obligations of NSC or such Affiliate, as applicable, enforceable against it or them in accordance with (i) their respective terms and (ii) the applicable Law to which they are expressed to be subject.

No Conflicts . The execution, delivery and performance by NSC and each of its applicable Affiliates of this Agreement do not, and the execution, delivery and performance by NSC and each of its Affiliates of the other Transaction Documents to which it is a party, the consummation of the Transactions to be consummated by it and the compliance with the terms of the Transaction Documents to which it is a party will not, conflict with, result in any violation of or default (with or without notice or lapse of time or both) under, give rise to a right of termination, cancellation or acceleration of any obligation (in each case by any third party) or to the loss of any benefit under, or result in or require the creation, imposition or extension of any Encumbrance upon any of its properties or assets under (i) any provision of the Constituent Documents of NSC or any of its applicable Affiliates or (ii) any Judgment, Injunction, applicable Law or Contract to which NSC or any of its applicable Affiliates is a party or by which they or any of their properties is bound (except, with respect to clause (ii), for such conflicts, violations, defaults, rights or losses that, individually or in the aggregate, would not have a Material Adverse Effect on NSC or Dabbagh Parent, such that NSC or its Affiliates, as applicable, would not be able to perform in all material respects its obligations under this Agreement and the other Transaction Documents to which it is a party in accordance with their respective terms and would not have a Material Adverse Effect on NSC). To the knowledge of NSC, except for filing with the competition authorities in Pakistan and the Ukraine, no Third Party Approval and no Governmental Approval is required to be obtained or made by NSC or any of its Affiliates in connection with the execution, delivery and performance of this Agreement and the Transactions contemplated by this Agreement, except for Third Party Approvals or Governmental Approvals the absence of which, individually or in the aggregate, would not have a Material Adverse Effect on NSC or Dabbagh Parent, such that NSC or its Affiliates, as applicable, would not be able to perform in all material respects its obligations under this Agreement and the other Transaction Documents to which it is a party in accordance with its terms.

Legal Proceedings and Compliance with Laws .

- (i) Litigation . There are no material Proceedings pending or, to NSC's knowledge, threatened against or relating to it or Dabbagh Parent.

- (ii) Compliance with Laws . There has been no Default by NSC or its Affiliates under any Laws applicable to it and NSC or any of its Affiliates has not received any notices from any Governmental Authority or third party regarding any alleged Defaults applicable to NSC or any of its Affiliates under any Laws, except for Defaults the existence of which has not had, or would not reasonably be expected to have, a material adverse effect on NSC or Dabbagh Parent, or, if such Default were to be continuing, the Global Alliance. NSC and its Affiliates (which Affiliates are directly or indirectly engaged in the Polywoven Industrial Packaging Business) would be in full compliance with Section 4.7 hereof if such section were in effect on the date hereof. None of NSC, Dabbagh Parent, their respective officers, directors, employees or, to their knowledge, their respective agents or others acting on their behalf are or have been included on the list of Specially Designated Nationals and Blocked Persons (**SDN List**) maintained by the Office of Foreign Assets Control (**OFAC**) of the United States Treasury Department or any similar list maintained by other relevant Governmental Authorities and, to the knowledge of NSC, Dabbagh Parent, none of the foregoing are being investigated or considered for inclusion on any such lists. None of NSC, Dabbagh Parent, their respective officers, directors, employees or, to their knowledge, their respective agents or others acting on their behalf are Government Officials, and in connection with this Agreement and the anticipated formation of the Global Alliance none of the foregoing have made any Prohibited Payments.
- (iii) Governmental Permits .
- (A) NSC has obtained and is in compliance with all Governmental Approvals relating to it, that are required for its operations, except for any failure to obtain or non-compliance that would not have a Material Adverse Effect on NSC. All of such Governmental Approvals are currently valid and in full force and NSC has filed such timely and complete renewal applications as may be required with respect to such Governmental Approvals. To the knowledge of NSC, no revocation, cancellation or withdrawal thereof has been threatened.
- (B) Dabbagh Parent has obtained and is in compliance with all Governmental Approvals relating to it, that are required for its operations, except for any failure to obtain or non-compliance that would not have a Material Adverse Effect on Dabbagh Parent. All of such Governmental Approvals are currently valid and in full force and Dabbagh Parent has filed such timely and complete renewal applications as may be required with respect to such Governmental Approvals. To the knowledge of Dabbagh Parent, no revocation, cancellation or withdrawal thereof has been threatened.
- (e) No Other Warranties . Except for the representations and warranties expressly set forth in this Agreement, there are no other warranties (INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF HABITABILITY, MERCHANTABILITY OR WARRANTY FOR A PARTICULAR PURPOSE), express or implied.

4. COVENANTS

4.1 Global Alliance Entity Board Composition

(a) Establishment of ChannelCo, AssetCo and KSA Hub Boards of Directors.

- (i) Board Representation of each of Greif and NSC. Each of Greif and NSC shall constitute, effective at the Closing, and in accordance with the Constituent Documents of each Global Alliance Entity, the Board of Directors for each of ChannelCo, AssetCo and KSA Hub (**Board of Directors**). Each Board of Directors shall consist of eight (8) or ten (10) individuals, as agreed between Greif and NSC. The parties shall cause the shareholders of the Global Alliance Entities to appoint, on the nomination of Greif, half of the individuals to serve on the Board of Directors of each of ChannelCo, AssetCo and KSA Hub and, on the nomination of NSC, the other half of the individuals to serve on the Board of Directors of each of ChannelCo, AssetCo and KSA Hub. Board of Director nominations made by either Greif or NSC in accordance with the provisions of the Joint Venture Agreement shall not be objected to by Greif or NSC (as the case may be).
- (ii) Chairman of ChannelCo, AssetCo and KSA Hub. Greif shall designate a representative of Greif to serve as the Chairman of the ChannelCo Board of Directors, and NSC shall designate a representative of NSC to serve as the Chairman of the AssetCo Board of Directors and a representative of NSC to serve as the Chairman of the KSA Hub Board of Directors. Pursuant to the applicable Constituent Documents, each of the ChannelCo Chairman, the AssetCo Chairman and the KSA Hub Chairman shall have the power to break tie votes on any matter that comes before the applicable Board of Directors. For the avoidance of doubt, none of the ChannelCo Chairman, the AssetCo Chairman or the KSA Hub Chairman may break a tie vote (nor be entitled to an additional vote) on any decision requiring a Board Supermajority Approval unless such chairman's vote, together with all other votes cast with respect to such matter, meets the minimum number of votes required for such approval pursuant to Section 1.3(a) of the Joint Venture Agreement.

(b) Appointment of Executives; Removal and Replacement.

Notwithstanding any other provisions to the contrary contained in this Agreement or in any Constituent Documents, at all times, Greif will, after consultation with NSC, designate the Chief Executive Officer (the **CEO**) of each of ChannelCo, AssetCo and KSA Hub and NSC will, after consultation with Greif, designate the Chief Financial Officer (the **CFO**) of each of ChannelCo, AssetCo and KSA Hub. At least seven (7) calendar days prior to the Closing, Greif will notify NSC of its initial CEO designee and NSC will notify Greif of its initial CFO designee. The parties shall cause the shareholders of the applicable Global Alliance Entity, at the direction of either Greif or NSC (and after consultation with Greif or NSC, as the case may be), to appoint the CEO and to remove the CEO in the event that the CEO (1) is convicted of any criminal offense under applicable Law, (2) becomes physically incapable of discharging his obligations as CEO, or (3) in the reasonable judgment of either Greif or NSC, is not properly discharging his duties as CEO. The applicable Global Alliance Entity Board of Directors shall, at the direction of either Greif or NSC (and after consultation with either Greif or NSC, as the case may be), remove the CFO in the event that the CFO (1) is convicted of any criminal offense under applicable Law, (2) becomes physically incapable of discharging his obligations as CFO, or (3) in the reasonable judgment of either Greif or NSC, is not properly discharging his duties as CFO.

Notwithstanding any other provisions to the contrary contained in this Agreement or in any Constituent Documents, at all times, Greif will, after consultation with NSC, designate the Chief Executive Officer of each Global Alliance Subsidiary (the **Subsidiary CEO**) and NSC will, after consultation with Greif, designate the Chief Financial Officer of each Global Alliance Subsidiary (the **Subsidiary CFO**). At least seven (7) calendar days prior to the Closing, Greif will notify NSC of its initial Subsidiary CEO designee and NSC will notify Greif of its initial Subsidiary CFO designee. The applicable Global Alliance Entity Board of Directors shall, at the direction of either Greif or NSC (and after consultation with either Greif or NSC, as the case may be), remove such Subsidiary CEO in the event that such Subsidiary CEO (1) is convicted of any criminal offense under applicable Law, (2) becomes physically incapable of discharging his obligations as Subsidiary CEO, or (3) in the reasonable judgment of either Greif or NSC, is not properly discharging his duties as Subsidiary CEO. The applicable Global Alliance Entity Board of Directors shall, at the direction of either Greif or NSC (and after consultation with either Greif or NSC, as the case may be), remove such Subsidiary CFO in the event that such Subsidiary CFO (1) is convicted of any criminal offense under applicable Law, (2) becomes physically incapable of discharging his obligations as Subsidiary CFO, or (3) in the reasonable judgment of either Greif or NSC, is not properly discharging his duties as Subsidiary CFO.

(c) Appointment of Global Alliance Entities Staff.

The CEO shall have the authority to appoint such executive staff as he may determine is desirable in order to assist the CEO and CFO in the performance of their duties; provided that the CFO shall have the authority to appoint finance staff who will report directly to the CFO.

4.2 Acquisitions

- (a) Target Split Mechanism. Greif and NSC intend to make through the Global Alliance Entities certain strategic acquisitions of entities that are engaged in the Polywoven Industrial Packaging Business (the **Acquired Businesses**), whereby certain assets of the Acquired Businesses shall be allocated to AssetCo and certain assets of the Acquired Businesses shall be allocated to ChannelCo. Within a reasonable period of time after the acquisition of an Acquired Business but in no event later than sixty (60) days after such acquisition to the extent practicable under applicable Law, the management of ChannelCo and AssetCo shall determine which assets of such Acquired Business are to be allocated to ChannelCo and which assets of such Acquired Business are to be allocated to AssetCo in accordance with the following guidelines:
- (i) the split of assets of an Acquired Business shall be based on operational flexibility to meet customer requirements, with the goal of minimizing the splitting of individual sites between ChannelCo and AssetCo;
 - (ii) the split of assets of an Acquired Business shall be focused on an effective and efficient structure from an operational point of view;
 - (iii) ChannelCo shall hold all sales and sales-related assets (subject to Section 4.2(d) below), including warehouses, finished goods, and fifty percent (50%) of goodwill;
 - (iv) AssetCo shall hold all manufacturing-related assets (e.g., PPE, WIP inventory) and fifty percent (50%) of goodwill;

- (v) a reallocation of the proposed asset split of an Acquired Business shall be made if the initial allocation made by the management of ChannelCo and AssetCo would result in a violation of applicable Law by either of ChannelCo or AssetCo if such allocation were implemented;
- (vi) the costs and expenses in connection with the Acquired Business (including any Transaction Costs incurred in connection with the analysis, preparation and execution of the acquisition thereof (and including the fees and expenses of McKinsey & Company and the purchase price paid for the Acquired Business) (**Acquired Business Costs**) shall be borne by Greif and NSC on a 50%-50% basis, and each of Greif and NSC shall reimburse the other for fifty percent (50%) of the Acquired Business Costs incurred by the other or its Affiliates; and
- (vii) if an Acquired Business includes a site that qualifies to be held by both ChannelCo and AssetCo, the management of ChannelCo and AssetCo shall collectively make the ultimate determination, based on the case-by-case specifics of such site.

With respect to any acquisition of an Acquired Business that is made prior to Closing, the management of ChannelCo and AssetCo shall determine within a reasonable period of time after Closing (but in no event later than 60 days after Closing to the extent practicable under applicable Law), which assets of such Acquired Business are to be allocated to ChannelCo and which assets of such Acquired Business are to be allocated to AssetCo in accordance with the guidelines set forth above.

- (b) Board Approval . The management of ChannelCo and AssetCo shall submit their proposals with respect to the allocation of assets to the Board of Directors of each of ChannelCo and AssetCo for approval, such approval not to be unreasonably withheld, delayed or conditioned.
- (c) Divestitures . Any divestiture of a portion of the Acquired Businesses shall require the approval of the Board of Directors of each of ChannelCo and AssetCo in accordance with Section 1.3(a) of the Joint Venture Agreement.
- (d) Tax Efficiency . Acquired Businesses shall initially be held through ChannelCo or AssetCo; provided that each of Greif and NSC shall cause ChannelCo and AssetCo to restructure the possession of such assets within the Global Alliance to achieve more efficient tax planning for each of Greif and NSC and their respective Affiliates. Such restructurings may include but are not limited to the transfer of legal entities or assets; the conversion of legal entity forms; and the approval of and the filing of associated US tax elections including those under Treas. Reg. §301.7701-3.

4.3 Capital Commitments; Financing Matters

- (a) General .

Each of Greif and NSC acknowledge and agree that the Global Alliance will require capital commitments in an aggregate amount of six hundred million dollars (\$600,000,000) to fund the development of the Polywoven Industrial Packaging Business to be conducted by the Global Alliance, including the acquisition of the Acquired Businesses. Each of Greif and NSC hereby commits to provide one hundred fifty million dollars (\$150,000,000) of equity capital (each, a **Capital Contribution**) for an aggregate equity capitalization of three hundred million dollars (\$300,000,000) as set forth in the Strategic Plan. In addition, the Global Alliance intends to incur stand-alone indebtedness at one or more Global Alliance Entities from third party financing sources for an aggregate amount of three hundred million dollars (\$300,000,000) to

achieve a fifty-fifty (50/50) debt to equity capitalization ratio. In the event that the Global Alliance, despite all commercially reasonable efforts, is unable to obtain all or part of such indebtedness on a stand-alone, non-recourse basis, each of Greif and NSC shall, in addition to their equity commitments, take such actions as may be necessary to ensure that the Global Alliance obtains such indebtedness (which could include making loan guarantees available or loaning the indebtedness directly on market terms (in each case by Greif and NSC on a pro rata fifty-fifty (50/50) basis in accordance with Section 4.3(b)). Each of Greif and NSC further acknowledge and agree that their obligations to make Capital Contributions set forth in this Section 4.3(a) shall be reviewed and adjusted as mutually agreed to the extent that the milestones set forth in the Initial Strategic Plan are either achieved earlier than planned or not satisfied by the dates intended.

- (i) Procedures. Each of Greif and NSC will make all Capital Contributions to the Global Alliance on a pro rata fifty-fifty (50/50) basis. Such Capital Contributions shall be in the amounts and at the times as set forth in the Strategic Plan, as such Strategic Plan may be amended from time to time by Greif and NSC. Except as set forth in this Section 4.3(a), neither Greif nor NSC nor any of their respective Affiliates shall be required to make any Capital Contributions to the Global Alliance. All requests for Capital Contributions from the Global Alliance will (i) be given by written notice from the Boards of Directors of each of ChannelCo and AssetCo to Greif and NSC stating that the Capital Contribution request has been approved by the applicable Board of Directors and designating the legal entity to be funded, (ii) be made in accordance with the terms of the Strategic Plan, (iii) state the aggregate amount of the Capital Contribution, which is to be allocated fifty-fifty (50/50) between Greif and NSC, and (iv) specify the date that the Capital Contribution is to be made, and such date shall not be sooner than ten (10) calendar days following the receipt of such Capital Contribution request notice by Greif and NSC.
- (ii) Failure to Make Capital Contributions. If either Greif or NSC fails to make a Capital Contribution properly requested in accordance with Section 4.3(a)(i), then the other party may, at its option, exercise one or more of the following remedies to cure the defaulted Capital Contribution of the other party:
 - (A) Proceeding to Compel. The non-defaulting party may institute a Proceeding either in its own name or on behalf of the Global Alliance to compel the defaulting party to make its portion of the Capital Contribution;
 - (B) Loan by Non-Defaulting Party. The non-defaulting party may loan the Global Alliance Entity the amount of the defaulting party's portion of the Capital Contribution, in which case the defaulting party will be liable to the non-defaulting party for the amount of such loan, plus interest at eight percent (8%) and all fees and expenses incurred by the non-defaulting party and the Global Alliance in connection with the provision of such loan (including attorneys' fees);
 - (C) Refusal to Make Additional Capital Contributions or Loans. The non-defaulting party may refuse to make any additional Capital Contributions or Credit Support to the Global Alliance without being in default under any provision of this Agreement or any other Transaction Document; or
 - (D) Availability of Other Transaction Document Rights. The non-defaulting party may avail itself of any other rights or remedies provided for under any of the other Transaction Documents in connection with the failure of a party to make a Capital Contribution under this Agreement, including termination of the Global Alliance in accordance with Section 4.2(b) of the Joint Venture Agreement.

- (b) Additional Financing.
- (i) Third Party Financing/Credit Support. Each of Greif and NSC agree that the Global Alliance shall incur indebtedness on a stand-alone basis at one or more Global Alliance Entities to achieve a fifty-fifty (50/50) debt to equity capitalization ratio. Each of Greif and NSC intend that such indebtedness shall be non-recourse to Greif and NSC and shall be secured only by the business operations and assets of the Global Alliance. In the event that the Global Alliance, despite all commercially reasonable efforts, is unable to obtain all or part of such indebtedness on a non-recourse basis, each of Greif and NSC shall take such actions as may be necessary to ensure that the Global Alliance obtains the required indebtedness (which could include making loan guarantees available or loaning the indebtedness directly on market terms (in each case by Greif and NSC on a pro-rata fifty-fifty (50/50) basis) (any such loan guarantee or direct loan being referred to herein as a **Credit Support**)). Each of Greif and NSC hereby severally and not jointly commits to provide up to one hundred fifty million dollars (\$150,000,000) of Credit Support (for an aggregate Global Alliance debt capitalization of three hundred million dollars (\$300,000,000)).
- (ii) Procedure. Each of Greif and NSC will make Credit Support available to the Global Alliance on a pro rata fifty-fifty (50/50) basis. Such Credit Support shall be of the type, in the amounts and at the times as set forth in the Strategic Plan, as such Strategic Plan may be amended from time to time by Greif and NSC. Except as set forth in this Section 4.3(b), neither Greif nor NSC nor any of their respective Affiliates shall be required to make any Credit Support available to the Global Alliance. All requests for Credit Support from the Global Alliance will (i) be given by written notice from the Board of Directors of each of ChannelCo and AssetCo to Greif and NSC stating that the Credit Support request has been approved by the applicable Board of Directors and designating the legal entity to be supported, (ii) be made in accordance with the terms of the Strategic Plan, (iii) state the aggregate amount of the Credit Support, which is to be allocated fifty-fifty (50/50) between Greif and NSC, and (iv) specify the date that the Credit Support is to be made available, and such date shall not be sooner than fifteen (15) calendar days following the receipt of such Credit Support request notice by Greif and NSC.
- (iii) Failure to Make Credit Support Available. If either Greif or NSC fails to make Credit Support available that is properly requested in accordance with Section 4.3(b)(ii), then the other party may, at its option, exercise one or more of the following remedies to cure the default of the other party:
- (A) Proceeding to Compel. The non-defaulting party may institute a Proceeding either in its own name or on behalf of the Global Alliance to compel the defaulting party to make its portion of the Credit Support available;
- (B) Credit Support by Non-Defaulting Party. The non-defaulting party may make or guarantee the amount of the defaulting party's portion of the Credit Support, in which case the defaulting party will be liable to the non-defaulting party for the amount of such guarantee or loan, plus interest and all fees and expenses incurred by the non-defaulting party and the Global Alliance in connection with the provision of such guarantee or loan (including attorneys' fees);
- (C) Refusal to Make Additional Capital Contributions or Credit Support. The non-defaulting party may refuse to make any additional Capital Contributions or Credit Support to the Global Alliance without being in default under any provision of this Agreement or any other Transaction Document; or

- (D) Availability of Other Transaction Document Rights . The non-defaulting party may avail itself of any other rights or remedies provided for under any of the other Transaction Documents in connection with the failure of a party to make any Credit Support available under this Agreement, including termination of the Global Alliance in accordance with Section 4.2(b) of the Joint Venture Agreement.

4.4 Confidentiality

- (a) Covenant of Confidentiality . Except as may be required by applicable Law, each of Greif Parent, Greif, Dabbagh Parent and NSC shall treat all Confidential Information of each other and any Global Alliance Entity that is obtained in connection with participation in the Global Alliance, and not otherwise known to them or already in the public domain (other than through a breach by any Person of any duty or obligation of confidentiality), as confidential.
- (b) No Disclosure or Unauthorized Use of Confidential Information . Each of Greif Parent, Greif, Dabbagh Parent and NSC acknowledge that the Confidential Information described in Section 4.4(a) is a valuable and unique asset and covenants that it will not allow the disclosure of any such Confidential Information to any Person, other than its advisors (who shall receive such Confidential Information with no right to disclose the same or use it except for the same use as permitted to the disclosing party), for any reason whatsoever, unless such information is in the public domain through no wrongful act of such disclosing party or such disclosure is required by Law. Neither Greif Parent, Greif, Dabbagh Parent nor NSC shall use the Confidential Information described in Section 4.4(a) in any manner or for any purpose except as expressly permitted by the other or the Global Alliance Entity that owns the Confidential Information or from which it was obtained.
- (c) Affiliates . The terms of this Section 4.4 shall apply to any Affiliate of Greif Parent or Dabbagh Parent to the same extent as if such Affiliate were either Greif Parent or Dabbagh Parent, and each of Greif Parent and Dabbagh Parent shall take whatever actions may be necessary to cause any of its Affiliates to adhere to the terms of this Section 4.4 .
- (d) Injunctive Relief .
- (i) In the event of any breach or threatened breach by Greif Parent or Greif of any provision of this Section 4.4 , NSC shall be entitled to injunctive or other equitable relief, restraining Greif Parent and Greif from using or disclosing any Confidential Information, in whole or in part, or from engaging in conduct that would constitute a breach of their obligations under this Section 4.4 . Such relief shall be in addition to and not in lieu of any other remedies that may be available, including an action for the recovery of damages.
- (ii) In the event of any breach or threatened breach by Dabbagh Parent or NSC of any provision of this Section 4.4 , Greif shall be entitled to injunctive or other equitable relief, restraining Dabbagh Parent and NSC from using or disclosing any Confidential Information, in whole or in part, or from engaging in conduct that would constitute a breach of their obligations under this Section 4.4 . Such relief shall be in addition to and not in lieu of any other remedies that may be available, including an action for the recovery of damages.

4.5 Fiduciary Duties

- (a) Each of Greif and NSC, acting through the respective representatives appointed on each Global Alliance Entity Board of Directors on their nomination, may, in its sole discretion, approve or decline to approve (and direct the representatives so appointed by it to approve or decline to approve) any matter presented to such Board of Directors. To the extent permitted by applicable Law, no member of a Global Alliance Entity Board of Directors (in his role as a member of such Board of Directors) will have a fiduciary or other duty to Greif, NSC or their respective Affiliates or any Global Alliance Entity other than to the Person that nominated such member to be appointed to such Board of Directors.
- (b) Subject to applicable Law, neither Greif nor any of its Affiliates nor any officer, director, employee or former employee of Greif or its Affiliates nor any member of a Global Alliance Entity Board of Directors (in either case, other than an officer of any Global Alliance Entity) shall have any obligation, or be liable, to NSC or any Global Alliance Entity for exercising any of the rights of Greif or such Affiliate under this Agreement or any other Transaction Document to which it is or will be a party, or for exercising or failing to exercise its rights as a shareholder, member or manager of any Global Alliance Entity (other than a breach of any Transaction Document) or for breach of any fiduciary or other similar duty to NSC or any Global Alliance Entity by reason of such conduct.
- (c) Subject to applicable Law, neither NSC nor any of its Affiliates nor any officer, director, employee or former employee of NSC or its Affiliates nor any member of a Global Alliance Entity Board of Directors (in either case, other than an officer of any Global Alliance Entity) shall have any obligation, or be liable to Greif or any Global Alliance Entity for exercising any of the rights of NSC or such Affiliate under this Agreement or any other Transaction Document to which it is or will be a party, or for exercising or failing to exercise its rights as a shareholder, member or manager of any Global Alliance Entity (other than a breach of any Transaction Document) or for breach of any fiduciary or other similar duty to Greif or any Global Alliance Entity by reason of such conduct.

4.6 Compliance with Agreement

Each of Greif and NSC shall, and shall cause its respective employees and agents to, take all actions as a shareholder or member or director or officer of any other entity that is required to cause any other entity to conduct its business and to take such actions as shall be necessary in order to effect this Agreement, the Transactions or the Transaction Documents.

4.7 Compliance with Laws

- (a) Notwithstanding anything to the contrary contained in this Agreement or any other Transaction Document, from and after the Closing, each of Greif and NSC and their respective Affiliates (which Affiliates are directly or indirectly engaged in the Polywoven Industrial Packaging Business) and each Global Alliance Entity and each Global Alliance Subsidiary shall comply with the requirements of all Laws applicable to each respective party in all material respects and shall make such filings, take such actions, refrain from such actions and otherwise provide all cooperation as may reasonably be requested by the affected party from time to time to ensure that neither Greif nor NSC nor their respective Affiliates (including the Global Alliance Entities and Global Alliance Subsidiaries) is in violation of any Law applicable to them (including by reason of their ownership in any Global Alliance Entity or Global Alliance Subsidiary) and to the extent that the exercise of any right or fulfillment of any obligation under this Agreement would cause Greif or NSC, their respective Affiliates or a Global Alliance Entity or Global Alliance Subsidiary to violate any applicable Law in any material respect, then such right will be exercised or such obligation will be complied with only to the extent that (i) the applicable Law will not be so violated and (ii) such is in accordance with each of Greif's and NSC's compliance policies, including the Joint Venture Compliance Policy.

- (b) Each of Greif and NSC shall formally adopt, implement and from time to time amend the Joint Venture Compliance Policy and shall cooperate in good faith to develop and implement any other appropriate compliance policies designed to ensure that the Global Alliance, each Global Alliance Entity, each Global Alliance Subsidiary and NSC and its Affiliates in connection with their direct or indirect participation in the Global Alliance, complies in all material respects with all applicable Laws, including anti-terrorism sanctions and Laws concerning worker health and safety, environmental protection, anti-corruption, anti-boycott and anti-money-laundering and shall implement and maintain adequate internal financial and management controls and procedures to monitor, audit, detect and prevent the violation of such applicable Laws. Greif shall from time to time provide NSC and each Global Alliance Entity with information concerning applicable U.S. anti-bribery and anti-corruption Laws and the sanctions programs administered by OFAC; the parties agree that such provision of information shall not be construed as providing legal advice to NSC.
- (c) Neither Greif nor NSC nor any of their respective Affiliates (which Affiliates are directly or indirectly engaged in the Polywoven Industrial Packaging Business), nor any Global Alliance Entity or any Global Alliance Subsidiary nor any of their respective directors, officers, employees who are working for a Person that is involved directly or indirectly in the Global Alliance, or, so far as Greif or NSC is aware, any agent, distributor or any other Person acting for or on behalf of the foregoing (individually and collectively, an **Applicable Person**), shall violate any anti-bribery or anti-corruption Laws, nor shall any Applicable Person, directly or indirectly, offer, pay, promise to pay, or authorize the payment or giving of any bribe, influence payoff, payment, kickback, gift, money or anything of value (a **Prohibited Payment**) to any officer or employee of, or any other person acting in an official capacity for any Governmental Authority, or instrumentality thereof, to any political party or official thereof, or to any candidate for political office, or to any family member of or any other person who is connected or associated personally with any of the foregoing (individually and collectively, a **Government Official**) or to any person under circumstances where such Applicable Person knew or was aware of a reasonable probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any Government Official, for the purpose of:
- (i) either influencing any act or decision of such Government Official in his official capacity, inducing such Government Official to do or omit to do any act in relation to his lawful duty, securing any improper advantage, or inducing such Government Official to influence or affect any act or decision of any Governmental Authority or instrumentality; or
 - (ii) assisting Greif, NSC, any Global Alliance Entity, any Global Alliance Subsidiary or any of their respective Affiliates in obtaining or retaining business for or with, or directing business to any of them.
 - (iii) Each of Greif, NSC, Greif Parent and Dabbagh Parent agrees to promptly report to the other parties any Prohibited Payment made in connection with the Global Alliance, any Global Alliance Entity or any Global Alliance Subsidiary of which any of them obtains knowledge or has reasonable grounds to believe has occurred.

- (d) Neither Greif nor NSC nor any of their respective Affiliates (which Affiliates are directly or indirectly engaged in the Polywoven Industrial Packaging Business), nor any Global Alliance Entity or Global Alliance Subsidiary nor any of their respective officers, employees, directors or agents (individually and collectively, a **Relevant Person**) shall engage directly or indirectly in transactions connected with any government, country, or other entity or Person that is the target of or subject to sanctions administered by OFAC or any other relevant Governmental Authority, including all entities owned by any Persons identified on the SDN List. No Relevant Person is any such Person or entity. Notwithstanding the foregoing, Greif acknowledges that, NSC and its Affiliates may engage in transactions with (i) countries or governments that are subject to sanctions administered by OFAC or any other relevant Governmental Authority and (ii) Persons identified on OFAC's SDN List solely due to their being owned or controlled by a government that is subject to OFAC sanctions under a "country regime" (rather than a "bad actor" regime), provided that: (x) such activities do not violate laws applicable to NSC or its Affiliates, (y) such activities are wholly unrelated to any of Greif or its Affiliates, the Global Alliance, any Global Alliance Entity or any Global Alliance Subsidiary and do not contravene the Joint Venture Compliance Policy and (z) such activities do not constitute the predominant share of the business activities (as constituted by revenues generated) of NSC or Dabbagh Parent or result in NSC or Dabbagh Parent materially acting on behalf of such Persons, countries or governments. Each of Greif, NSC, Greif Parent and Dabbagh Parent agrees to promptly report to the other parties upon obtaining knowledge or having reasonable grounds to believe that a Relevant Person has become or is reasonably likely to become the target of any such sanctions which may be grounds for termination of the Global Alliance pursuant to Section 4.2(a) of the Joint Venture Agreement.

4.8 Cooperation; Resolution of Objections

- (a) From and after the date of this Agreement, each of Greif and NSC shall make (and cooperate with the other in making) all filings with Governmental Authorities in connection with the Transactions and shall obtain (and cooperate with the other in obtaining) any Governmental Approvals or Third Party Approvals required to be obtained or made by it in connection with any of the Transactions to be consummated by it at the Closing as promptly as practicable after the date of this Agreement and to use its commercially reasonable efforts to furnish or cause to be furnished, as promptly as practicable, all information and documents reasonably required by the relevant Governmental Authorities to obtain such approvals and shall otherwise cooperate in all reasonable respects with the applicable Governmental Authorities to obtain any required Governmental Approvals in as expeditious a manner as possible.
- (b) Each of Greif and NSC shall use commercially reasonable efforts to resolve such objections, if any, as any Governmental Authority may assert with respect to this Agreement and the other Transaction Documents and the Transactions under Applicable Laws, including requesting reconsideration (which may be initiated by Greif if it is affected thereby or by NSC if it is affected thereby or requested by Greif if Greif is not affected thereby or requested by NSC if NSC is not affected thereby) of any adverse ruling of any Governmental Authority and taking administrative appeals, if available and reasonably likely to result in a reversal of such adverse ruling. If any Proceeding is instituted by any Person challenging this Agreement, the other Transaction Documents or the Transactions, each of Greif and NSC shall promptly consult with each other to determine the most appropriate response to such Proceeding and shall cooperate in all reasonable respects with the Person subject to any such Proceeding, provided that the decision whether to initiate, and the control of, any Proceeding shall remain within the sole discretion of the Person subject to the Proceeding.

4.9 Further Assurances

Each of Greif and NSC shall use its commercially reasonable efforts to do or cause to be done, and to cause its respective Affiliates to do or cause to be done, such further acts and things and deliver or cause to be delivered to the other or its designees such additional assignments, agreements, powers and instruments as the other or its designees may reasonably require or deem advisable to carry into effect the purpose of the Transaction Documents or to better assure and confirm unto the other or its designees its rights, powers and remedies hereunder and thereunder, except that none of Greif and NSC shall be required to agree to or comply with any Burdensome Condition.

5. INDEMNIFICATION

5.1 Indemnification for Representations, Warranties, Covenants and Agreements

- (a) Indemnification by Greif. Except as specifically set forth in the Shared Services Agreement in connection with the provision of certain services thereunder following the Closing, Greif shall pay, indemnify and reimburse NSC and its Affiliates, officers, directors, executives, employees and agents (the **Dabbagh Indemnified Parties**), and the Global Alliance Entities (collectively, the **Greif Protected Parties**) for any and all Losses suffered or incurred by any of them (directly or indirectly) as a result of, or with respect to any breach or inaccuracy of any representation, warranty, covenant or agreement by Greif or its Affiliates contained herein or in any other Transaction Document (subject, in the case of any Transaction Document other than this Agreement, to (A) any express provision in any such other Transaction Document that this Section 5 (or any part thereof) shall not apply to such other Transaction Document and (B) any limitation on the indemnification rights or obligations of a party contained in any such other Transaction Document), whether or not resulting from third party claims.
- (b) Indemnification by NSC. NSC shall pay, indemnify and reimburse Greif and its Affiliates, officers, directors, executives, employees and agents (the **Greif Indemnified Parties**) and the Global Alliance Entities (collectively, the **Dabbagh Protected Parties** and, together with the Greif Protected Parties, the **Protected Parties**) for any and all Losses suffered or incurred by any of them (directly or indirectly) as a result of, or with respect to any breach or inaccuracy of any representation, warranty, covenant or agreement by NSC or its Affiliates contained herein or in any other Transaction Document (subject, in the case of any Transaction Document other than this Agreement, to (A) any express provision in any such other Transaction Document that this Section 5 (or any part thereof) shall not apply to such other Transaction Document and (B) any limitation on the indemnification rights or obligations of a party contained in any such other Transaction Document), whether or not resulting from third party claims.
- (c) Survival of Representations and Warranties. The representations and warranties contained herein and in the other Transaction Documents shall not be extinguished by the Closing, but shall survive until the second anniversary of the Closing (subject, in the case of any Transaction Document other than this Agreement, to (i) any express provision in any such other Transaction Document that this Section 5 (or any part thereof) shall not apply to such other Transaction Document, and (ii) any limitation on the indemnification rights or obligations of a party contained in any such other Transaction Document). No investigation or other examination by the Protected Parties or their respective representatives shall affect the term of survival of the representations and warranties set forth above. The survival of the representations and warranties for a specified period as provided above shall mean that no Protected Party may bring a claim for breach of any such representation or warranty after such period. It is understood that, except as expressly provided herein, all representations and warranties contained herein shall be of no further force or effect after the termination of this Agreement.

- (d) Threshold . No party shall make any claim for indemnification under this Section 5 in respect of a breach of a representation or warranty contained in Section 3 of this Agreement or in any other Transaction Document (subject, in the case of any Transaction Document other than this Agreement, to (A) any express provision in any such other Transaction Document that this Section 5 (or any part thereof) shall not apply to such other Transaction Document, and (B) any limitation on the indemnification rights or obligations of a party contained in any such other Transaction Document), unless and until the aggregate Loss or Losses arising out of or resulting from all such breaches by a party, as the case may be, exceeds five hundred thousand dollars (\$500,000) in which event indemnification for the total amount of such Losses may be claimed, including such threshold amount. The limitations set forth in this Section 5 shall not preclude a party from making a claim for indemnification under this Section 5 (or affect the amount of such claim) that does not relate to a breach of a representation or warranty contained in Section 3, regardless of whether a claim for indemnification for such breach could also be made.

5.2 Indemnification for Post-Closing Matters

Each Global Alliance Entity shall be primarily obligated for all Losses suffered or incurred by it, which are attributable to events or occurrences that take place after the Closing Date, with respect to the assets, properties, rights, business and obligations of such Global Alliance Entity, except for Losses for which indemnification by a party is otherwise provided for in this Section 5 or Liabilities not assumed by such Global Alliance Entity pursuant hereto. The Global Alliance Entities shall pay, indemnify and reimburse each of the other Protected Parties for any and all Losses suffered or incurred by any of them (directly or indirectly through a Global Alliance Entity or otherwise) that are attributable to events or occurrences that take place after the Closing Date, with respect to the assets, properties, rights, business and obligations of any Global Alliance Entity, except for Losses for which indemnification by a party is otherwise provided for in this Section 5 or Liabilities not assumed by any Global Alliance Entity pursuant hereto.

5.3 Notice

If a party wishes to make a claim hereunder on behalf of itself or any Protected Party, it shall promptly notify the Person that may be required to provide indemnification pursuant to this Section 5 (the **Indemnifying Parties**), in writing, of any claim thereunder, specifying in reasonable detail the nature of the Loss suffered by the Protected Parties, and, if known, the amount, or an estimate of the amount, of the Loss arising therefrom, provided that a failure of a party to give the Indemnifying Parties prompt notice as provided herein shall not relieve the Indemnifying Parties of any of their obligations hereunder, except to the extent both any of the Indemnifying Parties are prejudiced by such failure and none of the Indemnifying Parties control the Protected Party or Parties that has suffered the Loss. A party that makes a claim shall provide to the Indemnifying Parties as promptly as practicable thereafter information and documentation reasonably requested by the Indemnifying Parties to support and verify the claim asserted, unless the party that makes a claim has been advised by counsel that it is reasonably likely that a loss of privilege will occur with respect to such information and documentation in which event the parties shall enter into an appropriate joint defense agreement.

5.4 Defense of Third-Party Claims

If a party has made a claim under this Section 5 with respect to a Loss suffered by a Protected Party that arises out of the claim of any third party, the Indemnifying Party may assume the defense thereof, including the employment of counsel or accountants, at the Indemnifying Party's cost and expense; provided that, prior to the Indemnifying Party assuming control of such defense, it shall first verify to the Protected Party in writing that the Indemnifying Party shall be fully responsible (with no reservation of rights) for all Liabilities and obligations relating to such claim for indemnification and that it shall provide full indemnification (whether or not otherwise required hereunder) to the Protected Party with respect to such Proceeding or other claim giving rise to such claim for indemnification hereunder. The Protected Party shall have the right to employ counsel separate from counsel employed by the Indemnifying Party in any such action and to participate therein, but the fees and expenses of such counsel employed by the Protected Party shall be at its expense, unless counsel for the Protected Party shall have advised that it is reasonably likely that any Protected Party may raise a defense or claim that is inconsistent with any defense or claim available to an Indemnifying Party, in which case such reasonable fees and expenses shall be borne by the Indemnifying Party. The Indemnifying Party shall not be liable for any settlement of any such claim effected without its prior written consent, which shall not be unreasonably withheld or delayed; provided that if the Indemnifying Party does not assume the defense of a claim within thirty (30) days of notice thereof, the Protected Party may settle such claim without the consent of the Indemnifying Party. The Indemnifying Party shall not agree to a settlement of or settle any claim that provides for any relief other than the payment of monetary damages or that could have a Material Adverse Effect on any Protected Party and its Subsidiaries taken as a whole (if applicable) without the prior written consent of such Protected Party, which shall not be unreasonably withheld or delayed. Whether or not the Indemnifying Party chooses to so defend such claim, each party shall cooperate in the defense thereof and shall furnish such records, information and testimony, and attend such conferences, discovery Proceedings, hearings, trials and appeals, as may be reasonably requested in connection therewith except to the extent that a party has been advised by counsel that it is reasonably likely that a loss of privilege will occur with respect to such information, documentation and testimony (in which event the parties shall enter into an appropriate joint defense agreement). The Indemnifying Party shall be subrogated to all rights and remedies of the Protected Party in respect of a Loss suffered by the Protected Party, but only to the extent the Indemnifying Party has discharged in full any obligations they may have with respect to such Loss pursuant to this Section 5.

5.5 Indemnification Payments

It is the intention of each party that the indemnifying Person shall be obligated to make payments in respect of their indemnification obligations hereunder directly to the Protected Parties of such indemnifying Person. Each party may agree in writing from time to time to modify any payment arrangements related to Protected Parties hereunder without the consent of any Protected Party other than a party. Nothing in this Section 5 is intended to confer any rights upon any Person other than a party and their respective successors and assigns.

6. DISPUTE RESOLUTION

6.1 General

Except as otherwise provided herein or in any other Transaction Document (it being understood and agreed that provisions of any Transaction Document that provide for equitable or injunctive relief are not subject to the operation of following), any dispute, controversy or claim arising out of or relating to this Agreement or any other Transaction Document (except to the extent expressly provided otherwise therein), including the negotiation or breach, termination or validity thereof and any dispute relating to non-contractual obligations arising out of or in connection therewith (a **Dispute**) shall be settled in accordance with the following procedure:

(a) Internal Management Discussion.

Upon awareness of a Dispute, either of Greif or NSC shall give notice thereof to the other. Each of Greif and NSC shall then promptly forward such notice to the management of the entities involved in the Dispute. For a period of twenty (20) calendar days from receipt of the notice, the management of the entities involved in the Dispute shall consult with each other in a good faith effort to resolve the Dispute.

(b) Board Intervention and Review.

If the management of the entities involved in the Dispute are unable to settle the Dispute after good faith efforts within such twenty (20) calendar day period, then either of Greif or NSC may provide the other with a notice for board intervention. Each of Greif and NSC shall promptly forward such notice to the Board of Directors of the Global Alliance Entities involved in the Dispute. For a period of twenty (20) calendar days from receipt of the notice, the Board of Directors of the entities involved in the Dispute shall consult with each other in a good faith effort to resolve the Dispute. The Board of Directors of the entities involved in the Dispute are allowed to consult third party experts on technical or other questions.

(c) Review by Management of Greif and NSC.

If the Board of Directors of the entities involved in the Dispute do not settle the Dispute within such twenty (20) calendar day period, either of Greif or NSC may provide the other with a notice for review by the management of Greif and NSC. Each of Greif and NSC shall promptly forward such notice to its management. For a period of twenty (20) calendar days from receipt of the notice, the management of Greif and NSC shall consult with each other in a good faith effort to resolve the Dispute.

(d) Discussion CEO to CEO.

If the management of Greif and NSC do not settle the Dispute within such twenty (20) calendar days period, either of Greif or NSC may provide the other with a notice for CEO to CEO discussion. Each of Greif and NSC shall promptly forward such notice to the CEO of its parent. For a period of twenty (20) calendar days from receipt of the notice, the CEOs of Greif Parent and Dabbagh Parent shall consult with each other in a good faith effort to resolve the Dispute.

(e) Mandatory Mediation.

If the CEOs of Greif Parent and Dabbagh Parent do not settle the Dispute within such twenty (20) calendar days period, either of Greif or NSC may provide the other with a notice for mandatory mediation. After delivery of such notice, Greif and NSC will attempt in good faith to settle the matter by mediation in accordance with the International Institute for Conflict Prevention & Resolution's then current CPR Mediation Procedure. The place of mediation shall be London, England.

Any and all Disputes that are not settled by completing the entire dispute resolution procedure set forth in paragraphs (a) through (e) of this Section 6.1 shall be fully and finally resolved by arbitration in accordance with Section 6.2.

6.2 Arbitration

- (a) Rules. Any and all Disputes between the parties to any Transaction Document that have not been settled after completing the entire dispute resolution procedure set forth in Section 6.1 shall be fully and finally resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce then in force (the **ICC Rules**).
- (b) Tribunal. The arbitral tribunal (**Tribunal**) shall consist of three (3) arbitrators. Each party shall nominate one (1) arbitrator and the two party-nominated arbitrators shall select the third arbitrator who shall serve as the chairman of the Tribunal. If the two party nominated arbitrators are unable to agree upon the third arbitrator within thirty (30) days of their confirmation under the ICC Rules, the third arbitrator shall be selected by the ICC International Court of Arbitration. The third arbitrator shall be fluent in the English language and shall not be a national of either Saudi Arabia or the United States.
- (c) Place of Arbitration. The place of arbitration shall be London, England.
- (d) Language. The arbitration shall be conducted in the English language.
- (e) Power. The Tribunal shall have the authority to award temporary, interim or permanent injunctive relief or relief providing for the specific performance of any Transaction Document or portion thereof, but it shall have no power or authority to award punitive damages.
- (f) Currency. Any monetary award shall be expressed in U.S. Dollars or Saudi Riyal, as the Tribunal may decide. Any such monetary award shall include interest from the date of any breach or any violation of any Transaction Document. The arbitrators shall fix an appropriate rate of interest from the date of the breach or other violation to the date when the award is paid in full. In no event shall the interest rate on dollars and on Riyal during such period be lower than a rate equal to the Applicable LIBOR Rate plus two (2.00) percentage points per annum.
- (g) Interim Relief. Any party shall have the right to seek from any court of competent jurisdiction, either before or after the confirmation of the Tribunal, interim or provisional relief in aid of arbitration to protect the rights of such party.
- (h) Judgment on Award. Any award rendered by the Tribunal shall be final and binding, and judgment on any award may be entered in and enforced by any court of competent jurisdiction.
- (i) Confidential Treatment. Any Dispute and any mediation, arbitration or negotiations between the parties in relation to any Dispute, and any information, documents or materials produced for the purposes of, or used in, negotiations, mediation or arbitration of any Dispute, and any order or award arising out of any arbitration between the parties in relation to any Dispute, shall be deemed Confidential Information and shall be treated as such in accordance with Section 4.4 of this Agreement.

- (j) Consolidation of Disputes . If any two (2) parties have two (2) or more Disputes at any given time with each other, then any of the parties may appeal to the Tribunal appointed for the Dispute that arose first in time to join the resolution of the Disputes into one for a joinder order in relation to the Dispute(s) that arose later in time.

7. MISCELLANEOUS

7.1 Notices

All notices that are required or permitted hereunder shall be in writing and shall be sufficient if personally delivered or sent by email, registered or certified mail, facsimile message or internationally recognized courier service. Any notices shall be deemed given upon the earlier of the date when received at, or the fifth calendar day after the date when sent by an internationally recognized courier service, or the day after the date when sent by email to or facsimile to, the address or facsimile number set forth below, unless such address or facsimile number is changed by notice to the other parties, and shall be delivered by hand or courier service, mailed or sent by email, graphic scanning or other telegraphic communications equipment of the sending party, as follows:

Greif:

Greif International Holding Supra C.V.
Bergseweg 6, 3633 AK Vreeland
The Netherlands
Attn: SBU Controller
Fax: +31 294 232 441

with required copies (which copies shall not constitute notice) to:

Greif, Inc.
425 Winter Road
Delaware, OH 43015
Attn: President
Fax: +1 740 549 6101

and

Greif, Inc.
425 Winter Road
Delaware, OH 43015
Attn: General Counsel
Fax: +1 740 549 6101

and

Allen & Overy LLP
1221 Avenue of the Americas
New York, NY 10020
Attn: Eric S. Shube
email: eric.shube@allenoverly.com
Fax: +1 212 610 6399

Greif Parent:

Greif, Inc.
425 Winter Road
Delaware, OH 43015
Attn: President
Fax: +1 740 549 6101

with a required copy (which copy shall not constitute notice) to:

Greif, Inc.
425 Winter Road
Delaware, OH 43015
Attn: General Counsel
Fax: +1 740 549 6101

and

Allen & Overy LLP
1221 Avenue of the Americas
New York, NY 10020
Attn: Eric S. Shube
email: eric.shube@allenoverly.com
Fax: +1 212 610 6399

NSC:

National Scientific Company Limited
P.O. Box 1039
Jeddah 21431
Kingdom of Saudi Arabia
Attn: M H Jazeel
email: jazeel@dabbagh.com
Fax: +966 2 669 6184

with required copies (which copies shall not constitute notice) to:

Dabbagh Group Holding Company Limited
P.O. Box 1039
Jeddah 21431
Kingdom of Saudi Arabia
Attn: M H Jazeel
email: jazeel@dabbagh.com
Fax: +966 2 669 6184

and

Legal Advisors, In Association with Baker & McKenzie
Olayan Complex
Tower II, 3rd Floor
Riyadh 11491
Saudi Arabia
Attn: George Sayen
email: george.sayen@bakermckenzie.com
Fax: +966 1 291 5571

Dabbagh Parent:

Dabbagh Group Holding Company Limited
P.O. Box 1039
Jeddah 21431
Kingdom of Saudi Arabia
Attn: M H Jazeel
email: jazeel@dabbagh.com
Fax: +966 2 669 6184

with a required copy (which copy shall not constitute notice) to:

Legal Advisors, In Association with Baker & McKenzie
Olayan Complex
Tower II, 3rd Floor
Riyadh 11491
Saudi Arabia
Attn: George Sayen
email: george.sayen@bakermckenzie.com
Fax: +966 1 291 5571

7.2 Governing Law; Jurisdiction

- (a) This Agreement, any non-contractual obligations arising out of or in connection with this Agreement (and any Disputes arising out of or related hereto or to the Transactions or to the inducement of any party to enter herein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise), shall in all respects be governed by and construed in accordance with the laws of England and Wales, including all matters of construction, validity and performance, in each case without reference to any conflict of law rules that might lead to the application of the laws of another jurisdiction. The English courts have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Agreement (including a Dispute relating to any non-contractual obligations arising out of or in connection with this Agreement) and each of Greif Parent, Greif, Dabbagh Parent and NSC hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the English courts, for the purposes of any Proceeding, including for the enforcement of any resolution, relief or award in connection with Section 6 of this Agreement.

- (b) Each of Greif Parent and Greif irrevocably appoints Greif UK Limited, Business Unit Manager of Merseyside Works, Oil Sites Road, Ellesmere Port, Cheshire CH65 4EZ as its agent in England for service of process.
- (c) Each of Dabbagh Parent and NSC irrevocably appoints Law Debenture Corporate Services Limited, of 100 Wood Street, London EC2V 7EX as their agent in England for service of process.
- (d) Each of Greif (on behalf of Greif and its Affiliates) and NSC (on behalf of NSC and its Affiliates) irrevocably and unconditionally waives, to the fullest extent permitted by applicable Law, any objection to the laying of venue of any such Proceeding in English courts, and hereby and thereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Proceeding brought in any such court has been brought in an inappropriate or inconvenient forum.
- (e) Each of Greif (on behalf of Greif and its Affiliates) and NSC (on behalf of NSC and its Affiliates) irrevocably and unconditionally waives, to the fullest extent permitted by applicable Law, any right it may have to a trial by jury in any Proceeding arising, directly or indirectly, out of or relating to this Agreement, any other Transaction Document or the transactions contemplated herein or therein and for any counterclaim therein (in each case whether based on contract, tort or any other theory and whether predicated on common law, statute or otherwise). Each of Greif (on behalf of Greif and its Affiliates) and NSC (on behalf of NSC and its Affiliates) (1) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of a Proceeding, seek to enforce the foregoing waiver, and (2) acknowledges that it and the other parties have been induced to enter into this agreement by, amongst other things, the mutual waivers and certifications in this clause.

7.3 Severability

If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, Greif, NSC, Greif Parent and Dabbagh Parent agree that such provision will be enforced to the maximum extent permissible so as to effect the intent of Greif, NSC, Greif Parent and Dabbagh Parent and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby. If necessary to effect the intent of Greif, NSC, Greif Parent and Dabbagh Parent, each of Greif, NSC, Greif Parent and Dabbagh Parent will negotiate in good faith to amend this Agreement to replace the unenforceable language with enforceable language that as closely as possible reflects such intent.

7.4 Amendments

This Agreement may be modified only by a written amendment signed by each of Greif, NSC, Greif Parent and Dabbagh Parent.

7.5 Waiver

Any term or provision of this Agreement may be waived at any time by the Person entitled to the benefit thereof by a written instrument duly executed by such Person. The waiver by Greif, NSC, Greif Parent or Dabbagh Parent of any instance of another Person's noncompliance with any obligation or responsibility herein shall be in writing and signed by the waiving Person and shall not be deemed a waiver of other instances of such other Person's noncompliance.

7.6 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be binding as of the date first written above, and all of which shall constitute one and the same instrument. Each such copy shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

7.7 Entire Agreement

The provisions of this Agreement set forth the entire agreement and understanding among each of Greif, NSC, Greif Parent and Dabbagh Parent as to the formation of the Global Alliance and supersede all prior agreements, oral or written, and all other prior communications between Greif, NSC, Greif Parent and Dabbagh Parent relating to the formation of such Global Alliance, other than the other Transaction Documents.

7.8 No Assignment; No Third Party Beneficiaries

This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, legal representatives, successors and permitted assigns of Greif, NSC, Greif Parent and Dabbagh Parent. Nothing in this Agreement shall confer any rights upon any Person other than Greif, NSC, Greif Parent and Dabbagh Parent and their respective heirs, legal representatives, successors and permitted assigns, except as provided in this Section 7.8. None of Greif, NSC, Greif Parent and Dabbagh Parent shall assign this Agreement, or any right, benefit or obligation hereunder. Any attempted assignment of this Agreement in violation of this Section 7.8 shall be void and of no effect.

7.9 Expenses

Notwithstanding any provision to the contrary in this Agreement, all Transaction Costs incurred in connection with the drafting and negotiation of this Agreement and the Joint Venture Agreement and the other Transaction Documents shall be paid by the Person incurring such cost or expense.

7.10 Publicity

Each of Greif, NSC, Greif Parent and Dabbagh Parent shall consult in good faith with each other with a view to agreeing upon any press release or public announcement relating to the Transactions or by the other Transaction Documents prior to the consummation thereof. Notwithstanding the foregoing, each party may make any public disclosures required by Law or stock exchange regulation, but will make commercially reasonable efforts to give the other parties an opportunity to review any such disclosure prior to release (to the extent practicable).

7.11 Construction

This Agreement has been negotiated by Greif, NSC, Greif Parent and Dabbagh Parent and their respective counsel and shall be fairly interpreted in accordance with its terms and without any strict construction in favor of or against any of Greif, NSC, Greif Parent and Dabbagh Parent.

7.12 Interpretation and Construction of this Agreement

The definitions in Annex 1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” Unless the context shall require otherwise, the word “or” shall be inclusive and not exclusive. All references herein to Articles, Sections, Annexes, Exhibits and Schedules shall be deemed to be references to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The table of contents and the headings of the Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. Unless the context shall otherwise require, any reference to any agreement or other instrument or statute or regulation is to such agreement, instrument, statute or regulation as amended and supplemented from time to time (and, in the case of a statute or regulation, to any successor provision). Any reference in this Agreement to a “day” or a number of “days” (without the explicit qualification of “Business”) shall be interpreted as a reference to a calendar day or number of calendar days. If any action or notice is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action or notice shall be deferred until, or may be taken or given, on the next Business Day. In the event of a conflict between any provision of a Transaction Document (other than the Joint Venture Agreement) and any provision of this Agreement, each of Greif, Greif Parent, NSC and Dabbagh Parent agree to cause the provision of the Transaction Document to be amended to conform to the relevant provision of this Agreement to the fullest extent permitted by applicable Law. Unless otherwise noted, all references in this Agreement to “\$” shall refer to U.S. Dollars.

Each of Greif, NSC, Greif Parent and Dabbagh Parent agrees that the ChannelCo Constituent Documents, the AssetCo Constituent Documents and the KSA Hub Constituent Documents, including their respective rights and obligations thereunder, shall at any time be interpreted and construed in accordance with the provisions of this Agreement. If there is a conflict between a provision of this Agreement on the one hand and a provision of the ChannelCo Constituent Documents, the AssetCo Constituent Documents and the KSA Hub Constituent Documents on the other hand, each of Greif, NSC, Greif Parent and Dabbagh Parent agrees to use its rights under the ChannelCo Constituent Documents, the AssetCo Constituent Documents and the KSA Hub Constituent Documents, inter alia, as shareholder, so as to give maximum effect to the provisions and purposes of this Agreement in all respects and not in a manner which is inconsistent with this Agreement. If at any time, for the full implementation of this Agreement in all respects, the ChannelCo Constituent Documents and/or the AssetCo Constituent Documents and/or the KSA Hub Constituent Documents need to be amended, Greif, NSC, Greif Parent and Dabbagh Parent shall, at the first request of either one, discuss the amendment of the ChannelCo Constituent Documents and/or the AssetCo Constituent Documents and/or the KSA Hub Constituent Documents to give maximum effect to the provisions and purposes of this Agreement in all respects.¹

7.13 Disclaimer of Agency

Except for provisions herein expressly authorizing one (1) Person to act for another, this Agreement shall not constitute any of Greif, NSC, Greif Parent or Dabbagh Parent as a legal representative or agent of another party, nor shall any of Greif, NSC, Greif Parent and Dabbagh Parent have the right or authority to assume, create or incur any Liability or any obligation of any kind, expressed or implied, against or in the name or on behalf of another party or any of its Affiliates or any of the Global Alliance Entities unless otherwise expressly permitted by each of Greif, NSC, Greif Parent and Dabbagh Parent.

¹ Same language as in JV Agreement.

7.14 Relationship of Greif, Greif Parent, NSC and Dabbagh Parent

Nothing contained in this Agreement shall be deemed to create a partnership entity among any of Greif Parent, Greif, Dabbagh Parent and NSC or any of their Affiliates.

7.15 Language

Each of Greif, NSC, Greif Parent and Dabbagh Parent have negotiated this Agreement in, and the definitive version of this Agreement shall be in, the English language and all communications relating hereto shall be in the English language.

7.16 Interest

If at any time any amount of interest to be charged pursuant to any provision of this Agreement exceeds the maximum permitted by English law for such charge, such charge shall be reduced to such legal maximum amount.

SIGNATORIES

IN WITNESS WHEREOF , Greif Parent, Greif, Dabbagh Parent and NSC have caused their respective duly authorized officers to execute this Agreement as of the day and year first above written.

GREIF, INC.

By: /s/ Michael J. Gasser
Name: Michael J. Gasser
Title: Chairman and Chief Executive Officer

GREIF INTERNATIONAL HOLDING SUPRA C.V.

By: /s/ Michael J. Gasser
Name: Michael J. Gasser
Title: Chairman

DABBAGH GROUP HOLDING COMPANY LIMITED

By: /s/ M.H. Jazeel
Name: M. H. Jazeel
Title: Chief Financial Officer

NATIONAL SCIENTIFIC COMPANY LIMITED

By: /s/ Waheed A. Shaikh
Name: Waheed A. Shaikh
Title: Chief Operation Officer

ANNEX 1

CERTAIN DEFINITIONS

Acquired Business Costs shall have the meaning ascribed to such term in Section 4.2(a)(vi) of the Formation Agreement.

Acquired Businesses shall have the meaning ascribed to such term in Section 4.2(a) of the Formation Agreement.

Affiliate shall mean, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by, or is under common Control with, such first Person. For purposes of this Agreement, (a) neither Greif nor any of its Subsidiaries shall be deemed Affiliates of any Global Alliance Entity of which Greif is not the majority holder of the economic and voting interests, (b) neither NSC nor any of its Subsidiaries shall be deemed Affiliates of any Global Alliance Entity of which NSC is not the majority holder of the economic and voting interests, (c) Greif and its Subsidiaries, on the one hand, and NSC and its Subsidiaries, on the other hand, shall not be deemed Affiliates of each other, and (d) the term **Affiliate** shall not include any Governmental Authority of Saudi Arabia or the United States of America or any Person Controlled by any such Governmental Authority.

Agreement shall have the meaning ascribed to such term in the Introduction to the Formation Agreement.

Applicable LIBOR Rate shall mean the one-month London Interbank Offered Rate (the **Quoted Rate**) listed in the “Money Rates Box” of *The Wall Street Journal* (New York Edition) (or any successor publication) on the day on which such interest is to begin to accrue, provided that if such day is a day on which the Quoted Rate is not listed in *The Wall Street Journal* (New York Edition) (or such successor publication) or *The Wall Street Journal* (New York Edition) (or such successor publication) is not published, the Applicable LIBOR Rate shall be the Quoted Rate on the most recent day prior to such date on which a Quoted Rate is listed in *The Wall Street Journal* (New York Edition) (or such successor publication).

Applicable Person shall have the meaning ascribed to such term in Section 4.7(c) of the Formation Agreement.

Approval shall mean any consent, approval, license, permit or authorization.

AssetCo shall have the meaning ascribed to such term in Section 1.2(a)(v) of the Formation Agreement.

AssetCo Chairman shall have the meaning ascribed to such term in Section 1.1(c) of the Joint Venture Agreement.

AssetCo Constituent Document shall have the meaning ascribed to such term in Section 1.3(a)(v) of the Formation Agreement.

AssetCo Formation shall have the meaning ascribed to such term in Section 1.2(a)(v) of the Formation Agreement.

Bankruptcy Event shall have the meaning ascribed to such term in Section 4.2(b) of the Joint Venture Agreement.

Board of Directors shall have the meaning ascribed to such term in Section 4.1(a)(i) of the Formation Agreement.

Board Ordinary Approval shall have the meaning ascribed to such term in Section 1.3(b) of the Joint Venture Agreement.

Board Supermajority Approval shall have the meaning ascribed to such term in Section 1.3(a) of the Joint Venture Agreement.

Burdensome Condition shall mean any requirement, provision or condition that: (a)(i) imposes any material limitation on the ability or right of Greif, NSC or any of their respective Affiliates to hold, or requires Greif or NSC or any of their respective Affiliates to dispose of, any of their material assets, (ii) imposes any material limitation on the ability or right of Greif, NSC or any of their respective Affiliates to contribute to a Global Alliance Entity (or any of its Subsidiaries) any material portion of the assets to be contributed to such entity pursuant to the Transaction Documents, or (iii) imposes any material limitation on the ability or right of any Global Alliance Entity or any of its respective Affiliates to hold, or requires a Global Alliance Entity or any of its respective Affiliates to dispose of, any material interest in any material portion of the assets of such Global Alliance Entity and its Affiliates taken as a whole (including the assets, if any, to be contributed to such Global Alliance Entity and its Affiliates pursuant to the Transaction Documents), (b)(i) imposes any material limitation on the ability or right of Greif or NSC or any of their respective Affiliates to conduct any business or (ii) imposes any material limitation on the ability or right of any Global Alliance Entity to conduct its business, (c) materially limits the ability or right of Greif or NSC to exercise its governance rights with respect to any Global Alliance Entity, (d) otherwise would have a Material Adverse Effect on any Global Alliance Entity or is materially adverse to the ability of Greif or NSC to receive the economic benefits contemplated by this Agreement, or (e) materially and adversely affects the ability of Greif or NSC or any Global Alliance Entity to perform its obligations under, or puts in doubt in any material respect the validity of, this Agreement or the other Transaction Documents; provided that if each foregoing Person so affected, directly or indirectly, by any condition or requirement (or, in the case of an Affiliate so affected, the parent or parents thereof) provides a notice to the other stating that such condition or requirement shall no longer be deemed a Burdensome Condition, such condition or requirement shall no longer be deemed a Burdensome Condition for any purpose under this Agreement; and provided, further, that, following the Applicable Closing Date, no requirement or condition of a type described in clause (a)(ii), (a)(iii) or (b)(ii) shall constitute a Burdensome Condition with respect to a Global Alliance Entity.

Business Day shall mean any day other than a day on which commercial banks in the City of New York, New York or Riyadh, Saudi Arabia are required or authorized by applicable Law to be closed.

Business Opportunity shall have the meaning ascribed to such term in Section 2.5(a) of the Joint Venture Agreement.

Capital Contribution shall have the meaning ascribed to such term in Section 4.3(a) of the Formation Agreement.

Cash shall mean any cash and any cash equivalents.

CEO shall have the meaning ascribed to such term in Section 4.1(b) of the Formation Agreement.

CFO shall have the meaning ascribed to such term in Section 4.1(b) of the Formation Agreement.

Chairman shall mean any of the ChannelCo Chairman, AssetCo Chairman and KSA Hub Chairman.

ChannelCo shall have the meaning ascribed to such term in Section 1.2(a)(iv) of the Formation Agreement.

ChannelCo Chairman shall have the meaning ascribed to such term in Section 1.1(c) of the Joint Venture Agreement.

ChannelCo Constituent Document shall have the meaning ascribed to such term in Section 1.3(a)(iv) of the Formation Agreement.

ChannelCo Formation shall have the meaning ascribed to such term in Section 1.2(a)(iv) of the Formation Agreement.

Closing shall have the meaning ascribed to such term in Section 2.1(a) of the Formation Agreement.

Closing Date shall mean the date on which the Closing shall occur.

Closing Date Transactions shall have the meaning ascribed to such term in Section 2.1(b) of the Formation Agreement.

Combined Net Income shall have the meaning ascribed to such term in Section 1.8(a) of the Joint Venture Agreement.

Confidential Information shall mean, with respect to each of Greif and NSC or a Global Alliance Entity, any confidential information or trade secrets of such Person or its Affiliates, including software, data, process technology, plans, drawings, innovations, designs, ideas, proprietary information and blue prints and other technical information, personnel information, advertising and marketing plans or systems, distribution and sales methods or systems, sales and profit figures, customer and client lists, customer, client and supplier information and any relationships with dealers, distributors, wholesalers, customers, clients, suppliers and any other Persons who have, or have had, business dealings with such Person or its Affiliates, in each case owned, used or licensed either directly or indirectly (as licensor or licensee) by such Person or its Affiliates, except for any such item that at the time of receipt is otherwise known by the party receiving the Confidential Information or is generally available to the public, other than by breach of any duty or obligation of confidentiality of any Person.

Constituent Documents shall mean such entity's limited liability company agreement, certificate of formation, articles of incorporation, by-laws or equivalent governing documents.

Contract shall mean any written or oral contract, agreement, lease, plan, instrument or other document, commitment, arrangement, undertaking, practice or authorization that is or may be binding on any Person or its property under applicable Law.

Control (including, with its correlative meanings, **Controlled by** and **under common Control with**) shall mean, with respect to any Person, any of the following: (a) ownership, directly or indirectly, by such Person of equity securities entitling it to exercise in the aggregate more than fifty percent (50%) of the voting power of the entity in question, or (b) the possession by such Person of the power, directly or indirectly, (i) to elect a majority of the board of directors (or equivalent governing body) of the entity in question, or (ii) to direct or cause the direction of the management and policies of or with respect to the entity in question, whether through ownership of securities, by Contract or otherwise.

Credit Support shall have the meaning ascribed to such term in Section 4.3(b)(i) of the Formation Agreement.

Customer shall have the meaning ascribed to such term in Section 2.4(b)(iv) of the Joint Venture Agreement.

Dabbagh Call Notice shall have the meaning ascribed to such term in Section 3.2(e)(i) of the Joint Venture Agreement.

Dabbagh HoldCo shall have the meaning ascribed to such term in Section 1.2(a)(i) of the Formation Agreement.

Dabbagh HoldCo Constituent Document shall have the meaning ascribed to such term in Section 1.3(a)(i) of the Formation Agreement.

Dabbagh Indemnified Parties shall have the meaning ascribed to such term in Section 5.1(a) of the Formation Agreement.

Dabbagh Parent shall have the meaning ascribed to such term in the Introduction to the Formation Agreement.

Dabbagh Protected Parties shall have the meaning ascribed to such term in Section 5.1(b) of the Formation Agreement.

Debt shall mean without duplication, in each case, (i) the principal of and premium (if any) in respect of all indebtedness for borrowed money, including accrued interest, (ii) the principal of and premium in respect of obligations evidenced by bonds, debentures, notes or other similar instruments, including accrued interest, (iii) the principal component of all obligations to pay the deferred and unpaid purchase price of property and equipment which have been delivered, (iv) capital lease obligations and associated debt financing, (v) any Liability under any sale and leaseback transaction, any synthetic lease or tax ownership operating lease transaction (whether or not recorded on a balance sheet), (vi) negative balances in bank accounts, (vii) amounts in respect of checks in transit, (viii) net cash payment obligations under swaps, options, derivatives and other hedging agreements or arrangements that will be payable upon termination thereof (assuming they were terminated on the date of determination), (ix) all Debt of another Person referred to in clauses (i) through (viii) above guaranteed directly or indirectly, jointly or severally, in any manner, and (x) any costs, fees or other expenses arising from or in connection with the repayment, liquidation or termination of any Debt referred to in clauses (i) through (ix), including any prepayment, breakage, termination, penalty or similar costs, fees or expenses.

Default shall mean (a) a breach, default or violation, (b) the occurrence of an event that with or without the passage of time or the giving of notice, or both, would constitute a breach, default or violation or cause an Encumbrance to arise, or (c) with respect to any Contract, the occurrence of an event that with or without the passage of time or the giving of notice, or both, would give rise to a right of termination, renegotiation or acceleration or a right to receive damages or a payment of penalties.

Default Event shall occur when a Person:

- (a) materially defaults in performing and observing any of its material obligations under any Transaction Document and, where such default is capable of remedy, fails to remedy such default within thirty (30) calendar days after service of written notice from the other of such default;
- (b) fails to comply with any applicable Law, specifically with respect to fraud, bribery, money laundering, unethical behavior or other criminal behavior involving moral turpitude;
- (c) files a petition in bankruptcy or for reorganization or rehabilitation (or any similar or equivalent event) under applicable Law for the relief of debtors;
- (d) enters into an arrangement with its creditors or a moratorium is declared in respect of any of its indebtedness (or any similar or equivalent event);
- (e) takes any action to appoint, to request the appointment of, or suffers the appointment of, a receiver, administrative receiver, administrator, trustee or similar officer over all or a material part of its assets (or any similar or equivalent event);
- (f) has a winding-up or administration petition presented in relation to it or has documents filed with a court for an administration in relation to it (or any similar or equivalent event); or
- (g) attempts at any time to Transfer a direct or indirect Ownership Interest in a Global Alliance Entity in violation of the Joint Venture Agreement, except as otherwise permitted pursuant to Section 3.2 of the Joint Venture Agreement.

Dispute shall have the meaning ascribed to such term in Section 6.1 of the Formation Agreement.

Distribution Policy shall have the meaning ascribed to such term in Section 1.8 of the Joint Venture Agreement.

Encumbrances shall mean any lien, mortgage, security interest, pledge, restriction on transferability, defect of title or other claim, charge or encumbrance of any nature whatsoever on any property or property interest, including any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership.

EBITDA shall mean earnings before interest, taxes, depreciation and amortization, calculated in accordance with IFRS standards.

Fair Market Value shall mean, with respect to any asset, as of the date of determination, the cash price at which a willing seller would sell, and a willing buyer would buy, each being apprised of all relevant facts and neither acting under compulsion, such asset in an arm's-length negotiated transaction with an unaffiliated third party without time constraints.

FIBC shall mean flexible intermediate bulk container.

Fiscal Year shall mean the period commencing November 1 in any year and ending on October 31 in the next calendar year, except that the first Fiscal Year with respect to each such Global Alliance Entity shall commence on the Closing Date and end on October 31 of the year in which the Closing Date occurs.

Formation Agreement shall mean the Formation Agreement, dated as of June 14, 2010, by and between Greif Parent, Greif, Dabbagh Parent and NSC.

Formula Value shall mean, with respect to a Global Alliance Entity: (A) from the date hereof until the second anniversary of the Closing Date, the greater of (x) six (6) times EBITDA (for the most recent 12 month period for which management accounts are available) decreased with the amount of outstanding Debt and increased with the amount of available Cash of such Global Alliance Entity, and (y) the aggregate amount of that party's equity contributions to the capital of such Global Alliance Entity; and (B) as of the second anniversary of the Closing date, six (6) times EBITDA decreased with the amount of outstanding Debt and increased with the amount of available Cash of such Global Alliance Entity.

GAAP shall mean generally accepted accounting principles applicable in the relevant jurisdiction or, if applicable, IFRS.

Global Alliance shall have the meaning ascribed to such term in the Introduction to the Formation Agreement and Joint Venture Agreement.

Global Alliance Entity shall mean ChannelCo, AssetCo and KSA Hub and each other Person formed pursuant to the terms hereof to conduct the Polywoven Industrial Packaging Business in which Greif and NSC have a direct or indirect Ownership Interest. Greif and NSC and their respective Subsidiaries (other than ChannelCo, AssetCo and KSA Hub) and the Global Alliance Subsidiaries shall not be deemed to be Global Alliance Entities.

Global Alliance Subsidiary shall have the meaning ascribed to such term in Section 1.2(a)(vi) of the Formation Agreement.

Global Alliance Subsidiary Chairman shall have the meaning ascribed to such term in Section 1.1(d) of the Joint Venture Agreement.

Governmental Approval shall mean any permit, consent, approval, authorization, waiver, grant, concession, license, exemption or order of, registration, certificate, declaration or filing with, or report or notice to, any Governmental Authority.

Governmental Authority shall mean any federation, nation, state, sovereign or government, any federal, supranational, regional, state or local political subdivision, any governmental or administrative body, instrumentality, department or agency or any court, administrative hearing body, commission or other similar Dispute resolving panel or body, and any other entity exercising executive, legislative, judicial, regulatory or administrative functions of a government; provided that the term “Governmental Authority” shall not include any of NSC and its Affiliates or any arbitration panel formed pursuant to Section 6 of the Formation Agreement.

Governmental Order shall mean any order, writ, judgment, injunction, decree, stipulation, determination or award entered with or by any Governmental Authority.

Government Official shall have the meaning ascribed to such term in Section 4.7(c) of the Formation Agreement.

Greif shall have the meaning ascribed to such term in the Introduction to the Formation Agreement.

Greif Business System shall mean the system described in the document certified by Greif to NSC.

Greif Brand, Channel and Expertise shall mean access to Greif’s name and the architecture of the Greif Business System through the IP License Agreement, access to management employees of Greif through the Shared Services Agreement, access to employees of Greif who have expertise in mergers and acquisitions, and access to Greif’s global channels and distribution network.

Greif Call Notice shall have the meaning ascribed to such term in Section 3.2(e)(ii) of the Joint Venture Agreement.

Greif’s Global Transfer Pricing Policy means the policy described in the document certified by Greif to NSC.

Greif HoldCo shall have the meaning ascribed to such term in Section 1.2(a)(ii) of the Formation Agreement.

Greif HoldCo Constituent Documents shall have the meaning ascribed to such term in Section 1.3(a)(ii).

Greif Indemnified Parties shall have the meaning ascribed to such term in Section 5.1(b) of the Formation Agreement.

Greif Parent shall have the meaning ascribed to such term in the Introduction to the Formation Agreement.

Greif Protected Parties shall have the meaning ascribed to such term in Section 5.1(a) of the Formation Agreement.

Greif Spain HoldCo shall have the meaning ascribed to such term in Section 1.2(a)(iii) of the Formation Agreement.

Greif Spain HoldCo Constituent Document shall have the meaning ascribed to such term in Section 1.3(a)(iii) of the Formation Agreement.

ICC Rules shall have the meaning ascribed to such term in Section 6.2(a) of the Formation Agreement.

IFRS means the standards, interpretations and framework for the preparation and presentation of financial statements adopted by the International Accounting Standards Board.

Indemnifying Parties shall have the meaning ascribed to such term in Section 5.3 of the Formation Agreement.

Initial Strategic Plan shall have the meaning ascribed to such term in Section 2.1(b) of the Joint Venture Agreement.

Injunction shall mean any preliminary, temporary, interim or final injunction, temporary restraining order or other court ordered legal prohibition or equitable remedy requiring or prohibiting action.

Intellectual Property shall mean any copyrights and registrations or applications for registration of copyrights in any jurisdiction, and any renewals or extensions thereof, patents, trademarks, data, technology rights and licenses, Confidential Information, franchises, inventions, discoveries, know-how, formulae, specifications and ideas, rights in research and development, and commercially practiced processes and inventions, whether patentable or not in any jurisdiction and any other intellectual property used by either Greif or NSC in the Greif Polywoven Business or with regard to KSA Expertise and Support, as the case may be.

IP License Agreement shall mean that certain IP License Agreement, dated as of the Closing Date, among Greif Parent and ChannelCo and/or AssetCo.

IPO shall mean the listing of new shares in Greif HoldCo or Dabbagh HoldCo and/or any existing shares in either such entity that comprise a minority interest in such entity, as the case may be, on any major internationally recognized stock exchange selected for that purpose by Greif HoldCo or Dabbagh HoldCo, which listing results in an active public trading market for the class of shares so listed on such stock exchange.

Joint Venture Agreement shall mean the Joint Venture Agreement, dated as of the Closing Date, by and between Greif Parent, Greif, Dabbagh Parent and NSC and substantially in the form attached as Exhibit 2 to the Formation Agreement.

Joint Venture Compliance Policy shall have the meaning ascribed to such term in Section 2.2(h) of the Formation Agreement.

Judgment shall mean any judgment, order, judicial decree or arbitral award.

KSA Expertise and Support shall mean access to NSC's understanding of the Saudi Arabian market and regional business environment, local knowledge and local presence, including (i) assistance in obtaining permits and approvals for the construction of KSA Hub; (ii) expertise in obtaining the most favorable terms for resin, land, energy, labor and building; (iii) services of NSC portfolio companies as needed; and (iv) support in recruiting and training employees of the Global Alliance Entities.

KSA Hub shall have the meaning ascribed to such term in Section 1.2(b) of the Formation Agreement.

KSA Hub Chairman shall have the meaning ascribed to such term in Section 1.1(c) of the Joint Venture Agreement.

KSA Hub Constituent Documents shall have the meaning ascribed to such term in Section 1.3(a)(vi) of the Formation Agreement.

KSA Hub Formation shall have the meaning ascribed to such term in Section 1.2(b) of the Formation Agreement.

Law shall mean all relevant provisions of all applicable (a) constitutions, treaties, statutes, laws (including common law), directives, rules, regulations, ordinances or codes of any applicable Governmental Authority, and (b) orders, decisions, injunctions, judgments, awards, decrees and Governmental Approvals of any applicable Governmental Authority.

Liability shall mean any direct or indirect liability, indebtedness, obligation, expense, claim, loss, damage, deficiency, guaranty or endorsement of or by any Person, absolute or contingent, accrued or unaccrued, due or to become due, liquidated or unliquidated.

Liquidator shall have the meaning ascribed to such term in Section 4.4(a) of the Joint Venture Agreement.

Losses shall mean any and all claims, losses, liabilities, damages (including fines, penalties, and criminal or civil judgments and settlements), costs (including court costs and environmental and other investigation and removal costs) and expenses (including reasonable attorneys', environmental consultants' and accountants' fees).

Material Adverse Effect shall mean (a) with respect to Greif or a business unit of Greif, the effect of any event, occurrence, fact, condition or change that (i) is materially adverse to or reduces Greif's ability to provide Greif Brand, Channel and Expertise or (ii) makes it impossible to reach the key performance milestones set forth in the Strategic Plan, (b) with respect to NSC or a business unit of NSC, the effect of any event, occurrence, fact, condition or change that is materially adverse to or reduces NSC's ability to provide KSA Expertise and Support or (ii) makes it impossible to reach the key performance milestones set forth in the Strategic Plan, or (c) with respect to the Global Alliance, the effect of any event, occurrence, fact, condition or change that makes it impossible to reach the key performance milestones set forth in the Strategic Plan.

Non-Presenting Entity shall have the meaning ascribed to such term in Section 2.5(a) of the Joint Venture Agreement.

Non-Selling Party shall have the meaning ascribed to such term in Section 3.2(b) of the Joint Venture Agreement.

NSC shall have the meaning ascribed to such term in the Introduction to the Formation Agreement.

OECD Guidelines shall mean the Organization for Economic Cooperation and Development Guidelines for Transfer Pricing Among Multinational Enterprises.

OFAC shall have the meaning ascribed to such term in Section 3.2(d)(ii) of the Formation Agreement.

Operating Plan shall mean the annual detailed plan by the management of a Global Alliance Entity that is presented to the Board of Directors of such Global Alliance Entity for approval and that shall focus on tactical objectives to achieve the goals included in the Strategic Plan, including sales, profitability, working capital management, cash flow, capital investments, capital budget, other financial key performance indicators and strategy deployment plans.

Ownership Interest with respect to any Person's investment in another Person, shall mean such Person's ownership interest therein (whether voting or nonvoting) and whether expressed as a percentage or balance of the total outstanding ownership interest in the equity and profits and losses of such other Person (voting and nonvoting) of the total equity or otherwise.

Parent Approval shall have the meaning ascribed to such term in Section 1.3(c) of the Joint Venture Agreement.

Person shall mean any natural person, business trust, corporation, partnership, limited liability company, joint stock company, proprietorship, association, trust, joint venture, unincorporated association or any other legal entity of whatever nature organized under any applicable Law, an unincorporated organization or any Governmental Authority.

Polywoven Industrial Packaging Business shall mean the business of manufacturing and selling polywoven fabric and manufacturing and selling polywoven FIBCs, polywoven shipping sacks, polywoven dunnage bags and other applications added as a result of a change in the scope of operation of the Global Alliance in accordance with the Joint Venture Agreement.

Presenting Entity shall have the meaning ascribed to such term in Section 2.5(a) of the Joint Venture Agreement.

Proceeding shall mean any action, arbitration, litigation, suit, proceeding or investigation, review or inquiry of any nature, civil, criminal, regulatory or otherwise, by or before any Governmental Authority or private tribunal.

Prohibited Payment shall have the meaning ascribed to such term in Section 4.7(c) of the Formation Agreement.

Protected Parties shall have the meaning ascribed to such term in Section 5.1(b) of the Formation Agreement.

Relevant Person shall have the meaning ascribed to such term in Section 4.7(d) of the Formation Agreement.

Rigid Industrial Packaging Business shall have the meaning ascribed to such term in Section 2.4(b)(iii) of the Joint Venture Agreement

ROFO Expiration Date shall have the meaning ascribed to such term in Section 3.2(b) of the Joint Venture Agreement.

Sale Period shall have the meaning ascribed to such term in Section 4.3(b) of the Joint Venture Agreement.

Saudi Arabia shall mean the Kingdom of Saudi Arabia and its territories and possessions.

SDN List shall have the meaning ascribed to such term in Section 3.2(d)(ii) of the Formation Agreement.

Selling Party shall have the meaning ascribed to such term in Section 3.2(b) of the Joint Venture Agreement.

Shared Services Agreement shall mean the agreement in a form to be agreed prior to Closing between Greif, NSC and certain of their respective Affiliates with regard to certain services to be provided to the Global Alliance Entities.

Strategic Plan shall mean the Initial Strategic Plan in the form agreed upon in writing by the parties and any subsequent Strategic Plans agreed by and between each of Greif and NSC with respect to the Global Alliance.

Subsidiary shall mean, with respect to Greif and NSC, any other Person in which either Greif or NSC, one or more of their respective direct or indirect Subsidiaries of either Greif or NSC, or either Greif or NSC and one or more of their respective direct or indirect Subsidiaries (a) have the ability, through ownership of securities individually or as a group, ordinarily, in the absence of contingencies, to elect a majority of the directors (or individuals performing similar functions) of such other Person, and (b) own more than fifty percent (50%) of the equity interests. The Global Alliance Entities and their Subsidiaries will not be deemed Subsidiaries of Greif or NSC or their Affiliates for purposes of this Agreement.

Subsidiary CEO shall have the meaning ascribed to such term in Section 4.1(b) of the Formation Agreement.

Subsidiary CFO shall have the meaning ascribed to such term in Section 4.1(b) of the Formation Agreement.

Supply Agreement shall mean the Supply Agreement in the form agreed upon in writing by the parties.

Termination Conditions shall have the meaning ascribed to such term in Section 4.2 of the Joint Venture Agreement.

Termination Condition Date shall have the meaning ascribed to such term in Section 4.3(a) of the Joint Venture Agreement.

Territory shall have the meaning ascribed to such term in Section 2.4(a)(i) of the Joint Venture Agreement.

Third Party Approval shall mean the Approval of any Person other than a Governmental Authority, Greif and NSC or their respective Affiliates or a Global Alliance Entity.

Third Party Sale shall have the meaning ascribed to such term in Section 3.2(a)(vi) of the Joint Venture Agreement.

Transaction Costs shall mean, with respect to any transaction, all costs and expenses incurred by a party in connection with that transaction, including the fees and expenses of any attorneys, accountants, consultants, investment bankers, brokers, finders or other intermediaries.

Transaction Documents shall have the meaning ascribed to such term in Section 1.3 of the Formation Agreement.

Transactions shall mean the transactions contemplated by the Transaction Documents.

Transfer shall have the meaning ascribed to such term in Section 3.1(a) of the Joint Venture Agreement.

Tribunal shall have the meaning ascribed to such term in Section 6.2(b) of the Formation Agreement.

United States shall mean the United States of America and its territories and possessions.

Unrealized Appreciation shall mean the amount by which the agreed value of the assets to be distributed exceeds their book value.

Wholly-Owned shall mean, when used to designate the ownership interest of any Person in an entity, that such Person owns directly or indirectly all of the outstanding economic interests and voting power of such entity, other than any de minimis ownership in such entity as required by applicable Law.

CERTIFICATION

I, Michael J. Gasser, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Greif, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 9, 2010

/s/ Michael J. Gasser
Michael J. Gasser,
Chairman and Chief Executive Officer
(Principal executive officer)

CERTIFICATION

I, Donald S. Huml, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Greif, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 9, 2010

/s/ Donald S. Huml
Donald S. Huml,
Executive Vice President and Chief Financial Officer
(Principal financial officer)

**Certification Required by Rule 13a — 14(b) of the Securities Exchange Act of 1934 and Section 1350
of Chapter 63 of Title 18 of the United States Code**

In connection with the Quarterly Report of Greif, Inc. (the “Company”) on Form 10-Q for the quarterly period ended July 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael J. Gasser, the chief executive officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 9, 2010

/s/ Michael J. Gasser
Michael J. Gasser,
Chairman and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Greif, Inc. and will be retained by Greif, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Required by Rule 13a — 14(b) of the Securities Exchange Act of 1934 and Section 1350
of Chapter 63 of Title 18 of the United States Code**

In connection with the Quarterly Report of Greif, Inc. (the “Company”) on Form 10-Q for the quarterly period ended July 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Donald S. Huml, the chief financial officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 9, 2010

/s/ Donald S. Huml
Donald S. Huml,
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Greif, Inc. and will be retained by Greif, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.