



# Reynolds Group Holdings Limited

2010 Results

March 29, 2011



# Disclaimer

This presentation may contain "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe", "anticipate", "expect", "estimate", "intend", "project", "plan", "will likely continue", "will likely result", or words or phrases with similar meaning. Forward-looking statements involve risks and uncertainties, including, without limitation, economic, competitive, governmental and technological factors outside of the control of Reynolds Group Holdings Limited ("RGHL", "Reynolds" or the "Company"), that may cause Reynolds' business, strategy or actual results to differ materially from the forward-looking statements. Factors that could cause actual results to differ materially from the forward-looking statements include without limitation:

- risks related to our completed and future acquisitions, such as the risks that we may be unable to complete any future acquisitions, or that we may not be able to achieve some or all of the benefits that we expect to achieve from such completed or future acquisitions, including risks related to the integration of our acquired businesses;
- risks related to the future costs of energy, raw materials and freight and the limited number of suppliers we use for those materials and services;
- risks related to our substantial indebtedness and our ability to service our current and future indebtedness;
- risks related to our hedging activities for aluminum and other raw materials which may result in significant losses and in period-to-period earnings volatility;
- risks related to our internal control environment which in the past have resulted in material weaknesses in our internal control over financial reporting within our Evergreen, Reynolds Consumer Products and Closures segments;
- risks related to our suppliers for raw materials and any interruption in our supply of raw materials;
- risks related to downturns in our target markets;
- risks related to increases in interest rates which would increase the cost of servicing our debt;
- risks related to dependence on the protection of our intellectual property and the development of new products;
- risks related to exchange rate fluctuations;
- risks related to the consolidation of our customer bases, competition and pricing pressure;
- risks related to the impact of a loss of any of our key manufacturing facilities;
- risks related to our exposure to environmental liabilities and potential changes in legislation or regulation;
- risks related to complying with environmental, health and safety laws or as a result of satisfying any liability or obligation imposed under such laws;
- risks related to changes in consumer lifestyle, eating habits, nutritional preferences and health-related and environmental concerns that may harm our business and financial performance;
- risks related to restrictive covenants in the notes and our other indebtedness which could adversely affect our business by limiting our operating and strategic flexibility;
- risks related to our dependence on key management and other highly skilled personnel; and
- risks related to other factors discussed or referred to in this annual report, including in the section entitled "Risk Factors."

Some financial information in this presentation has been rounded and, as a result, the figures shown as totals in this presentation may vary slightly from the exact arithmetic aggregation of the figures that precede them.

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# Disclaimer

## Explanatory Note on Non-GAAP Financial Measures

In this presentation, we utilize certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA, that in each case are not recognized under IFRS or U.S. GAAP. These measures are presented as we believe that they and similar measures are widely used in the markets in which we operate as a means of evaluating a company's operating performance and financing structure. They may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS, U.S. GAAP or other generally accepted accounting principles, nor should they be considered as substitutes for the information contained in the financial statements included in this presentation.

EBITDA, a measure used by our management to measure operating performance, is defined as profit (loss) from continuing operations plus income tax expenses, net financial expenses, depreciation of property, plant and equipment and amortization of intangible assets. EBITDA is not a measure of our financial condition, liquidity or profitability and should not be considered as a substitute for profit (loss) for the year, operating profit or any other performance measures derived in accordance with IFRS or as a substitute for cash flow from operating activities as a measure of our liquidity in accordance with IFRS.

Adjusted EBITDA is calculated as EBITDA adjusted for particular items relevant to explaining operating performance. These adjustments include significant items of a non-recurring or unusual nature that cannot be attributed to ordinary business operations, including items such as restructuring and redundancy costs and gains and losses in relation to the valuation of derivatives. Pro Forma Adjusted EBITDA is defined as Adjusted EBITDA as adjusted to provide the full-period effect for businesses acquired after the beginning of a period and full-period effect to the implemented cost saving programs. Adjusted EBITDA is not a presentation made in accordance with IFRS, is not a measure of financial condition, liquidity or profitability and should not be considered as an alternative to profit (loss) for the period determined in accordance with IFRS or operating cash flows determined in accordance with IFRS. The determination of Adjusted EBITDA and Pro Forma Adjusted EBITDA contains a number of estimates and assumptions that may prove to be incorrect and differ materially from actual.

Additionally, EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not take into account certain items such as interest and principal payments on our indebtedness, depreciation and amortization expense, working capital needs, tax payments and capital expenditures. We believe that the inclusion of EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA in this presentation is appropriate to provide additional information to investors about our operating performance to provide a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. Because not all companies calculate EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA identically, the presentation of these non-GAAP financial measures may not be comparable to other similarly titled measures in other companies.

# Presenters Overview

**Tom Degnan**

**Chief Executive Officer**

**Allen Hugli**

**Chief Financial Officer**

**Rolf Stangl**

**SIG**

**Malcolm Bunday**

**Evergreen**

**Paul Thomas**

**Closures and Reynolds Consumer Products**

**John McGrath**

**Pactiv Foodservice**

# Highlights

- Ongoing strong performance across segments
- Revenues increased by 15% to \$6,774 million in 2010
  - Pro Forma for Pactiv acquisition, 2010 revenues of \$9,972 million
- 2010 Pro Forma Adjusted EBITDA of \$2,094 million
- Successfully completed the acquisition of Pactiv in November 2010
  - Creates a leadership position in Foodservice and Consumer businesses
  - Expected synergies realization from Pactiv acquisition on track
- Successfully completed refinancing in February 2011
  - Extended maturities and reduced interest expense
- Entered into a definitive agreement to acquire Dopaco from Cascades Inc.
  - Further adds to our Foodservice product portfolio
  - Expected to close in Q2 2011



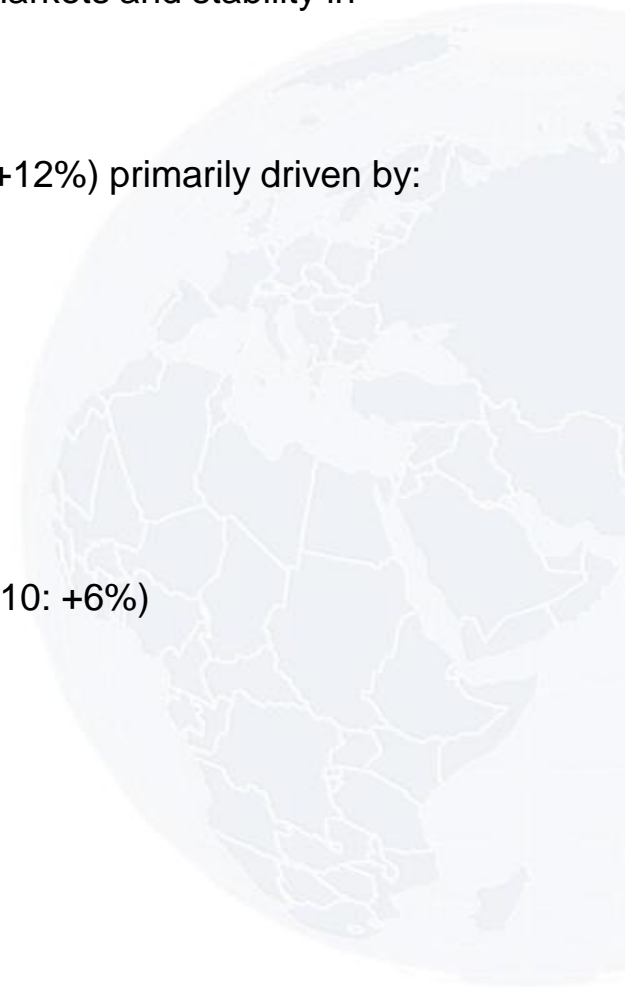
**SIG**

Rolf Stangl



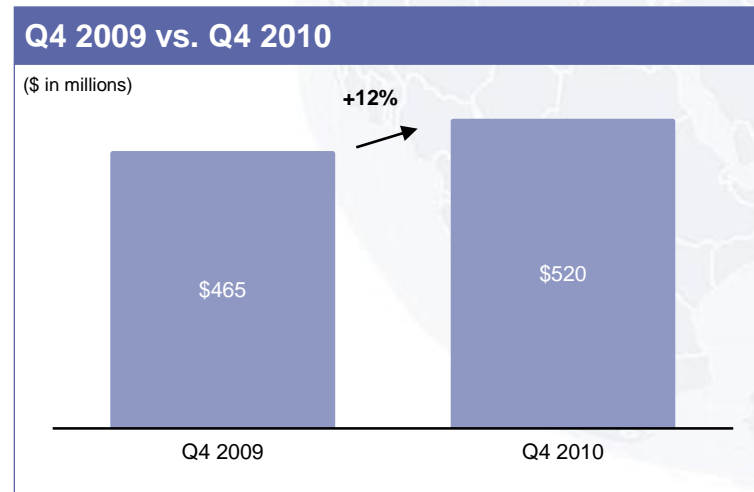
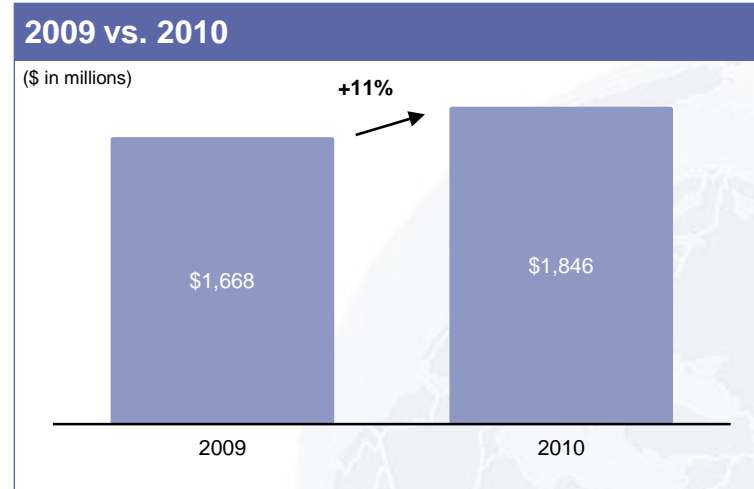
# SIG Highlights

- Ongoing strong performance in 2010 with growth in emerging markets and stability in Europe
  
- Revenues increased by 11% to \$1,846 million in 2010 (Q4 10: +12%) primarily driven by:
  - Increased volume from markets outside Europe
  
  - Impact of Whakatane mill acquisition
  
- Adjusted EBITDA increased by 8% to \$513 million in 2010 (Q4 10: +6%)



# SIG Revenue

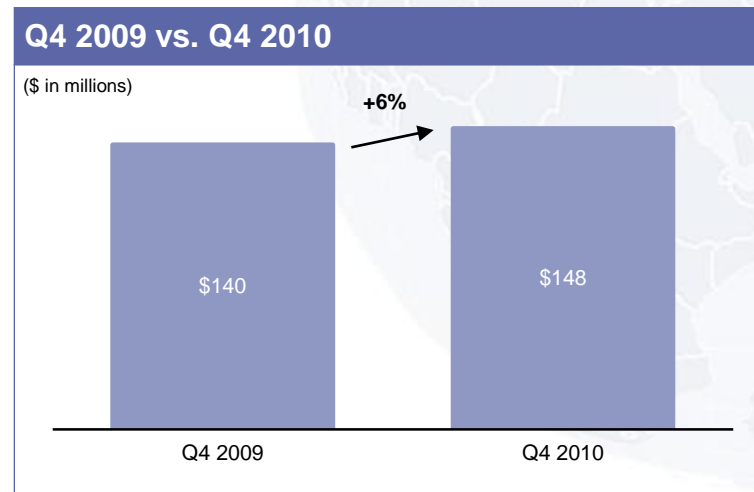
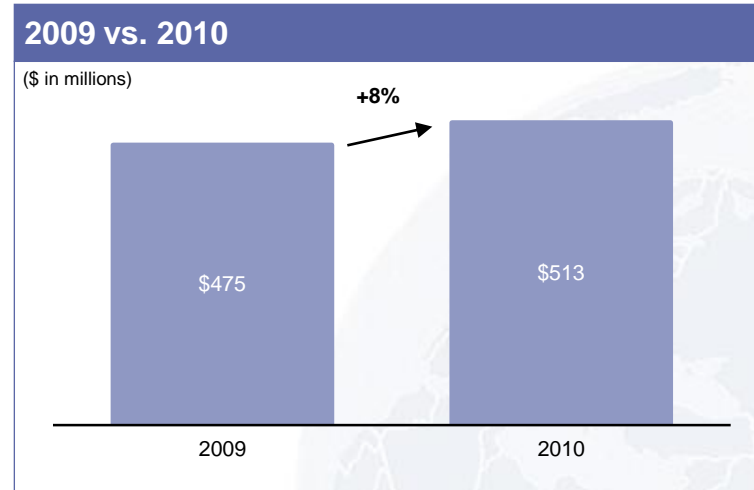
- Revenues increased by 11% to \$1,846 million in 2010
- Improvements primarily driven by:
  - Revenue growth of 23% in markets outside of Europe
    - Strong growth in China, South America and the Middle East
  - Contribution from Whakatane mill acquisition in May 2010
  - Partially offset by:
    - Unfavorable currency fluctuations
    - Revenue decline of 3% in Europe
- Revenues increased by 12% to \$520 million in Q4 2010





# SIG Adjusted EBITDA

- Adjusted EBITDA increased by 8% to \$513 million in 2010
- Improvement primarily driven by:
  - Revenue growth
  - Continued benefit from ongoing cost saving initiatives
    - Headcount reduction
    - Procurement
    - Logistics
    - Production footprint
  - Partially offset by higher raw material costs
- Adjusted EBITDA increased by 6% to \$148 million in Q4 2010



# Evergreen

Malcolm Bunday

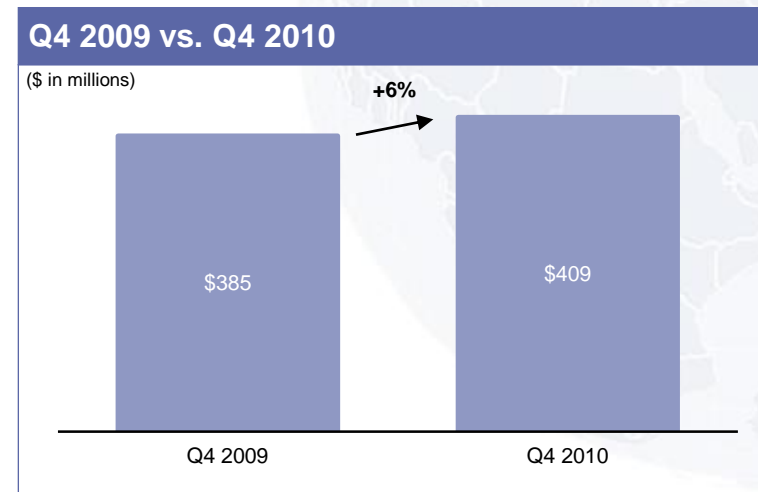
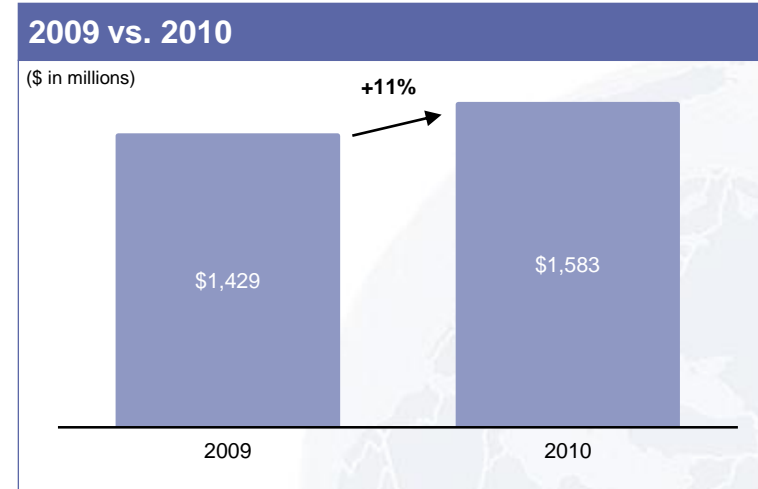


# Evergreen Highlights

- Strong performance in 2010 as markets continue to recover
  
- Revenue increased by 11% to \$1,583 million in 2010 (Q4 10: +6%) primarily driven by:
  - Price recovery and increased volumes
  
- Adjusted EBITDA increased by 18% to \$196 million in 2010 (Q4 10: +7%) primarily driven by:
  - Price recovery and increased volumes
  
  - Productivity improvements and cost saving initiatives

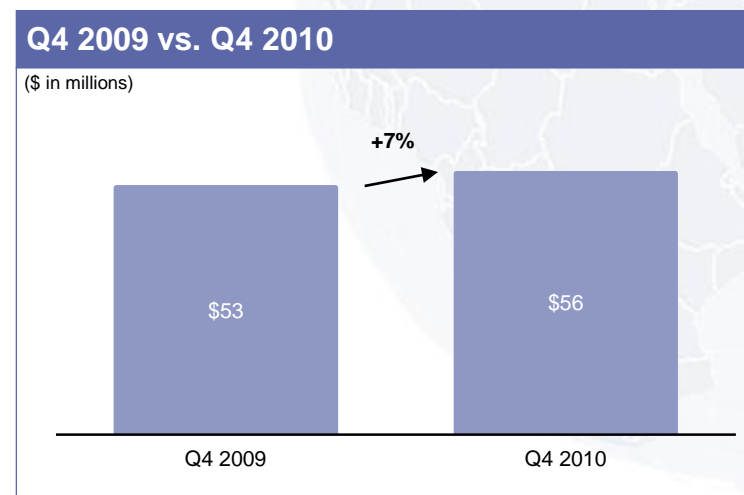
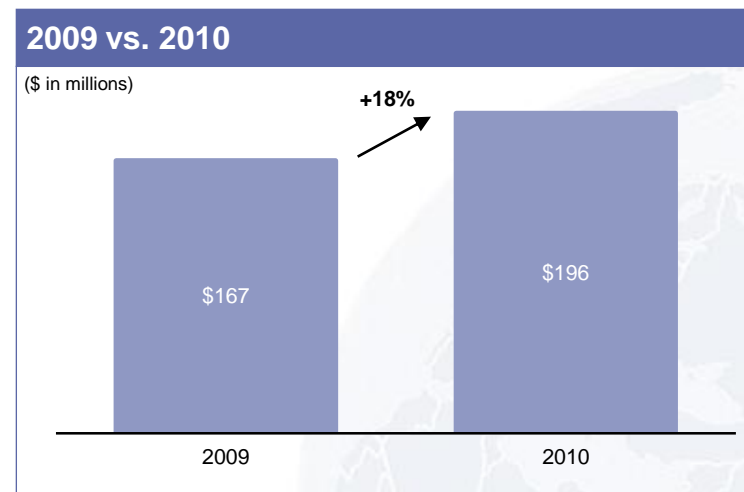
# Evergreen Revenue

- Revenues increased by 11% to \$1,583 million in 2010
- Results primarily driven by:
  - Higher prices and volumes for uncoated free sheet
    - Continued market recovery
  - Higher volumes for coated groundwood
    - Partially offset by slightly lower prices for coated groundwood
  - Higher prices and volumes for liquid packaging board
  - Lower volumes for cartons
    - Partially offset by higher prices for cartons
- Revenues increased by 6% to \$409 million in Q4 2010



# Evergreen Adjusted EBITDA

- Adjusted EBITDA increased by 18% to \$196 million in 2010
- Improvement primarily driven by:
  - Higher prices
  - Higher volumes
  - Strong productivity across mills and converting facilities
  - Continued benefit from cost saving initiatives
  - Partially offset by:
    - Increased raw material prices and other input costs
    - Increased SG&A as vacant positions were filled
- Adjusted EBITDA increased by 7% to \$56 million in Q4 2010



# Closures

Paul Thomas

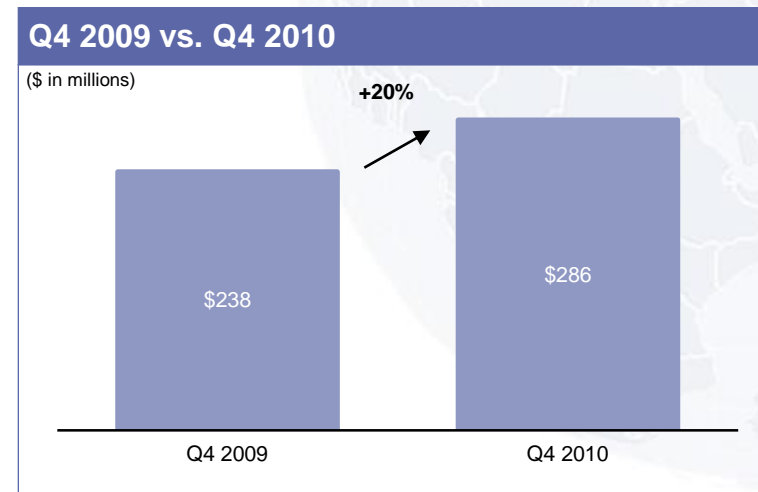
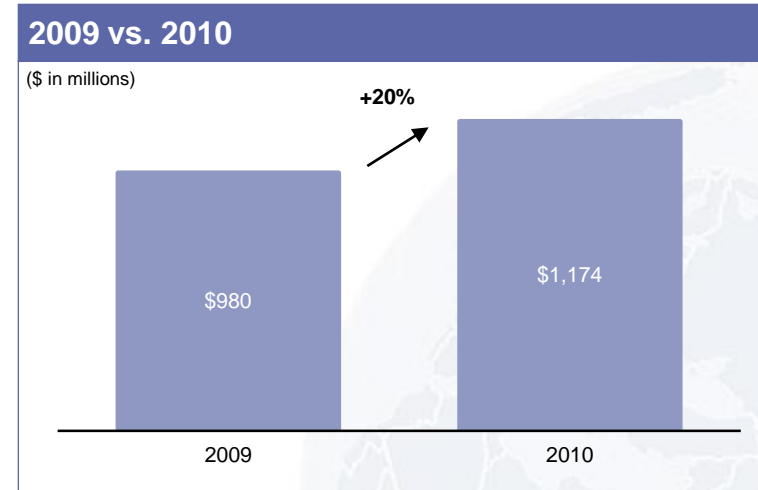


# Closures Highlights

- Strong performance in 2010 driven by continued growth across global markets
- Revenue increased by 20% to \$1,174 million in 2010 (Q4 10: +20%) primarily driven by:
  - Increased volumes and pass through of higher resin prices
  - Impact of the Obrist Americas acquisition in February 2010
- Adjusted EBITDA increased by 15% to \$170 million in 2010 (Q4 10: +18%)

# Closures Revenue

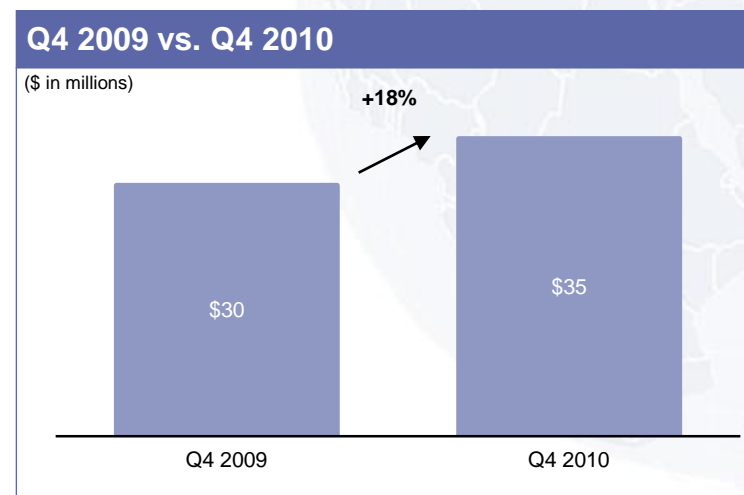
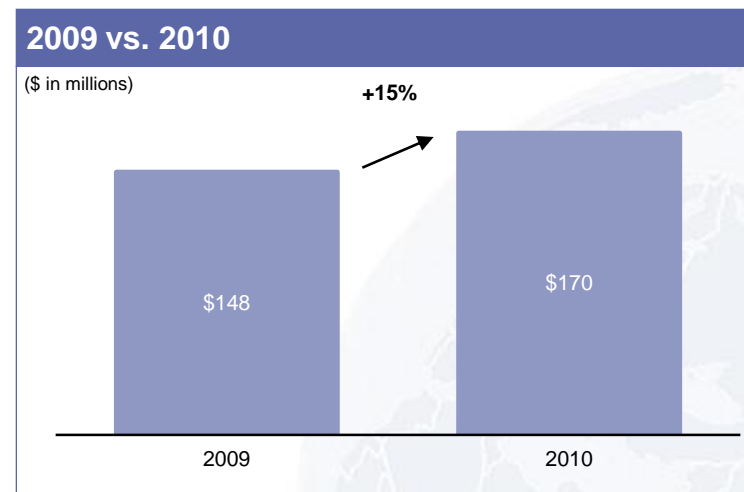
- Revenues increased by 20% to \$1,174 million in 2010
- Improvement primarily driven by:
  - Higher volumes
  - Pass through of higher resin prices to customers
  - Contribution of \$52 million from Obrist Americas acquisition in February 2010
  - Favorable currency fluctuations
- Revenues increased by 20% to \$286 million in Q4 2010





# Closures Adjusted EBITDA

- Adjusted EBITDA increased by 15% to \$170 million in 2010
- Improvement primarily driven by:
  - Higher volumes
  - Pass through of higher resin prices to customers
  - Continued benefit from ongoing cost saving initiatives
  - Partially offset by:
    - Increased raw material costs primarily related to resin
    - Higher advertising and other marketing spend
- Adjusted EBITDA increased by 18% to \$35 million in Q4 2010





# Reynolds Consumer Products

Paul Thomas

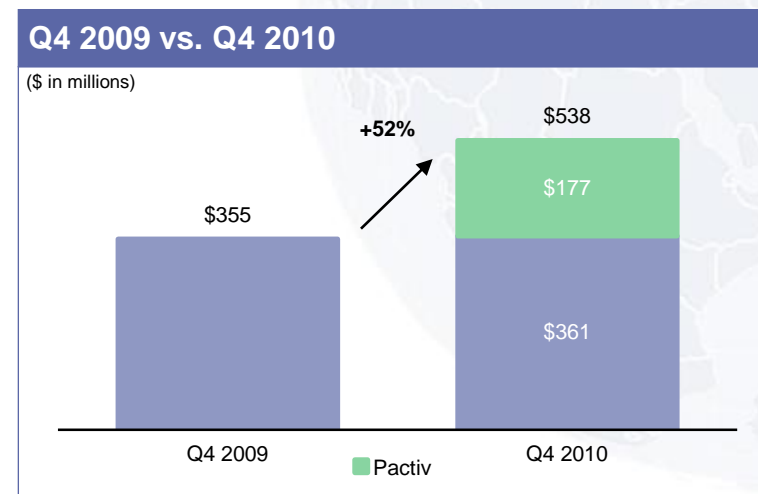
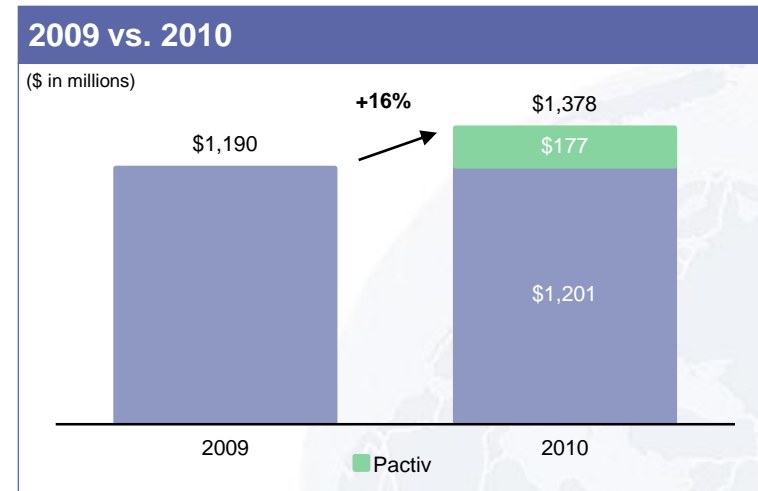


# Reynolds Consumer Products Highlights

- Continued strong market performance in 2010
- Results for the Hefty Consumer Products business included in this segment for last 6 weeks of 2010
- Revenue increased by 16% to \$1,378 million in 2010 (Q4 10: 52%) primarily driven by:
  - Contribution of Pactiv acquisition
  - Volume growth and increase from pass through of higher resin prices
- Adjusted EBITDA increased by 7% to \$299 million in 2010 (Q4 10: 40%) primarily driven by:
  - Contribution of Pactiv acquisition
  - Partially offset by increasing raw material prices

# Reynolds Consumer Products Revenue

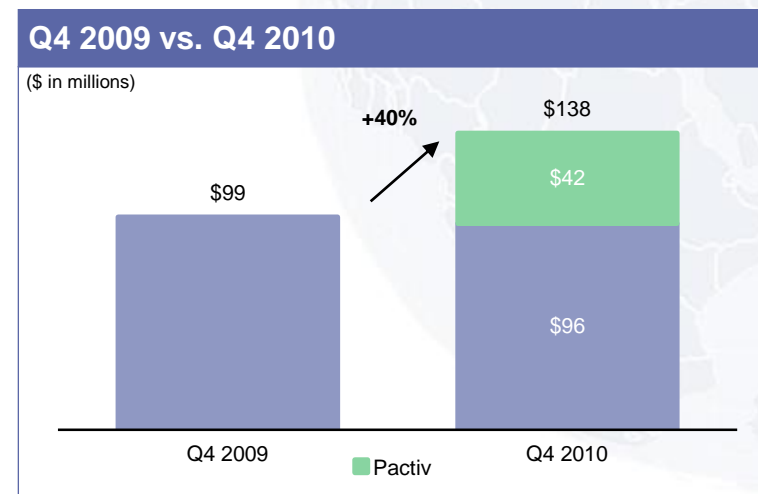
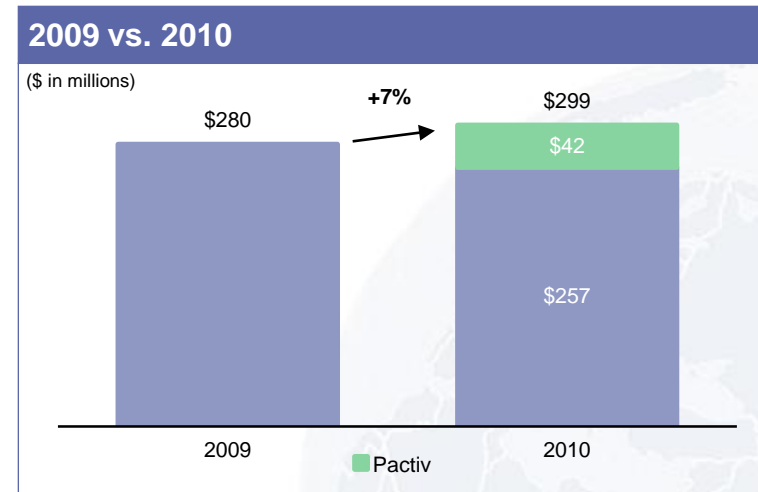
- Revenues increased by 16% to \$1,378 million in 2010
- Improvement primarily driven by:
  - Contribution of \$177 million from Pactiv acquisition in November 2010
  - Pass through of higher resin prices to customers in store-branded business
  - Increased volumes
  - Decreased promotional spending
  - Partially offset by exit from low margin and unprofitable product lines in 2H 2009
- Revenues increased by 52% to \$538 million in Q4 2010



# Reynolds Consumer Products Adjusted EBITDA



- Adjusted EBITDA increased by 7% to \$299 million in 2010
- Improvement primarily driven by:
  - Contribution of \$42 million from Pactiv acquisition in November 2010
  - Partially offset by increased raw material costs
- Adjusted EBITDA increased by 40% to \$138 million in Q4 2010



# Pactiv Foodservice

John McGrath

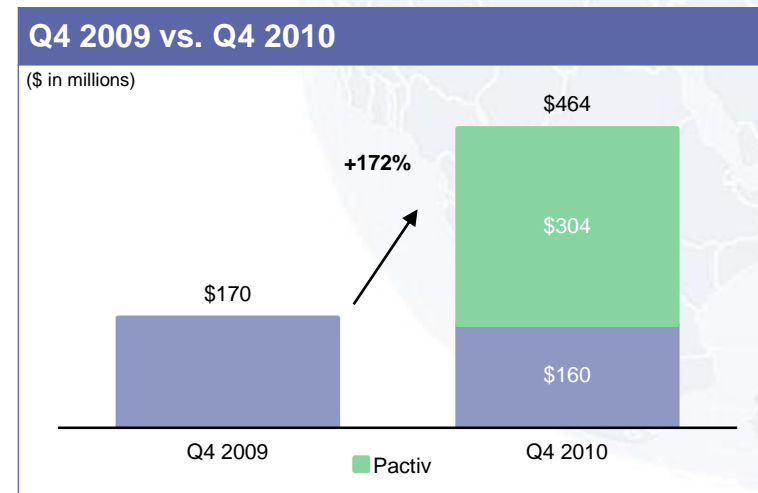
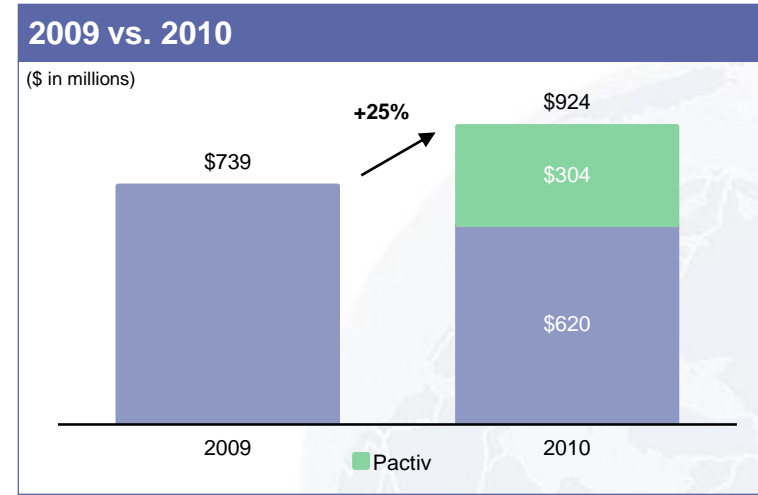


# Pactiv Foodservice Highlights

- Results for the Foodservice business from the Pactiv acquisition included in this segment for last 6 weeks of 2010
- Revenue increased by 25% to \$924 million in 2010 (Q4 10: +172%) primarily driven by:
  - Contribution of Pactiv acquisition
  - Partially offset by exit from certain businesses
- Adjusted EBITDA increased by 34% to \$81 million in 2010 (Q4 10: +776%)

# Pactiv Foodservice Revenue

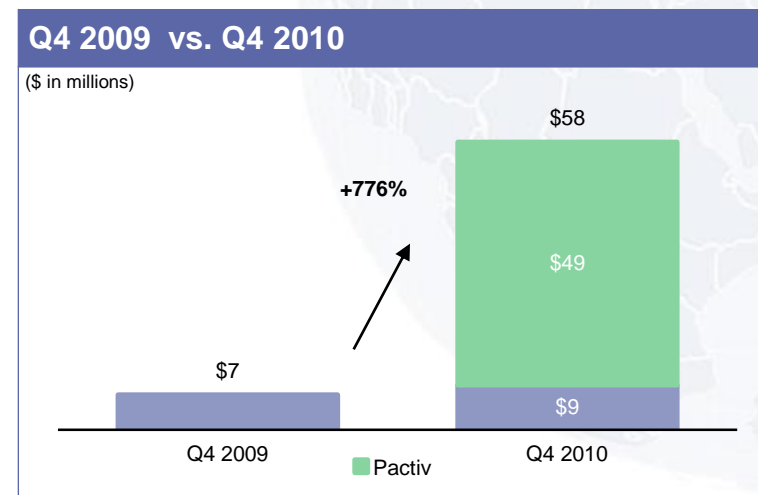
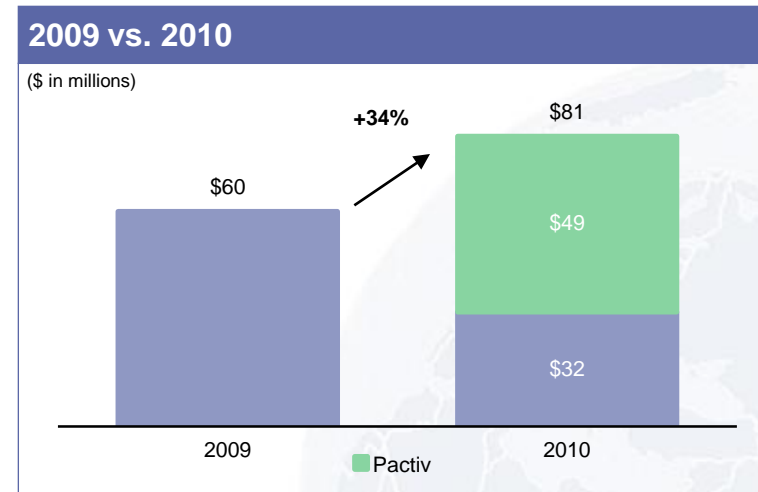
- Revenues increased by 25% to \$924 million in 2010
- Improvement driven by:
  - Contribution of \$304 million from Pactiv acquisition in November 2010
  - Partially offset by:
    - Strategic exit from non-core business in January 2010
    - Planned exit from lower margin products in 2009
- Revenues increased by 172% to \$464 million in Q4 2010





# Pactiv Foodservice Adjusted EBITDA

- Adjusted EBITDA increased by 34% to \$81 million in 2010
- Improvement driven by:
  - Contribution of \$49 million from Pactiv acquisition in November 2010
  - Continued benefit from ongoing cost saving initiatives and productivity efficiencies
  - Partially offset by:
    - Strategic exit from non-core business in January 2010
    - Decrease in demand
- Adjusted EBITDA increased by 776% to \$58 million in Q4 2010



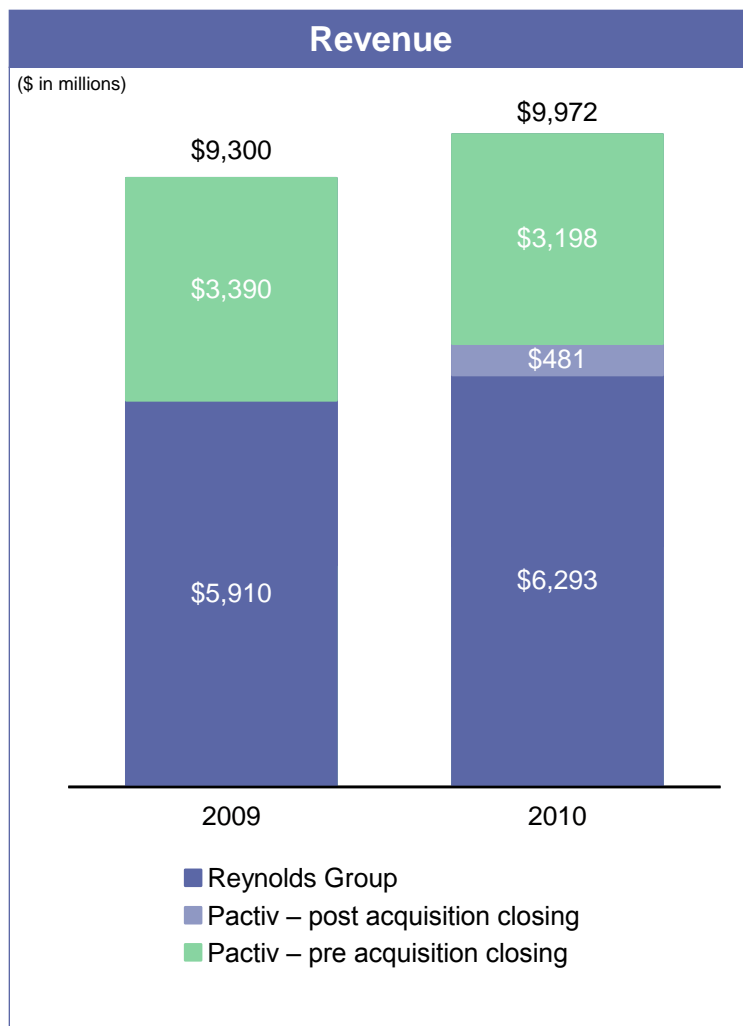


# Reynolds Group Financial Overview

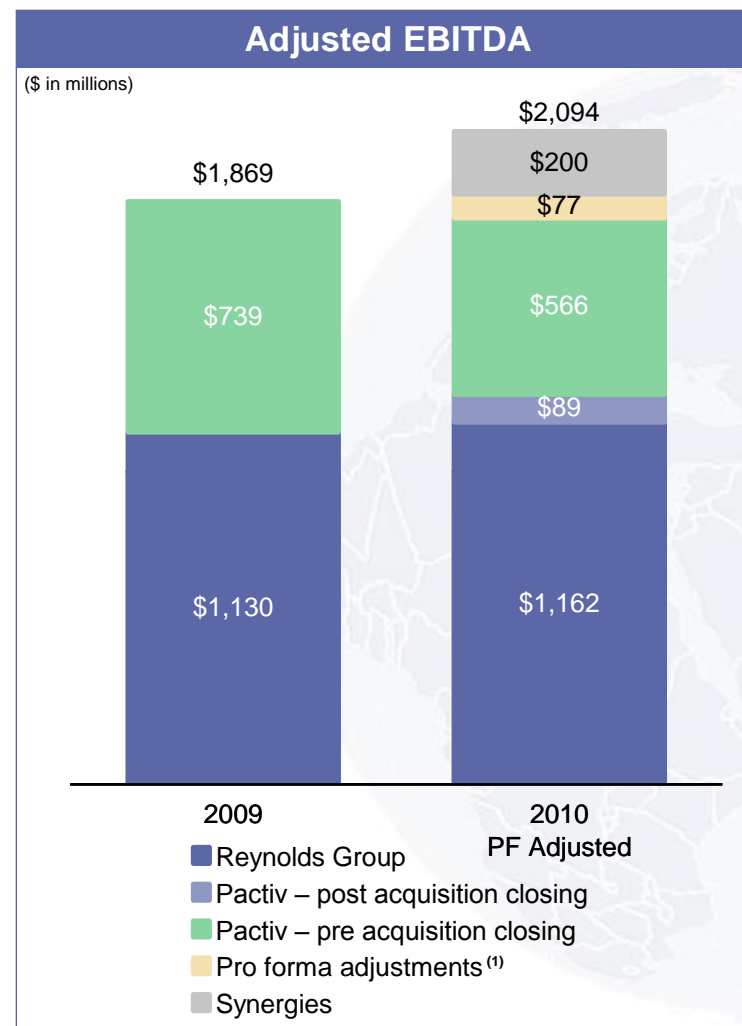
Allen Hugli



# Reynolds Group Revenue and Adjusted EBITDA



Note: Includes intercompany sales between Reynolds and Pactiv.



(1) Comprises annualization impact of cost savings programs and acquisitions / divestitures during 2010 for Reynolds Group (\$20 million) and Pactiv (\$57 million).

# Reynolds Group Capital Expenditures

- Capital expenditures increased by 15% to \$337 million in 2010
  - Contribution of \$11 million from Pactiv acquisition in November 2010

## SIG

- Expanded manufacturing capacity in Brazil
- Increased placement of fillers in China, South America and the Middle East

## Evergreen

- Extruder projects in 2009 now complete and operational

## Reynolds Consumer Products

- Capex spend on IT platform in 2009 now complete and operational

## Closures

- Expanded manufacturing capacity in China, Brazil, India and Philippines



# Conclusion

Tom Degnan



# Conclusion

- Reynolds is well positioned to capitalize on improving markets
  - SIG: Stability in Europe with continuing strong growth in emerging markets
  - Evergreen: Prices increasing as markets continue to recover
  - Consumer Products: Continuing investment in product and brand development to gain market share
    - Addition of Hefty brand adds to product portfolio
  - Closures: Ongoing growth across global markets and increased share in U.S.
  - Foodservice:
    - Combination of Pactiv and Reynolds Foodservice creates significant synergies
    - Dopaco acquisition will add new product lines
- Expected synergy realization from Pactiv acquisition on track
- Comprehensive refinancing in February 2011
  - Significant reduction in interest expense
  - Longer term debt structure
  - Smoother maturity profile

# Key Investment Highlights



# Appendix





# Capitalization Summary

(\$ in millions)

	Pro Forma 12/31/10	Net Mult. EBITDA
Cash	\$1,112	
Senior Secured Term Loans	\$2,657	
Senior Secured Notes	4,223	
Other Secured Debt <sup>(1)</sup>	32	
<b>Total Secured Debt</b>	<b>\$6,912</b>	<b>2.8x</b>
Senior Unsecured Notes	4,138	
<b>Total Senior Guaranteed Debt</b>	<b>\$11,050</b>	<b>4.7x</b>
Pactiv Unsecured Notes	1,041	
<b>Total Senior Debt</b>	<b>\$12,091</b>	<b>5.2x</b>
Senior Subordinated Notes	558	
Other Debt <sup>(2)</sup>	1	
<b>Total Debt</b>	<b>\$12,650</b>	<b>5.5x</b>
<b>Pro Forma Adjusted EBITDA</b>	<b>\$2,094</b>	

Note: Pro Forma for Pactiv acquisition on November 16, 2010 and refinancing in February 2011. Assumed exchange rate of \$1.33 = €1.00 as of 12/31/10.

(1) Primarily consists of local working capital facilities, finance leases, letters of credit and bank guarantees.

(2) Related party borrowings.

# Pro Forma Adjusted EBITDA

(\$ in millions)

	Pro Forma 2010
<b>EBITDA</b>	<b>\$1,640</b>
Restructuring costs	18
Black Liquor tax credit	(10)
Impairment of non-current assets	38
Business optimisation consulting fees	14
Change in control payments	58
Costs related to business acquisitions	52
Acquisition related fair market value adjustments	64
Pension income	(50)
Other	(7)
<b>Adjusted EBITDA</b>	<b>\$1,817</b>
Annualization of cost savings programs	68
Full year effect of acquisitions	9
Acquisition synergies	200
<b>Pro Forma Adjusted EBITDA</b>	<b>\$2,094</b>

Note: Includes impact of Pactiv acquisition from January 1, 2010.