



Reynolds Group Holdings Limited

Q3 2017 Results

October 31, 2017



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 the future costs of raw materials, energy and freight;
- risks related to economic downturns in our target markets;
- 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 complying with environmental, health and safety laws or as a result of satisfying any liability or obligation imposed under such laws;
- 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 our dependence on key management and other highly skilled personnel;
- risks related to the consolidation of our customer bases, competition and pricing pressure;
- risks related to exchange rate fluctuations;
- risks related to dependence on the protection of our intellectual property and the development of new products;
- risks related to pension plans sponsored by us and others in our control group;
- risks related to strategic transactions, including completed and future acquisitions or dispositions;
- risks related to our hedging activities which may result in significant losses and in period-to-period earnings volatility;
- risks related to our suppliers of raw materials and any interruption in our supply of raw materials;
- risks related to our substantial indebtedness and our ability to service our current and future indebtedness;
- risks related to increases in interest rates which would increase the cost of servicing our debt;
- risks related to restrictive covenants in certain of our outstanding notes and our other indebtedness which could adversely affect our business by limiting our operating and strategic flexibility; and
- risks related to other factors discussed or referred to in our quarterly reports and our 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.

The attached information is not an offer to sell or a solicitation of an offer to purchase any security in the United States or elsewhere and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which, or to any person to whom such an offer, solicitation or sale would be unlawful. No securities may be offered or sold within the United States or to U.S. persons absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from any issuer of such securities and that will contain detailed information about us.

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, 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 an unusual nature that cannot be attributed to ordinary business operations, including items such as non-cash pension income or expense, 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 of implemented cost savings programs, divestments, acquisition synergies and business acquisitions to the extent not reflected in Adjusted EBITDA. 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 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 are 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, 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

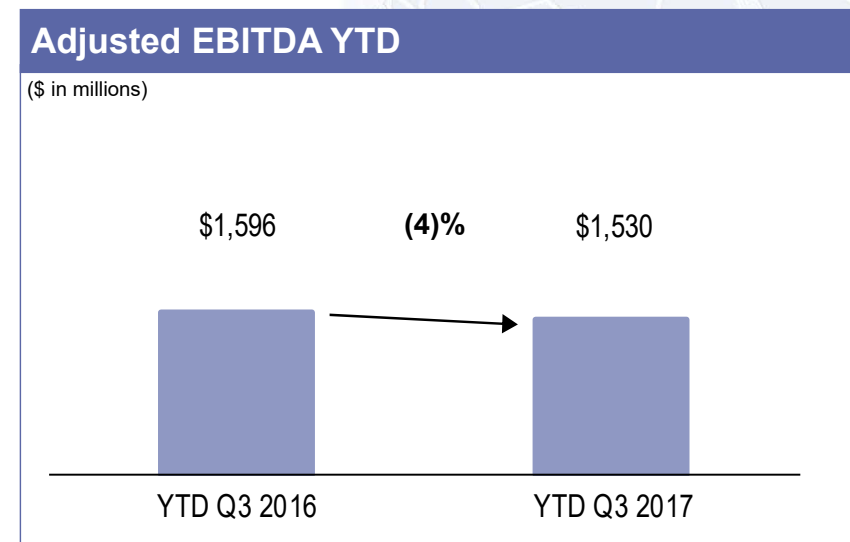
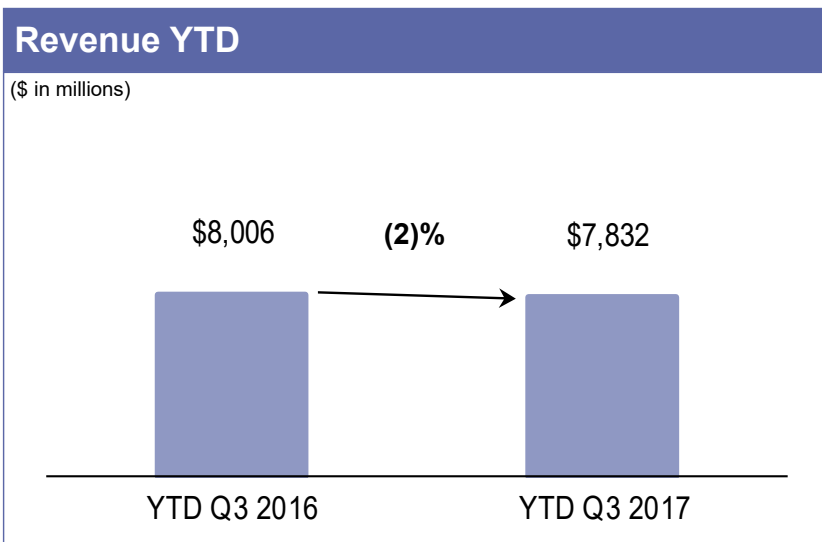
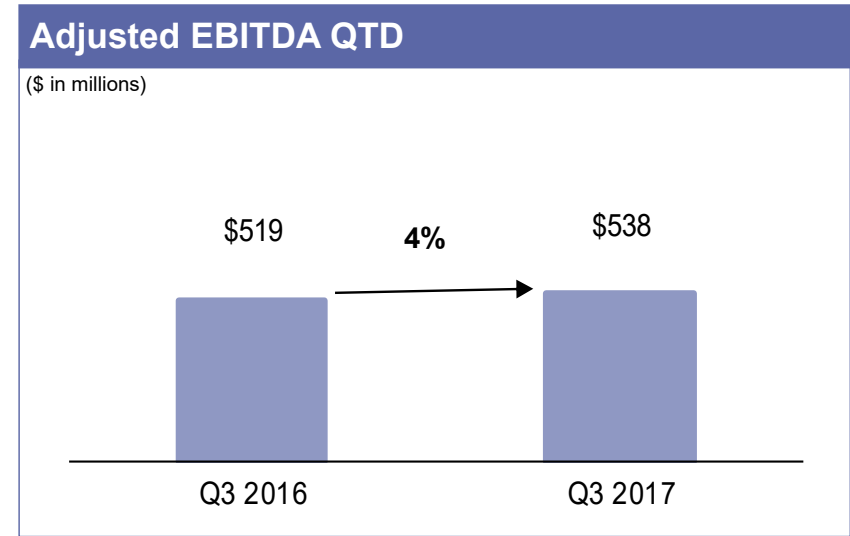
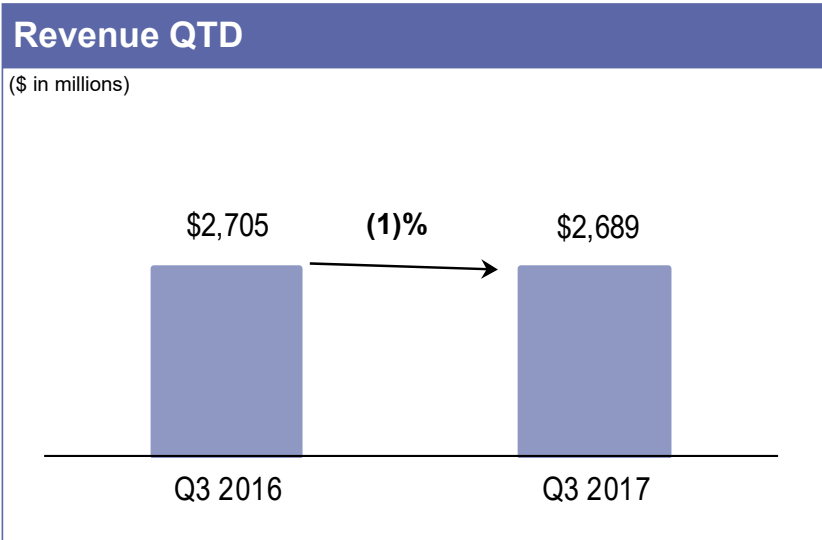
Tom Degnan	Chief Executive Officer
Allen Hugli	Chief Financial Officer
Lance Mitchell	Reynolds Consumer Products
John McGrath	Pactiv Foodservice
John Rooney	Graham Packaging
John Rooney	Evergreen
John Rooney	Closures

Reynolds Group Holdings Limited

Tom Degnan



Reynolds Group Revenue and Adjusted EBITDA



Reynolds Consumer Products

Lance Mitchell

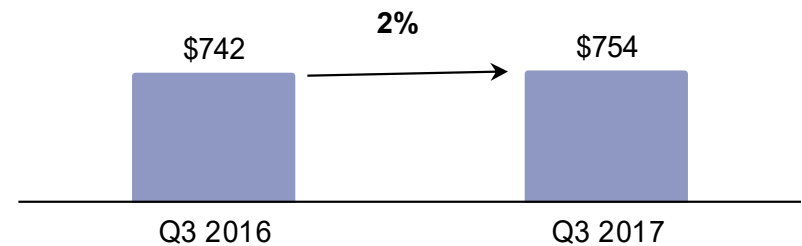


Reynolds Consumer Products Revenue

- Revenue increased by 2% to \$754 million in Q3 2017
- Increase primarily driven by:
 - Incremental pricing actions taken across most product lines
- LTM revenue increased to \$2,936 million

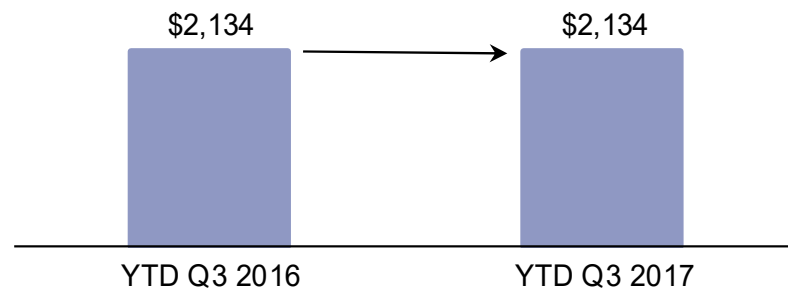
Q3 2016 vs. Q3 2017

(\$ in millions)



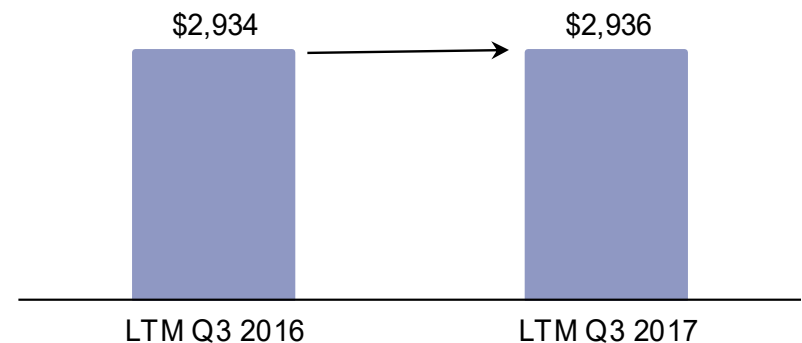
YTD Q3 2016 vs. YTD Q3 2017

(\$ in millions)



LTM Q3 2016 vs. LTM Q3 2017

(\$ in millions)



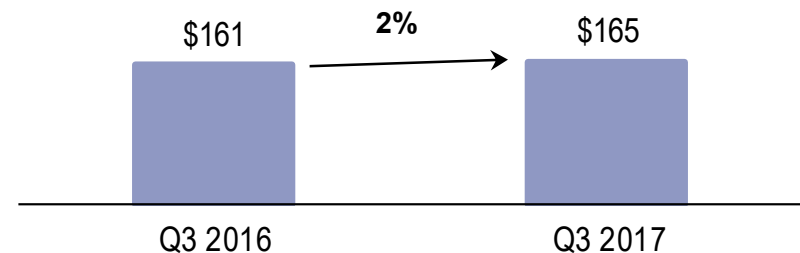
Reynolds Consumer Products Adjusted EBITDA



- Adjusted EBITDA increased by 2% to \$165 million in Q3 2017
- Increase primarily driven by:
 - Pricing actions implemented
 - Lower advertising
 - Partially offset by higher raw material costs
- LTM adjusted EBITDA decreased by 5% to \$628 million

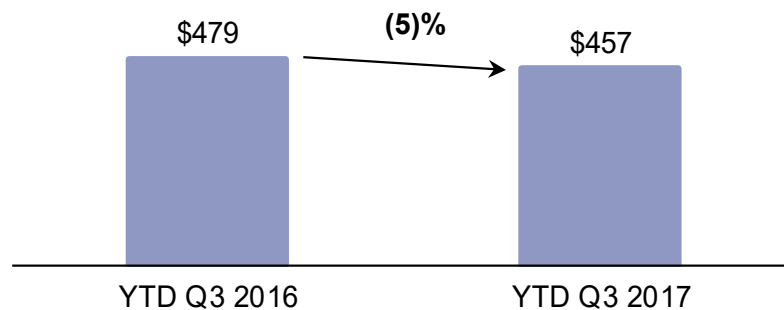
Q3 2016 vs. Q3 2017

(\$ in millions)



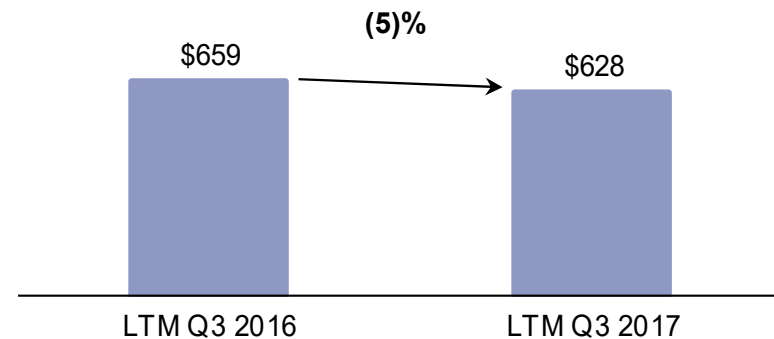
YTD Q3 2016 vs. YTD Q3 2017

(\$ in millions)



LTM Q3 2016 vs. LTM Q3 2017

(\$ in millions)



Pactiv Foodservice

John McGrath

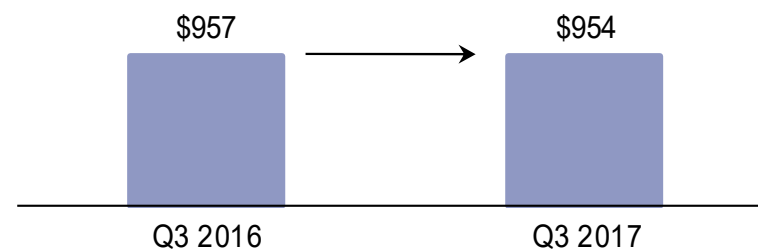


Pactiv Foodservice Revenue

- Revenue decreased to \$954 million in Q3 2017
- Decrease primarily driven by:
 - Lower sales volume
 - Business divestitures
 - Offset by higher pricing from material pass-through
- LTM revenue decreased by 2% to \$3,712 million

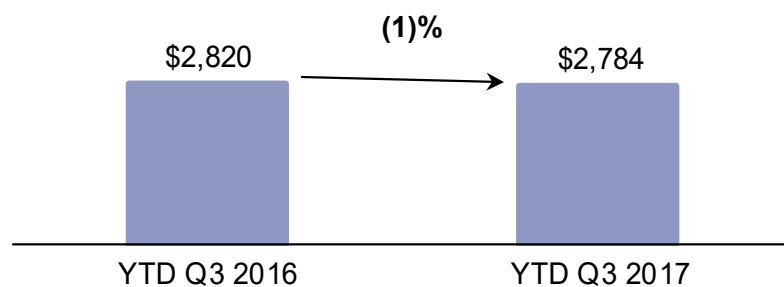
Q3 2016 vs. Q3 2017

(\$ in millions)



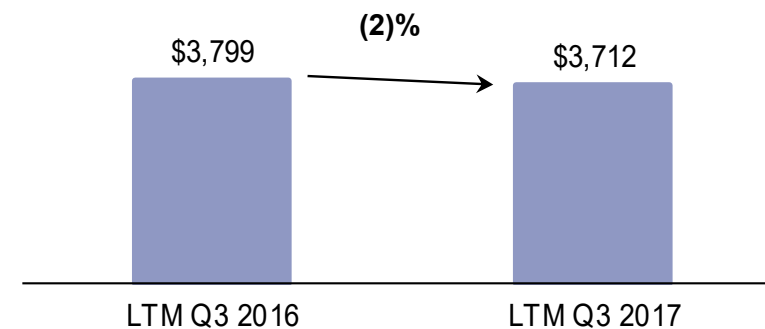
YTD Q3 2016 vs. YTD Q3 2017

(\$ in millions)



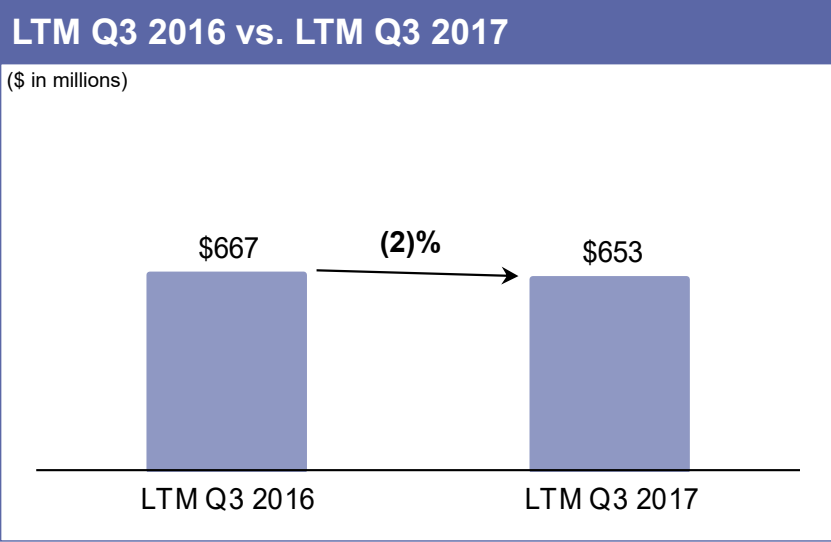
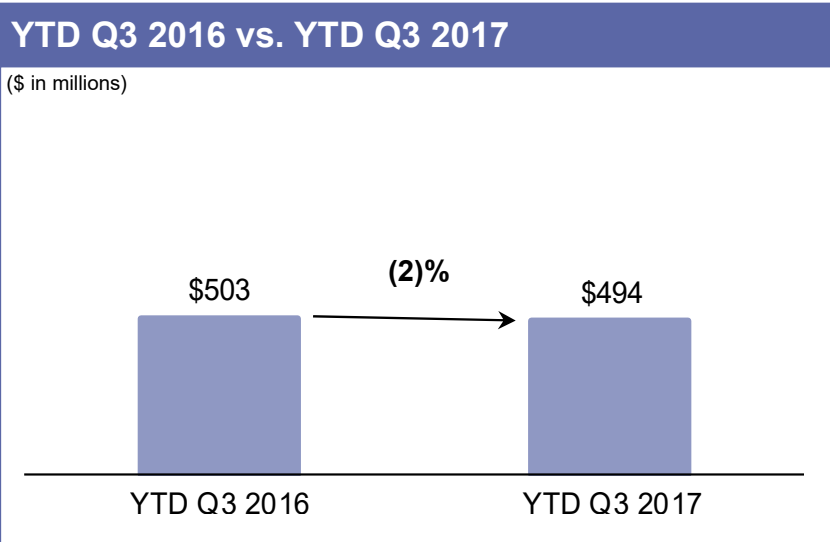
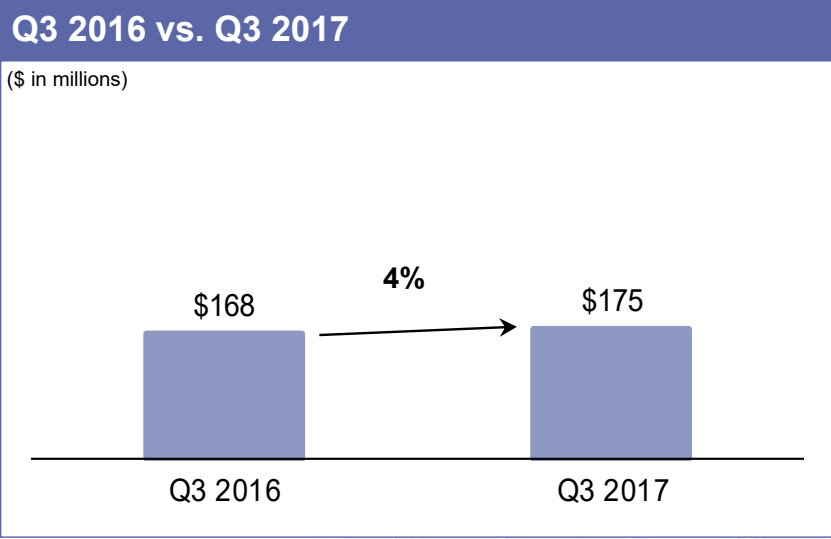
LTM Q3 2016 vs. LTM Q3 2017

(\$ in millions)



Pactiv Foodservice Adjusted EBITDA

- Adjusted EBITDA increased by 4% to \$175 million in Q3 2017
- Increase primarily driven by:
 - Increased pricing passed-through
 - Lower employee-related costs
 - Logistic savings
- Offset by
 - Higher raw material costs
 - Higher manufacturing / conversion costs
 - Unfavorable sales volume across the on-going business
- LTM adjusted EBITDA decreased by 2% to \$653 million



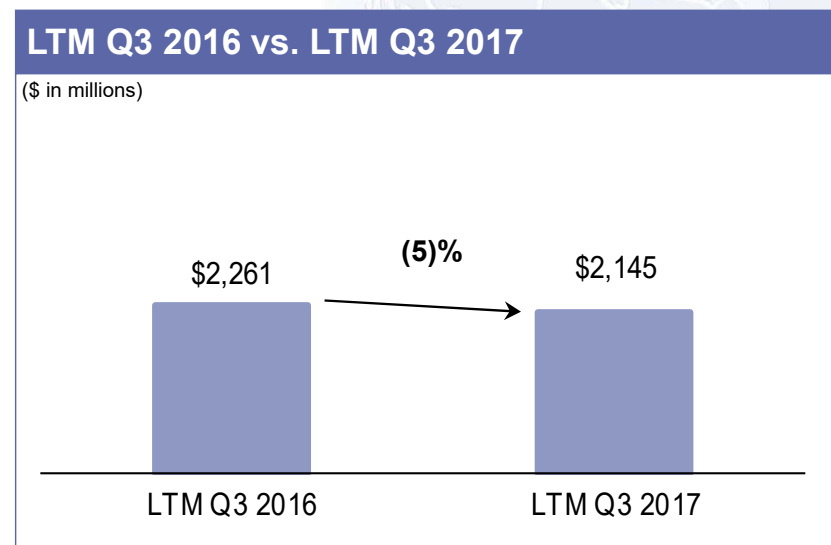
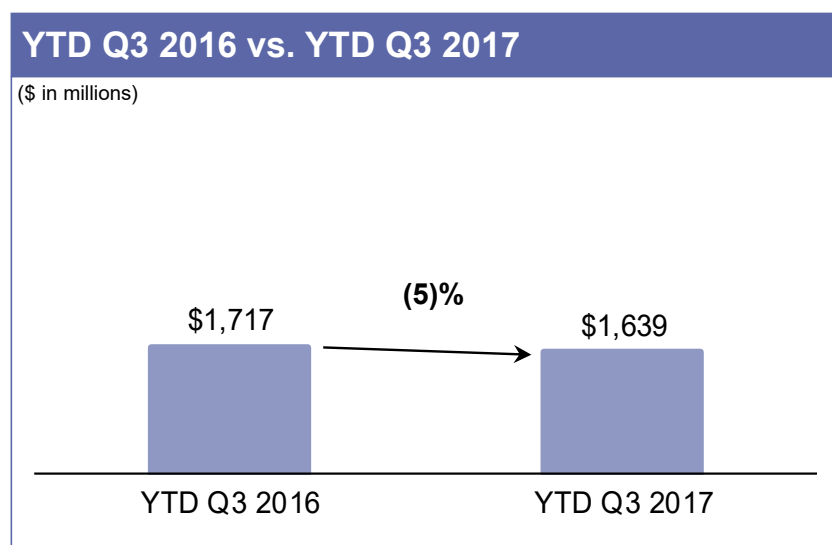
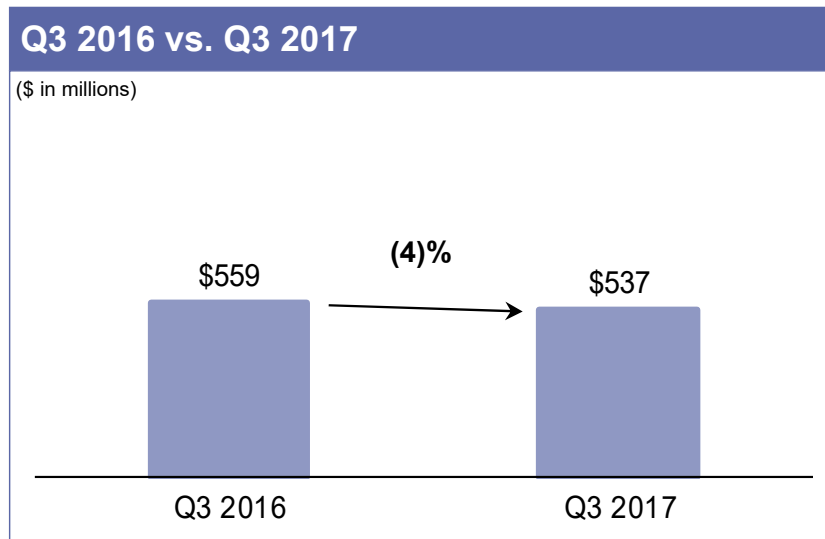
Graham Packaging

John Rooney



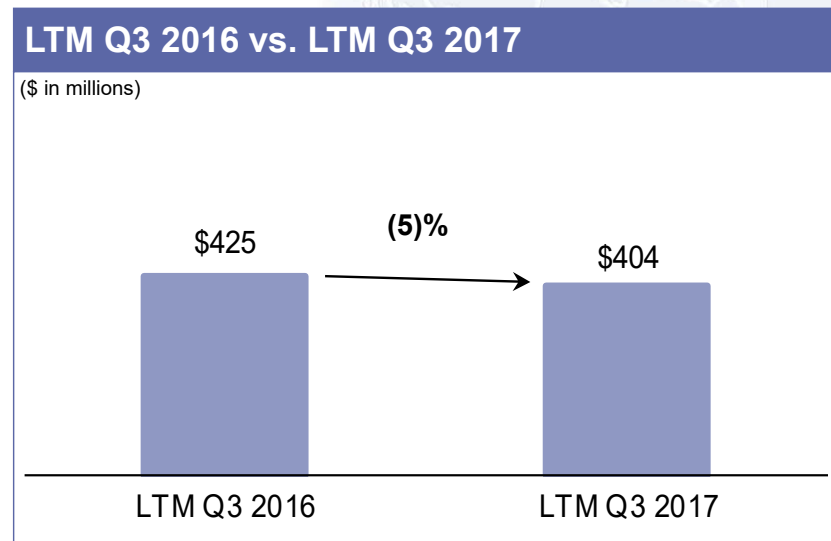
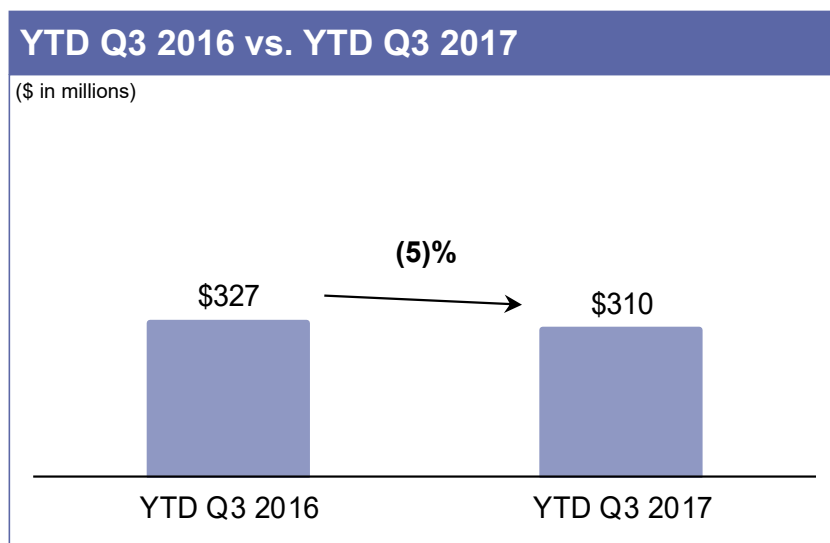
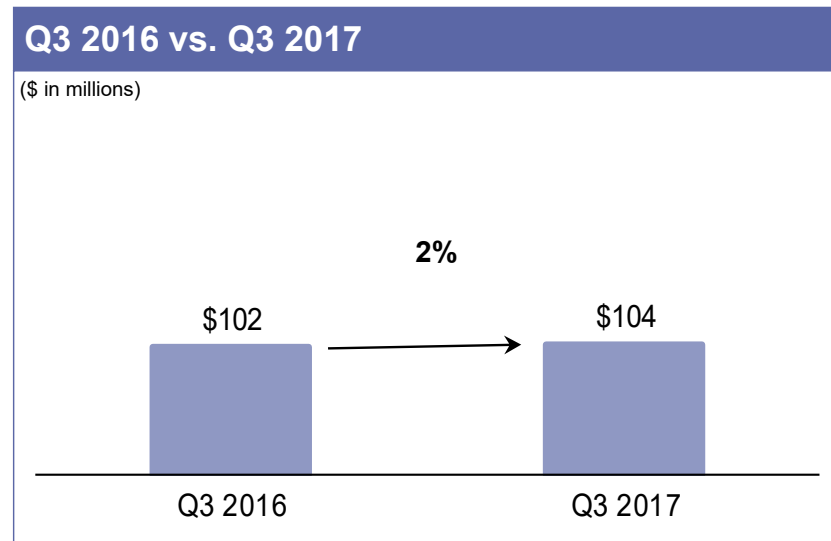
Graham Packaging Revenue

- Revenue decreased by 4% to \$537 million in Q3 2017
- Decrease primarily driven by:
 - Lower sales volume
 - Decline in pricing
- LTM revenue decreased by 5% to \$2,145 million



Graham Packaging Adjusted EBITDA

- Adjusted EBITDA increased by 2% to \$104 million in Q3 2017
- Increase primarily driven by:
 - Favorable input costs
 - Operational improvements
 - Cost savings initiatives
 - Partially offset by a decline in pricing and lower sales volumes
- LTM adjusted EBITDA decreased by 5% to \$404 million



Evergreen

John Rooney

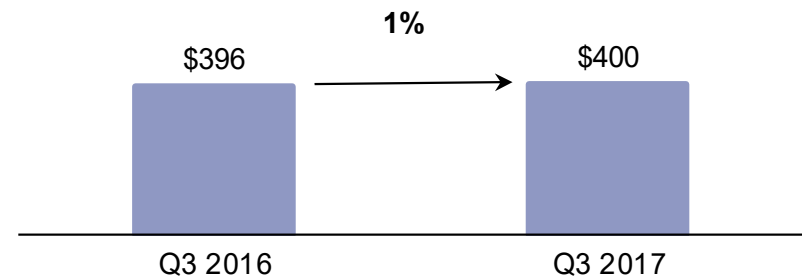


Evergreen Revenue

- Revenue increased by 1% to \$400 million in Q3 2017
- Increase primarily driven by:
 - Higher sales volume from liquid packaging board and paper products
 - Price increases for carton packaging, primarily as a result of our index programs
 - Partially offset by lower sales volume from carton packaging and price declines from paper products
- LTM revenue decreased by 4% to \$1,549 million

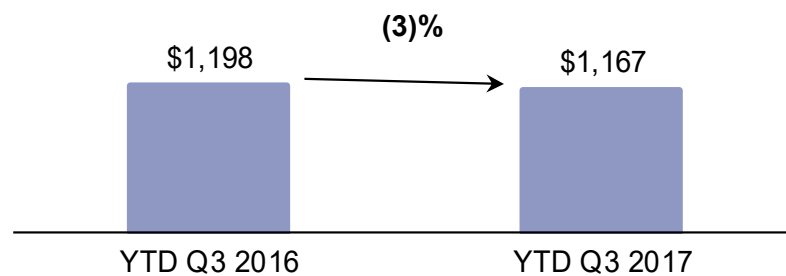
Q3 2016 vs. Q3 2017

(\$ in millions)



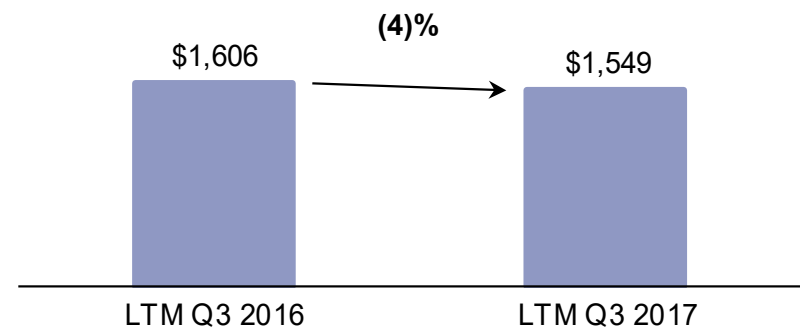
YTD Q3 2016 vs. YTD Q3 2017

(\$ in millions)



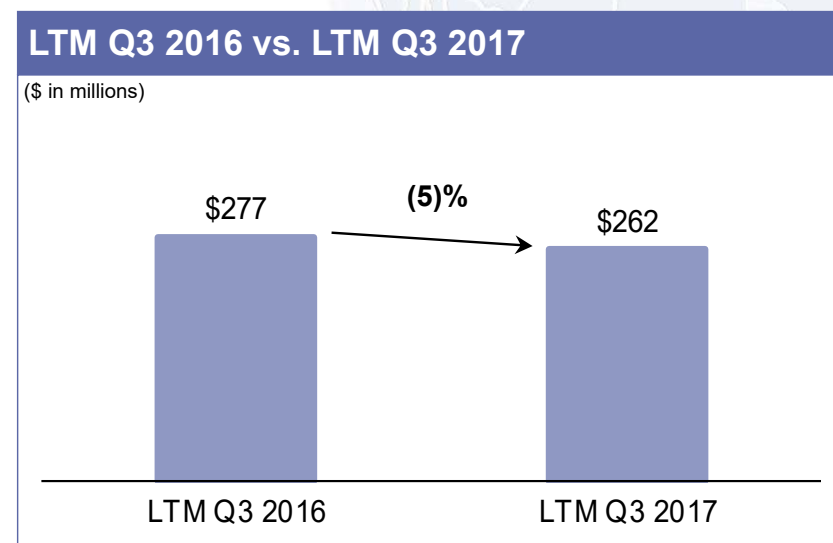
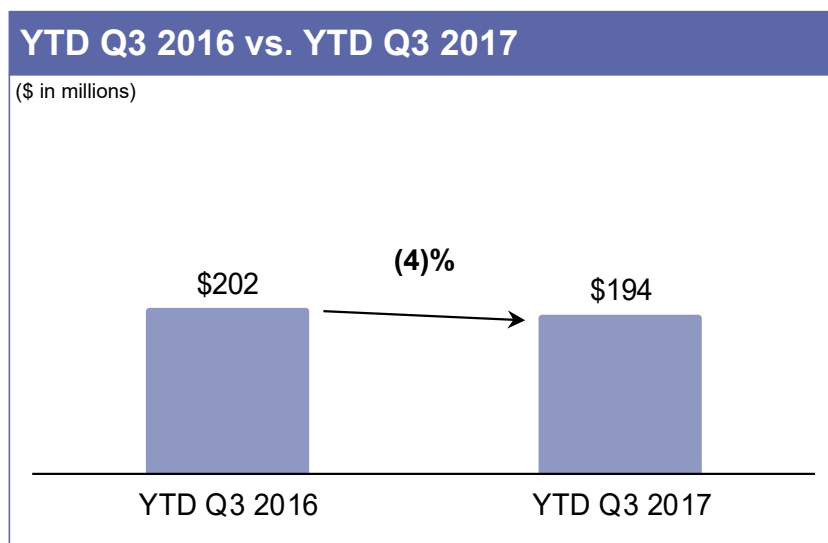
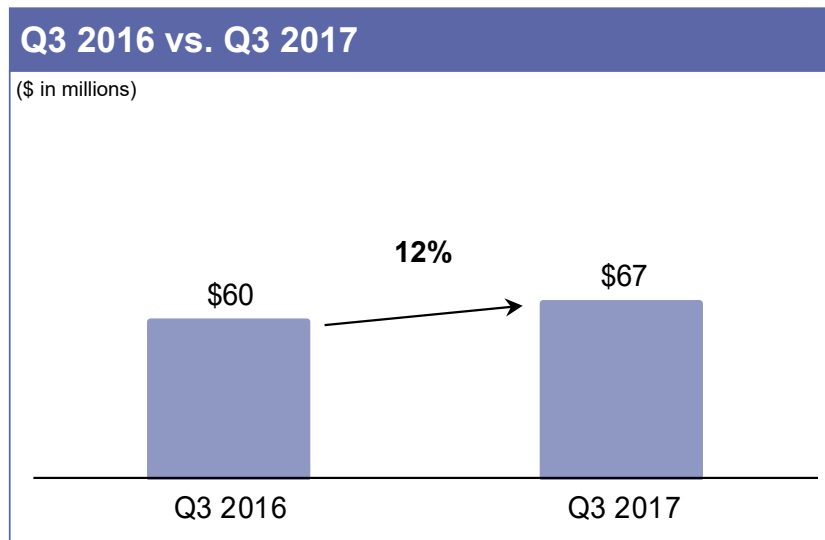
LTM Q3 2016 vs. LTM Q3 2017

(\$ in millions)



Evergreen Adjusted EBITDA

- Adjusted EBITDA increased by 12% to \$67 million in Q3 2017
- Increase primarily driven by:
 - Lower repair and maintenance costs, primarily as a result of timing of planned maintenance outages
 - Price increases for carton packaging, primarily as a result of our index programs
 - Decreased SG&A expenses
- Offset by:
 - Price declines for paper products
 - Higher input costs, primarily resins
 - Lower sales volumes from carton packaging
- LTM adjusted EBITDA decreased by 5% to \$262 million



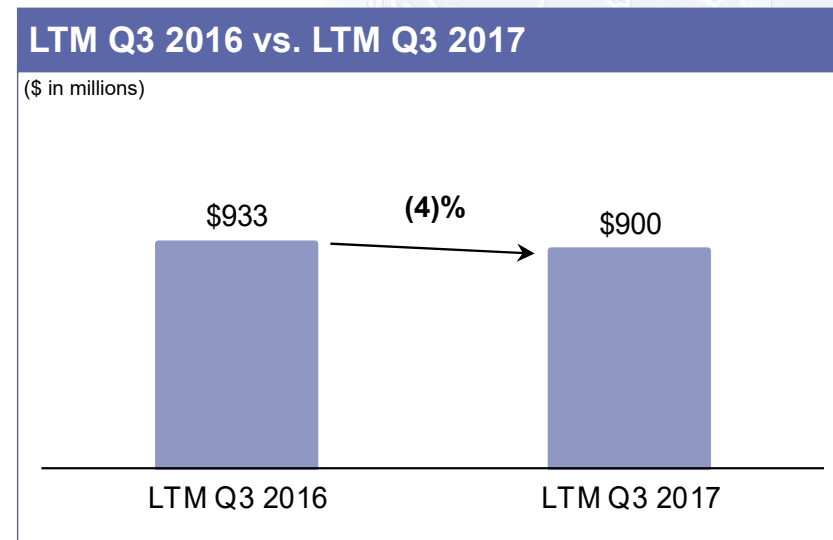
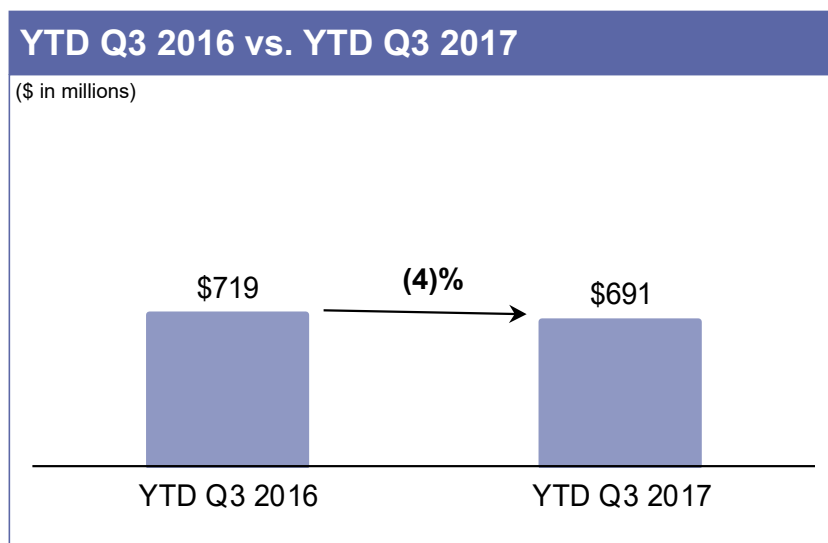
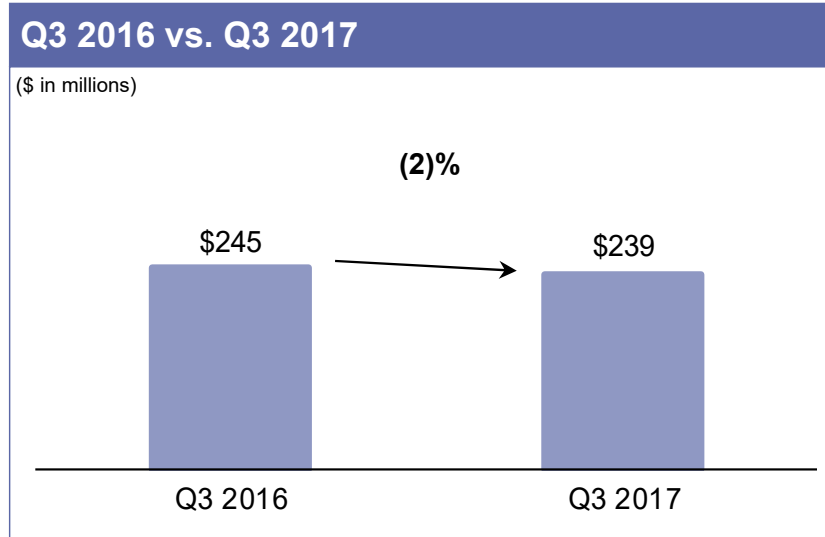
Closures

John Rooney



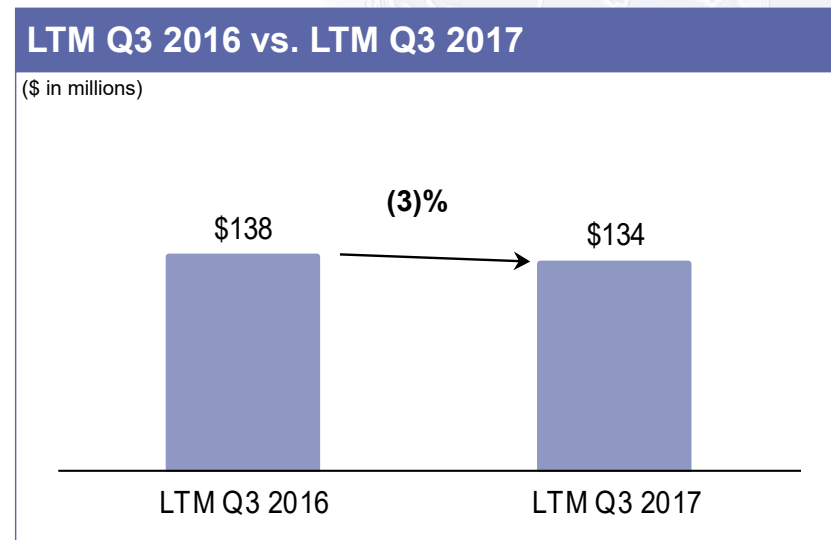
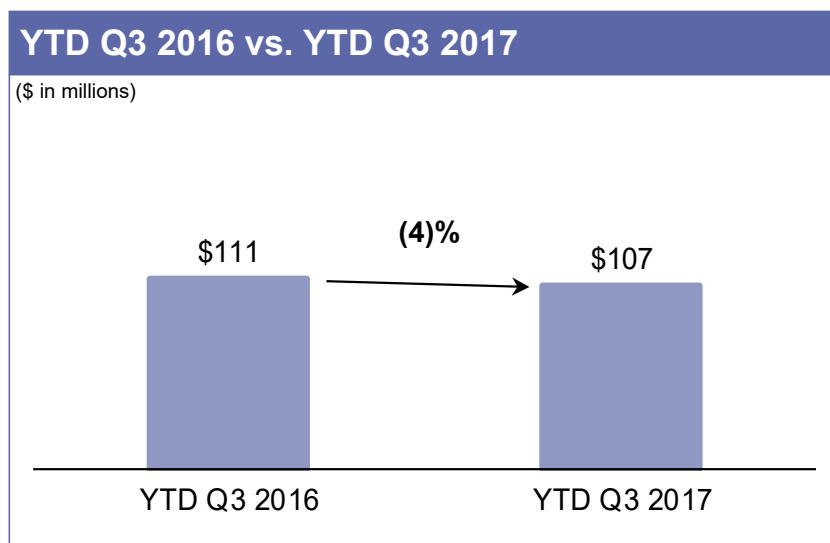
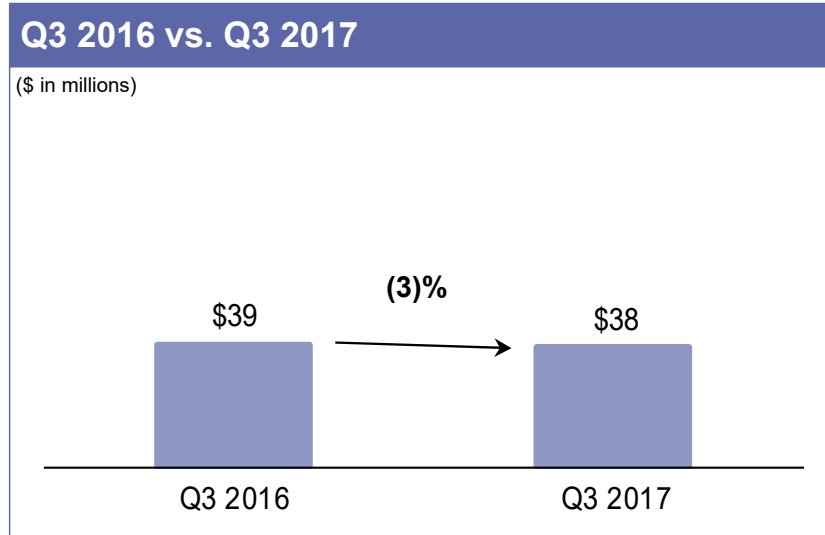
Closures Revenue

- Revenue decreased by 2% to \$239 million in Q3 2017
- Decrease primarily driven by:
 - Lower pricing due to competitive pressures
 - Unfavorable foreign currency impact due to the net strengthening of the dollar
 - Partially offset by higher sales volume
- LTM revenue decreased by 4% to \$900 million



Closures Adjusted EBITDA

- Adjusted EBITDA decreased by 3% to \$38 million in Q3 2017
- Decrease primarily driven by:
 - Lower pricing due to competitive pressures
 - Partially offset by favorable foreign currency and lower manufacturing costs
- LTM adjusted EBITDA decreased by 3% to \$134 million



Reynolds Group Financial Overview

Allen Hugli

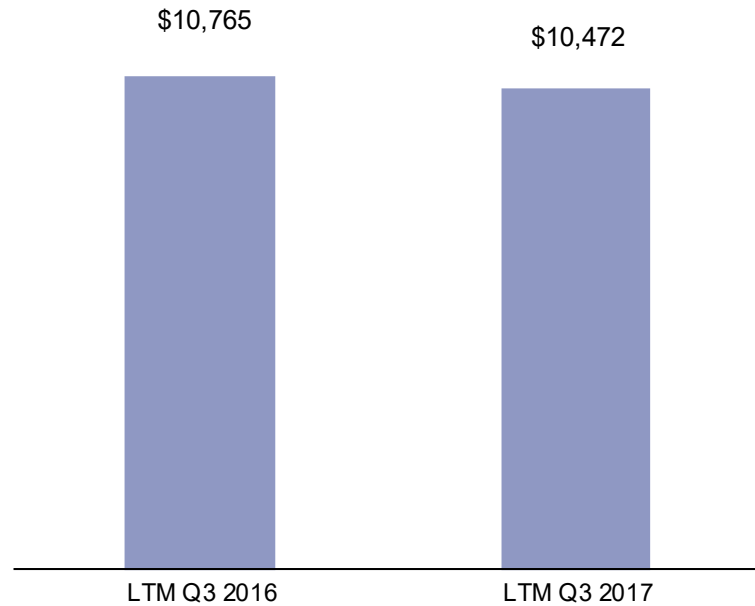


Reynolds Group Revenue and Adjusted EBITDA



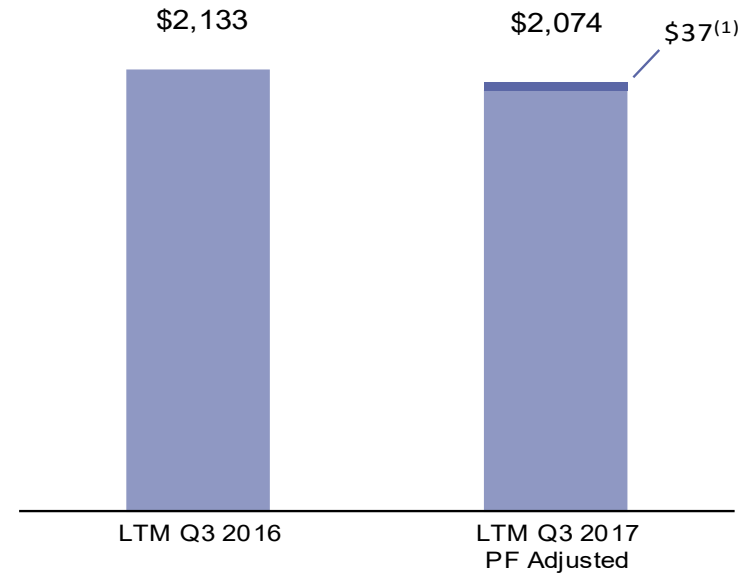
Revenue

(\$ in millions)



Adjusted EBITDA

(\$ in millions)



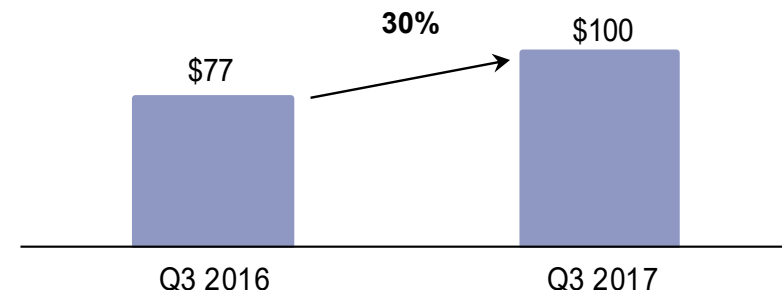
(1) Annualization impact of cost savings programs.

Reynolds Group Capital Expenditures

- Capital expenditures increased from \$77 million to \$100 million in Q3 2017
- Increase primarily driven by:
 - New plant efficiency and commercial projects
 - Timing

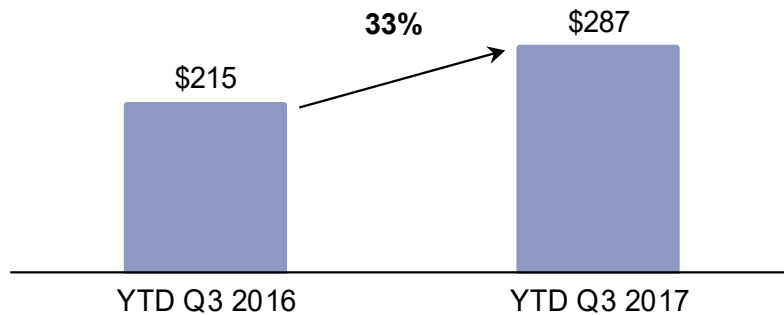
Q3 2016 vs. Q3 2017

(\$ in millions)



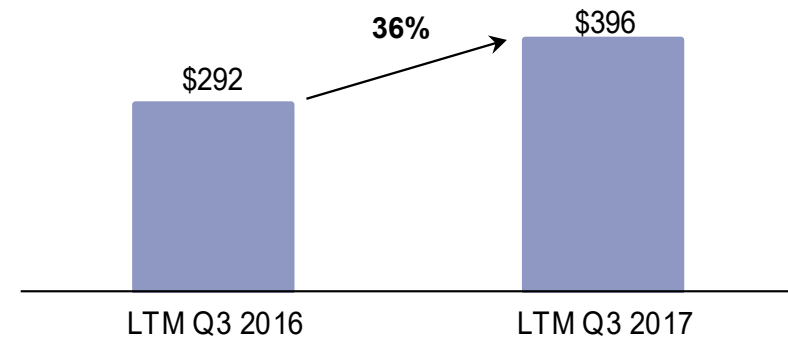
YTD Q3 2016 vs. YTD Q3 2017

(\$ in millions)

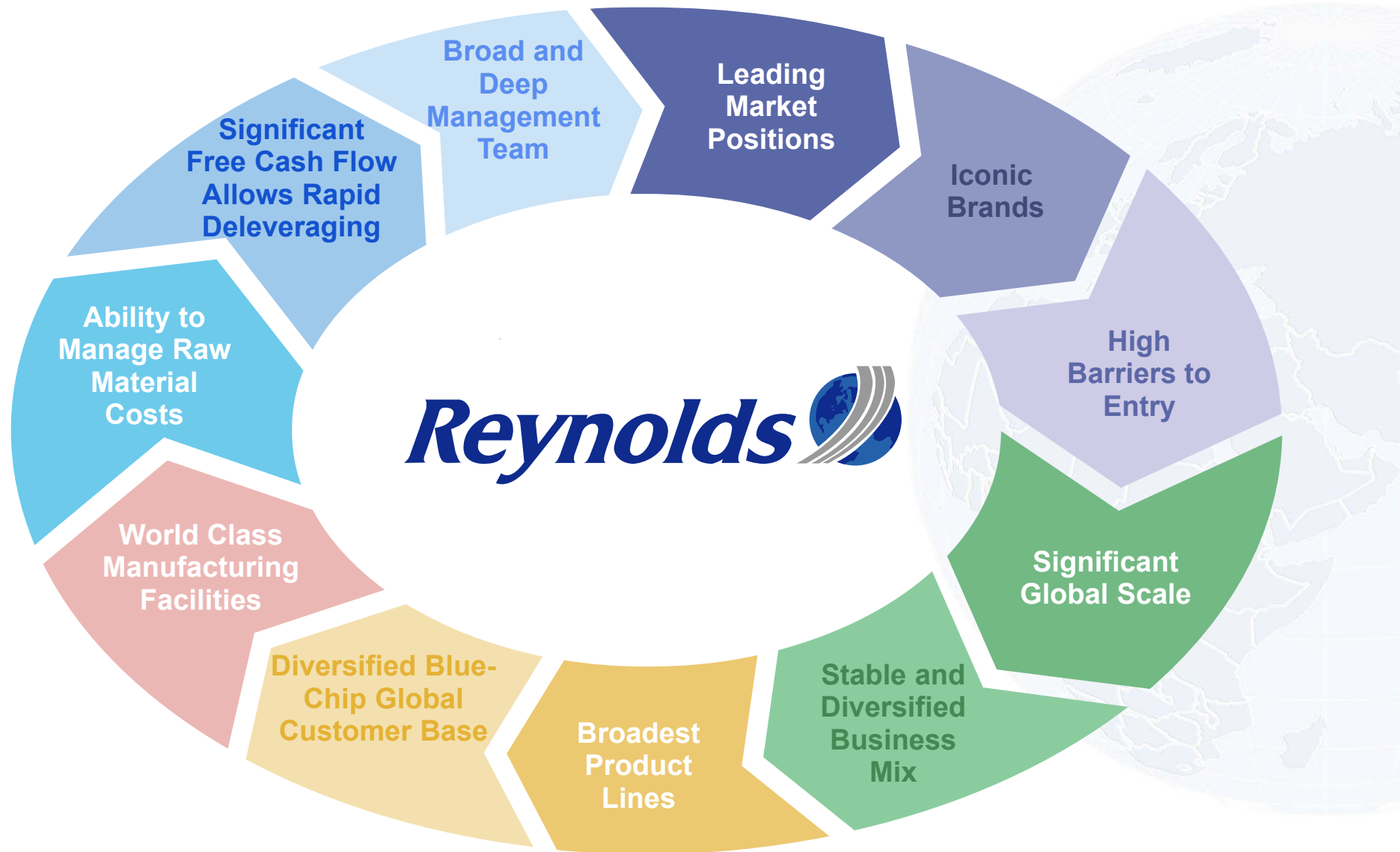


LTM Q3 2016 vs. LTM Q3 2017

(\$ in millions)



Key Investment Highlights



Appendix



Reynolds Group Revenue and Adjusted EBITDA



(In \$ millions)

For the nine months ended September 30, 2017

	Reynolds Consumer Products	Pactiv Foodservice	Graham Packaging	Evergreen	Closures	Corporate / Unallocated	Total
Total external revenue	2,021	2,416	1,639	1,077	679	-	7,832
Total inter-segment revenue	113	368	-	90	12	(583)	-
Total segment revenue	<u>2,134</u>	<u>2,784</u>	<u>1,639</u>	<u>1,167</u>	<u>691</u>	<u>(583)</u>	<u>7,832</u>
Adjusted EBITDA	457	494	310	194	107	(32)	1,530

(In \$ millions)

For the nine months ended September 30, 2016

	Reynolds Consumer Products	Pactiv Foodservice	Graham Packaging	Evergreen	Closures	Corporate / Unallocated	Total
Total external revenue	2,026	2,446	1,717	1,110	707	-	8,006
Total inter-segment revenue	108	374	-	88	12	(582)	-
Total segment revenue	<u>2,134</u>	<u>2,820</u>	<u>1,717</u>	<u>1,198</u>	<u>719</u>	<u>(582)</u>	<u>8,006</u>
Adjusted EBITDA	479	503	327	202	111	(26)	1,596

EBITDA Reconciliation

(\$ in millions)

	LTM 9/30/17
Total revenue	\$ 10,472
Gross profit	2,313
Expenses and other income	(1,202)
Earnings before interest and tax ("EBIT") from continuing operations	1,111
Net financial expenses	(985)
Profit from continuing operations before income tax	126
Income tax expense	(40)
Profit from continuing operations	\$ 86
Earnings before interest and tax ("EBIT") from continuing operations	\$ 1,111
Depreciation and amortization from continuing operations	684
Earnings before interest, tax, depreciation and amortization ("EBITDA") from continuing operations	\$ 1,795

Pro Forma Adjusted EBITDA

(\$ in millions)

Pro Forma
LTM 9/30/2017

Reynolds Group EBITDA	\$1,795
Asset impairment charges, net of reversals	33
Equity method profit, net of cash distributed	(3)
(Gain) / loss on sale of businesses and properties	17
Non-cash change in multi-employer pension plan withdrawal liability	(4)
Non-cash pension expense, net of settlement gain	129
Operational process engineering-related consultancy costs	7
Related party management fee	38
Restructuring costs, net of reversals	36
Unrealized (gain) loss on derivatives	(10)
Other	(1)
Reynolds Group Adjusted EBITDA from continuing operations	\$2,037
Annualization of cost savings programs	37
Reynolds Group Pro Forma Adjusted EBITDA from continuing operations	\$2,074

Capitalization Summary

(\$ in millions)

	LTM 9/30/2017	Net Multiple of EBITDA ⁽¹⁾
Cash	\$443	
Senior Secured Term Loans	\$3,581	
Senior Secured Notes	6,232	
Securitization Facility ⁽¹⁾	420	
Other Secured Debt ⁽²⁾	21	
Total Secured Debt	\$10,254	4.5x
Senior Unsecured Notes	800	
Total Senior Guaranteed Debt	\$11,054	4.9x
Pactiv Unsecured Notes	492	
Total Debt⁽³⁾	\$11,546	5.2x
Pro Forma Adjusted EBITDA from continuing operations⁽⁴⁾	\$2,074	

- (1) Under the credit agreement, the Securitization Facility is excluded from Total Debt for the purpose of the calculation of the Total Secured Leverage Ratio. All leverage ratios in the table above are calculated excluding the Securitization Facility.
- (2) Consists of local working capital facilities and finance leases.
- (3) Excludes derivative liabilities of \$2 million.
- (4) Adjusted for full period effect of implemented cost savings programs, acquisition synergies and business acquisitions and divestitures to the extent not reflected in Adjusted EBITDA.