Reynolds Group Holdings Limited

Q3 2019 Results

November 12, 2019

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 future costs of raw materials, energy, and freight, including the impact of tariffs, trade sanctions and similar matters affecting our importation of certain raw materials or sales of our products;
- 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 dependence on key management and other highly skilled personnel;
- risks related to the consolidation of our customer bases, loss of a significant customer, competition and pricing pressure;
- risks related to any potential supply of faulty or contaminated products;
- 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 information security, including a cyber-security breach or a failure of one or more of our information technology systems, networks, processes or service providers;
- risks related to our substantial indebtedness and our ability to service our current and future indebtedness;
- 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;
- risks related to increases in interest rates which would increase the cost of servicing our variable rate debt instruments; 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 acquisition costs, non-cash pension income or expense, restructuring costs, related party management fees, unrealized gains or losses on derivatives, gains or losses on the sale of non-strategic assets, asset impairments and write-downs, strategic review costs and equity method profit not distributed in cash. 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
Michael King	Graham Packaging
John Rooney	Evergreen

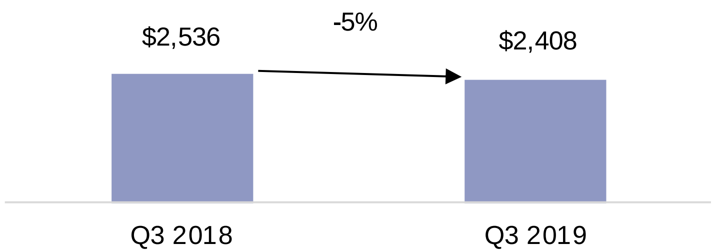
Reynolds Group Holdings Limited

Tom Degnan

Reynolds Group Revenue and Adjusted EBITDA

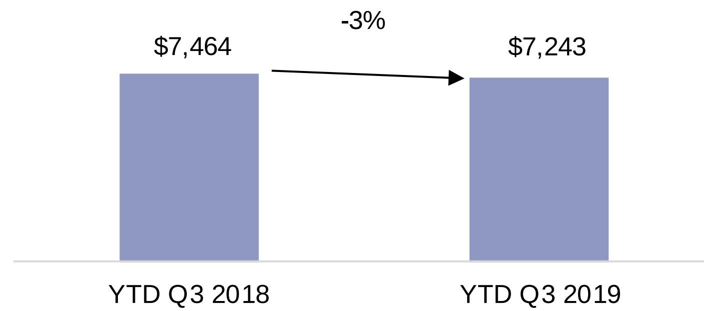
Revenue QTD

($ in millions)



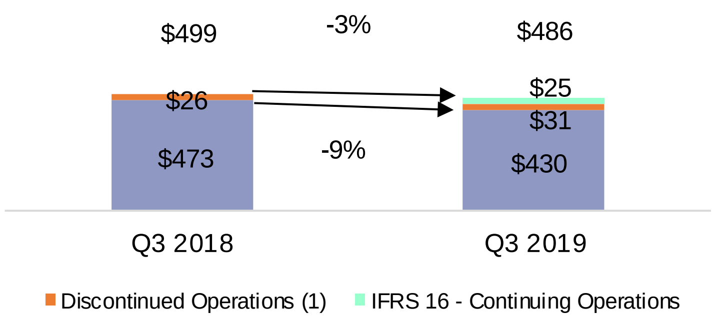
Revenue YTD

($ in millions)



Adjusted EBITDA QTD

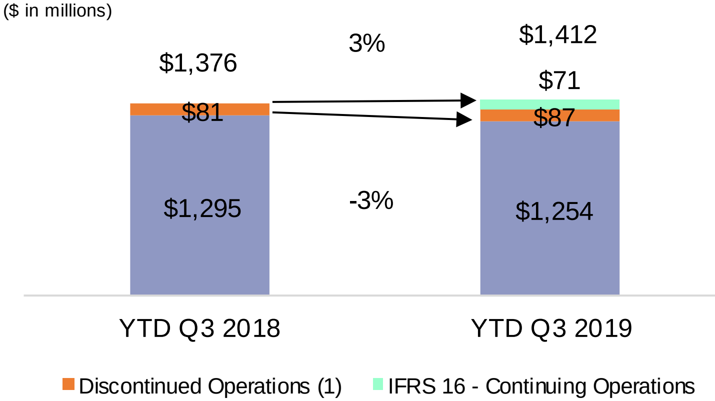
($ in millions)



(1) Represents the contributions of the Group's North American and Japanese closures businesses

Adjusted EBITDA YTD

($ in millions)



(1) Represents the contributions of the Group's North American and Japanese closures businesses

Reynolds Consumer Products

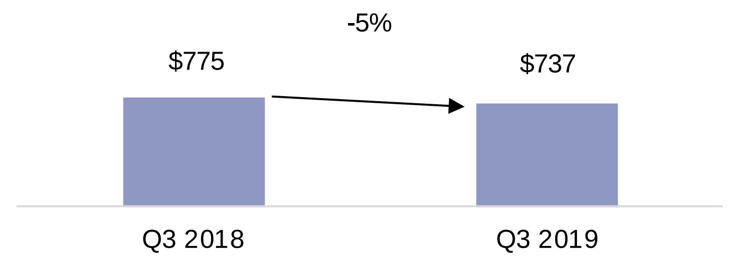
Lance Mitchell

Reynolds Consumer Products Revenue

- Revenue decreased by 5% to $737 million in Q3 2019
- Decrease primarily driven by:
  - Price declines, primarily in our Cooking and Baking business, mainly driven by higher trade spend
  - Decreased sales volume primarily due to the exit of certain store branded business
- LTM revenue increased by 1% to $3,106 million

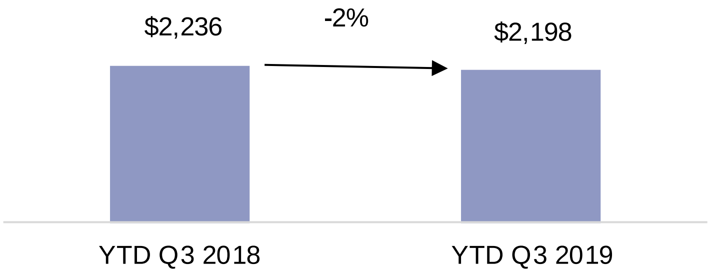
Q3 2018 vs. Q3 2019

($ in millions)



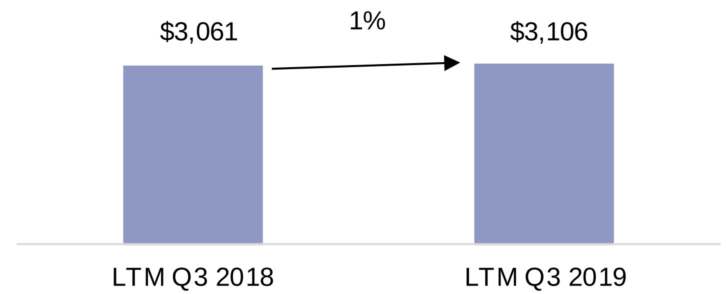
YTD Q3 2018 vs. YTD Q3 2019

($ in millions)



LTM Q3 2018 vs. LTM Q3 2019

($ in millions)

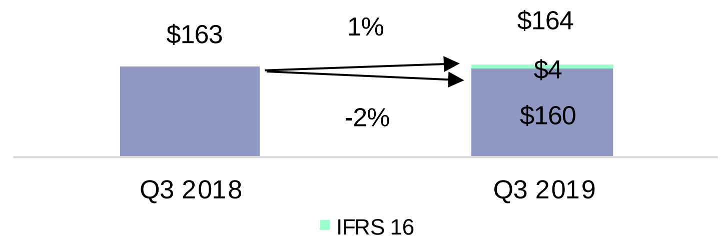


Reynolds Consumer Products Adjusted EBITDA

- Adjusted EBITDA increased by 1% to $164 million in Q3 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA decreased by 2%
- Decrease primarily driven by:
  - Lower pricing
  - Higher manufacturing costs
  - Increased employee-related costs
  - Partially offset by lower material costs
- LTM Adjusted EBITDA increased by 8% to $683 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA increased by 7%

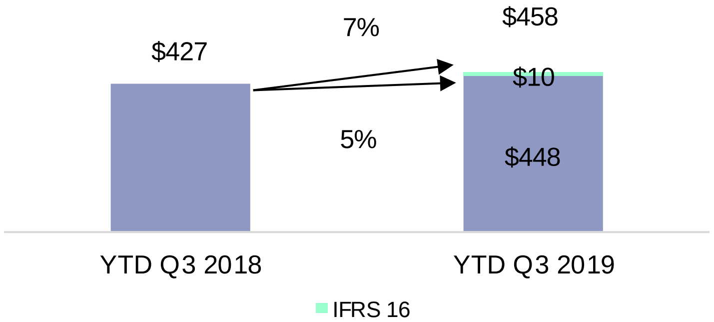
Q3 2018 vs. Q3 2019

($ in millions)



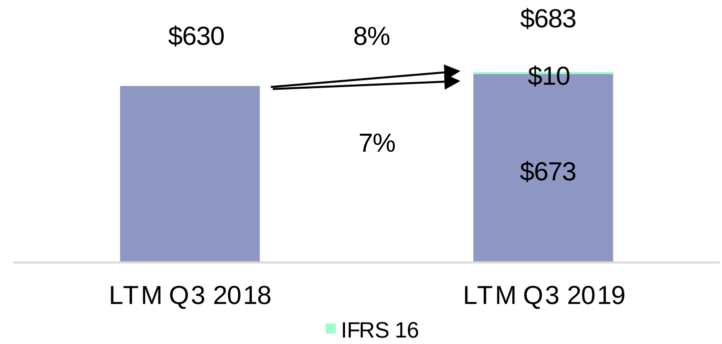
YTD Q3 2018 vs. YTD Q3 2019

($ in millions)



LTM Q3 2018 vs. LTM Q3 2019

($ in millions)



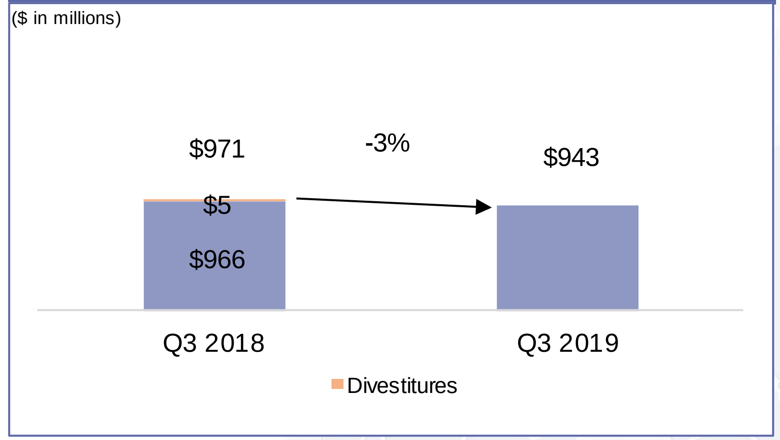
Pactiv Foodservice

John McGrath

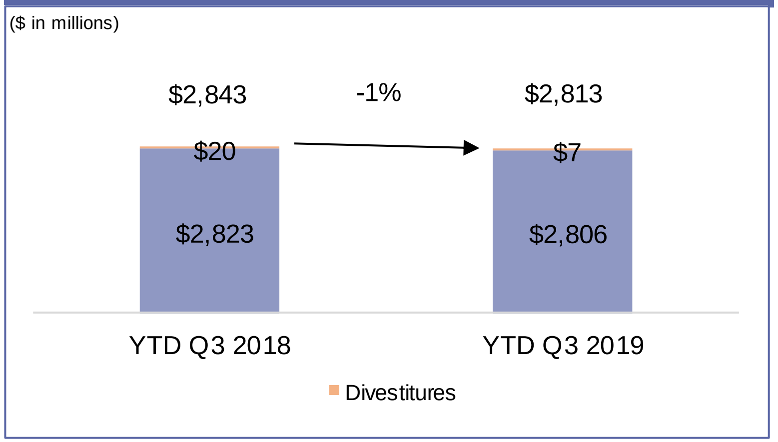
Pactiv Foodservice Revenue

- Revenue decreased by 3% to $943 million in Q3 2019
- Decrease primarily driven by:
  - Unfavorable price changes for costs passed through to customers
  - Lower inter-segment revenues
  - Impact of business divestitures
  - Partially offset by favorable volume with external customers
- LTM revenue decreased by 1% to $3,748 million

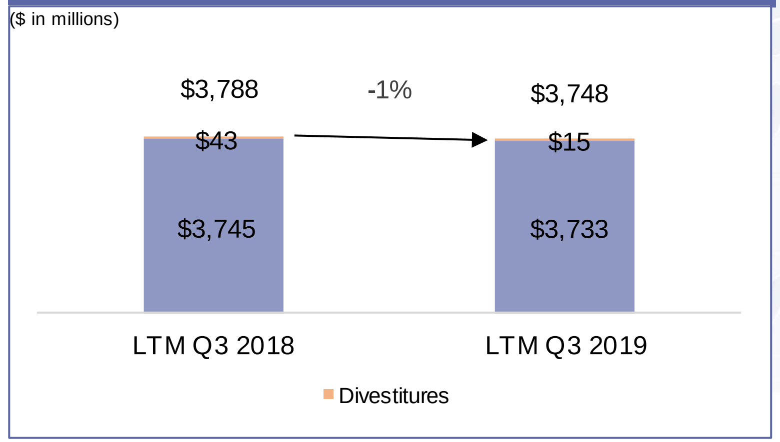
Q3 2018 vs. Q3 2019



YTD Q3 2018 vs. YTD Q3 2019



LTM Q3 2018 vs. LTM Q3 2019

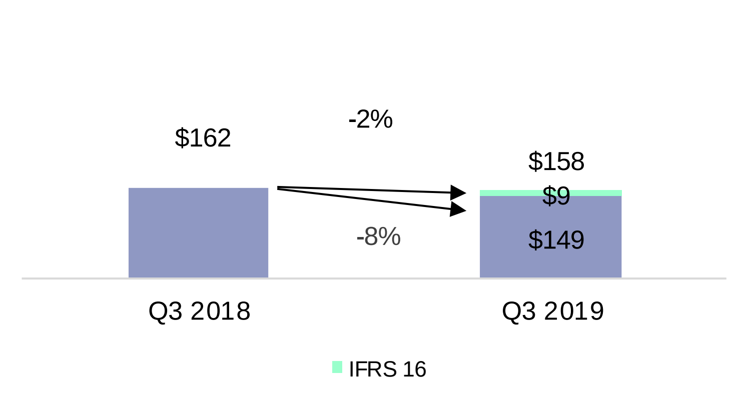


Pactiv Foodservice Adjusted EBITDA

- Adjusted EBITDA decreased by 2% to $158 million in Q3 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA decreased by 8%
- Decrease primarily driven by:
  - Higher employee-related costs
  - Higher logistics and manufacturing costs
  - Partially offset by net favorable raw material costs
- LTM Adjusted EBITDA decreased by 4% to $597 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA decreased by 8%

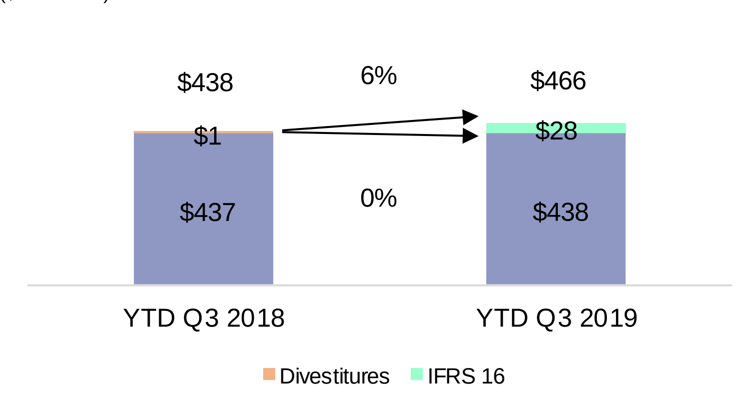
Q3 2018 vs. Q3 2019

($ in millions)



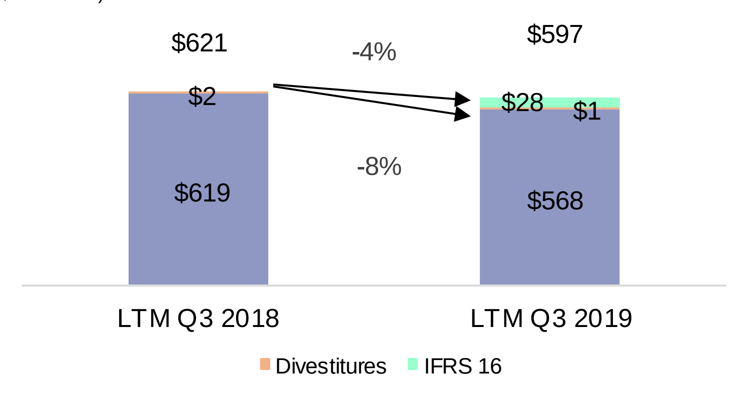
YTD Q3 2018 vs. YTD Q3 2019

($ in millions)



LTM Q3 2018 vs. LTM Q3 2019

($ in millions)



Reynolds

Graham Packaging

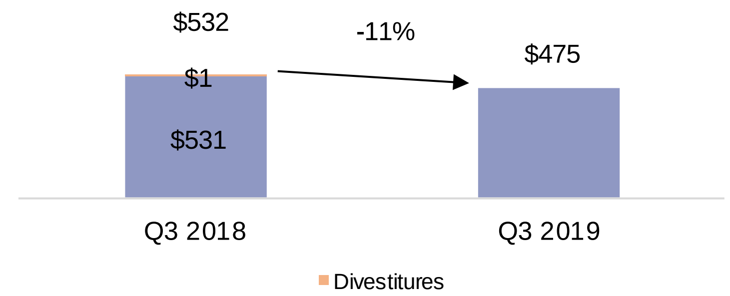
Michael King

Graham Packaging Revenue

- Revenue decreased by 11% to $475 million in Q3 2019
- Decrease primarily driven by:
  - Lower sales volume
  - Decline in pricing due to lower resin costs passed through to customers
- LTM revenue decreased by 7% to $1,964 million

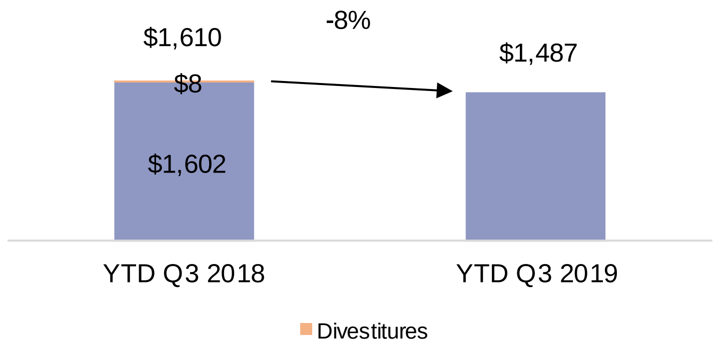
Q3 2018 vs. Q3 2019

($ in millions)



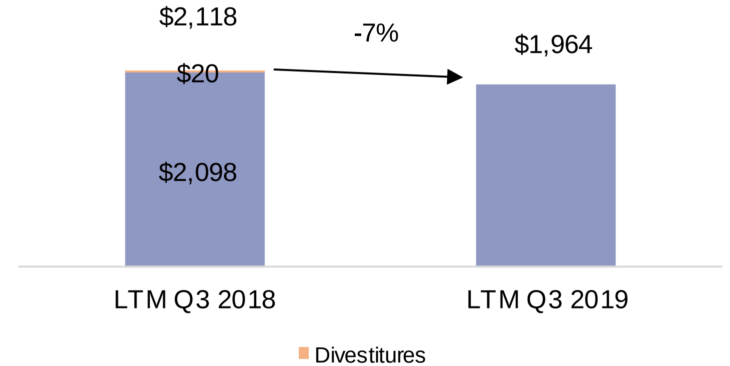
YTD Q3 2018 vs. YTD Q3 2019

($ in millions)



LTM Q3 2018 vs. LTM Q3 2019

($ in millions)

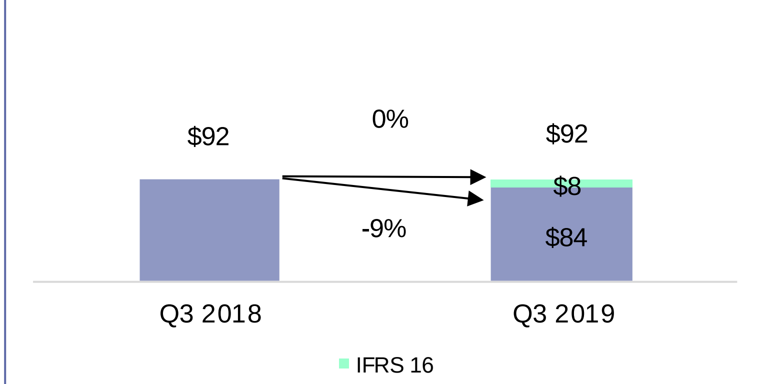


Graham Packaging Adjusted EBITDA

- Adjusted EBITDA was flat at $92 million in Q3 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA decreased by 9%
- Decrease primarily driven by:
  - Lower sales volume
  - Higher operational costs
  - Partially offset by lower raw material costs, net of lower costs passed through to customers
- LTM Adjusted EBITDA decreased by 6% to $347 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA decreased by 13%

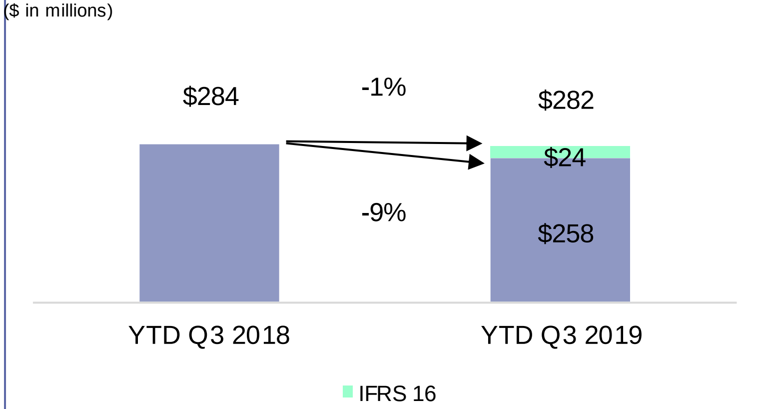
Q3 2018 vs. Q3 2019

($ in millions)



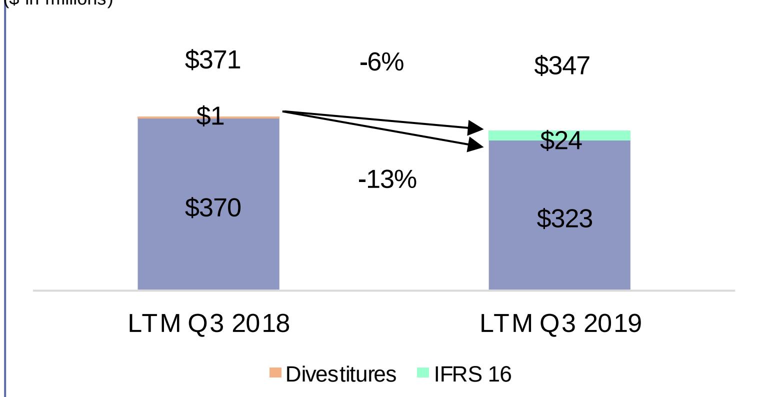
YTD Q3 2018 vs. YTD Q3 2019

($ in millions)



LTM Q3 2018 vs. LTM Q3 2019

($ in millions)



Evergreen

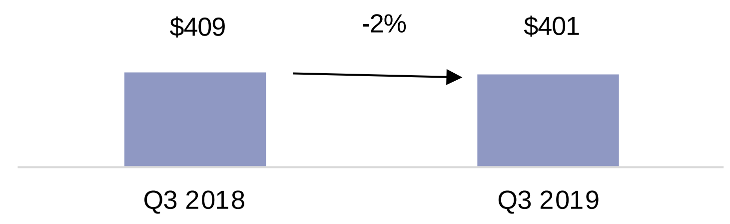
John Rooney

Evergreen Revenue

- Revenue decreased by 2% to $401 million in Q3 2019
- Decrease primarily driven by:
  - Lower sales volume
  - Partially offset by higher pricing
- LTM revenue decreased to $1,591 million

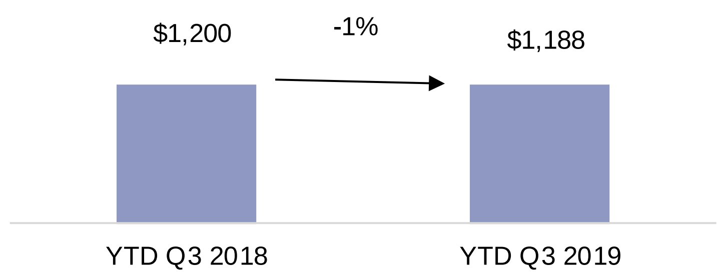
Q3 2018 vs. Q3 2019

($ in millions)



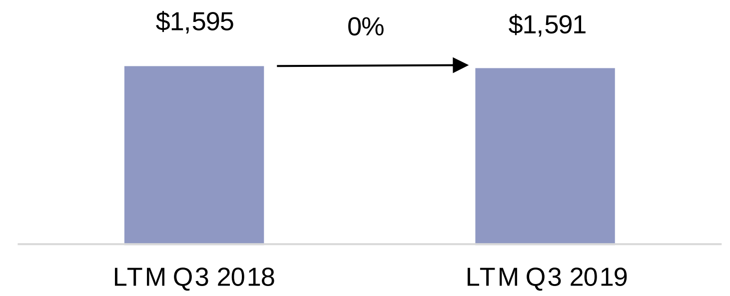
YTD Q3 2018 vs. YTD Q3 2019

($ in millions)



LTM Q3 2018 vs. LTM Q3 2019

($ in millions)

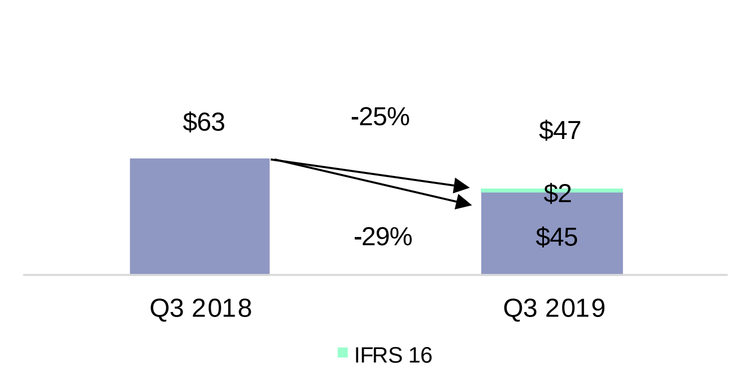


Evergreen Adjusted EBITDA

- Adjusted EBITDA decreased by 25% to $47 million in Q3 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA decreased by 29%
- Decrease primarily driven by:
  - Production inefficiencies
  - Lower volume
  - Higher employee-related costs
  - Higher input costs, primarily fiber
  - Partially offset by higher pricing
- LTM Adjusted EBITDA decreased by 9% to $210 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA decreased by 12%

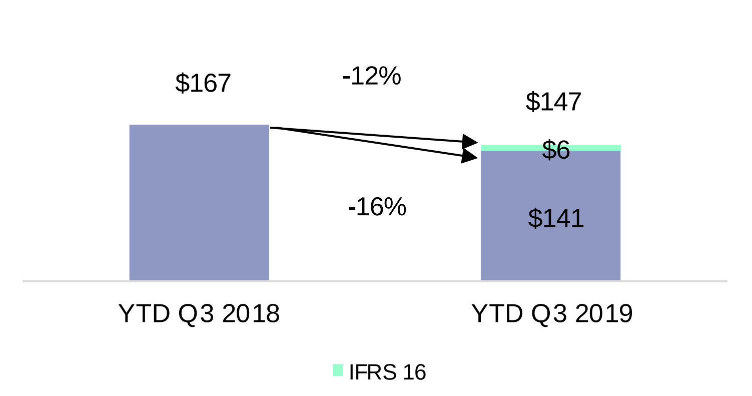
Q3 2018 vs. Q3 2019

($ in millions)



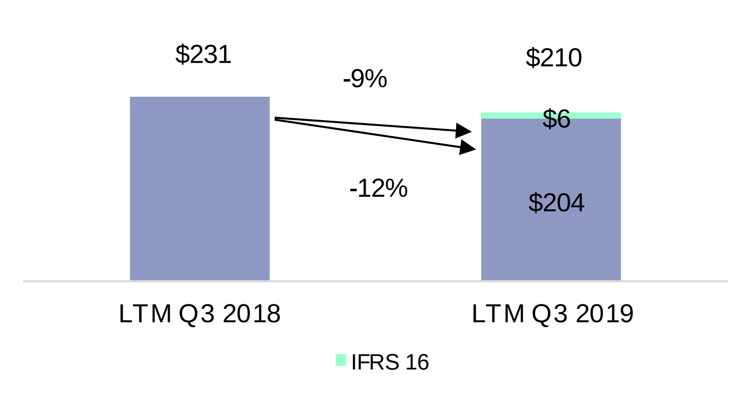
YTD Q3 2018 vs. YTD Q3 2019

($ in millions)



LTM Q3 2018 vs. LTM Q3 2019

($ in millions)



Reynolds Group Financial Overview

Allen Hugli

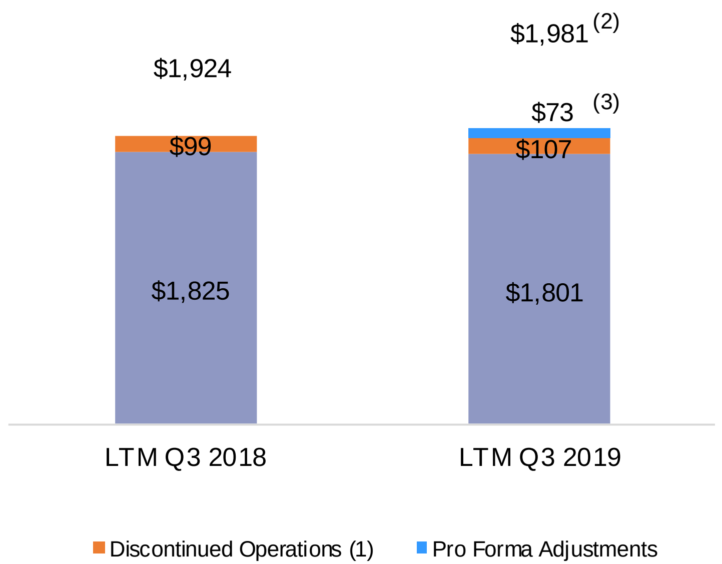
Reynolds Group Revenue and Adjusted EBITDA

Revenue

($ in millions)

Adjusted EBITDA

($ in millions)



(1) Represents the contributions of the Group's North American and Japanese closures businesses

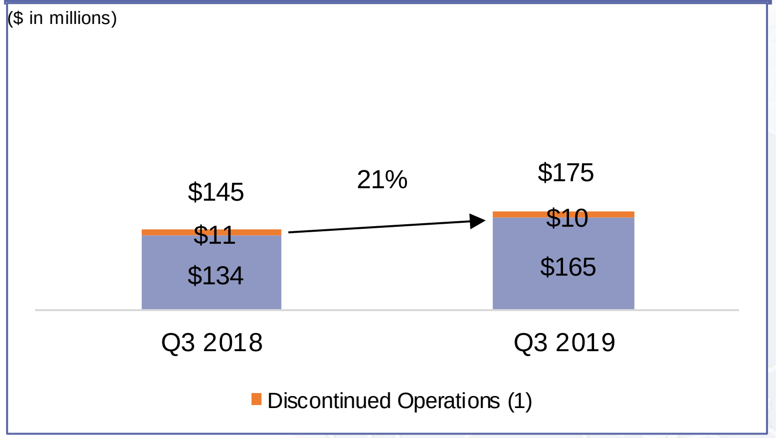
(2) Amount represents Pro Forma Adjusted EBITDA

(3) Amount represents impact of annualization of cost savings programs and of acquisitions/divestitures

Reynolds Group Capital Expenditures

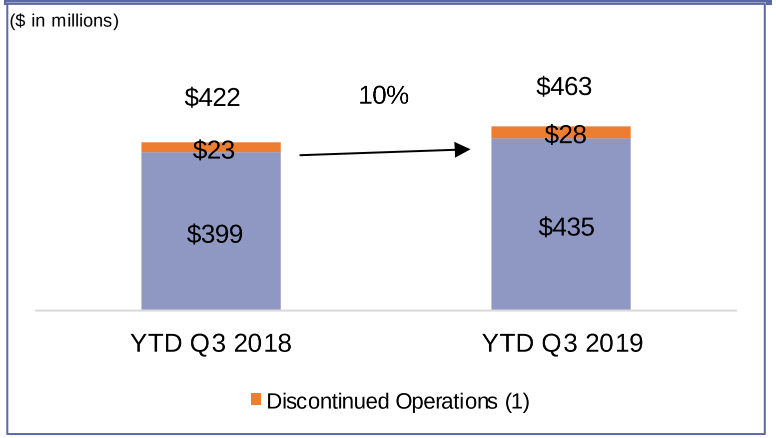
- Capital expenditures increased from $145 million to $175 million in Q3 2019
- Increase primarily due to new projects to reduce the Group's cost base and to meet customer requirements

Q3 2018 vs. Q3 2019



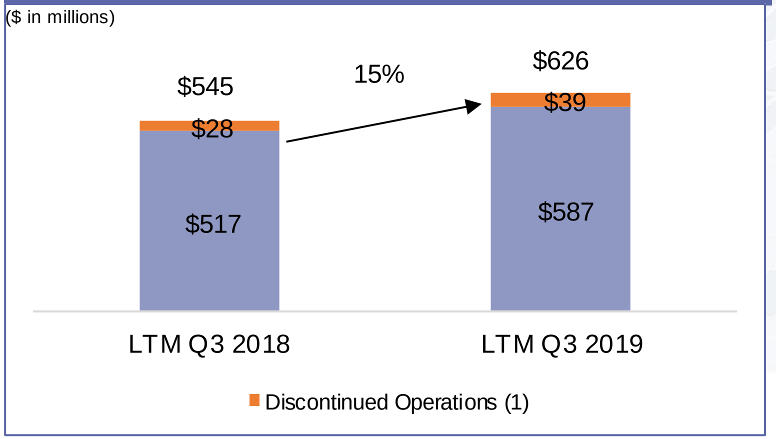
(1) Represents the contributions of the Group's North American and Japanese closures businesses

YTD Q3 2018 vs. YTD Q3 2019



(1) Represents the contributions of the Group's North American and Japanese closures businesses

LTM Q3 2018 vs. LTM Q3 2019

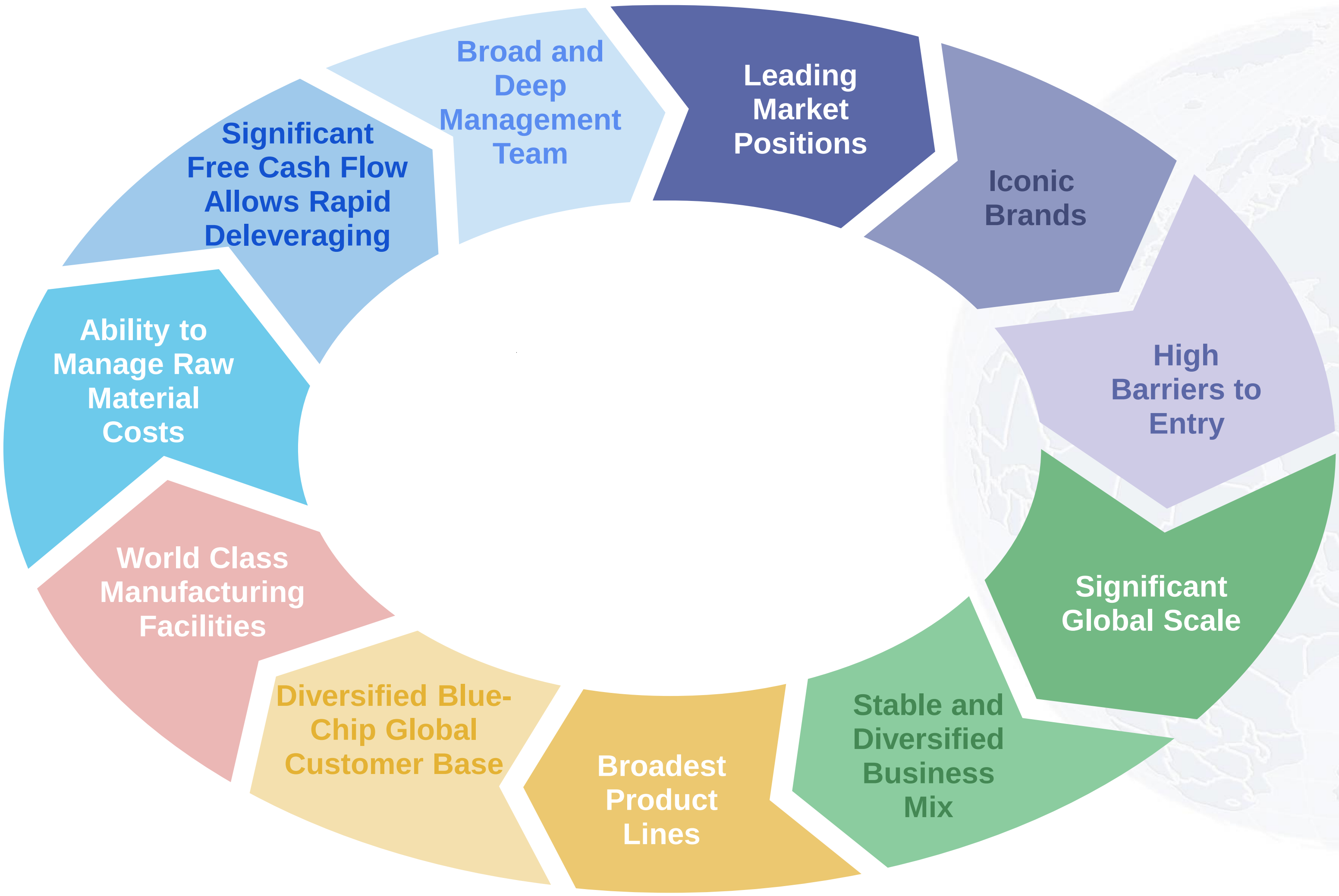


(1) Represents the contributions of the Group's North American and Japanese closures businesses

Reynolds Other Financing Activity

- On October 16, 2019, the Group issued a redemption notice for the $345 million remaining outstanding principal amount of 6.875% Senior Secured Notes. The notes will be redeemed on November 15, 2019.

Key Investment Highlights



Appendix


Florida's Natural
NEW
Hefty
OneZip
Hefty
ULTRA FLEX
NOW IMPROVED
With
UNSCENTED ODOR BLOCK
Reynolds Wrap
TRUSTED SINCE 1947
Oven Bags
Large Size

Reynolds Group Revenue and Adjusted EBITDA

($ in millions)

For the nine months ended September 30, 2019	Reynolds Consumer Products	Pactiv Foodservice	Graham Packaging	Evergreen	Other/ Unallocated	Total
Total external revenue	2,081	2,460	1,487	1,094	121	7,243
Total inter-segment revenue	117	353	-	94	(564)	-
Total segment revenue	2,198	2,813	1,487	1,188	(443)	7,243
Adjusted EBITDA from continuing operations	458	466	282	147	(28)	1,325
Adjusted EBITDA from discontinued operations						87
Total Adjusted EBITDA						1,412
Adjusted EBITDA from continuing operations, excluding IFRS 16 impact	448	438	258	141	(31)	1,254
Adjusted EBITDA from discontinued operations, excluding IFRS 16 impact						83
Total Adjusted EBITDA, excluding IFRS 16 impact						1,337

($ in millions)

For the nine months ended September 30, 2018	Reynolds Consumer Products	Pactiv Foodservice	Graham Packaging	Evergreen	Other/ Unallocated	Total
Total external revenue	2,110	2,445	1,610	1,125	174	7,464
Total inter-segment revenue	126	398	-	75	(599)	-
Total segment revenue	2,236	2,843	1,610	1,200	(425)	7,464
Adjusted EBITDA from continuing operations	427	438	284	167	(21)	1,295
Adjusted EBITDA from discontinued operations						81
Total Adjusted EBITDA						1,376

EBITDA Reconciliation

($ in millions)

	LTM 09/30/19
Total revenue	**9,838**
Gross profit	1,969
(Expenses) and other income	(1,340)
Earnings before interest and tax ("EBIT") from continuing operations	**629**
Financial income (expenses)	(678)
Profit (loss) from continuing operations before income tax	**(49)**
Income tax (expense) benefit	(15)
Profit (loss) from continuing operations	**(64)**
Profit (loss) from discontinued operations, net of income tax	13
Profit (loss)	**(51)**
Earnings before interest and tax ("EBIT") from continuing operations	**629**
Depreciation and amortization from continuing operations	672
Earnings before interest, tax, depreciation and amortization ("EBITDA") from continuing operations	**1,301**

Pro Forma Adjusted EBITDA

($ in millions)

	LTM 09/30/19
Reynolds Group EBITDA	**$1,301**
Asset impairment charges, net of reversals	314
(Gain) loss on sale of businesses and properties	29
Non-cash pension expense, net of settlement gain	70
Operational process engineering-related consultancy costs	23
Related party management fee	27
Restructuring costs, net of reversals	16
Strategic review costs	20
Other	1
Reynolds Group Adjusted EBITDA from continuing operations	**$1,801**
Annualization of cost savings programs	60
Full period estimated effect of divestitures	(1)
Reynolds Group Pro Forma Adjusted EBITDA from continuing operations	**$1,860**
Reynolds Group Adjusted EBITDA from discontinued operations	107
Annualization of cost savings programs from discontinued operations	14
Total Reynolds Group Pro Forma Adjusted EBITDA	**$1,981**

Capitalization Summary

($ in millions)

	LTM 09/30/19	of EBITDA[2]
Cash[1]	$849	
Senior Secured Term Loans	$3,489	
Senior Secured Notes	5,832	
Securitization Facility[2]	420	
Other Secured Debt[3]	15	
Total Secured Debt	**$9,756**	**4.3x**
Senior Unsecured Notes	800	
Total Senior Guaranteed Debt	**$10,556**	**4.7x**
Pactiv Unsecured Notes	476	
Total Debt[4]	**$11,032**	**4.9x**
Pro Forma Adjusted EBITDA[5]	**$1,981**	

(1) Cash excludes $21 million of cash classified as assets held for sale.

(2) 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.

(3) Consists of leases capitalized prior to January 1, 2019.

(4) Excludes derivative liabilities of $3 million.

(5) Pro Forma Adjusted EBITDA as defined under the credit agreement, adjusted for full period effect of implemented cost savings programs, acquisition synergies and business acquisitions and divestitures, as applicable.