Reynolds

Reynolds Group Holdings Limited

Q2 2019 Results

July 31, 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
Floyd Needham	Closures

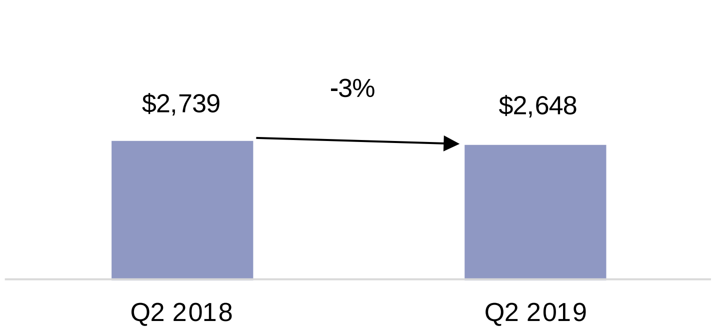
Reynolds Group Holdings Limited

Tom Degnan

Reynolds Group Revenue and Adjusted EBITDA

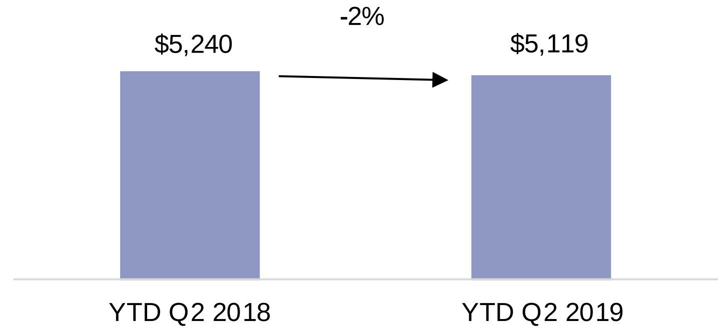
Revenue QTD

($ in millions)



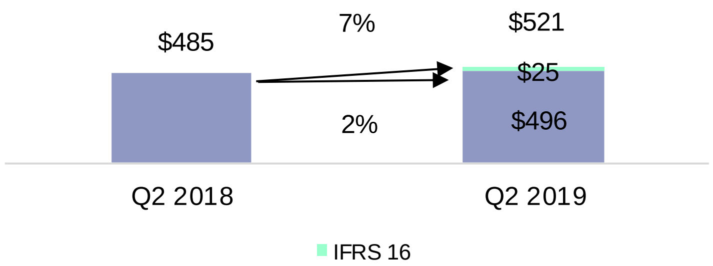
Revenue YTD

($ in millions)



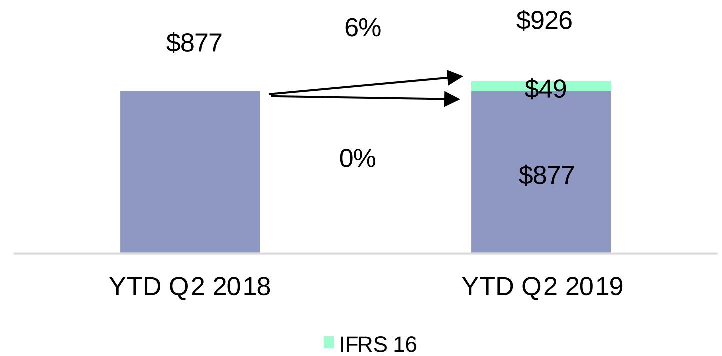
Adjusted EBITDA QTD

($ in millions)



Adjusted EBITDA YTD

($ in millions)



Reynolds Consumer Products

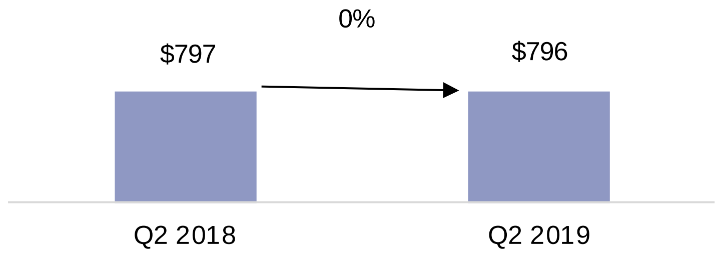
Lance Mitchell

Reynolds Consumer Products Revenue

- Revenue decreased to $796 million in Q2 2019
- Decrease primarily driven by:
  - Decreased sales volume
  - Partially offset by higher pricing taken across most product lines
- LTM revenue increased by 3% to $3,144 million

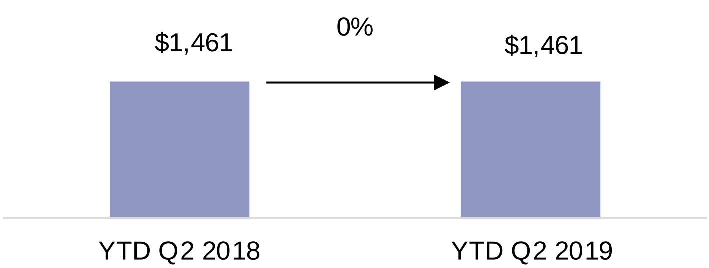
Q2 2018 vs. Q2 2019

($ in millions)



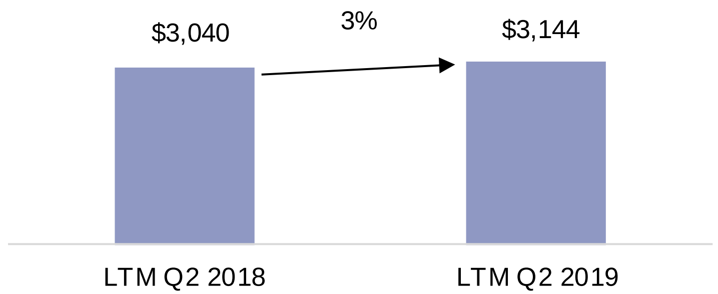
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)

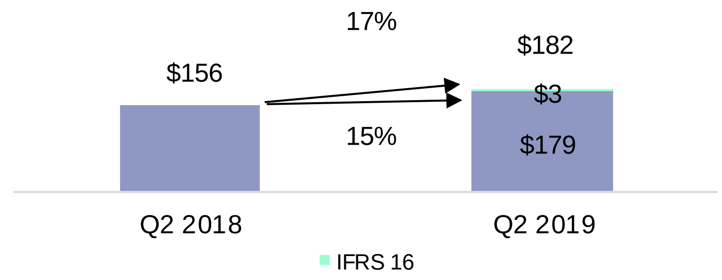


Reynolds Consumer Products Adjusted EBITDA

- Adjusted EBITDA increased by 17% to $182 million in Q2 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA increased by 15%
- Increase primarily driven by:
  - Lower material costs and higher pricing
  - Partially offset by higher manufacturing cost and lower sales volume
- LTM Adjusted EBITDA increased by 8% to $682 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA increased by 7%

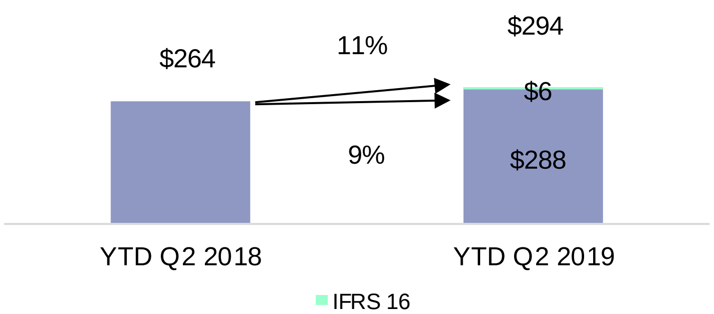
Q2 2018 vs. Q2 2019

($ in millions)



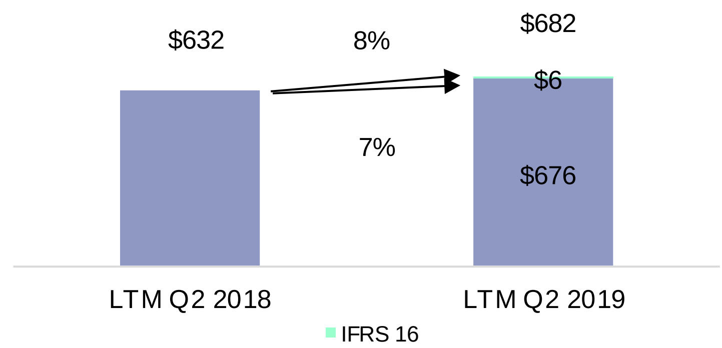
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)



Pactiv Foodservice

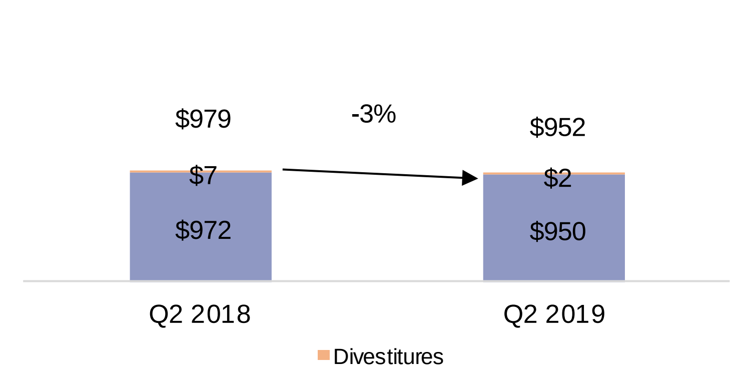
John McGrath

Pactiv Foodservice Revenue

- Revenue decreased by 3% to $952 million in Q2 2019
- Decrease primarily driven by:
  - Lower inter-segment revenues
  - Impact of business divestitures
  - Partially offset by favorable volume with external customers
- LTM revenue increased to $3,776 million

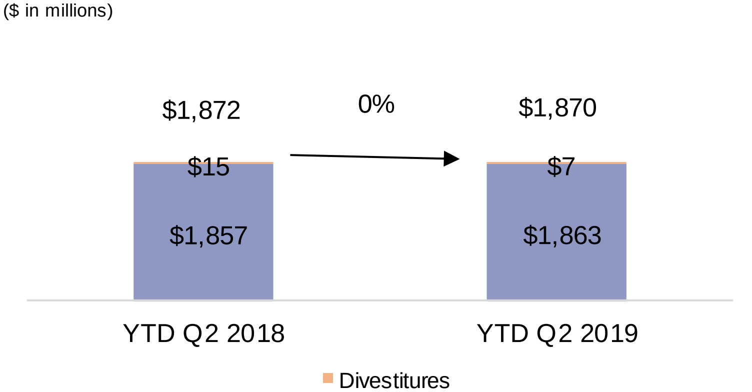
Q2 2018 vs. Q2 2019

($ in millions)



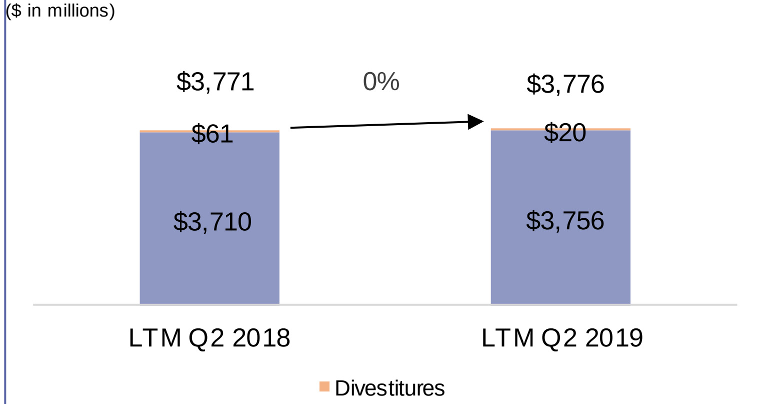
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

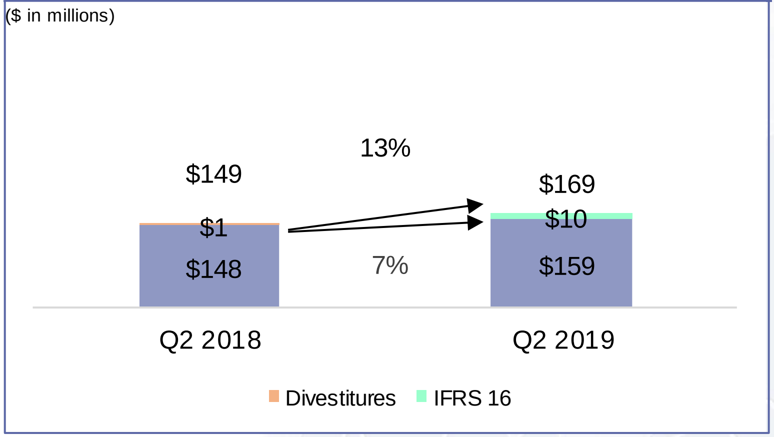
($ in millions)



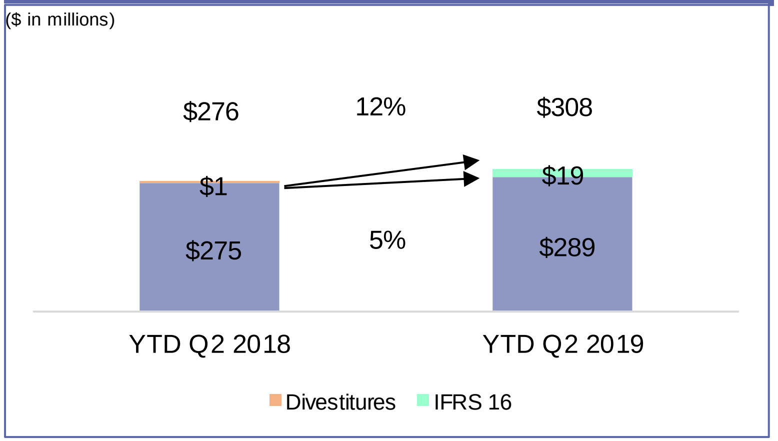
Pactiv Foodservice Adjusted EBITDA

- Adjusted EBITDA increased by 13% to $169 million in Q2 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA increased by 7%
- Increase primarily driven by:
  - Net favorable raw material costs
  - Partially offset by:
    - Higher employee-related costs
    - Higher logistics costs
- LTM Adjusted EBITDA decreased by 5% to $601 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA decreased by 8%

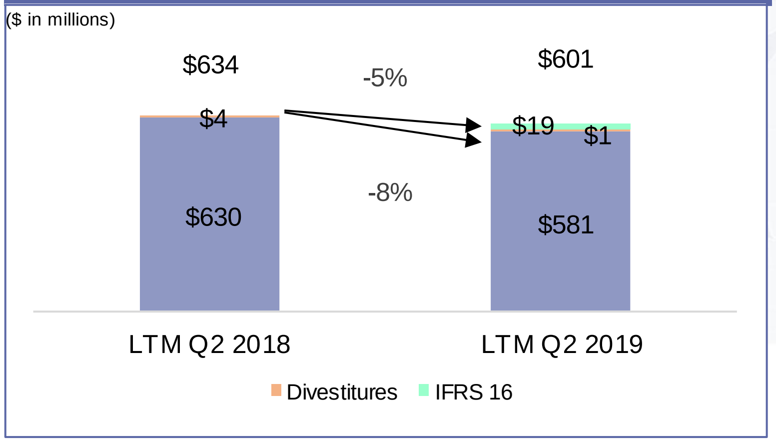
Q2 2018 vs. Q2 2019



YTD Q2 2018 vs. YTD Q2 2019



LTM Q2 2018 vs. LTM Q2 2019



Reynolds

Graham Packaging

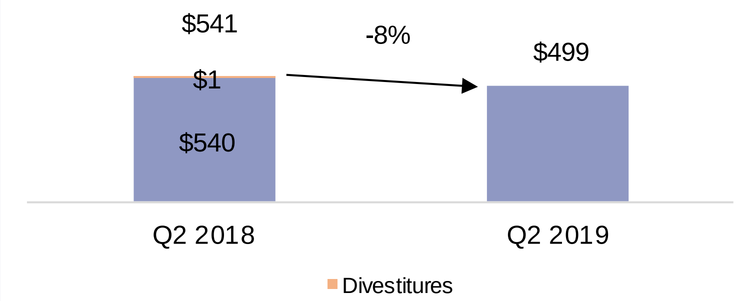
Michael King

Graham Packaging Revenue

- Revenue decreased by 8% to $499 million in Q2 2019
- Decrease primarily driven by:
  - Lower sales volume
  - Decline in pricing due to lower resin costs passed through to customers and contractual price movements
- LTM revenue decreased by 5% to $2,021 million

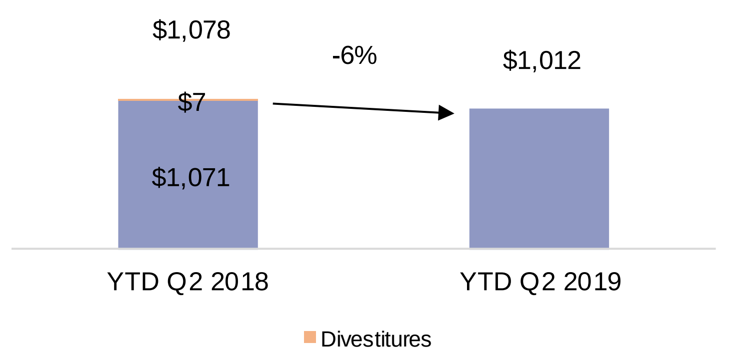
Q2 2018 vs. Q2 2019

($ in millions)



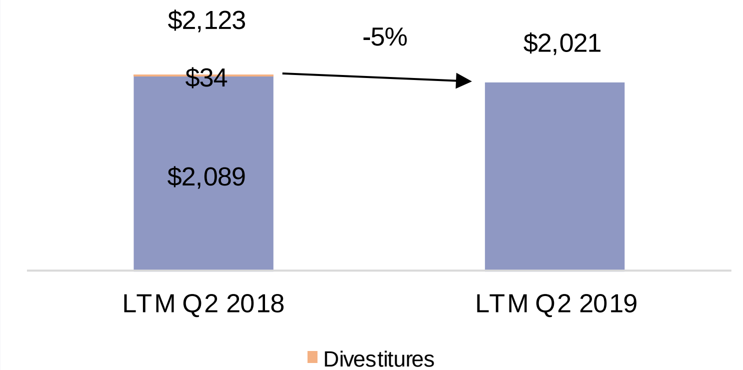
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)

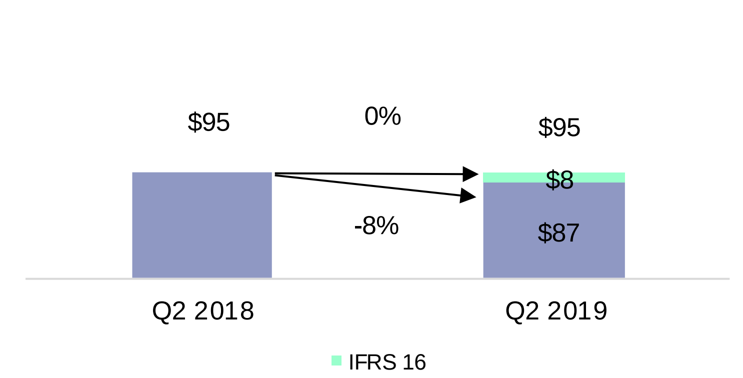


Graham Packaging Adjusted EBITDA

- Adjusted EBITDA was flat at $95 million in Q2 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA decreased by 8%
- Decrease primarily driven by:
  - Lower sales volume
  - Higher operational costs
  - Partially offset by lower raw material costs
- LTM Adjusted EBITDA decreased by 9% to $347 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA decreased by 14%
- Ongoing footprint rationalizations continue; 3 facility closures announced in Q2 2019

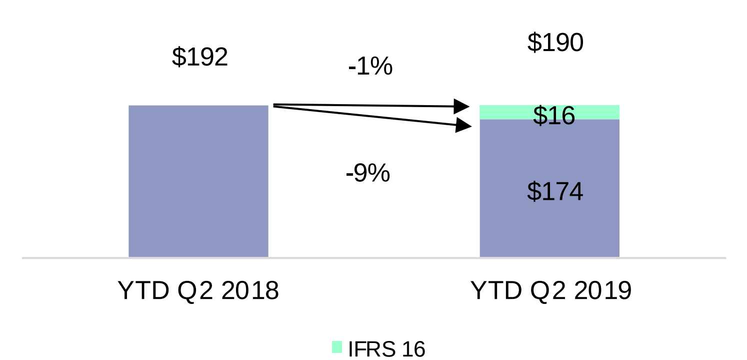
Q2 2018 vs. Q2 2019

($ in millions)



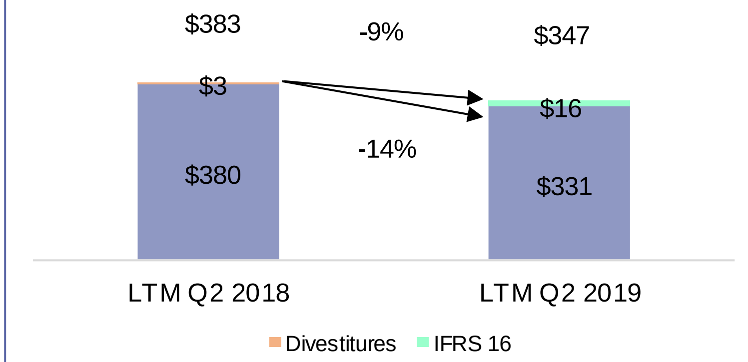
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)



Evergreen

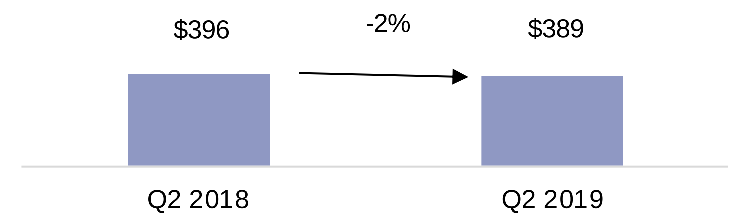
John Rooney

Evergreen Revenue

- Revenue decreased by 2% to $389 million in Q2 2019
- Decrease primarily driven by:
  - Lower sales volume
  - Partially offset by higher pricing
- LTM revenue increased by 1% to $1,599 million

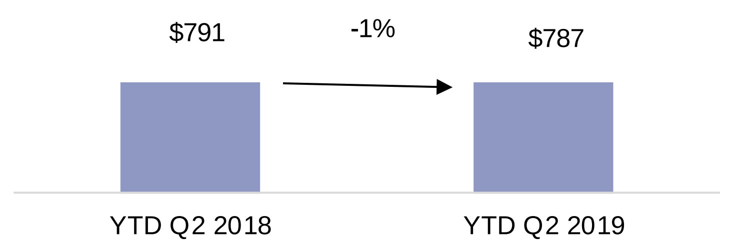
Q2 2018 vs. Q2 2019

($ in millions)



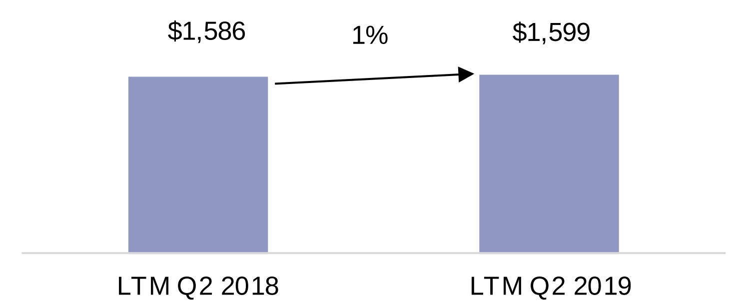
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)

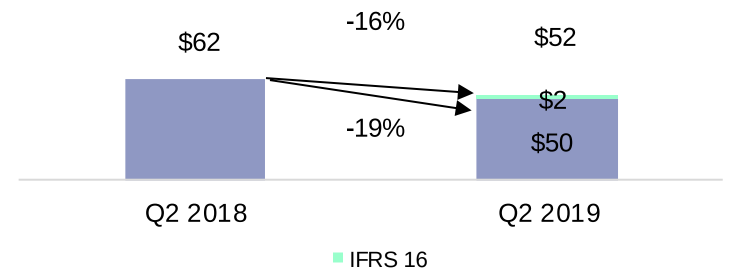


Evergreen Adjusted EBITDA

- Adjusted EBITDA decreased by 16% to $52 million in Q2 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA decreased by 19%
- Decrease primarily driven by:
  - Production inefficiencies
  - Higher input costs, primarily fiber
  - Higher employee-related costs
  - Partially offset by higher pricing
- LTM Adjusted EBITDA decreased by 4% to $226 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA decreased by 6%

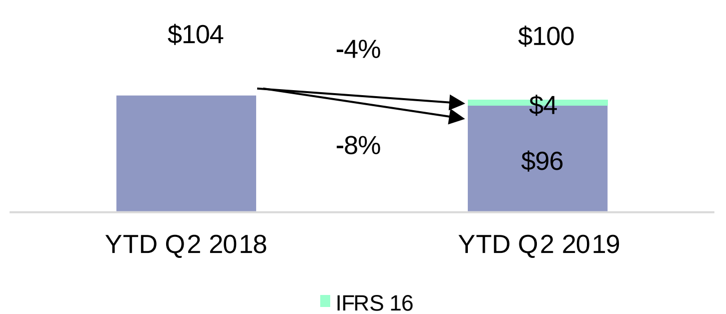
Q2 2018 vs. Q2 2019

($ in millions)



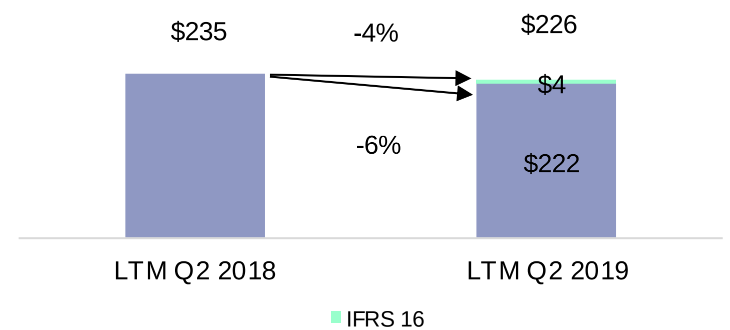
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)



Closures

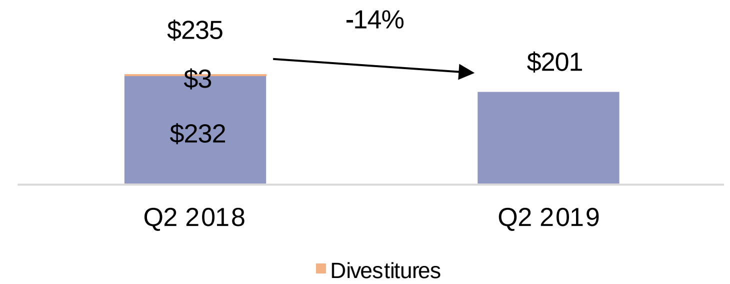
Floyd Needham

Closures Revenue

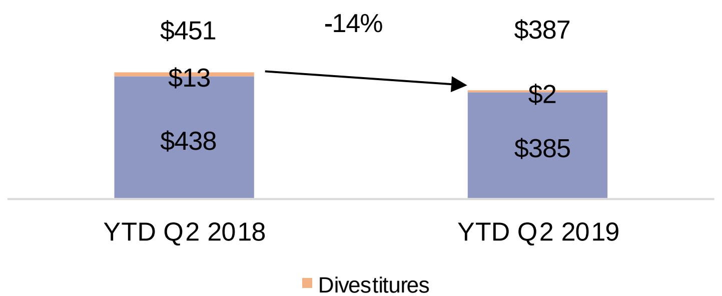
- Revenue decreased by 14% to $201 million in Q2 2019
- Decrease primarily driven by:
  - Lower sales volume
  - Lower pricing
  - Strategic business exit
- LTM revenue decreased by 11% to $797 million

Q2 2018 vs. Q2 2019

($ in millions)

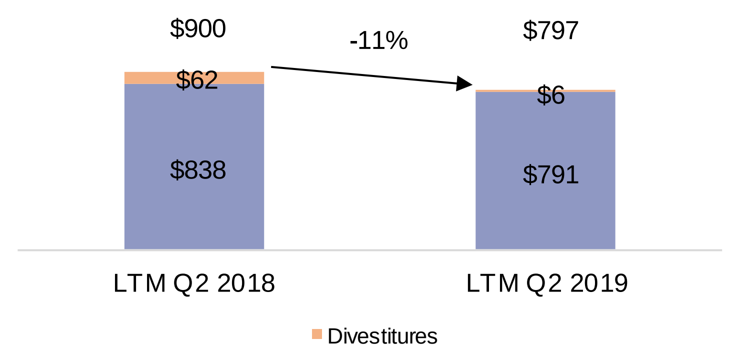


YTD Q2 2018 vs. YTD Q2 2019



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)

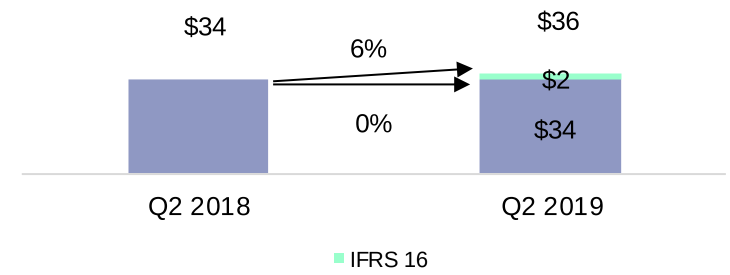


Closures Adjusted EBITDA

- Adjusted EBITDA increased by 6% to $36 million in Q2 2019
- Excluding the impact of the change in lease accounting, Adjusted EBITDA was flat to Q2 2018
- Results primarily driven by:
  - Favorable raw material and shipping costs
  - Partially offset by lower pricing and sales volume
- LTM Adjusted EBITDA decreased by 9% to $115 million
- Excluding the impact of the change in lease accounting, LTM Adjusted EBITDA decreased by 13%

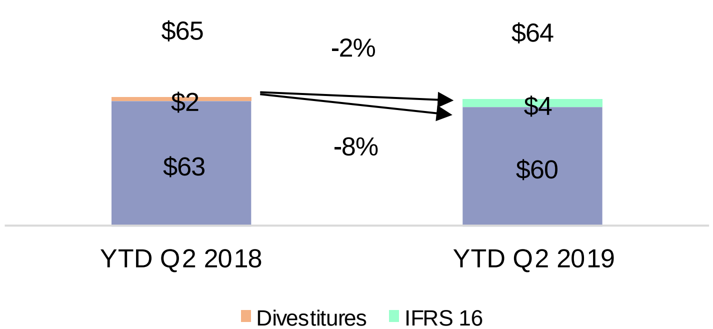
Q2 2018 vs. Q2 2019

($ in millions)



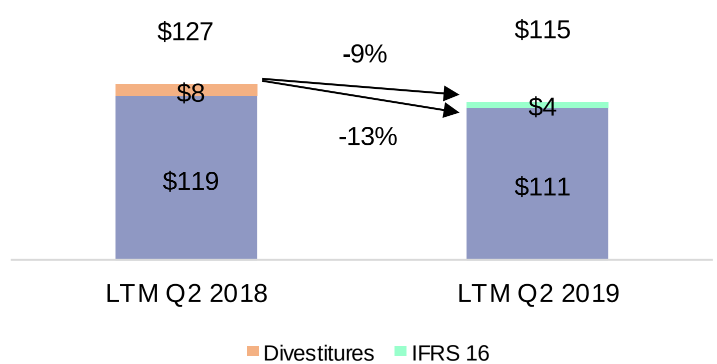
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)



LTM Q2 2018 vs. LTM Q2 2019

($ in millions)



Reynolds Group Financial Overview

Allen Hugli

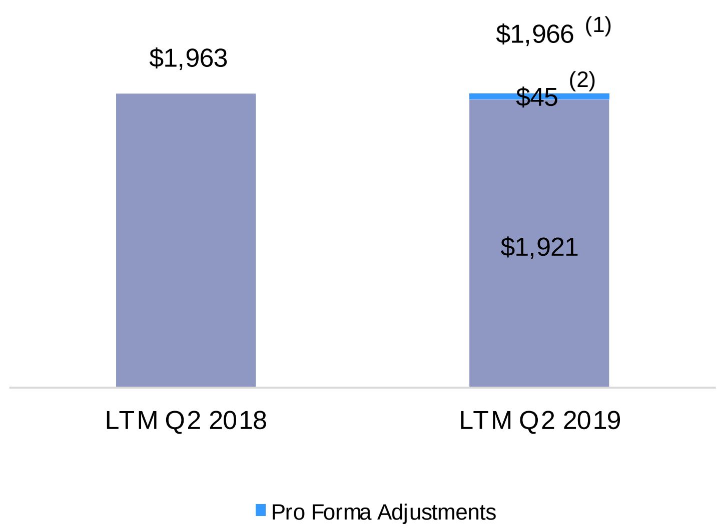
Reynolds Group Revenue and Adjusted EBITDA

Revenue

($ in millions)

Adjusted EBITDA

($ in millions)



(1) Amount represents Pro Forma Adjusted EBITDA

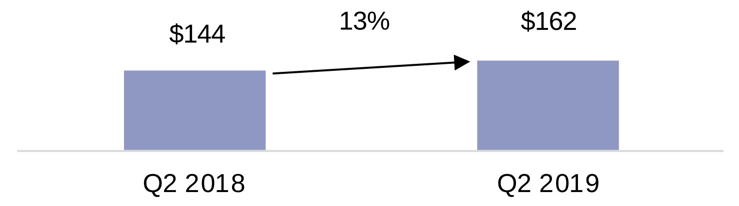
(2) Amount represents impact of annualization of cost savings programs and of acquisitions/divestitures

Reynolds Group Capital Expenditures

- Capital expenditures increased from $144 million to $162 million in Q2 2019
- Increase primarily due to new projects to reduce the Group's cost base and to meet customer requirements

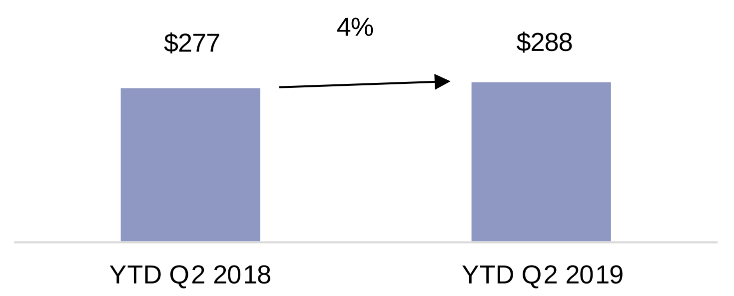
Q2 2018 vs. Q2 2019

($ in millions)



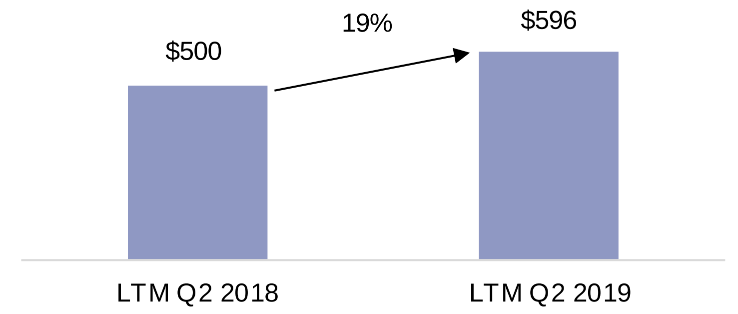
YTD Q2 2018 vs. YTD Q2 2019

($ in millions)

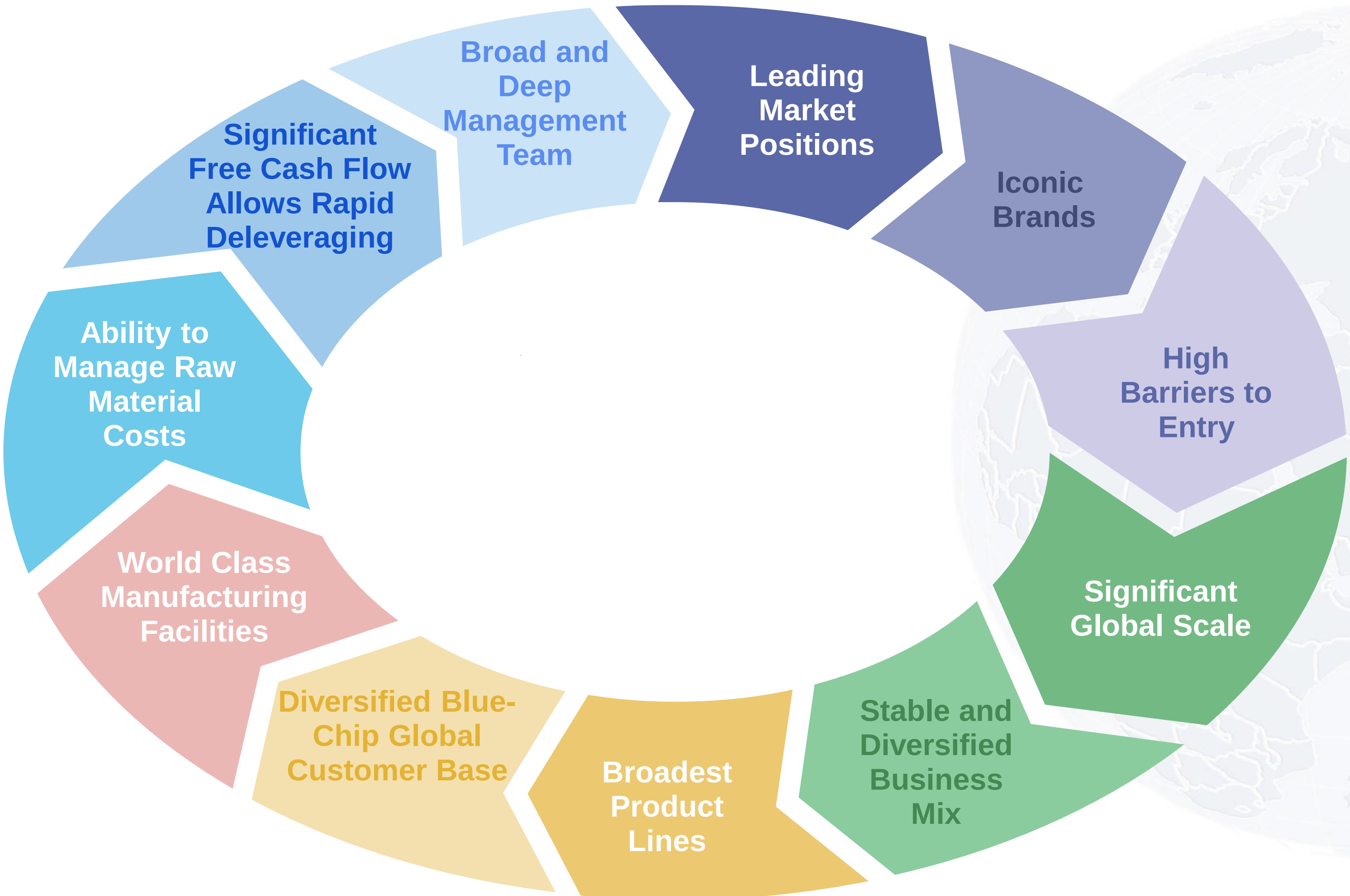


LTM Q2 2018 vs. LTM Q2 2019

($ in millions)



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 six months ended June 30, 2019	Reynolds Consumer Products	Pactiv Foodservice	Graham Packaging	Evergreen	Closures	Corporate / Unallocated	Total
Total external revenue	1,382	1,636	1,012	722	367	-	5,119
Total inter-segment revenue	79	234	-	65	20	(398)	-
Total segment revenue	1,461	1,870	1,012	787	387	(398)	5,119
Adjusted EBITDA	294	308	190	100	64	(30)	926
Adjusted EBITDA excluding IFRS 16 impact	288	289	174	96	60	(30)	877

($ in millions)

For the six months ended June 30, 2018	Reynolds Consumer Products	Pactiv Foodservice	Graham Packaging	Evergreen	Closures	Corporate / Unallocated	Total
Total external revenue	1,379	1,608	1,078	743	432	-	5,240
Total inter-segment revenue	82	264	-	48	19	(413)	-
Total segment revenue	1,461	1,872	1,078	791	451	(413)	5,240
Adjusted EBITDA	264	276	192	104	65	(24)	877

EBITDA Reconciliation

($ in millions)

	LTM 06/30/19
Total revenue	**10,539**
Gross profit	2,115
(Expenses) and other income	(1,280)
Earnings before interest and tax ("EBIT")	**835**
Financial income (expenses)	(635)
Profit (loss) before income tax	**200**
Income tax (expense) benefit	(92)
Profit (loss)	**108**
Earnings before interest and tax ("EBIT")	**835**
Depreciation and amortization	689
Earnings before interest, tax, depreciation and amortization ("EBITDA")	**1,524**

Pro Forma Adjusted EBITDA

($ in millions)

	LTM 06/30/19
Reynolds Group EBITDA	**$1,524**
Asset impairment charges, net of reversals	244
Non-cash pension expense, net of settlement gain	66
Operational process engineering-related consultancy costs	20
Related party management fee	28
Restructuring costs, net of reversals	18
Other	21
Reynolds Group Adjusted EBITDA	**$1,921**
Annualization of cost savings programs	46
Full period estimated effect of divestitures	(1)
Reynolds Group Pro Forma Adjusted EBITDA	**$1,966**

Capitalization Summary

($ in millions)

	LTM 06/30/19	Net Multiple of EBITDA[1]
Cash	$728	
Senior Secured Term Loans	$3,509	
Senior Secured Notes	5,832	
Securitization Facility[1]	420	
Other Secured Debt[2]	16	
Total Secured Debt	**$9,777**	**4.4x**
Senior Unsecured Notes	800	
Total Senior Guaranteed Debt	**$10,577**	**4.8x**
Pactiv Unsecured Notes	476	
Other	1	
Total Debt[3]	**$11,054**	**5.0x**
Pro Forma Adjusted EBITDA[4]	**$1,966**	

(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 leases capitalized prior to January 1, 2019.

(3) Excludes derivative liabilities of $5 million.

(4) 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.