

Beverage Packaging Holdings (Luxembourg) II S.A.

Société anonyme

Registered office: 6C, Parc d'Activités Syrdall,
L-5365, Munsbach
R.C.S. Luxembourg : B 128.914

HOLDER NOTIFICATION

15 October 2009

Beverage Packaging Holdings (Luxembourg) II S.A. (“the Company”)

**Re: €480,000,000 8% Senior Notes due 2016 (ISIN XSO307398502) (“Senior Notes”)
€420,000,000 9½% Senior Subordinated Notes due 2017 (ISIN XSO307399062) (“Senior Subordinated Notes” and, together with the Senior Notes, the “Notes”)**

The Company wishes to announce the intention of its indirect sister company, Beverage Packaging Holdings (Luxembourg) III S.à r.l. (“BPIII”) (being a holding company of the SIG group of companies (the “SIG Group”)) to acquire, directly or through its wholly owned subsidiaries (together, the “Purchasers”), the Closure Systems International group of companies (the “CSI Group”) and the Reynolds Consumer Products group of companies (the “RCP Group” and, together with the CSI Group, the “Reynolds Group”). The CSI Group is a leading manufacturer of plastic caps and closures, primarily serving the global beverage market. The RCP Group is a leading manufacturer in the aluminium foil, wraps and bags category. Reynolds Group is owned by the ultimate beneficial owner of the Company.

The purchase consideration for the acquisition of the Reynolds Group will be approximately US\$3 billion (subject to certain working capital, net debt and other closing adjustments). The amount paid on closing will be reduced by existing indebtedness of the Reynolds Group of approximately US\$1.3 billion and €51 million, which will be repaid on closing. The Purchasers have received an opinion from an independent financial advisor that the transaction is fair from a financial point of view to the Purchasers.

The intention is to fund the purchase consideration for the acquisition by way of existing cash from the SIG Group, equity contributions from the shareholder of Beverage Packaging Holdings (Luxembourg) I S.A. (“BPI”), and the use of a portion of the proceeds from approximately \$3 billion of new senior secured indebtedness (the “New Financing Indebtedness”) to be incurred immediately prior to, and in contemplation of, the acquisition. The balance of the proceeds of the New Financing Indebtedness will be used, among other things, to repay the existing senior bank indebtedness of BPI and its subsidiaries in the SIG Group of approximately €485 million, the existing bank indebtedness of the Reynolds Group and to pay certain fees and costs in respect of the

acquisition and associated transactions (including the incurrence of the New Financing Indebtedness).

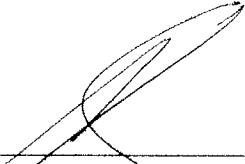
The New Financing Indebtedness is expected to have the benefit of senior guarantees from Reynolds Group Holdings Limited (formerly known as Rank Group Holdings Limited), BPI, the borrowers and issuers of the New Financing Indebtedness and certain of BPI's subsidiaries (including its subsidiaries after the acquisition) (the "Guarantors"). The obligations under the New Financing Indebtedness and the guarantees of the New Financing Indebtedness are also expected to benefit from security interests in certain assets of the Guarantors. The Notes do not and are not expected to have the benefit of security interests in any of the assets that will secure the obligations in respect of the New Financing Indebtedness or guarantees of the New Financing Indebtedness (other than the Collateral (as defined in the terms of the Notes), which is already subject to security interests in respect of the Notes). The New Financing Indebtedness is expected to have a first ranking security interest in the Collateral in replacement of the current first ranking security in the Collateral in favour of the secured parties in respect of the existing senior bank indebtedness of BPI and its subsidiaries in the SIG Group. It is anticipated that each Guarantor of the New Financing Indebtedness that does not already guarantee the Notes will provide a guarantee of the Notes.

The relationship between the Notes and the different creditors in respect of the New Financing Indebtedness is expected to be governed by the existing intercreditor agreement which is expected to be amended to take account of the proposed arrangements with respect to the New Financing Indebtedness in accordance with the terms of the existing intercreditor agreement and the indentures governing the Notes.


The transaction is expected to be completed in the fourth quarter of this year.

This Company announcement is not an offer to sell or a solicitation of an offer to purchase the New Financing Indebtedness in the United States 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. The New Financing Indebtedness has not been registered under the United States Securities Act of 1933, as amended, and may not 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 the New Financing Indebtedness to be made in the United States will be made by means of a prospectus that may be obtained from any issuer of the New Financing Indebtedness (a "New Issuer") and that will contain detailed information about management, BPI, its consolidated subsidiaries and the Company (together, the "Bev. Pack Group"), any New Issuer and the Reynolds Group as well as financial statements of any New Issuer, the Bev. Pack Group and the Reynolds Group.

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