



CONFIDENTIAL

March 4, 2009

# Beverage Packaging Holdings

## 2008 Year End Results





# Forward Looking Statements

This presentation contains disclosures which are "forward-looking statements." "Forward-looking statements" include statements concerning our plans, objectives, goals, strategies, future events, acquisitions and other information that does not relate solely to historical or current facts. When used in this document, forward-looking statements can be identified by the use of words such as "may," "will," "projects," "plan," "anticipates," "believes," "expects," "intends" or "continue." Although we believe that such statements are based on reasonable assumptions, these forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be different from those projected. These factors, risks and uncertainties include, among others, the following:

- The markets in which we operate becoming more competitive;
- The possible departure of key executive officers;
- Risks associated with having some customers that contribute a significant amount of our revenue;
- The availability of supply sources;
- Significant fluctuations of our main raw materials PE, carton board and aluminium;
- The impact of environmental and other government regulations on our business;
- Changes in accounting practices; and
- Changes in general economic conditions.

Our actual results, performance or achievements could differ from those expressed in, or implied by, any of the forward-looking statements. We cannot assure you that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this document. We do not undertake any obligation to update publicly or revise any forward-looking statements.

# Presenters Overview

**Tom Degnan**

## **Chairman**

- 12 Years with Rank
- Chairman of Evergreen Packaging
- Director of Carter Holt Harvey

**Rolf Stangl**

## **Chief Executive Officer**

- 5 Years in Packaging Industry
- 5 Years with SIG

**Marco  
Haussener**

## **Chief Financial Officer**

- 9 Years in Packaging Industry
- 9 Years with SIG



# 2008 Business Update

Rolf Stangl  
*Chief Executive Officer*

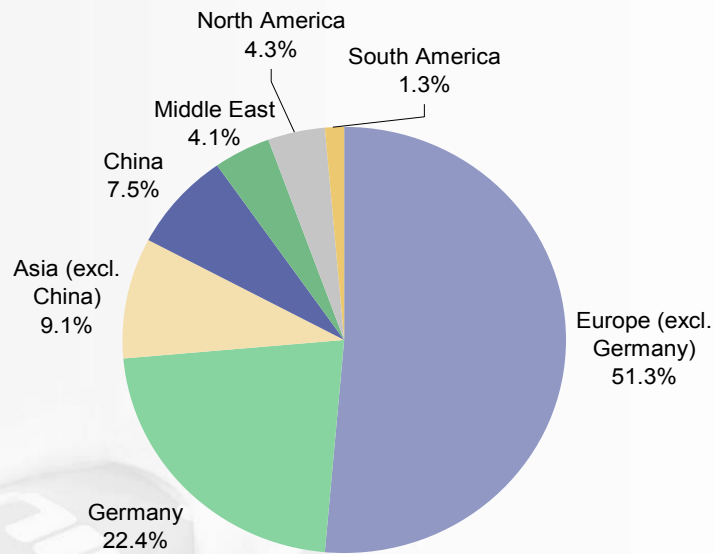


## 2008 Highlights

- Good performance despite difficult market conditions due to financial crisis and milk scandal in China
  - Strong performance in Q4 2008
- Overall sales increased by 2% in 2008 (Q4 08: +3%)
  - Sleeves sales in Europe were flat in 2008 (Q4 08: +2%)
    - Core market of Germany exhibited strong growth of 7% in Q4 08 (2008: +0%)
    - Rest of Europe, excluding Russia, increased by 3% in 2008 (Q4 08 +4%)
  - Sleeves sales outside Europe increased by 7% in 2008 (Q4 08: +14%)
    - Despite unfavorable exchange rate developments of €(5) million in 2008
- Adjusted Pro Forma EBITDA increased by 16% to €290 million in 2008 due to steady sales combined with successful implementation of cost saving programs
- EBITDA growth, cost savings and asset sales have decreased net leverage from 6.1x to 4.5x in only 21 months
- A continued focus on cost reduction and cash flow management
  - Successful divestment of Beverages and non-core properties enabled further debt paydown
  - Significant decrease in capital expenditures and improvement in working capital

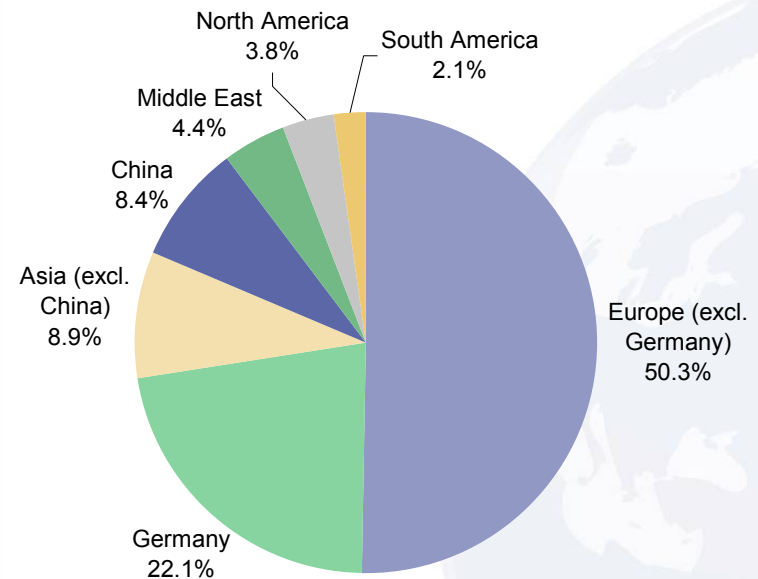
# Market Update

Sleeve Sales 2007



Total sleeve sales: €1,119 million

Sleeve Sales 2008



Total sleeve sales: €1,137 million

# Market Update (Cont'd)

## Europe

- Sleeve sales increased by 4% in 2008 (Q4 08: +3%) (excluding Germany and Russia)
  - Robust growth in 2008 in Central Europe (+6% in 2008 and +13% in Q4 08), Poland (+6% in 2008 and -1% in Q4 08) and Northern Europe (+10% in 2008 and +1% in Q4 08)
- Sleeve sales in Germany further stabilized during the latter part of 2008, with 7% growth in Q4 08
  - Flat in 2008 due to substitution of carton packages by PET bottles in NCSD segment, however significantly lower than expected
  - Offset by growth in dairy
- Sleeve sales in Russia decreased by 25% in 2008 (Q4 08: -15%), due to high inflation impacting consumer consumption in the juice segment
- Decline in Russia offset by growth in other European markets

## China

- Sleeve sales increased in 2008 by 14% (Q4 08: +18%)
  - Excluding currency impact, sleeve sales increased by 12% in 2008 (Q4 08: -4%)
- The milk scandal substantially impacted the business in September to November
  - Recovery underway

## Asia (excl. China)

- Sleeve sales decreased by 1% in 2008 (Q4 08: +15%)
  - Excluding negative currency impact, sleeve sales increased by 3% in 2008 (Q4 08: +9%)
  - High inflation in key markets like Vietnam led to lower consumption than expected

# Market Update (Cont'd)

## Middle East

- Sleeves sales increased by 8% in 2008 (Q4 08: +7%)
- Joint venture with Obeikan Group is operating successfully in the Middle Eastern growth markets
- Strong customer base including leading dairy and fruit juice producers

## North America (incl. Mexico)

- Sleeves sales decreased by 9% in 2008 (Q4 08: +21%)
  - Excluding negative currency impact, sleeve sales decreased by 3% in 2008 (Q4 08: +14%)
  - Growth in Mexico of 37%, but from a low level
  - Decline in the United States due to inventory reduction by some clients

## South America

- Sleeves sales increased by 67% in 2008 (Q4 08: +5%)
  - Excluding positive currency impact, sleeve sales increased by 65% in 2008 (Q4 08: +14%)
  - Various projects signed with leading customers during 2008



# Continued Success in Cost Reduction

## Pre-Rank Acquisition Cost Savings

### cbFuture:

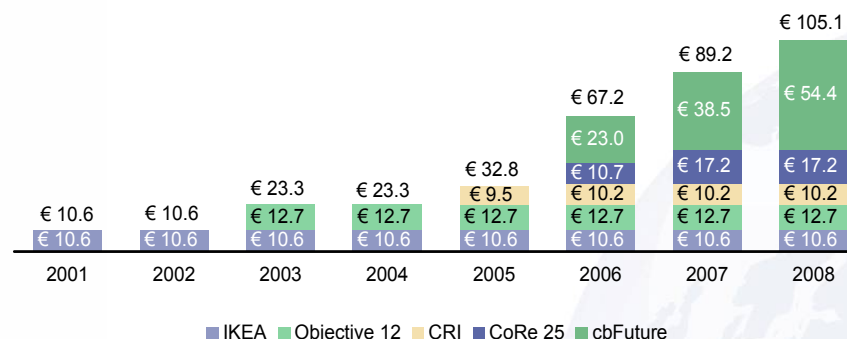
- Sleeves manufacturing process optimization
- Raw carton board savings
- Filler and spouts optimization

### Core 25:

- Reduced overhead costs
- Labor restructuring

## Historical EBITDA Cost Savings

(€ in millions)



**€16 million additional savings in 2008**

## Post-Rank Acquisition Cost Savings

- Delisted SIG shares from SWX Swiss Stock Exchange
- Reduced corporate overhead costs
- Reduced Combibloc Europe organization and R&D costs

## Actual vs. Run-Rate Cost Savings

(€ in millions)





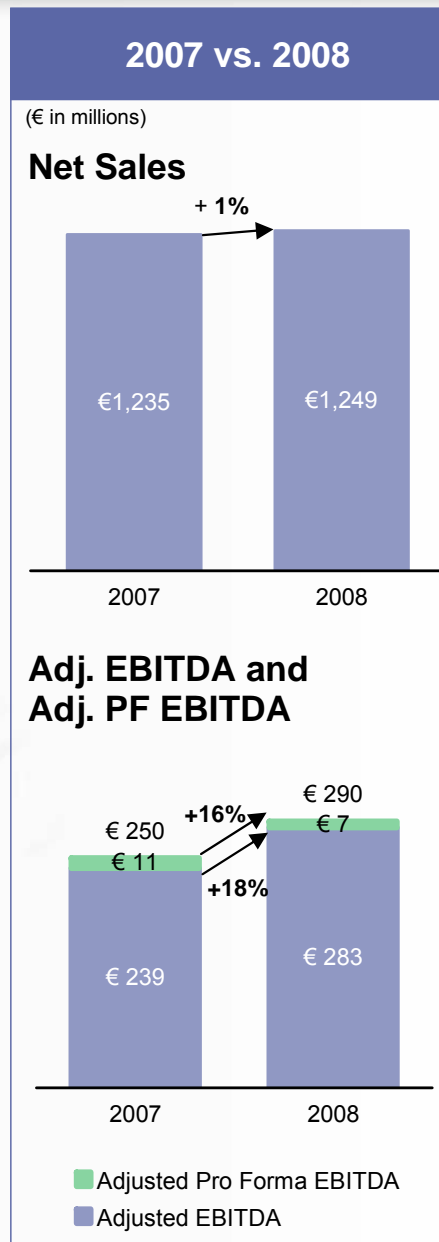
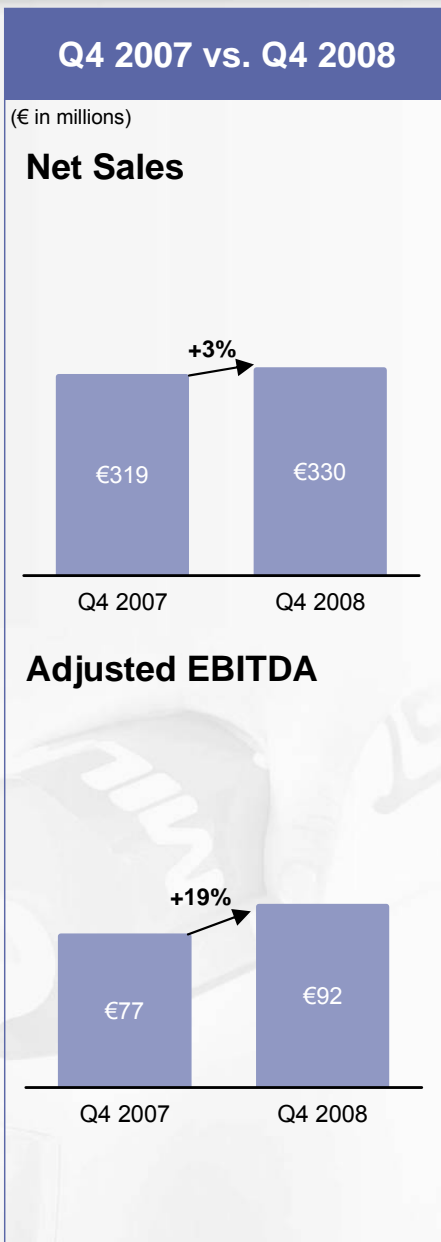
# 2008 Financial Review

Marco Haussener  
*Chief Financial Officer*





# Significant Increase in Profitability in 2008



### Net Sales

- Net Sales of Continuing Operations:
  - Increased by 3% to €330 million in Q4 08
  - Increased by 1% to €1,249 million in 2008
- Total sleeves sales increased by 5% to €295 million in Q4 08 and increased by 2% to €1,137 million in 2008
  - Europe (excl. Germany) increased by 0.3% in Q4 08 and decreased by 0.3% in 2008 mainly due to Russia
  - Germany increased by 7% in Q4 08 and was flat 2008 compared to 2007
  - Outside Europe increased by 14% in Q4 08 and increased by 7% in 2008
  - Positive impact of currency exchange rates was €6 million in Q4 08 and negative €5 million in 2008

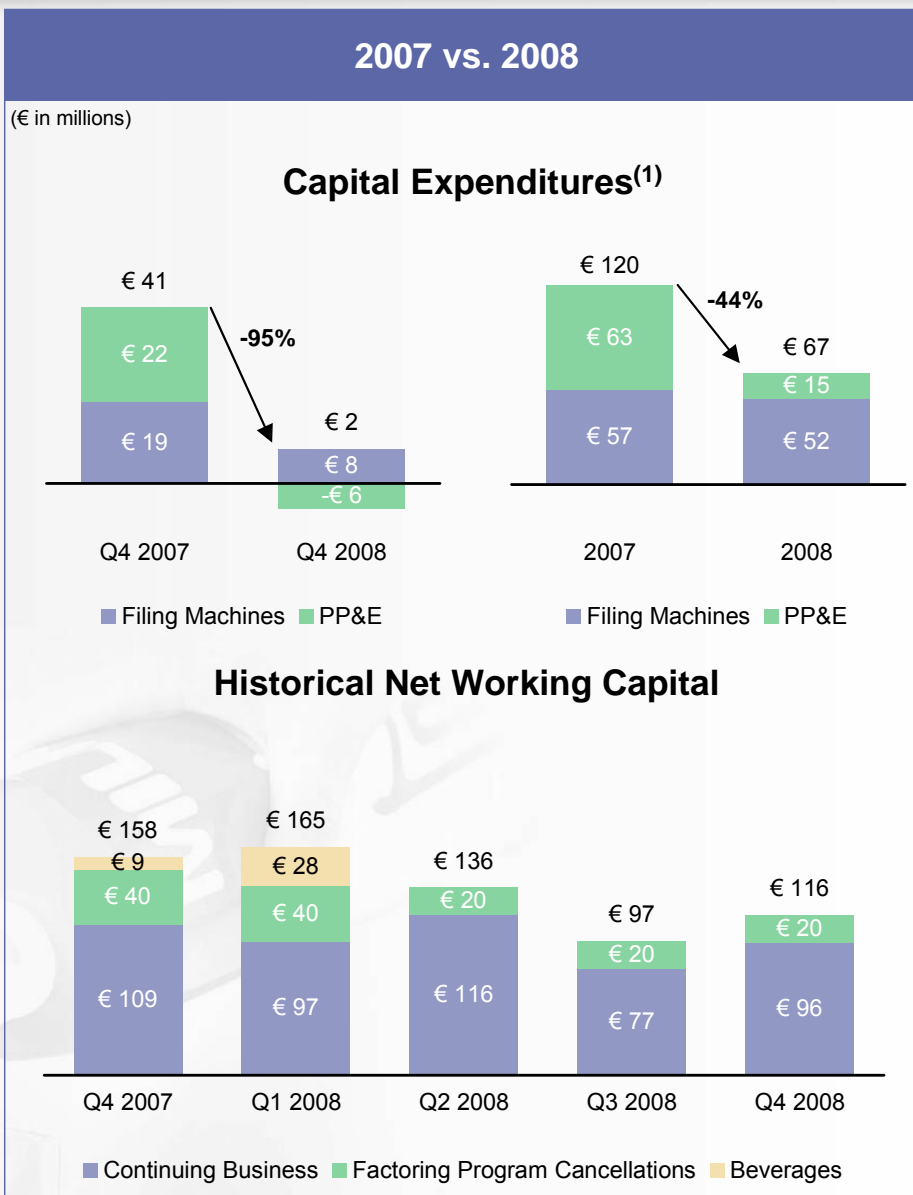
### Adjusted EBITDA

- Adjusted EBITDA:
  - Increased by 19% to €92 million in Q4 08
    - Positive market effects and significant cost savings despite negative impact from higher raw material costs (€3 million)
  - Increased by 18% to €283 million in 2008
    - Positive market effects and cost savings despite higher raw material prices (€15 million)
- Margins:
  - Increased from 24% to 28% in Q4 08
  - Increased from 19% to 23% in 2008

### Adjusted Pro Forma EBITDA

- Adjusted Pro Forma EBITDA increased by 16% to €290 million in 2008
- Margins increased from 20% to 23%

# Capital Expenditures and Working Capital



(1) Net of sale of PP&E, €2 million in Q4 07 and €5 million in 2007 and €22 million in Q4 08 and €31 million in 2008.

## Capital Expenditures

- €22 million of PP&E invested in 2008 in new China plant/expansion to support significant growth in Chinese market
- €22 million of non-core properties in Switzerland sold in Q4; total sale of PP&E and non-core properties of €31 million in 2008
- €52 million invested in 2008 in new filler machines placed with customers
  - New fillers subject to stringent ROI and payback hurdles

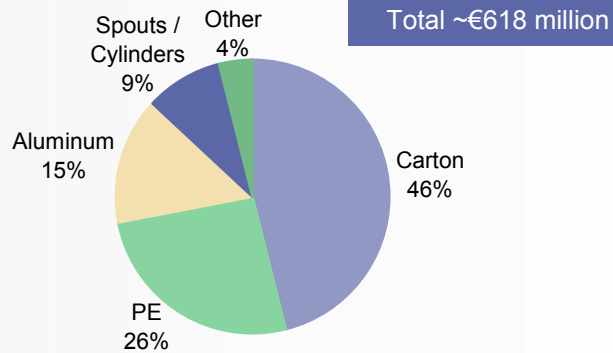
## Net Working Capital

- NWC of Continuing Business increased by €19 million from Q3 08 to Q4 08
  - Inventories decreased by €18 million due to high sales
  - Receivables decreased by €14 million due to improved collection
  - Interest accruals decreased by €19 million
  - Other net receivables and liabilities increased by €32 million (mainly due to lower accounts payable and other liabilities)



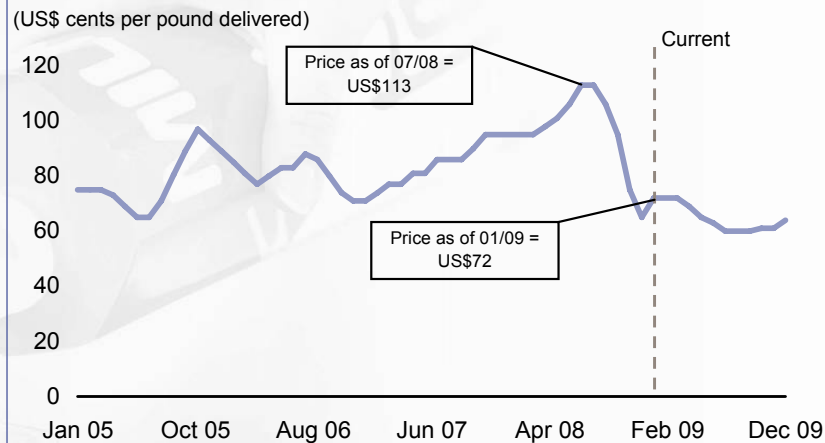
# Raw Materials Update

## 2008 Raw Materials Breakdown



- Raw material costs increased by €3 million in Q4 and by €15 million in 2008
- Aluminium and PE prices declined from their peaks due to global recession
- Continue to offset impact of increased raw material costs through cost saving programs
- Carton board
  - Large majority purchased under a 3-year contract expiring in 2010
- Aluminium: Currently finalising hedging strategy for 2009

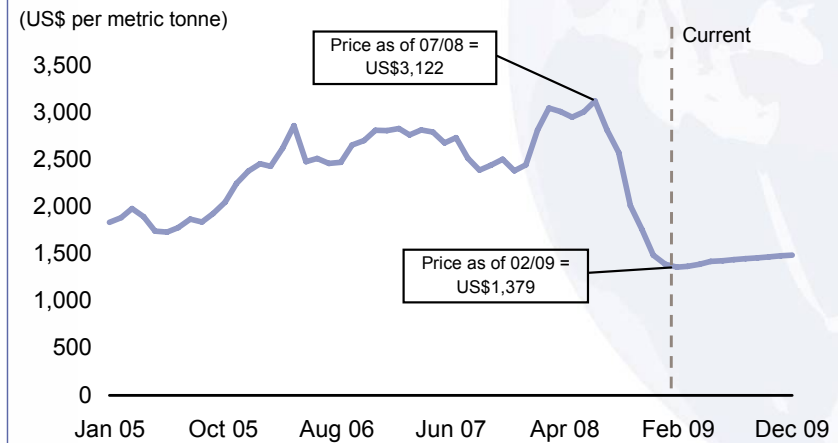
## PE Resin: Monthly Prices (2005 – 2009)



Source: Polyethylene Low Density, North America, Domestic Market (Contract) Extrusion coating, CMAI.

- Current purchase method: monthly spot prices

## Aluminium: Monthly Prices (2005 – 2009)

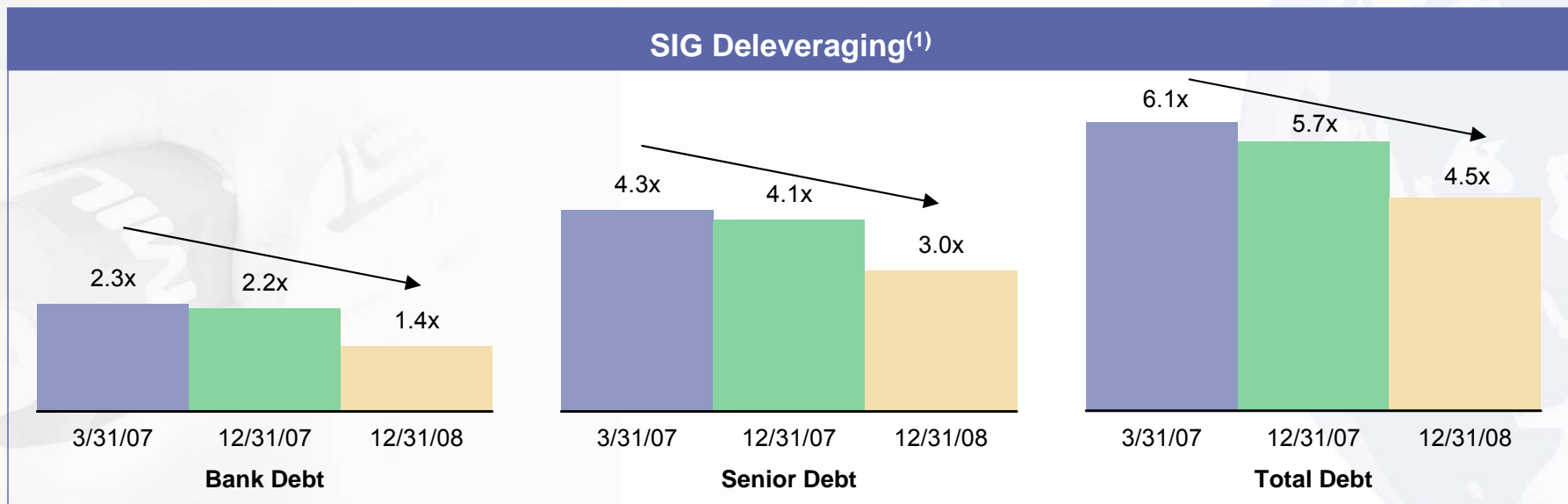


Source: Aluminium Hi Grade, Forward curve as of 2/09, LME.

- Current purchase method: Spot prices

# Significant Deleveraging Since Close

- As with all of its past investments, Rank has focused SIG on deleveraging since its acquisition
- SIG has decreased leverage from 6.1x to 4.5x in only 21 months through a combination of:
  - EBITDA growth driven by both revenue growth and cost reduction
  - Debt reduction from proceeds of sale of Beverages of €107 million
  - Additional €12 million repaid in January 2009 from proceeds of sale of non-strategic properties
  - Additional €7 million to be repaid in March 2009 from excess cash flow sweep



(1) Leverage net of cash.

**SIG is committed to consistent, sustained deleveraging**

# 2008: Outstanding Performance Despite Difficult Market Environment



- Improved profitability in 2008 despite higher raw material costs, negative currency exchange impact, negative impact of the milk scandal in China and the decline in Russia
  - The global financial crisis is negatively impacting the general economic environment
    - Tougher market conditions expected
  - China started to recover in December 2008 from melamine scandal impact
    - Full recovery is expected, but the timing is difficult to predict
- Price level of Aluminium and PE declined from their peaks
- Good progress in adapting cardboard from Carter Holt Harvey's Whakatane mill for use in Combibloc cartons
  - First supplies planned for 2009
- Strong focus on cost reduction and cash flow improvement as a result of strict investment returns criteria and stringent net working capital management

**SIG performed well in 2008 and continues to be strongly focused on profitable growth and cash flow generation**



# SIG Investment Highlights





# Appendix



# Capitalisation Summary

## Pro Forma Capitalisation

(€ in millions)

	At Close 31/3/07	Net Mult. EBITDA	Actual 31/12/07	Net Mult. EBITDA	Actual 30/9/08	Net Mult. EBITDA	Actual 31/12/08	Net Mult. EBITDA
Cash	<u>€ 83</u>		<u>€ 55</u>		<u>€ 115</u>		<u>€ 133</u>	
Revolver	€ 0	0.0x	€ 0	0.0x	€ 0	0.0x	€ 0	0.0x
Term Loan	610	2.2x	610	2.1x	503	1.4x	503	1.3x
Other Secured Debt <sup>(1)</sup>	24	2.3x	31	2.2x	21	1.5x	23	1.4x
<b>Total Secured Debt</b>	<b>€634</b>	<b>2.3x</b>	<b>€641</b>	<b>2.2x</b>	<b>€524</b>	<b>1.5x</b>	<b>€526</b>	<b>1.4x</b>
Senior Notes due 2016	480	4.3x	480	4.1x	480	3.3x	480	3.0x
<b>Total Senior Debt</b>	<b>€1,114</b>	<b>4.3x</b>	<b>€1,121</b>	<b>4.1x</b>	<b>€1,004</b>	<b>3.3x</b>	<b>€1,006</b>	<b>3.0x</b>
Senior Subordinated Notes due 2017	420	6.1x	420	5.7x	420	4.9x	420	4.5x
Other Debt	0	6.1x	9	5.7x	10	4.9x	10	4.5x
<b>Total Debt</b>	<b>€1,534</b>	<b>6.1x</b>	<b>€1,550</b>	<b>5.7x</b>	<b>€1,434</b>	<b>4.9x</b>	<b>€1,436</b>	<b>4.5x</b>
Invested Equity	405		405		405		405	
<b>Total Capitalisation</b>	<b>€1,939</b>		<b>€1,955</b>		<b>€1,839</b>		<b>€1,841</b>	
<b>LTM Adjusted Pro Forma EBITDA</b>	<b>€239</b> <sup>(2)</sup>		<b>€263</b> <sup>(2)</sup>		<b>€268</b> <sup>(3)</sup>		<b>€290</b> <sup>(3)</sup>	

(1) Primarily consists of local working capital facilities.

(2) Includes Beverages division.

(3) Excludes Beverages division.

**Consistent deleveraging post-transaction driven by strong EBITDA growth and €107 million of debt repayment in 2008**



# Revenue and Pro Forma Adj. EBITDA Summary

## Historical Financial Results

(€ in millions)

	LTM <sup>(1)</sup> 31/3/07	LTM <sup>(2)</sup> 31/12/07	LTM <sup>(2)</sup> 30/09/2008	LTM <sup>(2)</sup> 31/12/08
<b>Total Net Sales (including Beverages)</b>	<b>€1,358</b>	<b>€1,376</b>	<b>€1,306</b>	<b>€1,283</b>
Less: Beverages/eliminations	(134)	(141)	(68)	(34)
<b>Pro Forma Net Sales</b>	<b>€1,224</b>	<b>€1,235</b>	<b>€1,238</b>	<b>€1,249</b>
<b>Unadjusted EBITDA</b>	<b>€208</b>	<b>€244</b>	<b>€260</b>	<b>€274</b>
Restructuring and business realignment costs	8	11	8	10
Auction costs	9	1	0	0
Release of provisions	(6)	(12)	0	0
Contribution of Cantec business	(1)	0	0	0
Change valuation of prototypes	0	4	1	0
Gain on sale of real estate	0	(1)	0	(1)
Unrealised losses from foreign currency hedges	0	0	0	5
Customs duty	0	5	5	1
<b>Historical Adjusted EBITDA</b>	<b>€218</b>	<b>€252</b>	<b>€274</b>	<b>€289</b>
Annualization of cost savings	3	3	1	3
Discontinued M&A activity costs	2	0	0	0
Public company cost savings	4	2	0	0
Supplier initiatives	3	0	0	0
Post acquisition restructuring cost savings	9	6	1	3
<b>Adjusted Pro Forma EBITDA (including Beverages)</b>	<b>€239</b>	<b>€263</b>	<b>€276</b>	<b>€295</b>
Less: Beverages/eliminations	(6)	(13)	(8)	(5)
<b>Adjusted Pro Forma EBITDA</b>	<b>€233</b>	<b>€250</b>	<b>€268</b>	<b>€290</b>

(1) Based on preliminary purchase price allocation.

(2) Based on final purchase price allocation, retroactively also for June 20, 2007.

(3) Reflects restructuring and business realignment costs associated with implementing the recent personnel reduction program in Headquarter and in R&D and Global Market organization.

(4) Reflects cost incurred during the auction process for SIG which resulted in its acquisition by Rank, including professional and advisory fees and auction related management incentive remuneration. Provision in final purchase price allocation.

(5) Reflects benefit arising from the release of provisions primarily established in the year ended December 31, 2004 in respect of potential costs arising from the divestment of certain business operations which was deemed to be no longer required.

(6) Reflects the impact of a change of the accounting principle regarding valuation of prototypes.

(7) Reflects gain from the sale of investment properties.

(8) Reflects unrealised losses from foreign currency hedges.

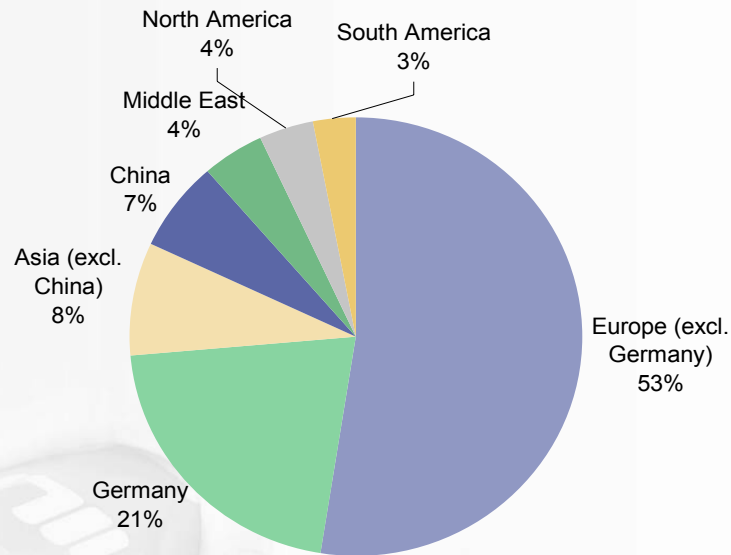
(9) Reflects provision built for customs duty, claimed by custom departments, which alleges wrong tariff classification of imported commodities related to past deliveries from 2000 onwards.

(10) Reflects annualization of cost savings from the cost saving program "cb future".

(11) Reflects annualized cost savings from initiated or planned restructuring and business realignment initiatives.

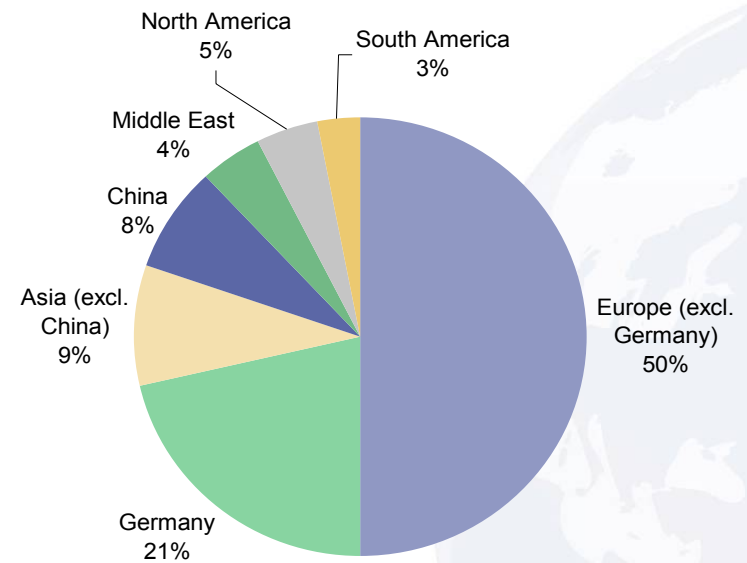
# Market Update

Sleeve Sales Q4 2007



Total sleeve sales: €280 million

Sleeve Sales Q4 2008



Total sleeve sales: €295 million