



CONFIDENTIAL

November 23, 2009

# Beverage Packaging Holdings

Q3 2009 Results  
*revised*





# 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**

**Executive Chairman and Chief Executive Officer – Reynolds**

**Allen Hugli**

**Chief Financial Officer – Reynolds**

**Rolf Stangl**

**Chief Executive Officer – SIG**

**Marco  
Haussener**

**Chief Financial Officer – SIG**

**Paul Thomas**

**Chief Executive Officer – Reynolds Consumer and Closures**



# Transaction Update

Tom Degnan

*Executive Chairman and Chief Executive Officer – Reynolds*





# Transaction Update

- On November 5<sup>th</sup> 2009, SIG closed the acquisition of Reynolds Consumer Products (“Reynolds Consumer”) and Closure Systems International (“Closures”)
- The combined entity has been renamed Reynolds Group Holdings Limited (“Reynolds”)
- The combination of the three businesses creates a diversified global consumer products company
  - SIG is a leading global manufacturer of aseptic carton packaging for the beverage and liquid food end-markets
  - Reynolds Consumer is the leading supplier of aluminium foil, plastic wraps and bags in the U.S.
  - Closures is the leading global supplier of beverage plastic closures
- In connection with the acquisition, Reynolds completed the following financing:
  - ~\$1,640 million Senior Secured Credit Facilities consisting of:
    - ~\$240 million Revolving Credit Facilities (\$120 million / €80 million tranches)
    - \$1,035 million Dollar Senior Secured Term Loans
    - €250 million Euro Senior Secured Term Loans
  - ~\$1,800 million Senior Secured Notes consisting of:
    - \$1,125 million Dollar Senior Secured Notes
    - €450 million Euro Senior Secured Notes



# Q3 2009 Business Update

Rolf Stangl  
*SIG Chief Executive Officer*



## Q3 2009 SIG Highlights

- Ongoing strong performance despite difficult market conditions in Q3 09
- Overall revenues increased by 5% in Q3 09 (Q3 YTD: +1%)
  - Sleeves sales outside Europe increased by 28% in Q3 09 (Q3 YTD: +20%)
    - China increased by 50% in Q3 09 (Q3 YTD: +28%)
    - Asia (excl. China) increased 12% in Q3 09 (Q3 YTD +12%), Middle East increased 22% in Q3 09 (Q3 09 YTD +7%), North America (incl. Mexico) increased 12% in Q3 09 (Q3 YTD: 35%) and South America increased 50% in Q3 09 (Q3 YTD: +27%)
  - Sleeves sales in Europe decreased by 2% in Q3 09 (Q3 YTD: -5%)
    - Sales decline primarily driven by Russia and Poland (-19% in Q3 09 and -21% Q3 YTD)
    - Germany experienced a 1% decline in Q3 09 (Q3 YTD: -4%)
    - Rest of Europe increased by 3% in Q3 09 (Q3 YTD: flat)
- LTM 30/09/09 Adjusted Pro Forma EBITDA increased by 33% to €350 million compared to €264 million in LTM 30/09/08
  - Improved Adjusted Pro Forma EBITDA driven by the successful continuation of cost saving programs, favorable exchange rate developments and lower raw material prices
- A continued focus on cost reduction and cash flow management
  - Significant decrease in capital expenditures and material improvement in working capital
- Reduced leverage at SIG from 6.1x to 3.3x as of 30/9/09



# SIG Market Update

## Europe

- Excluding Germany and Russia, sleeve sales in Q3 09 remained flat versus in Q3 08 (Q3 YTD: -2%)
  - Northern Europe, Central Europe and South Europe increased by 2%, 1% and 3%, respectively in Q3 09 (Q3 YTD: 0%, -2% and +1%, respectively)
  - Sleeve Sales in Poland declined by 14% in Q3 09 (Q3 YTD: -11%), due to consumers switching to less expensive products (e.g. private label) driven by financial crisis
- Sleeve sales in Germany declined by 1% in Q3 09 (Q3 YTD: -4%), in line with expectations
  - Decrease mainly due to the substitution of carton packages by PET bottles in the NCSD segment and a general decline in the NCSD segment
  - Partially offset by growth in dairy, primarily driven by oversupply of cheap raw milk which resulted in higher production
- Sleeve sales in Russia decreased by 27% in Q3 09 (Q3 YTD: -33%), due to less consumer consumption in juice segment and general market weakness

## China

- Sleeve sales increased by 50% in Q3 09 (Q3 YTD: +28%)
  - On a constant currency basis, sleeve sales increased by 40% in Q3 09 (Q3 YTD: +11%)
- Market is growing again in dairy after melamine scandal

## Asia (excl. China)

- Sleeve sales increased by 12% in Q3 09 (Q3 YTD: +12%)
  - On a constant currency basis, sleeve sales increased by 7% in Q3 09 (Q3 YTD: +5%)
  - Growth mainly driven by Vietnam, and new business opportunities in Indonesia



# SIG Market Update (Cont'd)

## Middle East

- Sleeves sales increased by 22% in Q3 09 (Q3 YTD: +7%)
- Joint venture with Obeikan Group is operating successfully in the Middle East growth markets
- Strong customer base includes leading dairy and fruit juice producers

## North America (incl. Mexico)

- Sleeves sales increased by 12% in Q3 09 (Q3 YTD: 35%)
  - On a constant currency basis, sleeve sales increased by 6% in Q3 09 (Q3 YTD: +21%)
- Growth mainly driven by increase in installed filler base and recovering from a weak 2008

## South America

- Sleeves sales increased by 50% in Q3 09 (Q3 YTD: +27%)
  - On a constant currency basis, sleeve sales increased by 64% in Q3 09 (Q3 YTD: +41%)
  - Various projects placed with leading customers are increasing installed filler base in 2009



# Continued Success in Cost Reduction at SIG

## cbFuture:

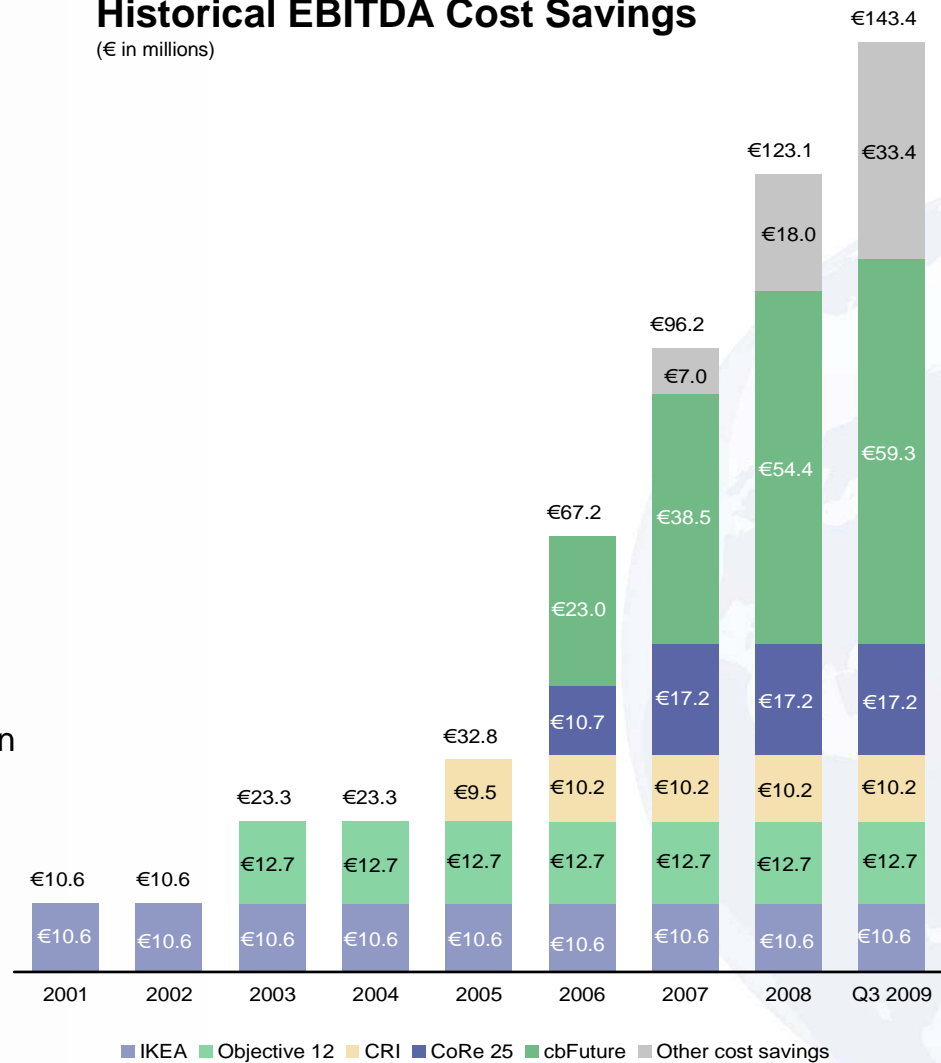
- Sleeves manufacturing process optimization
- Raw carton board savings
- Filler and spouts optimization

## Other cost savings:

- Delisted SIG shares from SWX Swiss Stock Exchange
- Reduced corporate overhead costs
- Reduced Combibloc Europe organization and R&D costs
- 2009 initiatives (“Challenge”), mainly savings in
  - Procurement
  - Logistics & Distribution
  - Overheads

## Historical EBITDA Cost Savings

(€ in millions)



**Annualised other cost savings of €45.4 million as of 30/09/09**



# Q3 2009 SIG Financial Review

Marco Haussener  
*SIG Chief Financial Officer*



# Significant Increase in SIG Profitability in Q3 2009



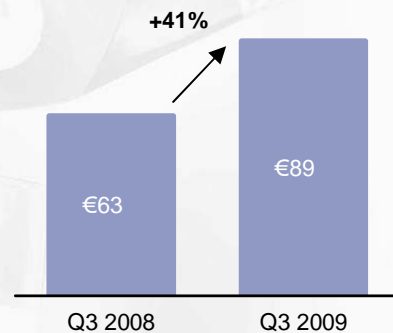
## Q3 2008 vs. Q3 2009

(€ in millions)

### Revenues



### Adjusted EBITDA



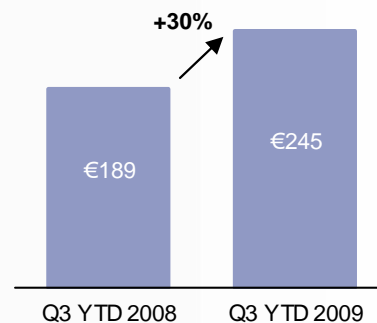
## Q3 YTD 2008 vs. Q3 YD 2009

(€ in millions)

### Revenues



### Adjusted EBITDA



## Revenues Q3 2009

- Revenues increased by 5% to €321 million in Q3 09
  - Total sleeves sales increased by 6% to €281 million
  - Russia declined by 27% and Poland declined by 14%, primarily as a result of a decline in the juice segment
  - Rest of European markets increased by 1%
  - Outside Europe increased by 28% (including 5% due to positive impact of currency exchange rates)

## Revenues Q3 YTD 2009

- Revenues increased by 1% to €930 million in Q3 YTD 2009
  - Total sleeves sales increased by 2% to €859 million
  - Russia declined by 33% and Poland declined by 11%, primarily as a result of a decline in the juice segment
  - Rest of European markets declined by 1%
  - Outside Europe increased by 20% (including 8% due to positive impact of currency exchange rates)

## Q3 2009 Adjusted EBITDA

- Adjusted EBITDA increased by 41% to €89 million in Q3 09
  - Lower raw material prices for PE and aluminium and significant cost savings
- Margins increased from 21% to 28% in Q3 09

## Q3 YTD 2009 Adjusted EBITDA

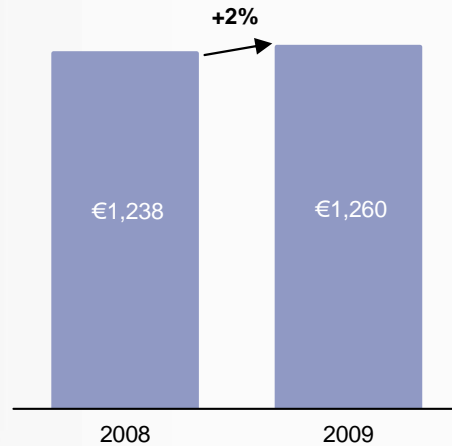
- Adjusted EBITDA increased by 30% to €245 million in Q3 YTD 2009
  - Lower raw material prices for PE and aluminium and significant cost savings
- Margins increased from 21% to 26% in Q3 YTD 2009

# Excellent Performance over the Last 12 Months

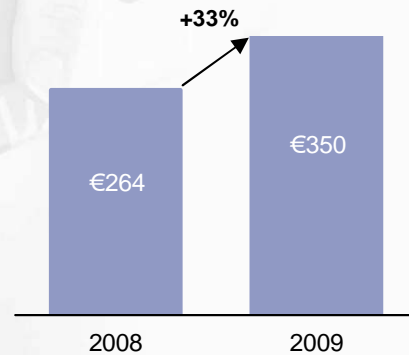
## LTM 30/09/2008 vs. LTM 30/09/2009

(€ in millions)

### Revenues



### Adjusted Pro Forma EBITDA



### LTM Revenues

- LTM Revenues of continuing operations increased by 2% from €1,238 million to €1,260 million

### LTM Adjusted Pro Forma EBITDA

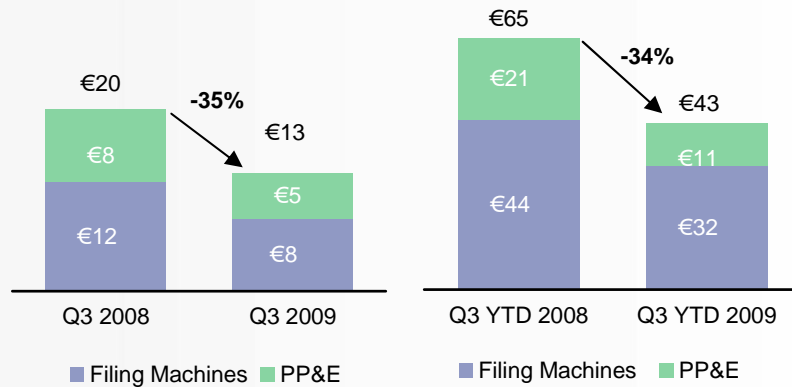
- LTM Adjusted Pro Forma EBITDA increased by 33% to €350 million in LTM 30/09/2009
  - Growth driven by lower raw material prices of PE and aluminium and significant cost savings
- Margins increased from 21% to 28% in LTM 30/09/2009

# Capital Expenditures and Working Capital

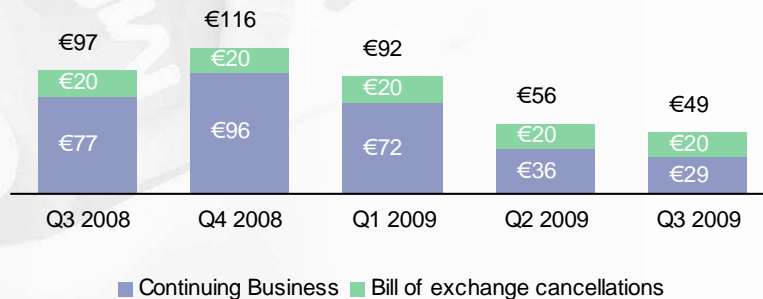
## Q3 & Q3 YTD 2008 vs. 2009

(€ in millions)

### Capital Expenditures<sup>(1)</sup>



### Historical Net Working Capital



(1) Net of sale of PP&E, €1 million in Q3 2008 and €1 million in Q3 2009.  
Net of sale of PP&E, €9 million in Q3 YTD 2008 and €3 million in Q3 YTD 2009.

## Capital Expenditures

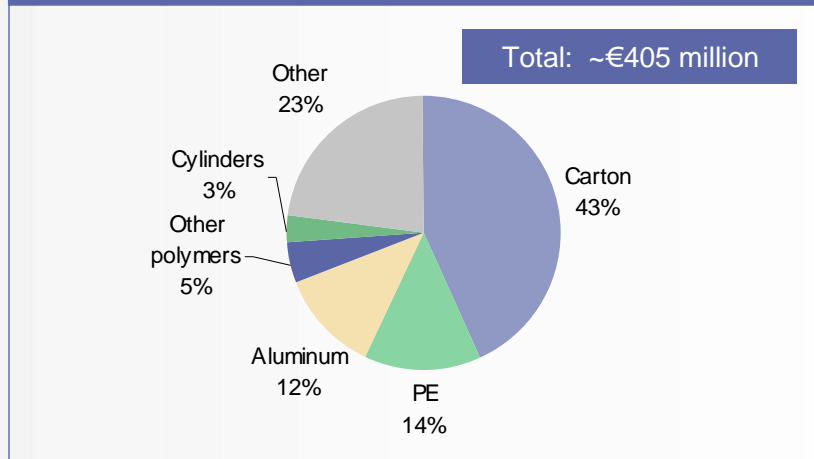
- Reduced capital expenditures for PP&E in Q3 and Q3 YTD 2009
  - Focus on maintaining and upgrading existing facilities
- Net PP&E invested in Q3 YTD 2008 included €15 million for the new China plant expansion project, completed in Q4 2008
- €32 million invested in Q3 YTD 2009 in new filler machines placed with customers (€8 million in Q3 09)

## Net Working Capital

- NWC decreased by €7 million from Q2 09 to Q3 09
  - Inventories increased by €1 million due to seasonality
  - Trade receivables increased by €3 million
  - Trade payables decreased by €1 million due to improved payment conditions
  - Interest accruals increased by €19 million
  - Other net receivables and liabilities increased by €8 million (mainly due to higher other receivables and accrued income)

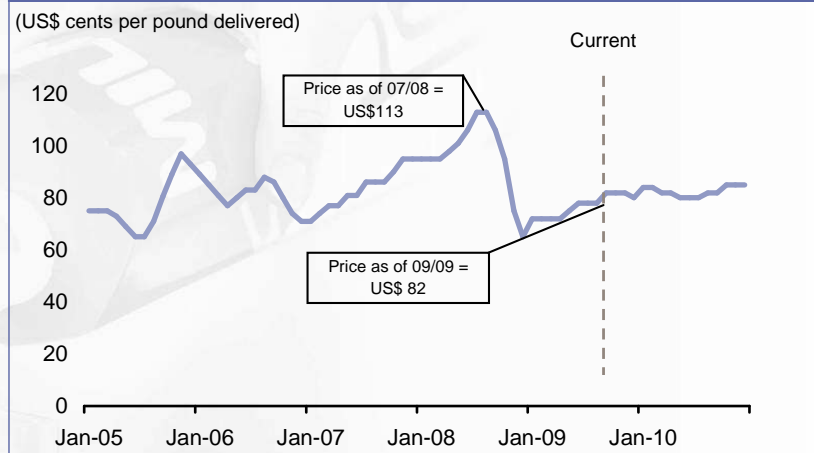
# Raw Materials Update

## Q3 YTD 2009 Raw Materials Breakdown



- Raw material costs decreased by €94 million in Q3 YTD 2009 vs. Q3 YTD 2008
  - Mainly due to lower material costs for carton, PE and aluminium and lower filler production
- Aluminium and PE resin prices declined significantly from peaks in 2008 due to global recession
- Carton board: Large majority purchased under a 3-year contract expiring in 2010
- Aluminium: Prices for the rest of the year are locked in

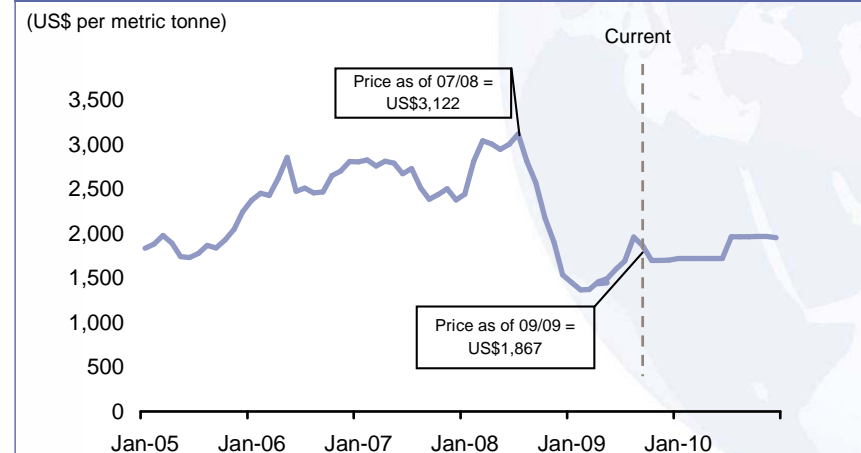
## PE Resin: Monthly Prices (2005 – 2010)



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

- Current purchase method: monthly spot prices

## Aluminium: Monthly Prices (2005 – 2010)



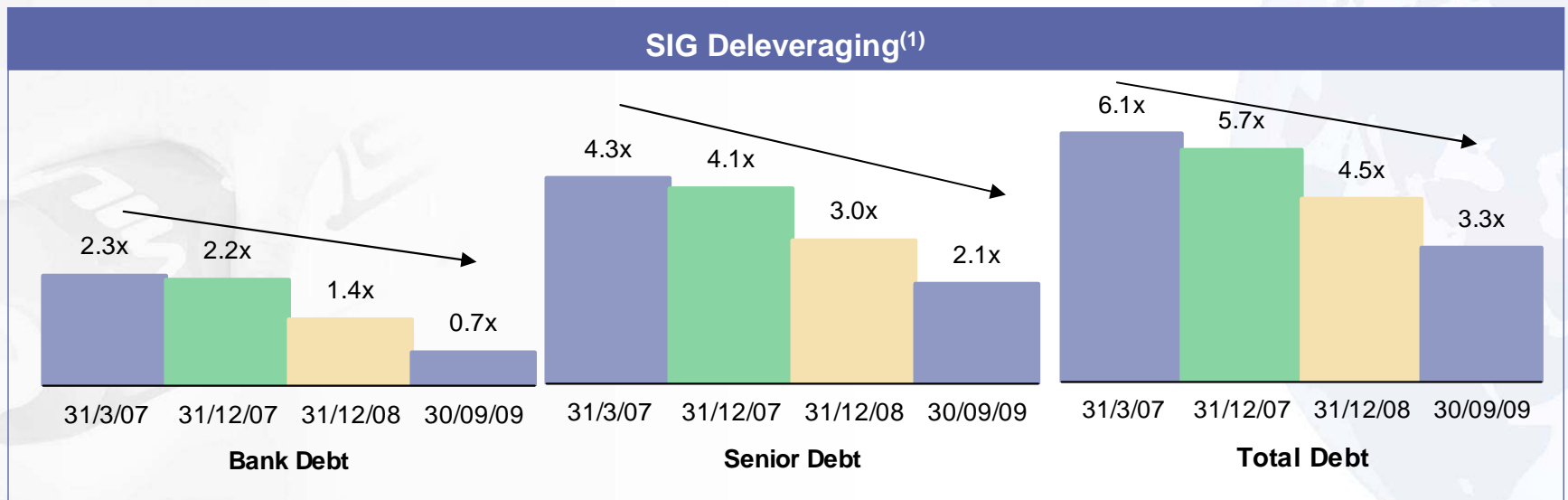
Source: Aluminium Hi Grade, Forward curve as of 4/09, LME.

- Current purchase method: hedged



# Significant Deleveraging at SIG Since Close

- As with all of its past investments, Rank has focused SIG on deleveraging since its acquisition
- SIG decreased leverage from 6.1x to 3.3x in only 30 months through a combination of:
  - EBITDA growth driven by both revenue growth and cost reduction
  - Debt reduction from proceeds of sale of Beverages, non-strategic properties and excess cash flow sweep



(1) Leverage net of cash prior to the Reynolds Consumer and Closures acquisition.

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

## Q3 2009: Ongoing Strong Performance Despite Difficult Market Environment



- SIG continues to grow despite the global financial crisis and challenging overall market conditions
  - Strong sleeve sales growth in China reflecting a full recovery from the melamine milk scandal of 2008
  - Global financial crisis continues to negatively impact our business, primarily in Eastern European markets
  - Improved macroeconomic environment and new business opportunities in Asia (excl. China), successful joint venture in the Middle East and new various projects in South America are driving our continued growth in the emerging markets
- Positive impact from lower aluminium and PE prices which have declined from peaks in 2008
  - However, prices have started to rise again from their lowest level in 2009
- Continued progress in adapting cardboard from Carter Holt Harvey's Whakatane mill for use in SIG Combibloc cartons
- 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 Q3 09 and continues to focus on profitable growth and cash flow generation**



# SIG Investment Highlights

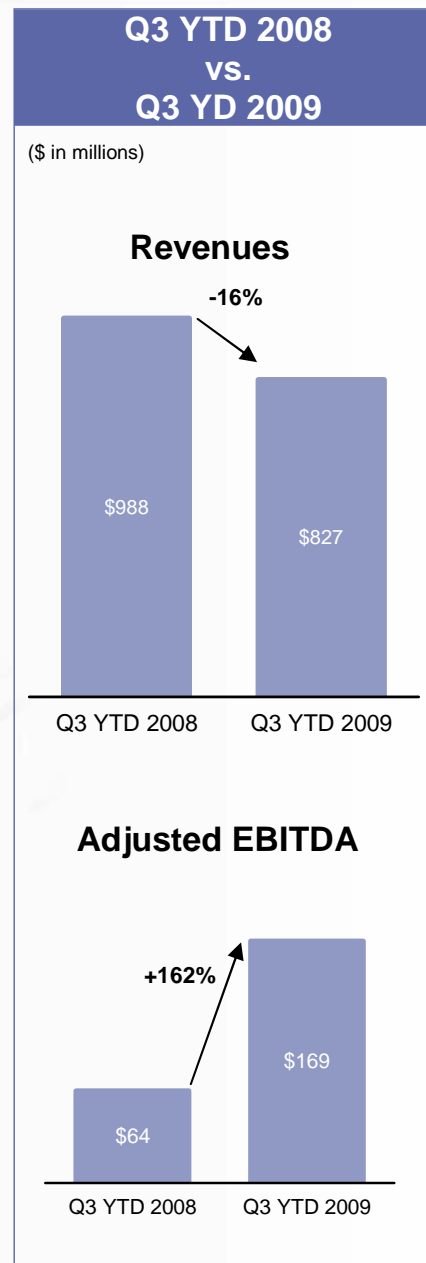
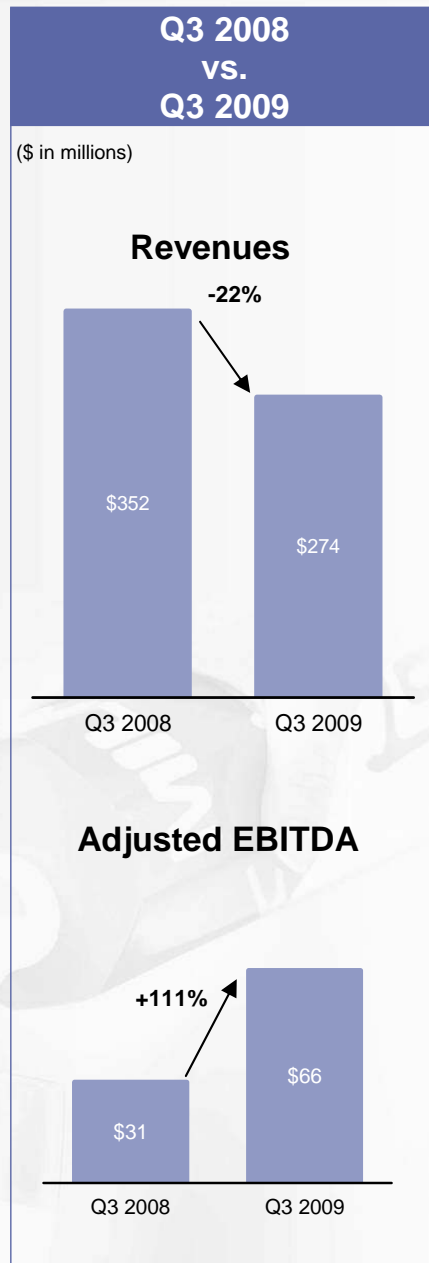




# Appendix



# Significant Increase in Reynolds Consumer Profitability in Q3 2009



## Revenues Q3 2009

- Revenues decreased by 22% to \$274 million in Q3 09. This decline was driven by:
  - Planned exit from unprofitable product lines
  - Reduced prices in Store Branded products due to raw material pass-through and lower volume

## Revenues Q3 YTD 2009

- Revenues decreased by 16% to \$827 million in Q3 YTD 2009. This decline was driven by:
  - Planned exit from unprofitable product lines
  - Reduced prices in Store Branded products due to raw material pass-through

## Q3 2009 Adjusted EBITDA

- Adjusted EBITDA increased by 111% to \$66 million in Q3 09, driven by:
  - Higher gross margins primarily in branded foil products
  - Significant cost savings associated with strategic initiatives (plant consolidations & realignment, overhead reductions, etc.)

## Q3 YTD 2009 Adjusted EBITDA

- Adjusted EBITDA increased by 162% to \$169 million in Q3 YTD 2009, driven by:
  - Higher gross margins primarily in branded foil products
  - Significant cost savings associated with strategic initiatives (plant consolidations & realignment, overhead reductions, etc.)

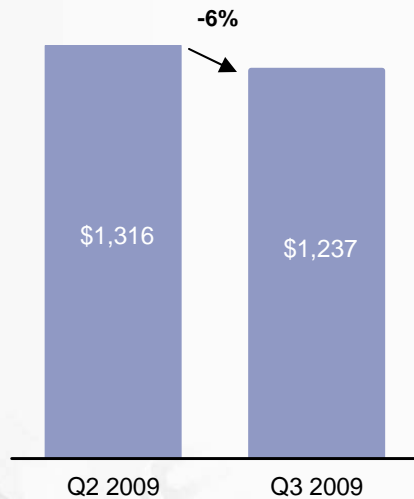
# Strong Performance over the Last 12 Months at Reynolds Consumer



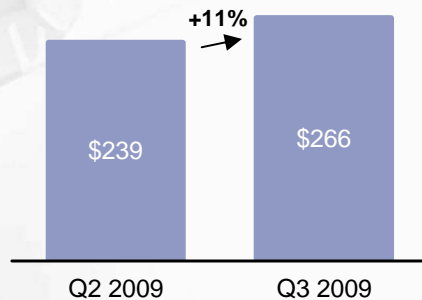
LTM 30/06/2009 vs. LTM 30/09/2009

(\$ in millions)

## Revenues



## Adjusted Pro Forma EBITDA



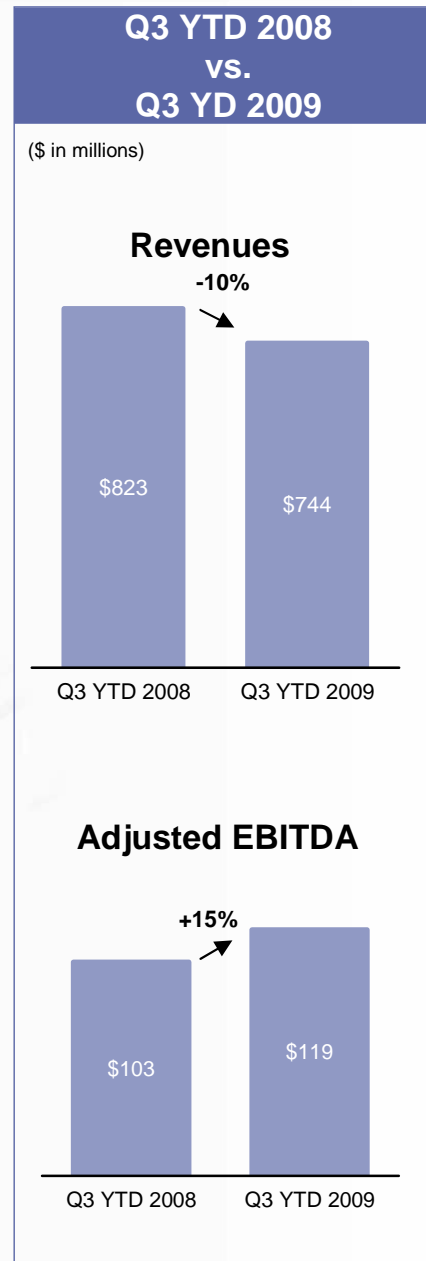
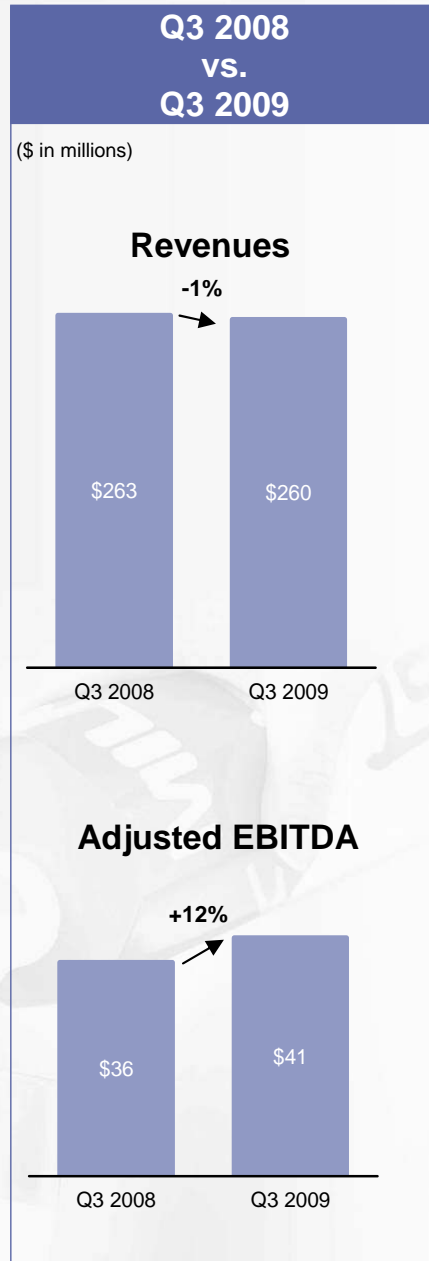
## LTM Revenues

- LTM Revenues decreased by 6% from \$1,316 million to \$1,237 million
  - €907 million equivalent in LTM 30/09/09

## LTM Adjusted Pro Forma EBITDA

- LTM Adjusted Pro Forma EBITDA increased by 11% to \$266 million in LTM 30/09/2009
  - €195 million equivalent in LTM 30/09/09

# Significant Increase in Closures Profitability in Q3 2009



## Revenues Q3 2009

- Revenues decreased by 1% to \$260 million in Q3 09, primarily driven by:
  - Increased unit volumes of 9%, offset by reduced prices due to resin pass-through and unfavourable currency impacts

## Revenues Q3 YTD 2009

- Revenues decreased by 10% to \$744 million in Q3 YTD 2009, primarily driven by:
  - Increased unit volumes of 4%, offset by reduced prices due to resin pass-through and unfavourable currency impacts

## Q3 2009 Adjusted EBITDA

- Adjusted EBITDA increased by 12% to \$41 million in Q3 09

## Q3 YTD 2009 Adjusted EBITDA

- Adjusted EBITDA increased by 15% to \$119 million in Q3 YTD 2009

# Strong Performance over the Last 12 Months at Closures



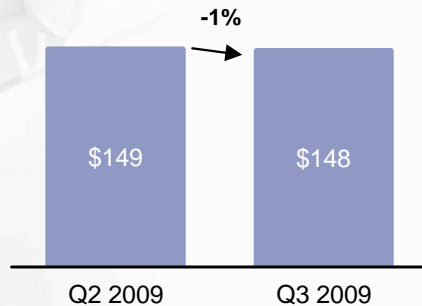
LTM 30/06/2009 vs. LTM 30/09/2009

(\$ in millions)

## Revenues



## Adjusted Pro Forma EBITDA



## LTM Revenues

- LTM Revenues relatively unchanged, decreasing from \$978 million to \$976 million
  - €711 million equivalent in LTM 30/09/09

## LTM Adjusted Pro Forma EBITDA

- LTM Adjusted Pro Forma EBITDA decreased by 1% to \$148 million in LTM 30/09/2009
  - €108 million equivalent in LTM 30/09/09

# Capitalisation Summary

## Pro Forma Capitalisation

(€ in millions)

	At Close 31/03/07	Net Mult. EBITDA	Pro Forma 30/6/09 <sup>(5)</sup>	Net Mult. EBITDA	Pro Forma 30/9/09 <sup>(5)</sup>	Net Mult. EBITDA
Cash	€83		€79		€79 <sup>(6)</sup>	
Revolver	€0	0.0x	€0	0.0x	€0	0.0x
Existing Term Loans	610	2.2x	0	0.0x	0	0.0x
Dollar Secured Term Loan Facility	0	2.2x	731	1.1x	700	1.0x
Euro Secured Term Loan Facility	0	2.2x	248	1.5x	248	1.3x
Dollar Senior Secured Notes	0	2.2x	792	2.8x	759	2.5x
Euro Senior Secured Notes	0	2.2x	444	3.6x	444	3.2x
Other Secured Debt <sup>(1)</sup>	24	2.3x	9	3.6x	9	3.2x
<b>Total Secured Debt</b>	<b>€634</b>	<b>2.3x</b>	<b>€2,224</b>	<b>3.6x</b>	<b>€2,160</b>	<b>3.2x</b>
Senior Notes due 2016	480	4.3x	480	4.4x	480	3.9x
<b>Total Senior Debt</b>	<b>€1,114</b>	<b>4.3x</b>	<b>€2,704</b>	<b>4.4x</b>	<b>€2,640</b>	<b>3.9x</b>
Senior Subordinated Notes due 2017	420	6.1x	420	5.1x	420	4.6x
<b>Total Debt</b>	<b>€1,534</b>	<b>6.1x</b>	<b>€3,124</b>	<b>5.1x</b>	<b>€3,060</b>	<b>4.6x</b>
Invested Equity	405 <sup>(2)</sup>		927 <sup>(3)</sup>		927	
<b>Total Capitalisation</b>	<b>€1,939</b>		<b>€4,050</b>		<b>€3,987</b>	
<b>LTM Adjusted Pro Forma EBITDA</b>	<b>€239</b>		<b>€599<sup>(4)</sup></b>		<b>€653<sup>(4)</sup></b>	

Note: Dollar amounts converted into euros exchange rate of \$1.402 = €1.000 as 30/6/09 and \$1.463 = €1.000 as of 30/9/09 for the pro forma capitalisation.

- (1) Primarily consists of local working capital facilities.
- (2) Includes Beverages division.
- (3) Excludes Beverages division. Increase in share capital represents equity contribution of €388 million and additional share capital on capitalisation of related party borrowings.
- (4) Assumed weighted average exchange rates for the relevant periods.
- (5) Leverage shown net of OID.
- (6) Cash balance per Offering Circular.



# SIG Adjusted Pro Forma EBITDA Summary

(€ in millions)

## Historical Financial Results

LTM  
30/9/09

### Unadjusted EBITDA

€308

Restructuring and business realignment costs	28	(1)
Gain on sale of real estate	(1)	(2)
Unrealised gains from foreign currency hedges	(1)	(3)
Customs duties on historical imports	3	(4)
Impairment charge on investment properties	3	(5)
Equity accounted results not distributed in cash	(4)	(6)

### Historical Adjusted EBITDA

€336

Full period effect of cost savings - "cbFuture" program	2	(7)
Full period effect of cost savings - other programs	12	(8)

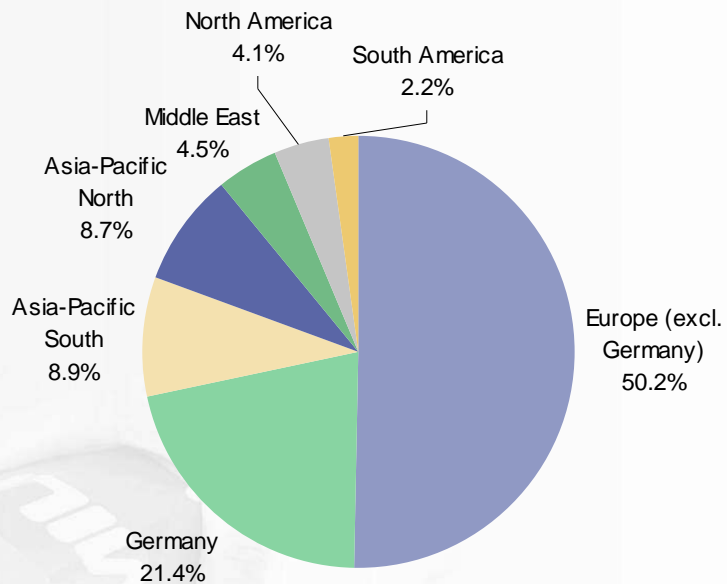
### Adjusted Pro Forma EBITDA

€350

- (1) Reflects restructuring and business realignment costs associated with implementing the recent personnel reduction program in headquarters and in R&D; Global Market organization and further cost saving measures.
- (2) Reflects gain from the sale of non-strategic properties.
- (3) Reflects unrealised gains from foreign currency hedges.
- (4) Reflects provision built for customs duties on historical imports.
- (5) Reflects an impairment charge on non-strategic property in the UK.
- (6) Reflects the profit attributable to joint ventures (equity accounted) net of cash distributions received from joint ventures.
- (7) Reflects the full period effect of implemented cost savings programs designed to improve manufacturing efficiencies.
- (8) Reflects the full period effect of implemented cost savings from workforce reductions.

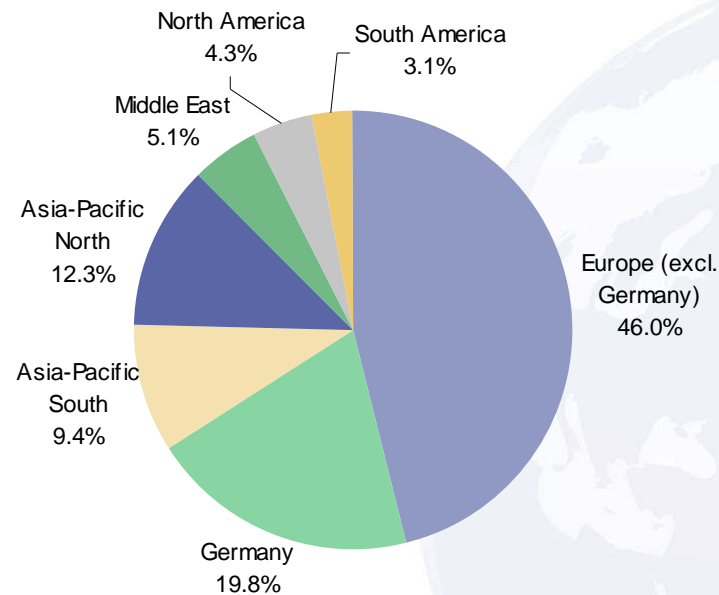
# SIG Sleeve Sales by Geography

Sleeve Sales Q3 2008



Total sleeve sales: €281 million

Sleeve Sales Q3 2009

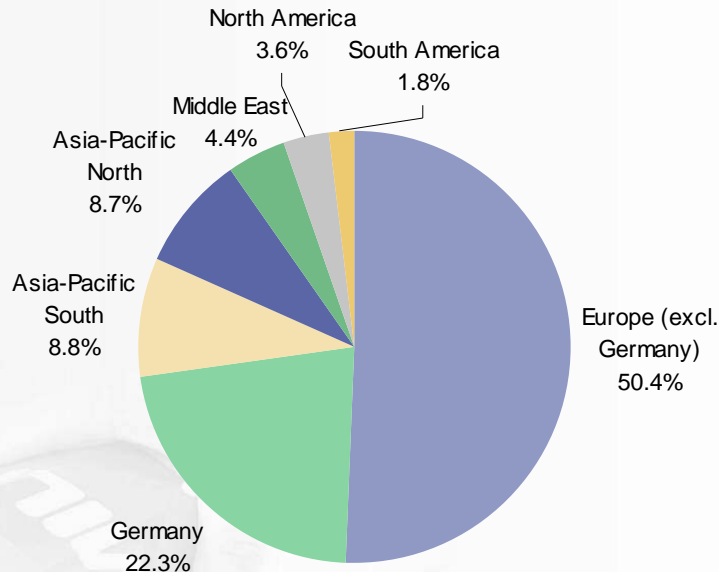


Total sleeve sales: €299 million



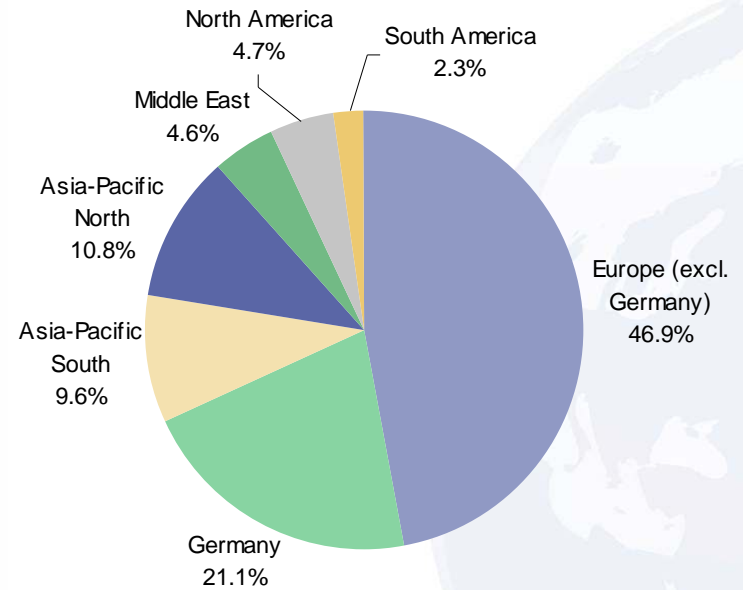
# SIG Sleeve Sales by Geography (Cont'd)

Sleeve Sales Q3 YTD 2008



Total sleeve sales: €842 million

Sleeve Sales Q3 YTD 2009



Total sleeve sales: €859 million