



# Fourth Quarter and Full Year 2016

February 9, 2017

Earnings Conference Call Supplement  
(Unaudited Results)

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# Safe Harbor and Regulation G Statement

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 concerning our business, consolidated financial condition and results of operations. Forward-looking statements are subject to risks and uncertainties, many of which are outside our control, which could cause actual results to differ materially from these statements. Therefore, you should not rely on any of these forward-looking statements. Forward-looking statements can be identified by such words as “anticipates,” “believes,” “plan,” “assumes,” “could,” “should,” “estimates,” “expects,” “intends,” “potential,” “seek,” “predict,” “may,” “will” and similar references to future periods. All statements other than statements of historical facts included in this press release regarding our strategies, prospects, financial condition, operations, costs, plans and objectives are forward-looking statements. Examples of forward-looking statements include, among others, statements we make regarding expected future operating results, expectations regarding the results of restructuring and other programs, anticipated levels of capital expenditures and expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings. The following are important factors that we believe could cause actual results to differ materially from those in our forward-looking statements: the tax benefits associated with the Settlement agreement (as defined in our 2015 Annual Report on Form 10-K), global economic and political conditions, changes in our credit ratings, changes in raw material pricing and availability, changes in energy costs, competitive conditions, the success of the separation of Diversey Care and related hygiene business, the success of our restructuring activities, currency translation and devaluation effects, the success of our financial growth, profitability, cash generation and manufacturing strategies and our cost reduction and productivity efforts, the success of new product offerings, the effects of animal and food-related health issues, pandemics, consumer preferences, environmental matters, regulatory actions and legal matters, and the other information referenced in the “Risk Factors” section appearing in our most recent Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, and as revised and updated by our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Any forward-looking statement made by us is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Our management uses non-U.S. GAAP financial measures to evaluate the Company’s performance, which exclude items we consider unusual or special items. We believe the use of such financial measures and information may be useful to investors. We believe that the use of non-U.S. GAAP measures helps investors to gain a better understanding of core operating results and future prospects, consistent with how management measures and forecasts the Company’s performance, especially when comparing such results to previous periods or forecasts. Please see Sealed Air’s February 9, 2017 earnings press release for important information about the use of non-U.S. GAAP financial measures relevant to this presentation, including applicable reconciliations to U.S. GAAP financial measures. Information reconciling forward-looking non-U.S. GAAP measures to U.S. GAAP measures is not available without unreasonable effort.

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# U.S. GAAP Summary



	Three Months Ended December 31		Year Ended December 31	
	2016	2015	2016	2015
<b>Net Sales</b>	\$1.7 billion	\$1.8 billion	\$6.8 billion	\$7.0 billion
<b>Net Income</b>	\$171 million	\$124 million	\$486 million	\$335 million
<b>Reported EPS</b>	\$0.87	\$0.62	\$2.46	\$1.62
<b>Effective Tax Rate</b>	(8.4%)	1.8%	14.0%	21.2%
<b>Operating Cash Flow</b>	\$436 million	\$281 million	\$907 million	\$982 million

# FOURTH QUARTER AND FULL YEAR 2016

## Key Takeaways



### Fourth Quarter 2016 Highlights

- Organic Sales growth of ~3% in Food Care and Diversey Care driven by positive volumes and price/mix
- Food Care: Protein packaging volume up 6%+ in North America; accelerating trends in EMEA; Adj. EBITDA Margin: 21%
- Diversey Care: Favorable price/mix of 2%+; APAC volumes up 7%; NA volumes up 3%; Adj. EBITDA Margin: 13%
- Product Care: e-Commerce volume up ~15%, offset by industrial declines and rationalization; Adj. EBITDA Margin: 22%

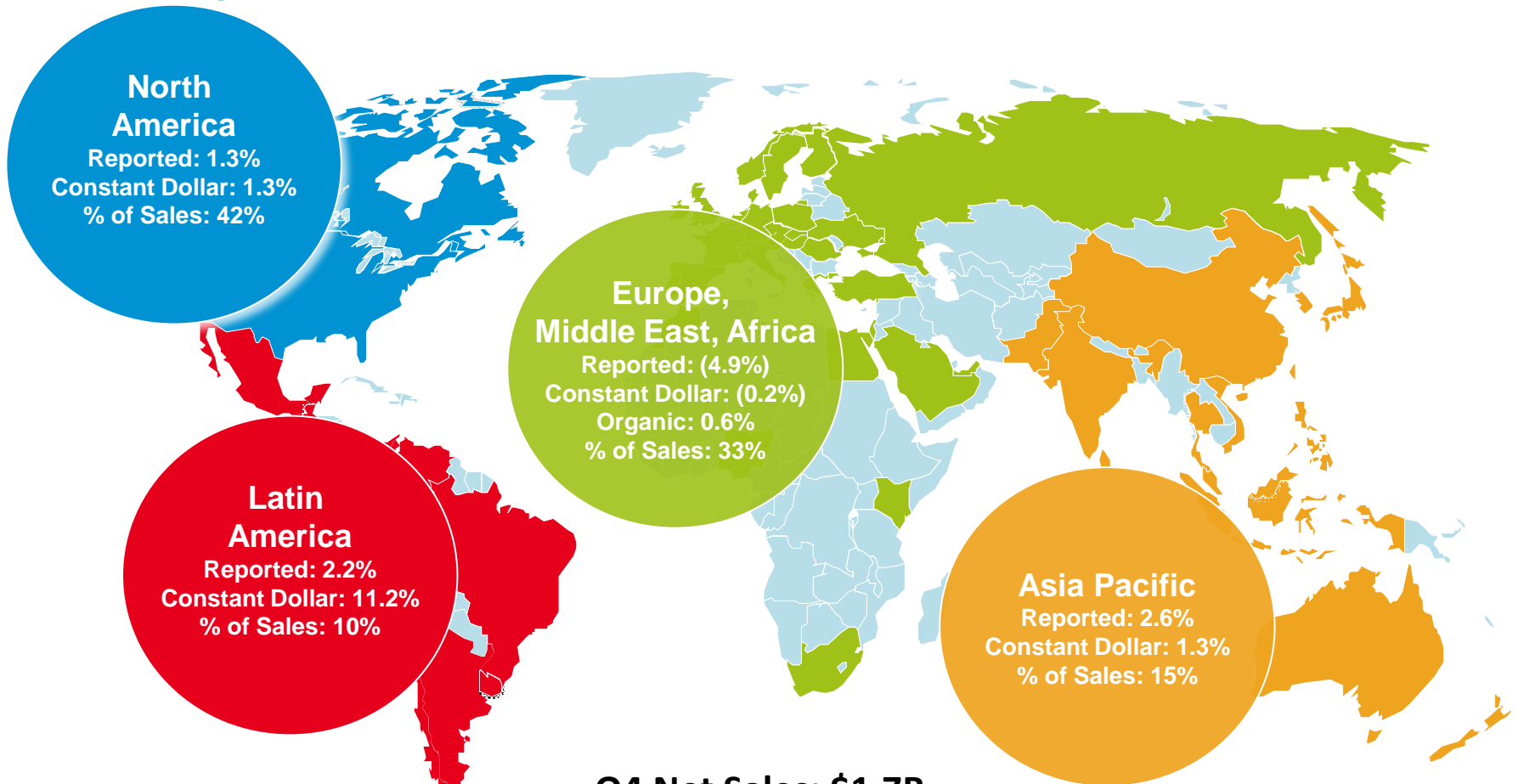
### Year End 2016

- Generated \$631M in Free Cash Flow as compared to \$609M last year
- Increased Adjusted EBITDA margin to 17.1%, fifth consecutive year of margin expansion
- Introduced record number of new and innovative solutions to customers around the world
- As of December 31, 2016, repurchased 4.7M shares for approximately \$217M and paid cash dividends of \$122M

### Business Highlights

- In October 2016, announced plans to pursue a tax-free spin-off of New Diversey; Also, exploring other strategic alternatives, including a potential sale of New Diversey
- Opened new global campus in Charlotte, NC with over 900 employees
- Provided 2017 Outlook including ~3% organic growth in Food Care & Product Care, ~1% in Diversey Care; Free Cash Flow of ~\$600M

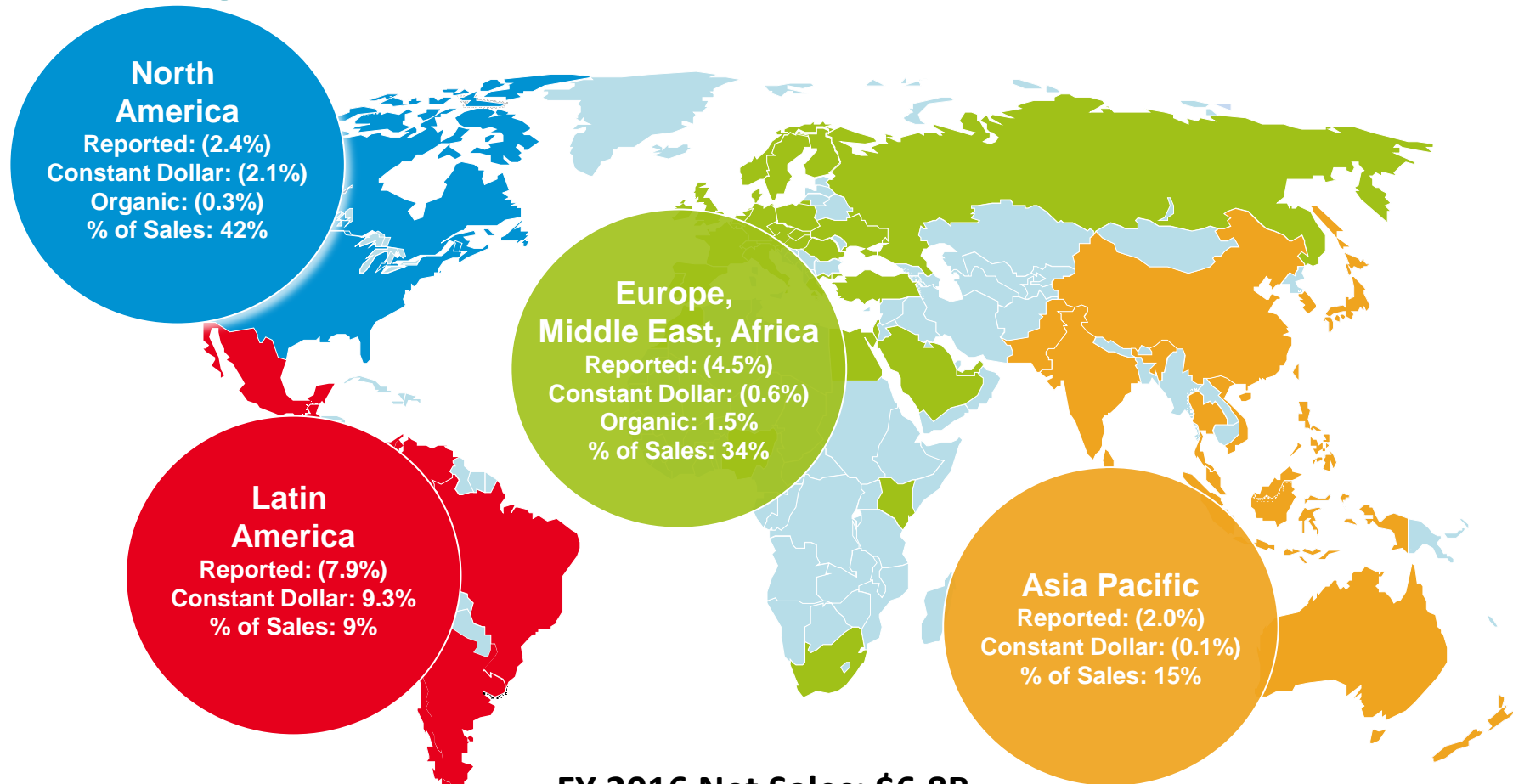
# YoY Regional Sales Performance



**Q4 Net Sales: \$1.7B**  
**As Reported % Change: (0.6%) YoY**  
**Constant Dollar % Change: 1.7% YoY**  
**Organic % Change: 2.0% YoY**

Constant Dollar refers to unit volume and price/mix performance and excludes the impact of currency translation.  
Organic refers to unit volume and price/mix performance and excludes the impact of currency translation and European food trays business divestitures.

# YoY Regional Sales Performance



**FY 2016 Net Sales: \$6.8B**  
**As Reported % Change: (3.6%) YoY**  
**Constant Dollar % Change: (0.2%) YoY**  
**Organic % Change: 1.3% YoY**

Constant Dollar refers to unit volume and price/mix performance and excludes the impact of currency translation.  
Organic refers to unit volume and price/mix performance and excludes the impact of currency translation and NA trays and absorbent pads business and European food trays business divestitures.

# FOURTH QUARTER AND FULL YEAR 2016 YoY Organic Sales Trends\*



Price/Mix (% Change)					
By Division	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016
Food Care	0.7%	0.4%	1.3%	0.7%	0.8%
Diversey Care	1.7%	2.0%	2.8%	2.4%	2.2%
Product Care	(1.3%)	(1.9%)	(2.3%)	(2.0%)	(1.9%)
<b>Sealed Air</b>	<b>0.6%</b>	<b>0.4%</b>	<b>0.9%</b>	<b>0.5%</b>	<b>0.6%</b>
By Region	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016
North America	(3.0%)	(3.4%)	(2.2%)	(2.9%)	(2.8%)
EMEA	0.8%	1.2%	0.8%	1.3%	1.0%
Latin America	13.8%	13.0%	14.9%	13.7%	13.8%
AsiaPac	0.4%	0.5%	0.5%	(0.5%)	0.2%
<b>Sealed Air</b>	<b>0.6%</b>	<b>0.4%</b>	<b>0.9%</b>	<b>0.5%</b>	<b>0.6%</b>

Volume (% Change)					
By Division	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016
Food Care	1.6%	0.7%	(0.1%)	2.0%	1.0%
Diversey Care	(0.3%)	0.4%	(1.3%)	0.4%	(0.2%)
Product Care	1.0%	0.4%	2.6%	1.5%	1.4%
<b>Sealed Air</b>	<b>0.9%</b>	<b>0.5%</b>	<b>0.0%</b>	<b>1.5%</b>	<b>0.7%</b>
By Region	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016
North America	1.0%	1.2%	3.8%	4.2%	2.5%
EMEA	2.6%	1.3%	(1.2%)	(0.7%)	0.5%
Latin America	(4.6%)	(4.8%)	(6.2%)	(2.5%)	(4.5%)
AsiaPac	0.4%	0.2%	(3.6%)	1.8%	(0.3%)
<b>Sealed Air</b>	<b>0.9%</b>	<b>0.5%</b>	<b>0.0%</b>	<b>1.5%</b>	<b>0.7%</b>

Sales Growth (% Change)					
By Division	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016
Food Care	2.3%	1.1%	1.2%	2.7%	1.8%
Diversey Care	1.4%	2.4%	1.5%	2.8%	2.0%
Product Care	(0.3%)	(1.5%)	0.3%	(0.5%)	(0.5%)
<b>Sealed Air</b>	<b>1.5%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>2.0%</b>	<b>1.3%</b>
By Region	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016
North America	(2.0%)	(2.2%)	1.6%	1.3%	(0.3%)
EMEA	3.4%	2.5%	(0.5%)	0.6%	1.5%
Latin America	9.2%	8.2%	8.7%	11.2%	9.3%
AsiaPac	0.8%	0.7%	(3.1%)	1.3%	(0.1%)
<b>Sealed Air</b>	<b>1.5%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>2.0%</b>	<b>1.3%</b>

Note:

\* Q4 organic growth trends exclude the impact of currency translation and the divestitures of European food trays businesses.

\* FY16 organic growth trends exclude the impact of currency translation and the divestitures of the NA trays and absorbent pads and European food trays businesses.

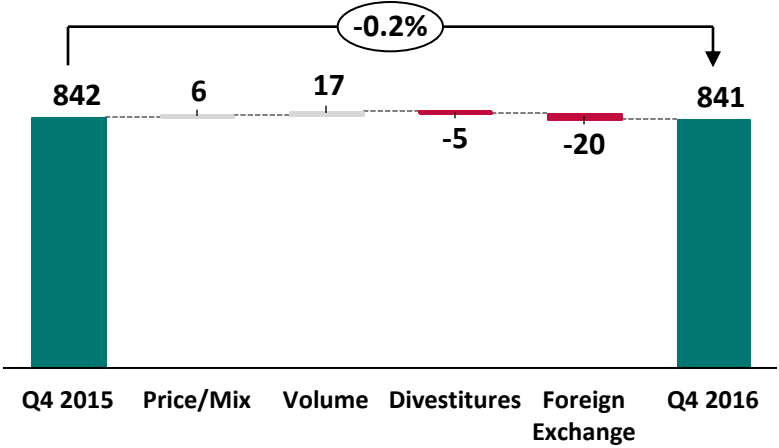
On an as-reported basis,

- Q4 Price/mix trends were Food Care: 0.7%, EMEA: 1.3%, Sealed Air: 0.5%;
- Q4 Volume trends were: Food Care: 2.0%, EMEA: (0.7%), Sealed Air: 1.5%;
- Q4 Sales growth was: Food Care: (0.2%), EMEA: (4.9%), Sealed Air: (0.6%);
- FY16 Price/mix trends were Food Care: 0.8%, NA: (2.8%), EMEA: 1.0%, Sealed Air: 0.6%;
- FY16 Volume trends were: Food Care: 1.0%, NA: 2.5%, EMEA: 0.4%, Sealed Air: 0.6%;
- FY16 Sales growth was: Food Care: (5.4%), NA: (2.4%), EMEA: (4.5%), Sealed Air: (3.6%).

# Food Care

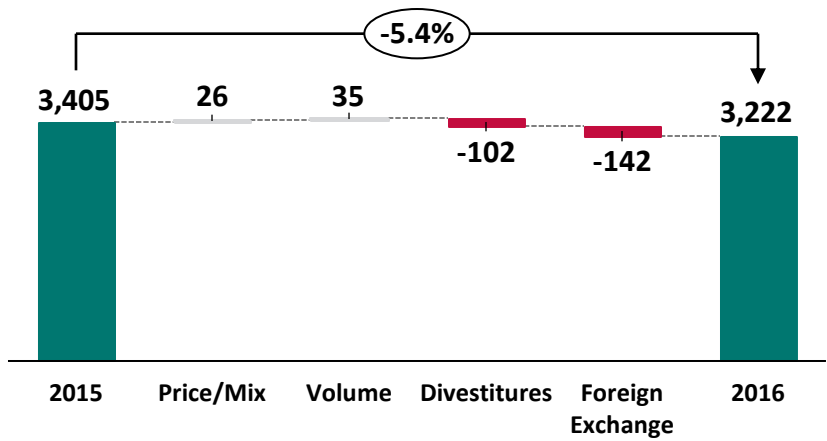


## Q4 Net Sales (\$M)



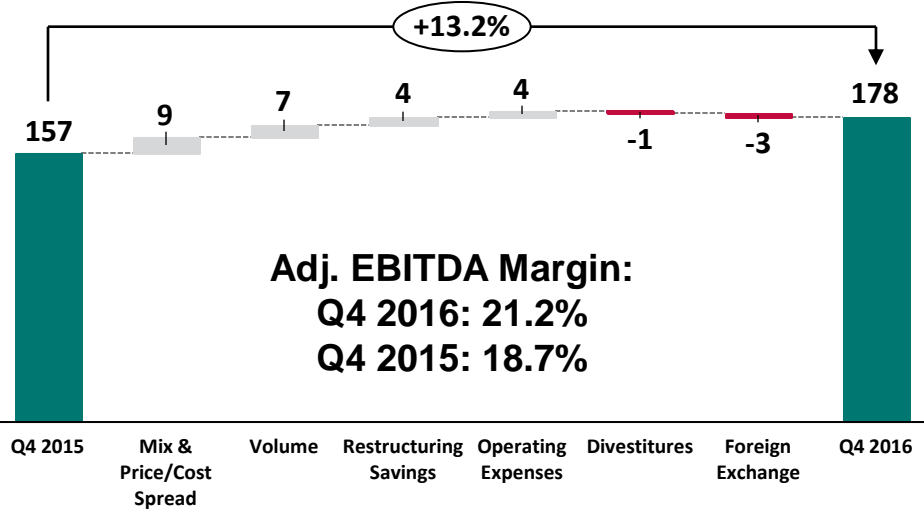
Constant Dollar Net Sales Growth: 2.1%  
 Organic Net Sales Growth: 2.7%

## 2016 Net Sales (\$M)



Constant Dollar Net Sales Growth: (1.2%)  
 Organic Net Sales Growth: 1.8%

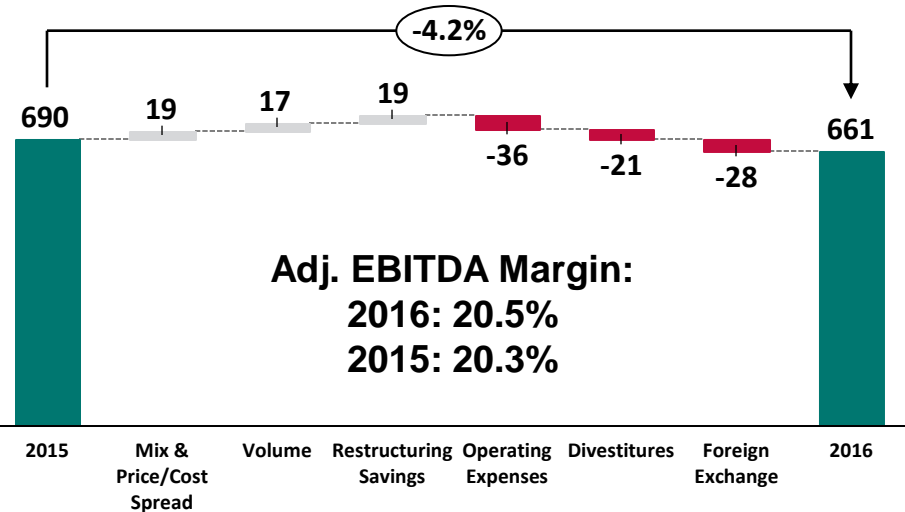
## Q4 Adjusted EBITDA (\$M)



Adj. EBITDA Margin:  
 Q4 2016: 21.2%  
 Q4 2015: 18.7%

Constant Dollar Adj. EBITDA Growth: 14.9%  
 Organic Adj. EBITDA Growth: 15.6%

## 2016 Adjusted EBITDA (\$M)



Adj. EBITDA Margin:  
 2016: 20.5%  
 2015: 20.3%

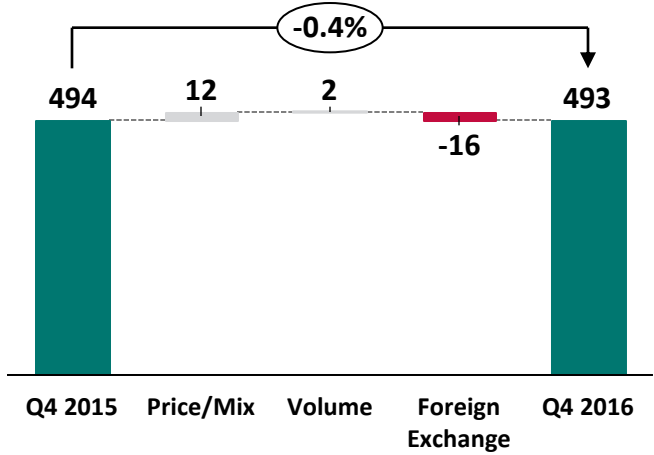
Constant Dollar Adj. EBITDA Growth: (0.1%)  
 Organic Adj. EBITDA Growth: 2.9%



# Diversey Care

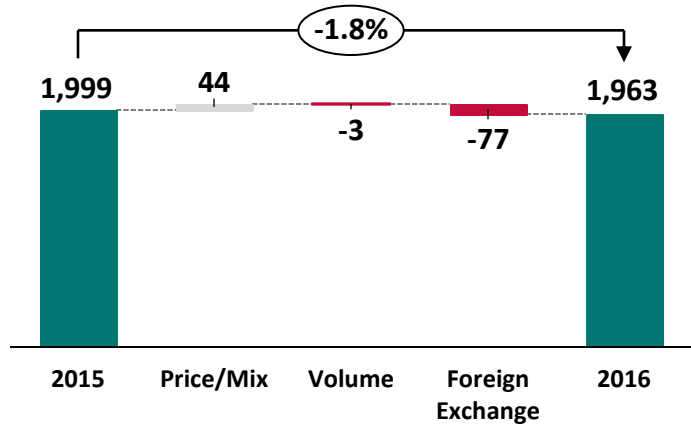


## Q4 Net Sales (\$M)



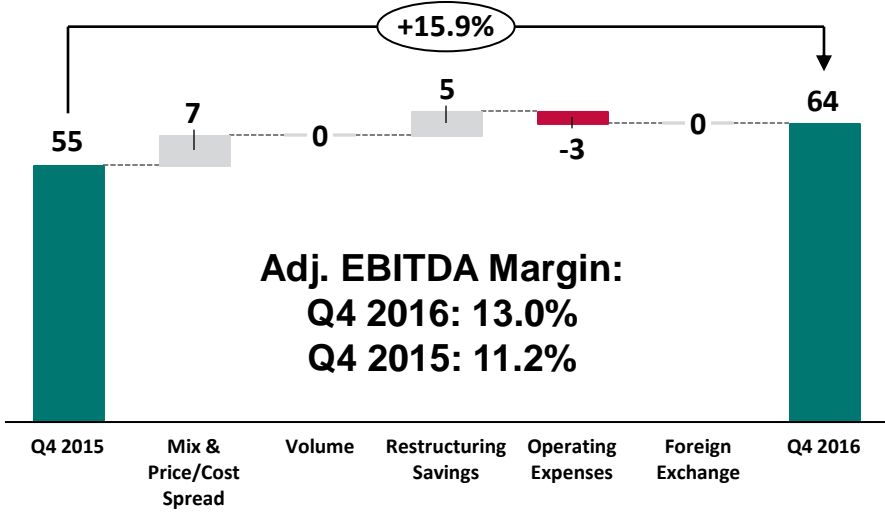
Constant Dollar Net Sales Growth: 2.8%

## 2016 Net Sales (\$M)



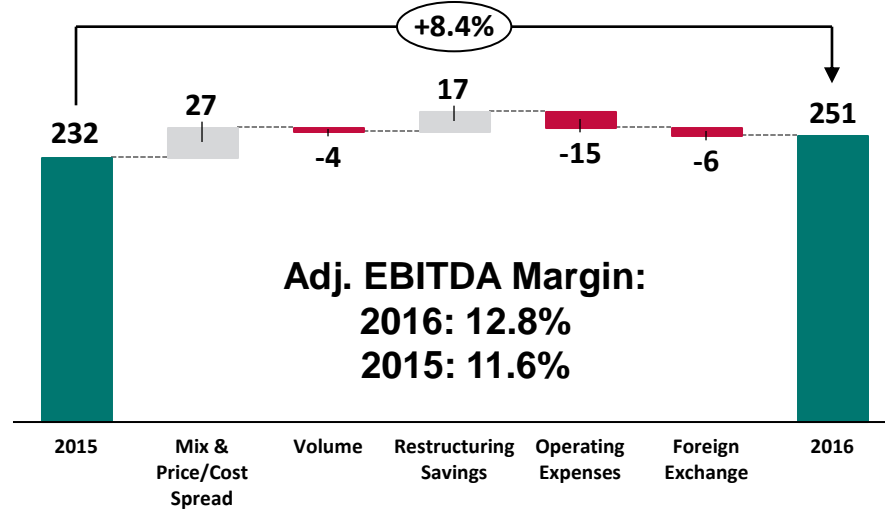
Constant Dollar Net Sales Growth: 2.0%

## Q4 Adjusted EBITDA (\$M)



Constant Dollar Adj. EBITDA Growth: 16.2%

## 2016 Adjusted EBITDA (\$M)

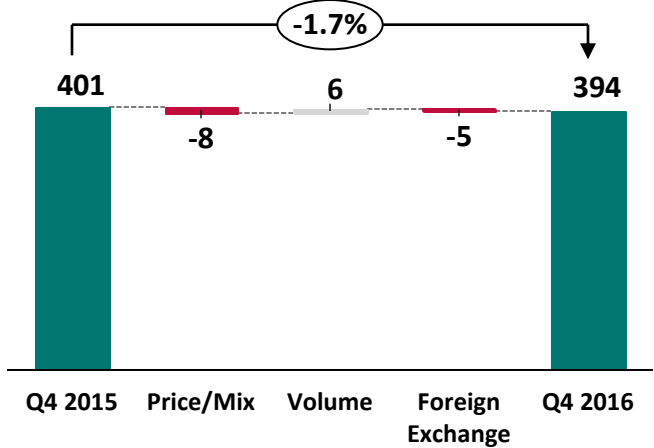


Constant Dollar Adj. EBITDA Growth: 10.8%

# Product Care

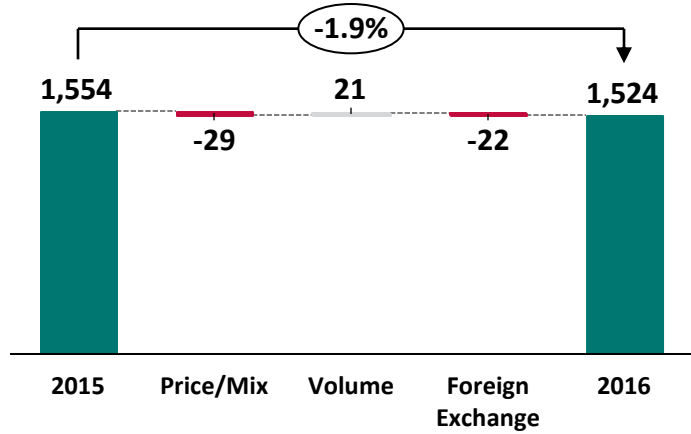


## Q4 Net Sales (\$M)



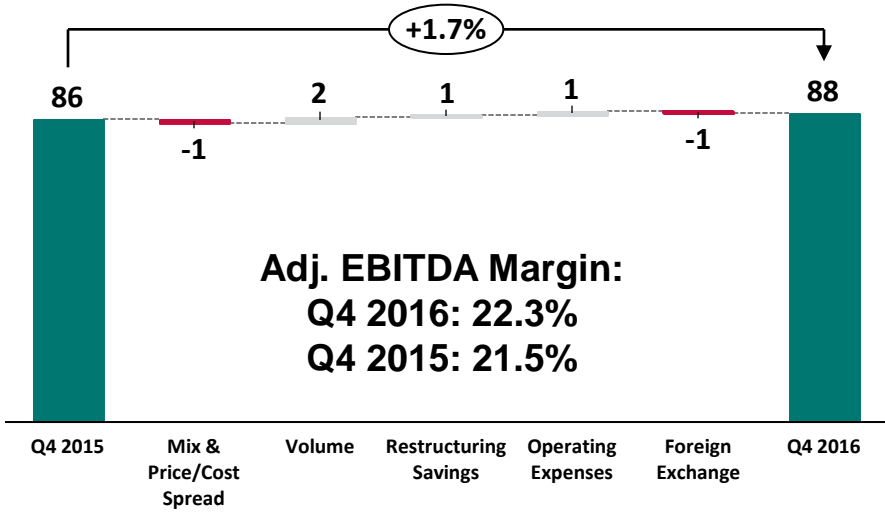
Constant Dollar Net Sales Growth: (0.5%)

## 2016 Net Sales (\$M)



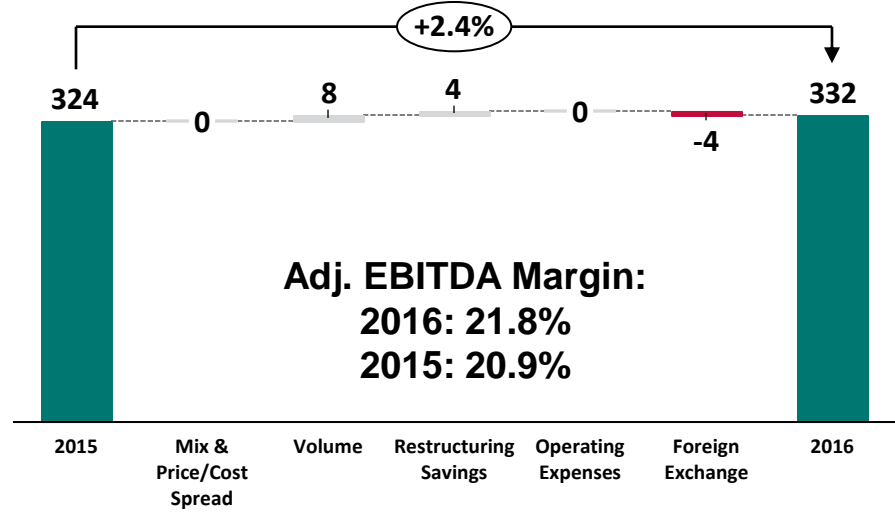
Constant Dollar Net Sales Growth: (0.5%)

## Q4 Adjusted EBITDA (\$M)



Constant Dollar Adj. EBITDA Growth: 2.8%

## 2016 Adjusted EBITDA (\$M)

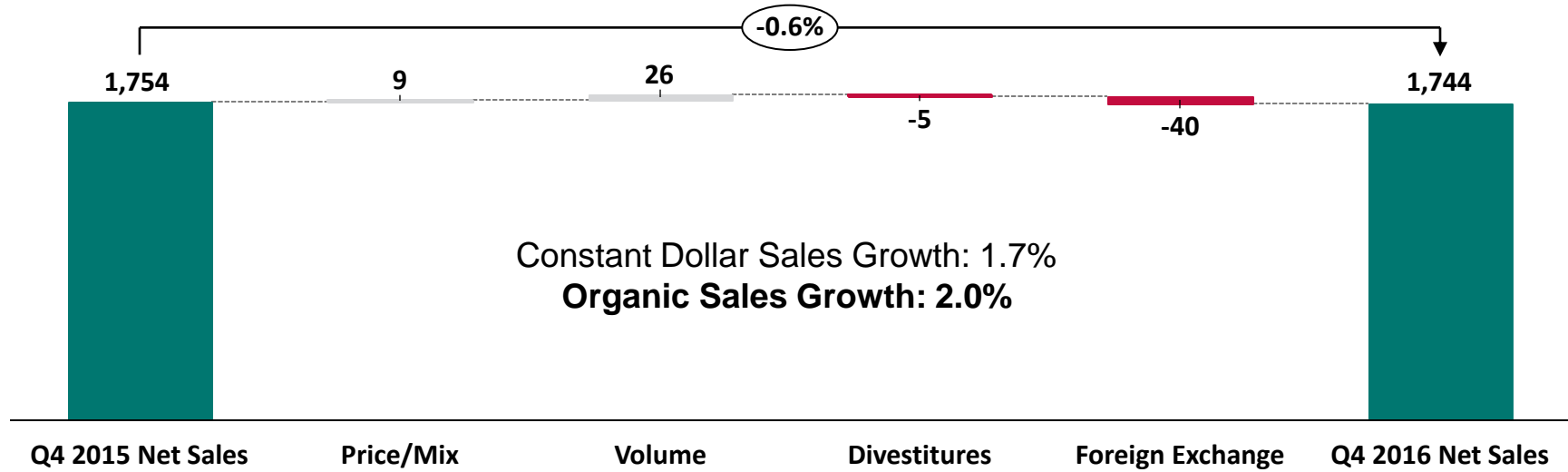


Constant Dollar Adj. EBITDA Growth: 3.6%

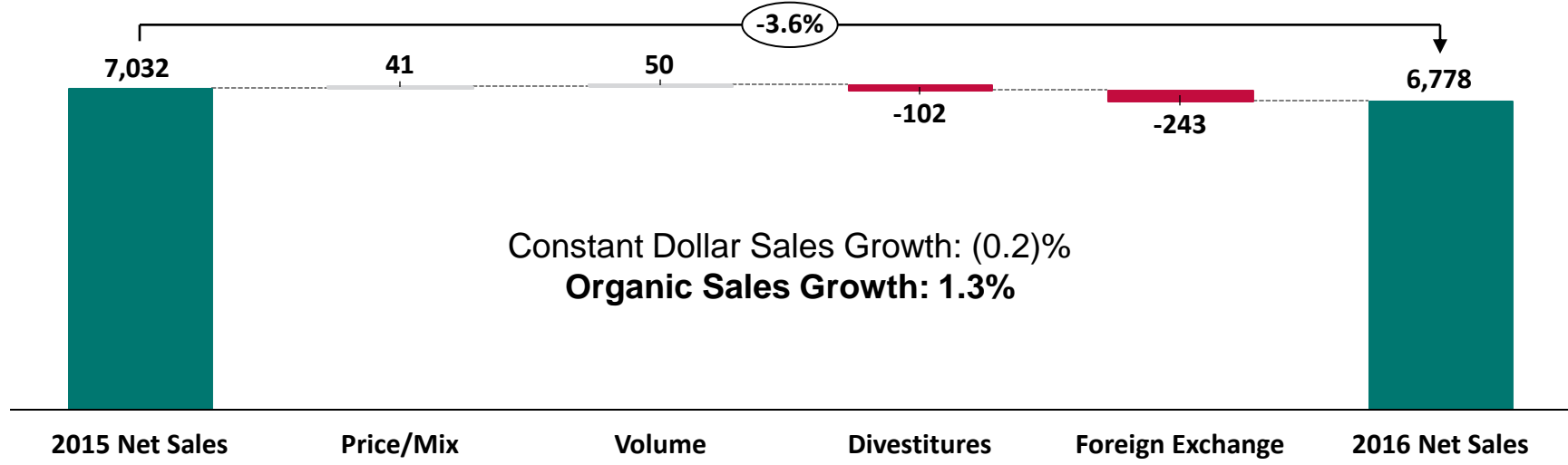
# Q4 & FY 2016 Net Sales Bridge



## Q4 Net Sales (\$M)



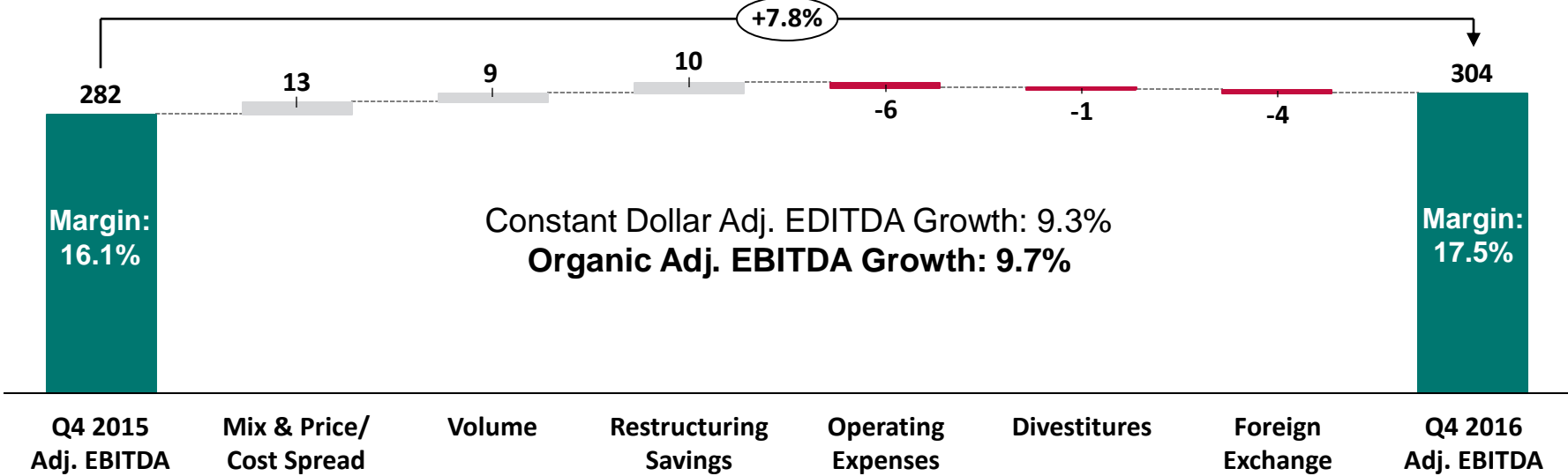
## 2016 Net Sales (\$M)



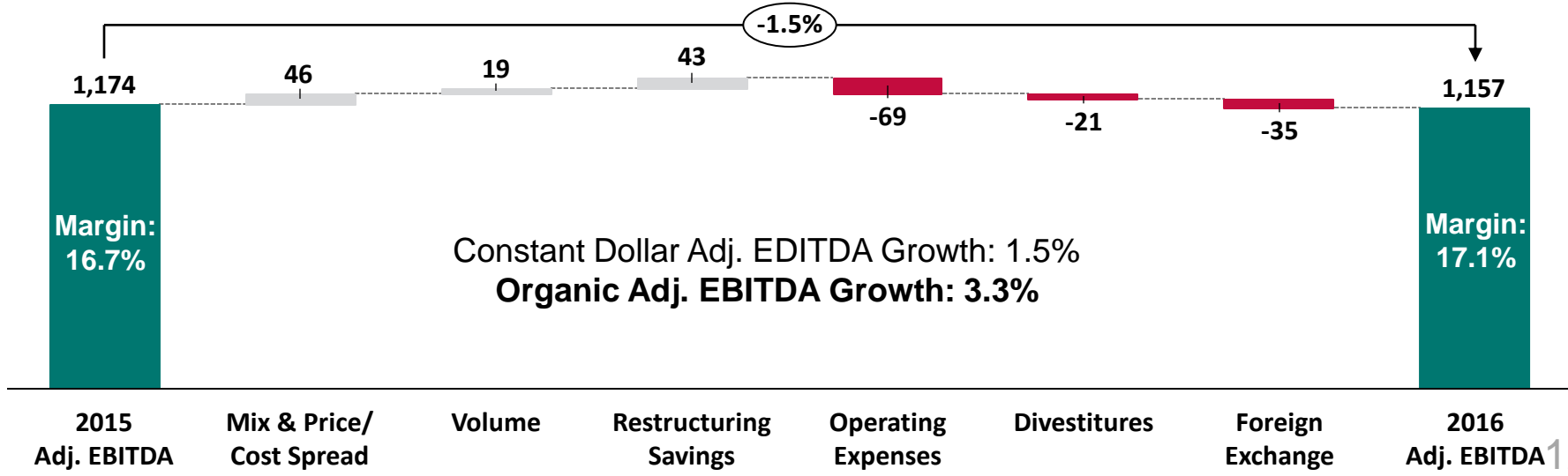
# Q4 & 2016 Adj. EBITDA Bridge



## Q4 Adj. EBITDA (\$M)



## 2016 Adj. EBITDA (\$M)



# Free Cash Flow

(\$ in millions)	Twelve Months Ended December 31,	
	2015	2016
<b>Free Cash Flow</b>		
Adjusted EBITDA	1,174	1,157
Interest Payments, excluding Settlement Agreement interest	(224)	(207)
Settlement Agreement, and Related Items	189	—
Restructuring Payments	(98)	(66)
Tax Payments	(102)	(126)
SARs Payments	(21)	(2)
Net Change in Working Capital *	80	177
Other Assets/Liabilities and Other	(16)	(26)
<b>Cash Flow (Used in) Provided by Operations</b>	<b>982</b>	<b>907</b>
Capital Expenditures	(184)	(276)
<b>Free Cash Flow</b>	<b>798</b>	<b>631</b>
<b>Free Cash Flow Before Settlement Agreement and Related Items</b>	<b>609</b>	<b>631</b>

\* Includes changes in trade receivables, net, inventories and accounts payable.

# 2017 Financial Outlook

NET SALES	ADJUSTED EBITDA	ADJUSTED EPS	FREE CASH FLOW
<p><b>~ +2.5%</b> CONSTANT DOLLAR YOY GROWTH</p> <p><i>Constant Dollar Sales Growth by Division:</i> FOOD CARE: ~ +3% PRODUCT CARE: ~ +3% DIVERSEY CARE: ~ +1%</p> <p>CURRENCY IMPACT <b>~ (3%)</b></p>	<p><b>~ \$1.18B</b> CURRENCY IMPACT <b>~ (\$40M)</b></p>	<p><b>~\$2.70</b></p> <p><i>Key Assumptions:</i> D&amp;A <b>(\$275M)</b></p> <p>INTEREST EXPENSE, NET <b>(\$215M)</b></p> <p>ANTICIPATED TAX RATE <b>23%</b></p> <p>DILUTED SHARES <b>197M</b></p> <p>CURRENCY IMPACT <b>\$0.14 per share</b></p>	<p><b>~ \$600M</b></p> <p><i>Key Assumptions:</i> CAPEX <b>(\$185M)</b></p> <p>CASH RESTRUCTURING COSTS <b>(\$85M-\$100M)</b></p> <p>INTEREST PAYMENTS <b>(\$210M)</b></p>

Note: Adjusted EBITDA, Adjusted EPS, Free Cash Flow, D&A and Tax Rate guidance excludes the impact of special items.



# Q&A

Earnings Conference Call

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