

# NYSE:SEE

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## Third Quarter 2018

November 1, 2018

Earnings Conference Call Supplement  
(Unaudited Results)

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Bill Stiehl, SVP & CFO

Lori Chaitman, VP, Investor Relations

## 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: global economic and political conditions, currency translation and devaluation effects, changes in raw material pricing and availability, competitive conditions, the success of new product offerings, consumer preferences, the effects of animal and food-related health issues, pandemics, changes in energy costs, environmental matters, the success of our restructuring activities, the success of our financial growth, profitability, cash generation and manufacturing strategies and our cost reduction and productivity efforts, changes in our credit ratings, the tax benefit associated with the Settlement agreement (as defined in our 2017 Annual Report on Form 10-K), 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 November 1, 2018 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 U.S. GAAP measures to non-U.S. GAAP measures is not available without unreasonable effort.

### **Website Information**

We routinely post important information for investors on our website, [www.sealedair.com](http://www.sealedair.com), in the “Investors” section. We use this website as a means of disclosing material, non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor the Investors section of our website, in addition to following our press releases, SEC filings, public conference calls, presentations and webcasts. The information contained on, or that may be accessed through, our website is not incorporated by reference into, and is not a part of, this document.

## Q3 2018 Highlights

Net Sales: \$1.2B; +5% as reported, +8% in constant dollars (Price/Mix +4%, Volume +1%, Acquisition +4%)

All regions delivered positive constant dollar growth: North America +6%, EMEA +2%, Latin America +24%, Asia Pacific +18%

Food Care constant dollar growth +6% (Price/Mix +3.5%, Volume +3%)

Product Care constant dollar growth +12% (Price/Mix +4%, Volume -2%, Acquisition +10% or \$42 million)

Adj. EBITDA: \$219M; +1% as reported, +4% in constant dollars (Food Care +10%; Product Care -1%)

Adj. EBITDA Margin 19%; Food Care 20%, Product Care 17%

Profit to Growth Ratio (YoY Change in Adj. EBITDA / Sales): 4%

Adjusted EPS was \$0.61 in Q3 2018 compared to \$0.46 in Q3 2017, a year-over-year increase of 33%

### Business Highlights

2018 outlook: Net Sales: ~\$4.7B, Adjusted EBITDA: \$870 - \$880M, Adjusted EPS: \$2.40 - \$2.45 and FCF ~\$350M

Committed to sustainability and plastics pledge to deliver 100% recyclable and reusable offerings by 2025 and signed the Ellen MacArthur Foundation's New Plastics Economy Global Commitment

From January 1, 2018 through October 31, 2018, repurchased ~\$603M or 13.5 million shares through a combination of open market repurchases and the completion of an Accelerated Share Repurchase program; ~\$820 million remaining under current authorization

Exiting Q3 2018 with Net Debt of \$3.4B and Net Leverage Ratio of 3.8x

Reported U.S. GAAP Measures, Continuing Operations

Q3-18: Net Sales \$1.2B; Operating Profit \$163M; Net Earnings: \$76M

Q3-17: Net Sales \$1.1B; Operating Profit \$144M; Net Earnings: \$63M

Constant Dollar refers to performance excluding the impact of currency translation.

## One SEE

Premier Packaging Solutions Provider



Capitalize on rapidly growing fresh food, e-commerce markets and high-value brands

Create profitable growth with differentiated and sustainable innovations

Drive operational excellence culture to world-class performance for margin expansion

Leverage our high performance culture

Generate higher returns and deliver long-term shareholder value

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*We solve our customers' most critical packaging challenges with innovative solutions that leave our world, environment, and communities better than we found them*

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# Driving a Sustainable Packaging Future with SEE Solutions



Products ) **SEE**  
Operational Excellence )

Innovations Solving Problems )

Leading Societal Benefits )

## Invest in Innovation



Cryovac® Darfresh® packaging made with recycled materials and is curbside **recyclable**

Sealed Air Inflation Machine® is **reusable** and inflated on demand

Leading investment in **plant-based** materials (e.g. EcoPure and Plantic™)

## Conserve Resources & Eliminate Plastic Waste



SEE high performance packaging **conserves** resources and cuts waste

FlexPrep™ > 20% food waste reduction

SIOC 50% packaging waste reductions

KorrVu™ 80% reduced product damage

## Collaborate for Change



Announced a bold 2025 Sustainability and Plastics Pledge and became a signatory to the Ellen MacArthur Foundation's New Plastics Economy Global Commitment



Design and advance packaging solutions to be 100% recyclable or reusable



Target of 50% average recycled content across all packaging solutions of which 60% is post-consumer recycled content



Lead collaborations with partners worldwide to increase recycling and reuse rates

## Q3 2018 YoY Regional Sales Performance

	North America	Europe, Middle East & Africa	Asia Pacific	Latin America
As reported % Change	6%	-0.3%	13%	1%
Constant Dollar % Change	6%	2%	18%	24%
% of Sales	55%	21%	15%	9%

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Q3 2018 Net Sales: \$1.2B

As reported % Change: 5%

Constant Dollar % Change: 8%

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## YTD 2018 YoY Regional Sales Performance

	North America	Europe, Middle East & Africa	Asia Pacific	Latin America
As reported % Change	5%	9%	17%	5%
Constant Dollar % Change	5%	3%	16%	17%
% of Sales	54%	22%	15%	9%

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YTD 2018 Net Sales: \$3.5B

As reported % Change: 7%

Constant Dollar % Change: 7%

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## 2018 YoY Sales Trends

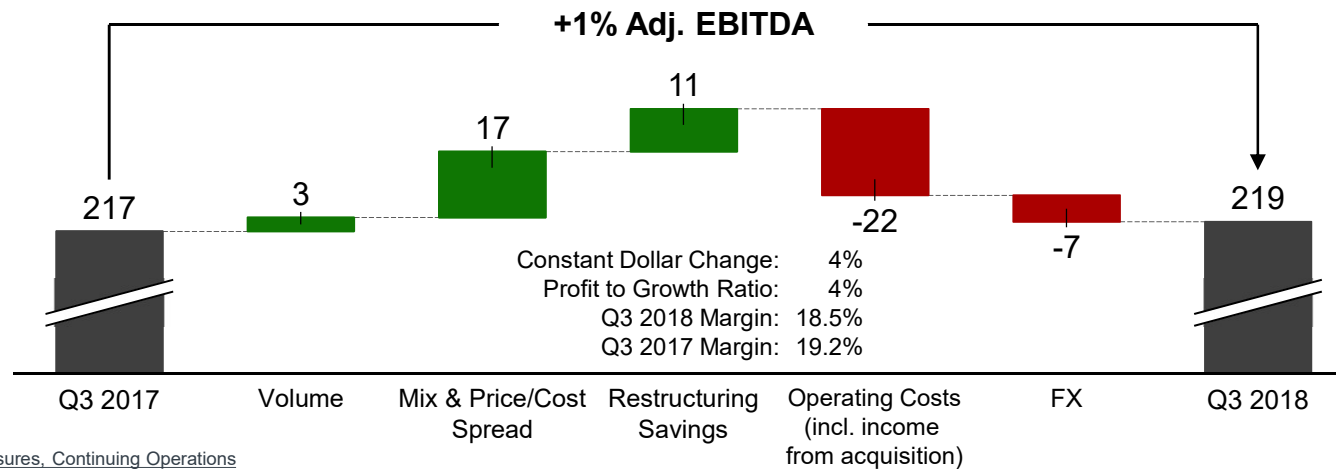
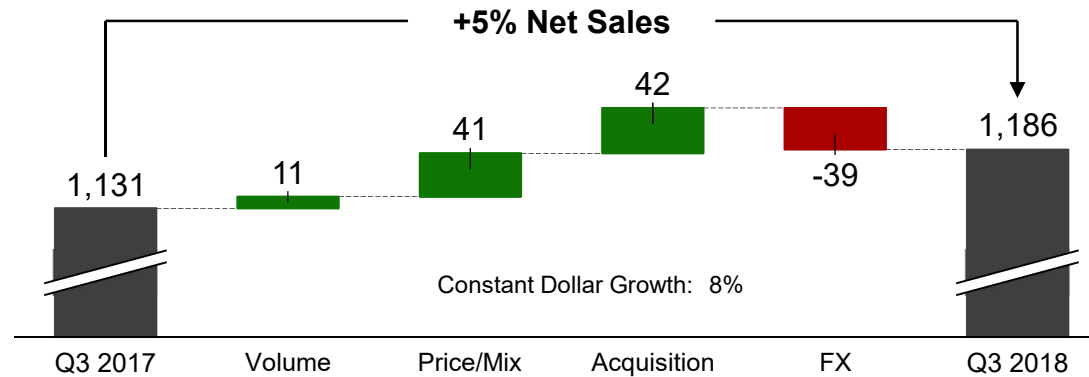


As Reported Sales Growth				Constant Dollar Sales Growth			
	Q1	Q2	Q3		Q1	Q2	Q3
Food Care	6%	5%	1%	Food Care	3%	5%	6%
Product Care	15%	13%	11%	Product Care	11%	11%	12%
<b>Sealed Air</b>	<b>10%</b>	<b>8%</b>	<b>5%</b>	<b>Sealed Air</b>	<b>6%</b>	<b>7%</b>	<b>8%</b>
North America	6%	4%	6%	North America	5%	4%	6%
EMEA	17%	10%	(0.3%)	EMEA	4%	4%	2%
Asia Pacific	15%	22%	13%	Asia Pacific	11%	20%	18%
Latin America	7%	7%	1%	Latin America	8%	19%	24%
<b>Sealed Air</b>	<b>10%</b>	<b>8%</b>	<b>5%</b>	<b>Sealed Air</b>	<b>6%</b>	<b>7%</b>	<b>8%</b>
Volume (excluding Acquisition)				Price/Mix			
	Q1	Q2	Q3		Q1	Q2	Q3
Food Care	2%	2%	3%	Food Care	1%	3%	3%
Product Care	3%	0.3%	(2%)	Product Care	3%	5%	4%
<b>Sealed Air</b>	<b>2%</b>	<b>1%</b>	<b>1%</b>	<b>Sealed Air</b>	<b>2%</b>	<b>4%</b>	<b>4%</b>
North America	2%	(2%)	(1%)	North America	3%	5%	4%
EMEA	3%	2%	2%	EMEA	1%	2%	1%
Asia Pacific	(1%)	5%	2%	Asia Pacific	(1%)	0.1%	(0.2%)
Latin America	7%	12%	7%	Latin America	1%	7%	16%
<b>Sealed Air</b>	<b>2%</b>	<b>1%</b>	<b>1%</b>	<b>Sealed Air</b>	<b>2%</b>	<b>4%</b>	<b>4%</b>



# Total Company Q3 2018 Net Sales & Adj. EBITDA

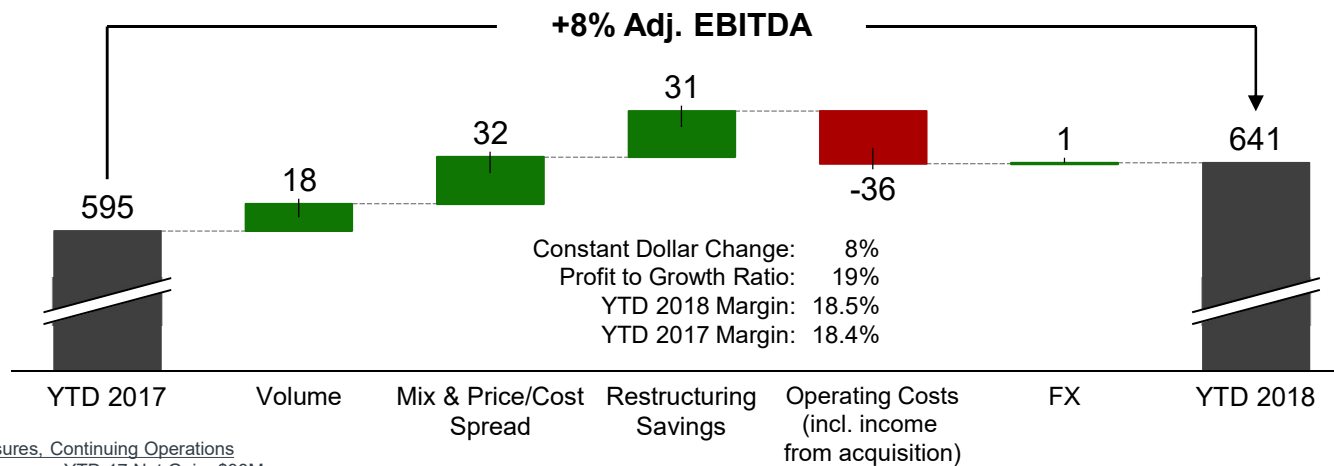
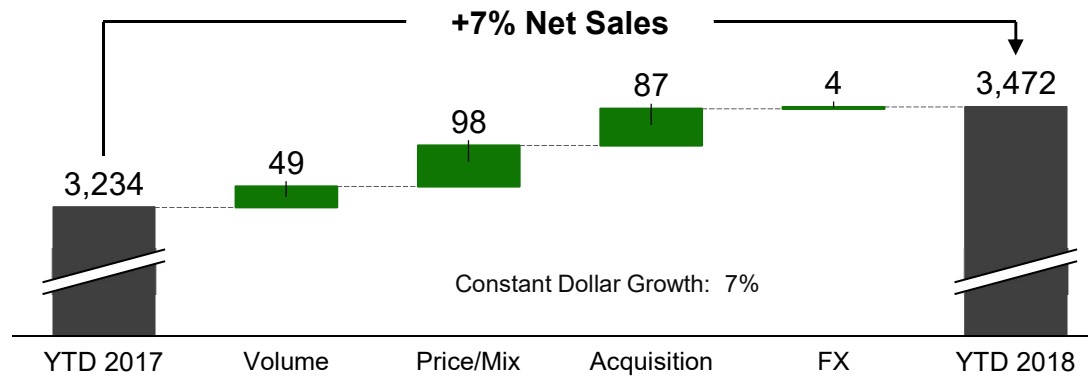
(\$ millions)



Reported U.S. GAAP Measures, Continuing Operations  
 Q3-18 Net Earnings: \$76M      Q3-17 Net Earnings: \$63M

# Total Company YTD 2018 Net Sales & Adj. EBITDA

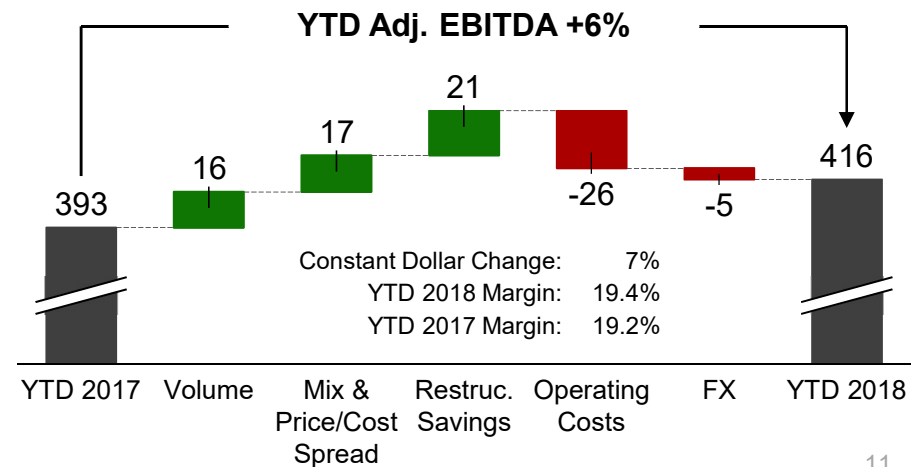
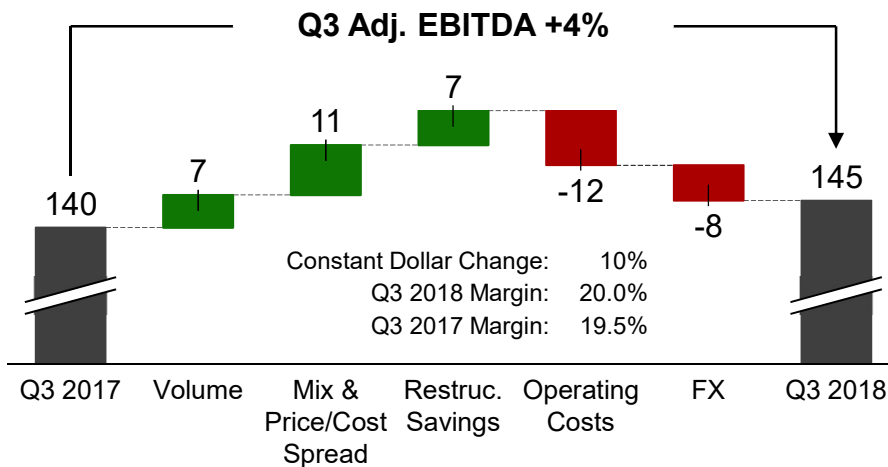
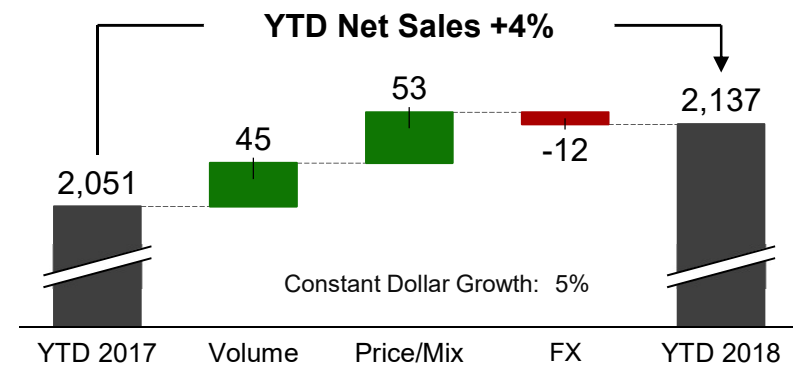
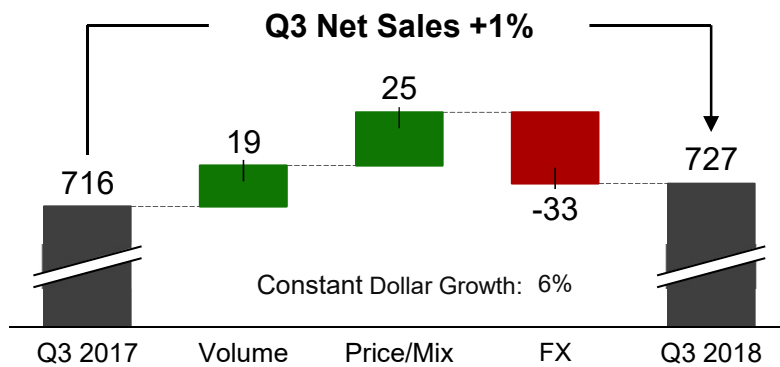
(\$ millions)



Reported U.S. GAAP Measures, Continuing Operations  
 YTD-18 Net Loss: \$(49)M      YTD-17 Net Gain: \$38M

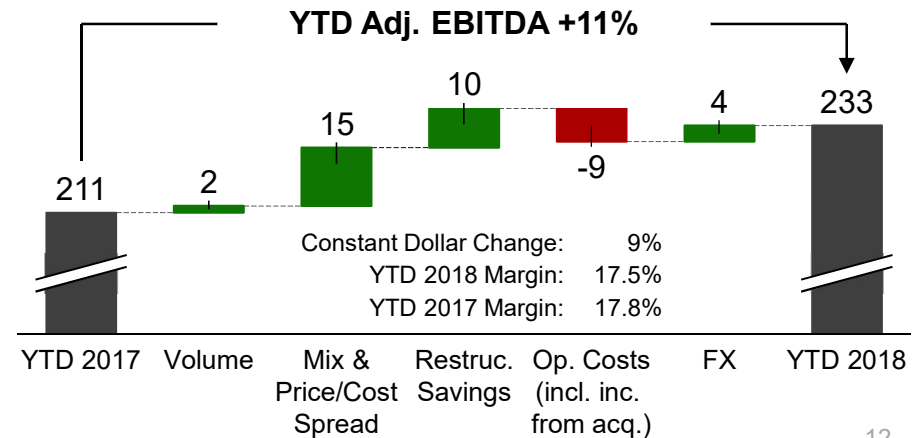
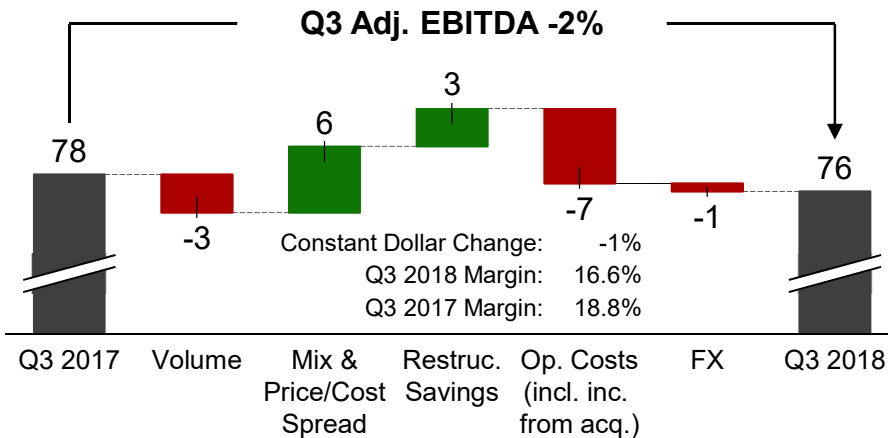
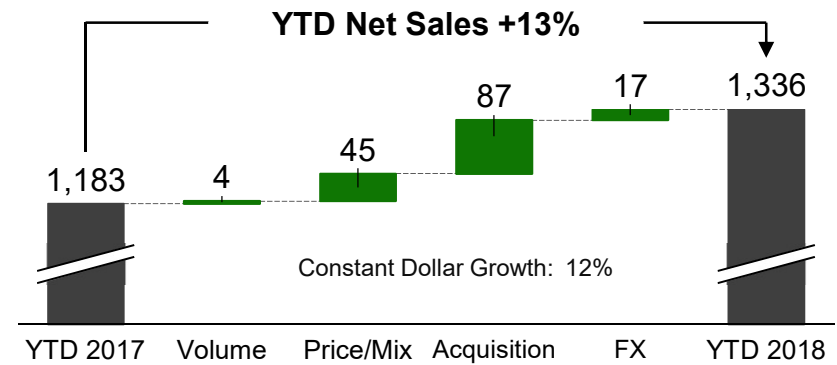
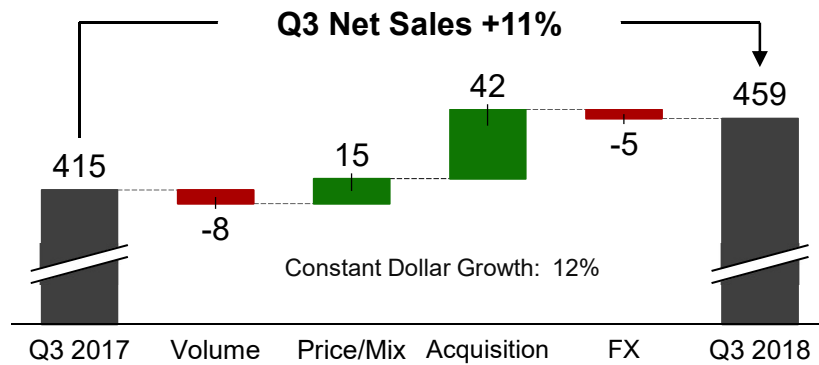
# Food Care Q3 & YTD 2018 Net Sales & Adj. EBITDA

(\$ millions)



# Product Care Q3 & YTD 2018 Net Sales & Adj. EBITDA

(\$ millions)



## Free Cash Flow, Consolidated

(\$ millions)

	Nine Months Ended Sep. 30,	
	<u>2017</u>	<u>2018</u>
Cash Flow		
Adjusted EBITDA - Continuing Operations	595	641
Adjusted EBITDA - Discontinued Operations	198	—
Interest Payments, Net	(153)	(125)
Payments related to sale of Diversey and stranded costs	(61)	(45)
Restructuring Payments	(49)	(7)
Tax Payments	(127)	(137)
Net Change in Working Capital**	(53)	(99)
Other Assets/Liabilities	(17)	(78)
Cash Flow Provided by Operations	333	150
Capital Expenditures	(127)	(115)
Free Cash Flow, Consolidated	206	35
<b>Free Cash Flow,</b>	<b>267</b>	<b>80</b>
Consolidated excluding payments related to sale and stranded costs		

\* 2017 includes Adjusted EBITDA from discontinued operations through September 6, 2017

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

## Total Company 2018 Financial Outlook

Net Sales	Adj. EBITDA	Adj. EPS	Free Cash Flow
<b>~\$4.7B</b>	<b>\$870M - \$880M</b>	<b>\$2.40 - \$2.45</b>	<b>~\$350M</b>
As Reported: ~5%	Unfavorable Currency Impact (\$10M)	D&A (\$165M)	Capex (\$160M)
Unfavorable Currency Impact: (\$40M)	Unfavorable Food Care Impact: (\$15M) Favorable Product Care Impact: \$5M	Interest Expense, Net (\$175M)	Cash Interest Payments, Net (\$175M)
Unfavorable Food Care Impact: (\$55M) Favorable Product Care Impact: \$15M		Anticipated Tax Rate 27%	Cash Tax Payments (\$165M)
Constant Dollar Growth: ~6%		Diluted Shares 161M	Cash Restructuring Payments (\$15M) *
Food Care Growth, Constant Dollar: ~4%			
Product Care Growth, Constant Dollar (incl. Acquisitions): ~9%			

\* Excludes restructuring payments of \$25 million to address stranded costs

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

# Q&A

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# Appendix

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# U.S. GAAP Summary & Reconciliations



	Three Months Ended		Nine Months Ended	
	Sep. 30, 2018	Sep. 30, 2017	Sep. 30, 2018	Sep. 30, 2017
Net Sales	\$1.2 billion	\$1.1 billion	\$3.5 billion	\$3.2 billion
Pre-tax Earnings from Continuing Operations	\$109 million	\$106 million	\$339 million	\$274 million
Net Earnings/(Loss) From Continuing Operations	\$76 million	\$63 million	\$(49) million*	\$38 million*
EPS From Continuing Operations	\$0.48	\$0.33	\$(0.31)	\$0.19
Effective Tax Rate	30.6%	41.1%	114.5%	86.2%
Operating Cash Flow	\$113 million	\$192 million	\$150 million	\$333 million
	Three Months Ended		Nine Months Ended	
	Sep. 30, 2018	Sep. 30, 2017	Sep. 30, 2018	Sep. 30, 2017
<i>(\$ millions)</i>				
<b>U.S. GAAP Net earnings (loss) from continuing operation</b>	<b>75.6</b>	<b>62.5</b>	<b>(49.1)</b>	<b>37.8</b>
Interest expense, net	(44.8)	(49.1)	(131.3)	(143.4)
Income tax provision	33.4	43.7	388.4	236.5
Depreciation and amortization	(41.1)	(42.7)	(122.3)	(116.3)
Depreciation and amortization adjustments	0.1	—	0.4	—
<i>Special items</i>				
Restructuring and other charges	(6.6)	(6.2)	(22.3)	(9.2)
Other restructuring associated costs	(0.7)	(2.9)	(2.5)	(12.7)
Loss on debt redemption	(1.5)	—	(1.9)	—
Charges related to acquisition and divestiture activity	(4.8)	(6.7)	(10.0)	(4.8)
Charges related to sale of Diversey	(8.7)	(13.7)	(21.3)	(47.6)
Gain from class-action litigation settlement	—	—	12.6	—
Settlement/curtailment benefits related to retained Diversey retirement plans	—	13.5	—	13.5
Other Special Items	(1.8)	(2.8)	(3.3)	(0.2)
Pre-tax impact of Special Items	(24.1)	(18.8)	(48.7)	(61.0)
<b>Non-U.S. GAAP Total Company Adjusted EBITDA from continuing operations</b>	<b>218.9</b>	<b>216.8</b>	<b>641.2</b>	<b>595.0</b>

# U.S. GAAP Summary & Reconciliations



	Three Months Ended Sep. 30,				Nine Months Ended Sep. 30,			
	2018		2017		2018		2017	
	Net Earnings	Diluted EPS	Net Earnings	Diluted EPS	Net Earnings	Diluted EPS	Net Earnings	Diluted EPS
<i>(\$ millions, except per share data)</i>								
<b>U.S. GAAP net earnings (loss) and diluted EPS from continuing operations</b>	<b>\$75.6</b>	<b>\$0.48</b>	<b>\$62.5</b>	<b>\$0.33</b>	<b>\$(49.1)</b>	<b>\$(0.31)</b>	<b>\$37.8</b>	<b>\$0.19</b>
Special Items	20.5	0.13	24.1	0.13	333.0	2.07	201.7	1.05
<b>Non-U.S. GAAP Adjusted net earnings and adjusted diluted EPS from continuing operations</b>	<b>\$96.1</b>	<b>\$0.61</b>	<b>\$86.6</b>	<b>\$0.46</b>	<b>\$283.9</b>	<b>\$1.76</b>	<b>\$239.5</b>	<b>\$1.24</b>
Weighted average number of common shares outstanding - Diluted		158.0		188.9		160.8		192.9

<i>(\$ millions)</i>	Sep. 30, 2018 (unaudited)
Total debt	3,555.9
Less: cash and cash equivalents	(191.3)
<b>Net Debt</b>	<b>\$3,364.6</b>