

PACTIV CORPORATION

Barclays Capital Industrial Select Conference
February 10, 2009

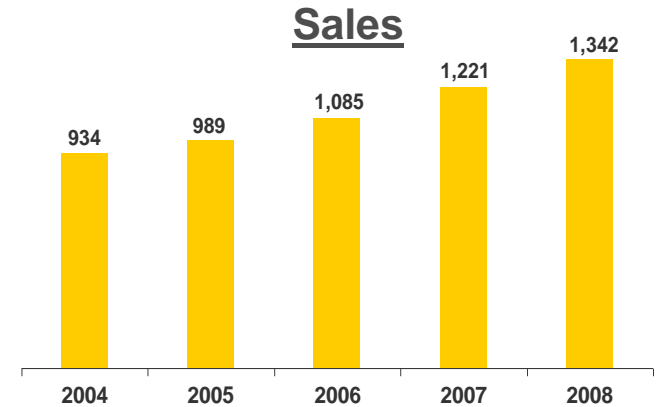


Overview

- **\$3.6B specialty packaging company**
- **Leader in consumer and foodservice packaging markets we serve**
- **Hold no. 1 or no. 2 position in major product lines**
- **46 manufacturing facilities**
- **12,000 employees**

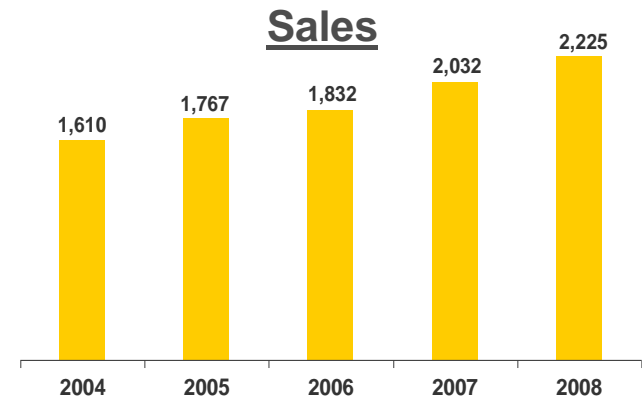
Hefty® Consumer Products

38% of Total Sales



Foodservice/Food Packaging

62% of Total Sales



Core Strengths

Hefty® Brand

Market Leadership

History of Innovation

**Breadth and Depth
of Product Portfolio**

**Customer
Relationships**

**Pactiv's
Leadership
Position**

**Product Quality
and Reliability**

Distribution Network

**Superior Supply
Chain Capabilities**

Manufacturing Scale

Financial Strength

Growth Drivers

- **Reap benefits of Hefty® brand**
 - **Strong brand awareness**
 - **Maintain or grow positions with current customers**
 - **Attract new customers**
 - **Expand private label as complement to branded products**

Growth Drivers

- **Develop customer partnerships**
 - Offer broadest product line
 - Use advantage of regional manufacturing/distribution
 - Offer outstanding service
 - Utilize supply chain advantage for mutual benefit

Growth Drivers

- **Expand Cup/Cutlery Production**
 - Leverage recent acquisitions
 - Add/expand customers

Expand Cups/Cutlery Production

- Added capacity in 2007 – 2008 to support \$200M in incremental sales
- Current run rate \$150M in sales



Expand Cups/Cutlery Production

- **Polypropylene cups acquisition**
 - **Acquired business from WinCup 1/09**
 - **Adds major new customer in specialty coffee area**
 - **Enhances positions with quick service customers**
 - **Adds initial entry into major convenience stores**
 - **Cost \$20M: — neutral to EPS in 2009**
 - accretive in 2010

Margin Improvement

- **Manage spread as raw material prices decline**
- **Effectively manage Lean program**
- **Continuation of other cost reduction programs**

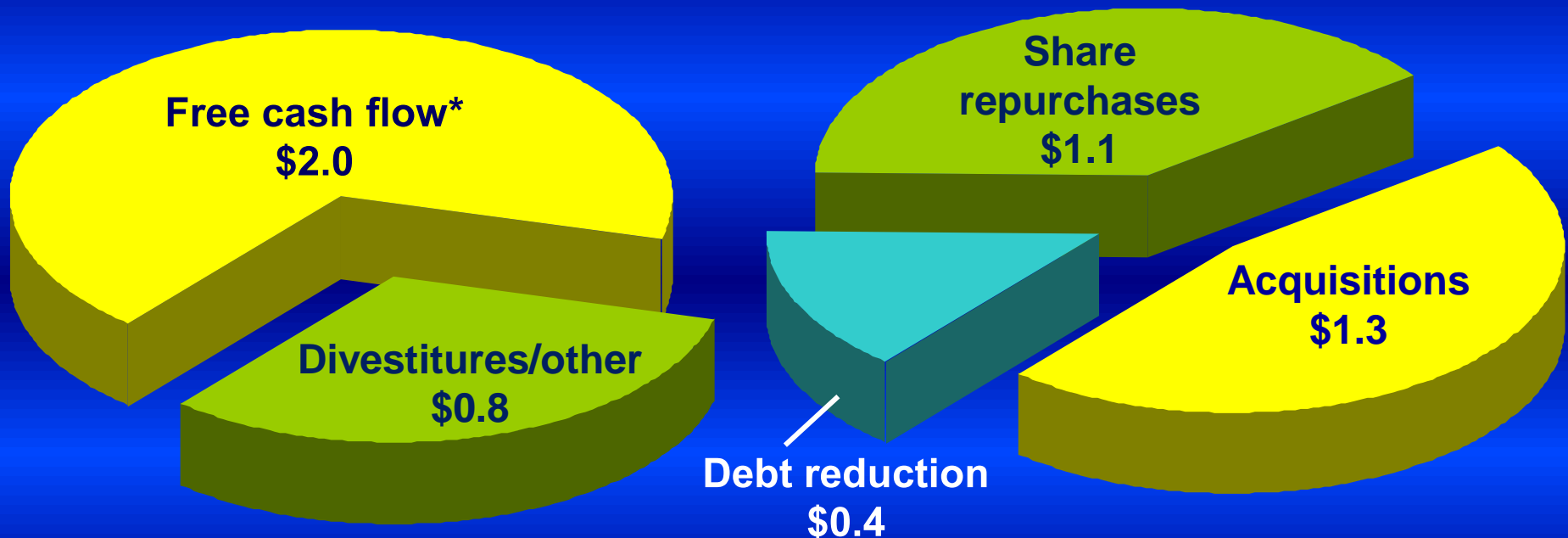
Focus on Value Creation

- **Disciplined use of cash**
 - **Capital allocation**
 - **Acquisition criteria**
 - **Share repurchase**
 - **Debt repayment**

Strong Free Cash Flow Generation

Track record (2000 –2008)

(\$ in Billions)



* Includes discontinued operations. See attached Schedule 1 for Regulation G GAAP reconciliation.

Focus on Value Creation

- **Results oriented culture**
 - **Management compensation**
 - EPS
 - Cash flow
 - Return on investment

Summary

- **Attractive platform for growth**
 - **Cups / cutlery expansion**
 - **Opportunities for new materials / products**
 - **Strong track record of growth through acquisition**
- **Opportunity for margin improvement**
- **Focus on free cash flow generation**
- **Results oriented culture**

FINANCIAL HIGHLIGHTS

Results From Continuing Operations*

(\$ in Millions, Except EPS)

	<u>4Q 2008</u>	<u>4Q 2007</u>
Sales	\$883	\$876
Gross Margin %	29.4%	27.3%
SG&A	73	71
Operating Income	138	119
Operating Margin	15.6%	13.6%
EBITDA	182	166
EBITDA Margin	20.6%	18.9%
Interest Expense (net)	27	29
EPS	0.53	0.45
Capex	27	48
Free Cash Flow	120	117



* Excludes certain items. See attached Schedule 2 Regulation G GAAP reconciliation for details.

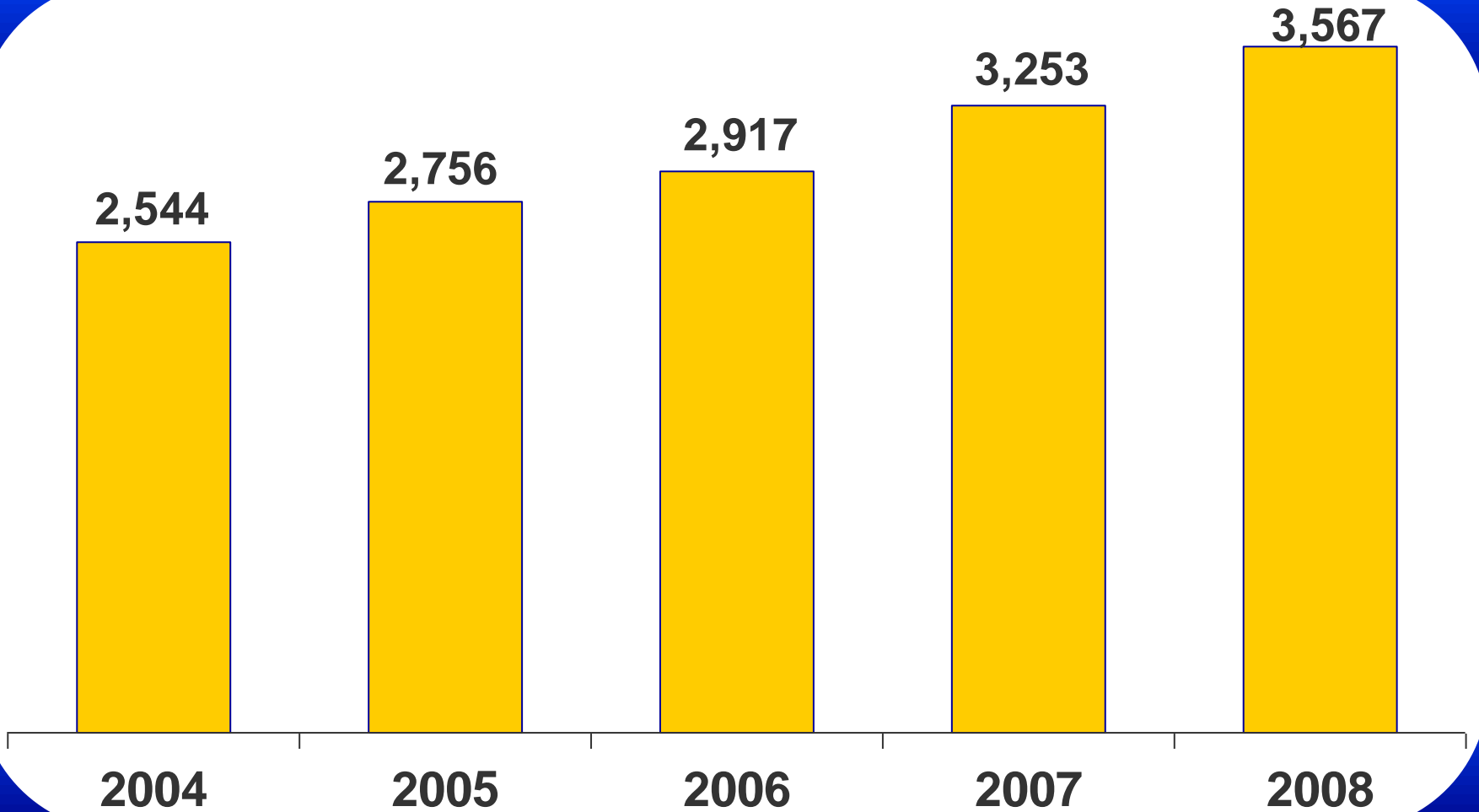
Results From Continuing Operations*

(\$ in Millions, Except EPS)

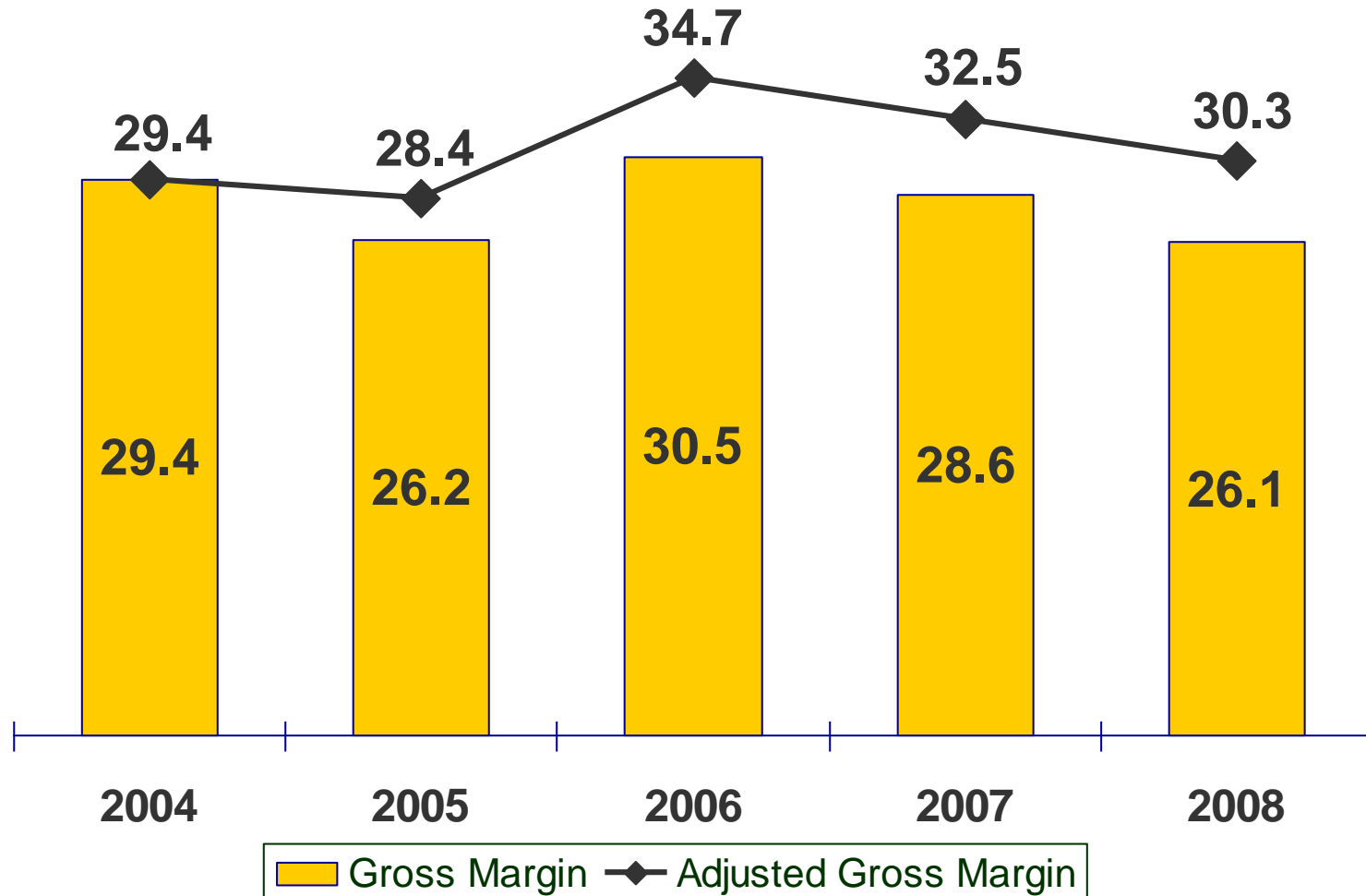
	<u>FY '08</u>	<u>FY '07</u>
Sales	\$3,567	\$3,253
Gross Margin %	26.1%	28.6%
SG&A	281	286
Operating Income	462	472
Operating Margin	12.9%	14.5%
EBITDA	646	643
EBITDA Margin	18.1%	19.8%
Interest Expense (net)	106	96
EPS	1.75	1.84
Capex	136	151
Net Debt	1,265	1,479
Free Cash Flow	201	183

Sales

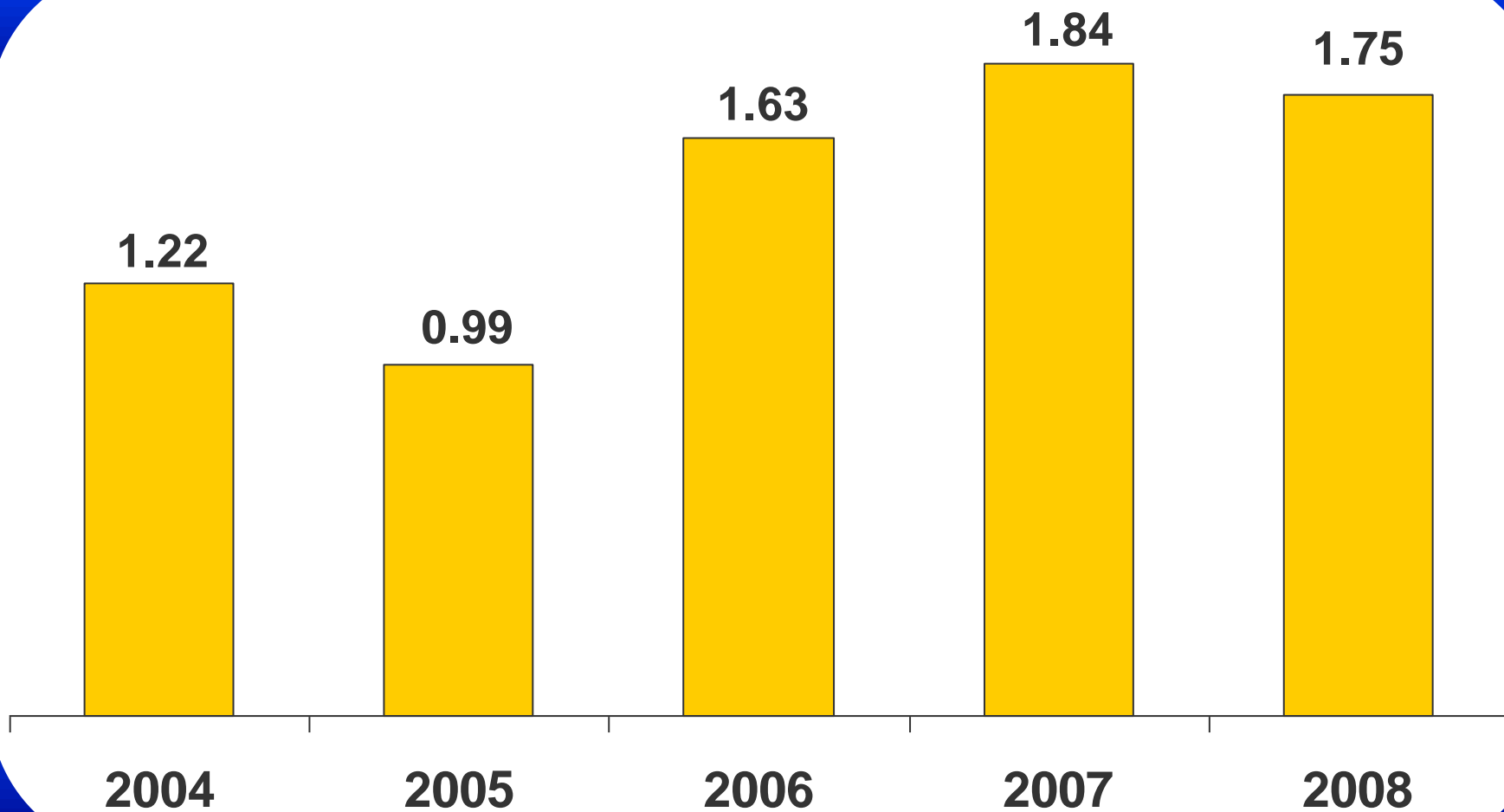
\$ Millions



Gross Margin %*



EPS*



Pension Plan

	<u>Funding</u>	<u>Pension Income (Pre-Tax)</u>
2007	▪ Fully funded at year-end	\$50M
2008	▪ \$1.1B underfunded at year-end ▪ \$831M equity writedown	\$49M
2009	▪ No required contribution ▪ Voluntary contribution — \$200M pre-tax; \$130M after-tax	\$36M

2009 Outlook*

- **Sales** (12)% – (15)%
- **EPS** \$1.80 – \$2.00
- **Free cash flow (1)** \$110M – \$130M
- **Capex** \$120M

(1) Includes expected pension contribution of \$130M after-tax

* Excludes certain items. See attached Schedule 3 Regulation G Reconciliation for details; outlook given January 26, 2009. Nothing in this outlook has been updated to reflect performance since January 26 since it is the Company's policy to update its outlook only at the time of each quarterly earnings release.

This presentation includes measures not derived in accordance with generally accepted accounting principles (GAAP), such as measures excluding restructuring and other charges, spin-off transaction costs, a gain on the sale of a business, goodwill amortization, or pension income. Such measures should not be considered substitutes for any measures derived in accordance with GAAP, and may be inconsistent with similar measures presented by other companies. A presentation of the most directly comparable financial measures calculated and presented in accordance with GAAP, and a schedule reconciling the differences between the non-GAAP financial measures presented and the most directly comparable financial measures calculated and presented in accordance with GAAP, is included with these materials, and also can be found at www.pactiv.com under the Investor Relations section, under the Presentations section.

Any statements made by management in this presentation that are forward looking are pursuant to the Safe Harbor Act of 1995. Such statements are based on management's current reasonable and good faith expectations. A variety of factors may cause actual results to differ materially from these expectations including a slowdown in economic growth, changes in the competitive market, increased cost of raw materials, and changes in the regulatory environment. The Company assumes no obligation to update any of the information set forth herein.

