**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**WASHINGTON, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d) of the**
**Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): December 12, 2019

## BERRY GLOBAL GROUP, INC.

(Exact name of registrant as specified in charter)

| Delaware | 1-35672 | 20-5234618 |
|---|---|---|
| (State of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**101 Oakley Street**
**Evansville, Indiana 47710**
(Address of principal executive offices / Zip Code)

**(812) 424-2904**
(Registrant’s telephone number, including area code)

**Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:**

☐ Written communications pursuant to Rule 425 under the Securities Act.
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act.
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act.
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act.

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.01 par value per share | BERY | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01. Regulation FD Disclosure.**

In connection with the pricing of the previously announced offering of €1,075,000,000 aggregate principal amount across two tranches of first priority senior secured notes due 2025 and senior secured notes due 2027 via one of its wholly owned subsidiaries, Berry Global Group, Inc. is disclosing under Item 7.01 of this Current Report on Form 8-K the information included as Exhibit 99.1, which information is incorporated by reference herein. This information is excerpted from a final offering memorandum that is being disseminated in connection with the previously announced offering. The information in this Current Report on Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits.**

| Exhibit Number | Description |
|---|---|
| 99.1 | Excerpts from Final Offering Memorandum dated December 12, 2019. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**BERRY GLOBAL GROUP, INC.**
(Registrant)

Dated: December 18, 2019

By: /s/ Jason K. Greene
Name: Jason K. Greene
Title: Executive Vice President, Chief Legal Officer and Secretary

Exhibit 99.1

## NON-GAAP FINANCIAL MEASURES

Operating EBITDA, Adjusted EBITDA, Adjusted Free Cash Flow, and Net Debt, each as presented in this offering memorandum, are supplemental financial measures that are not required by, or presented in accordance with, accounting principles generally accepted in the United States ("GAAP"). These measures are not measurements of financial performance under GAAP and should not be considered as (i) alternatives to operating or net income or cash flows from operating activities, (ii) an indicator of cash flow or (iii) a measure of liquidity.

Adjusted EBITDA is used by our lenders for debt covenant compliance purposes. We also use Adjusted EBITDA and Operating EBITDA among other measures to evaluate management performance and in determining performance-based compensation. Adjusted EBITDA and Operating EBITDA and similar measures are widely used by investors, securities analysts, and other interested parties in our industry to measure a company's performance. In July 2019, we completed the acquisition of all of the outstanding equity of RPC Group Plc, previously a public limited company incorporated in England and Wales, now known as RPC Group Ltd. ("RPC" and such acquisition, the "RPC Acquisition"). RPC's Operating EBITDA presented herein may differ from what RPC previously reported prior to the RPC Acquisition in order to be consistent with our presentation. We also believe EBITDA is useful to an investor in evaluating our performance without regard to revenue and expense recognition, which can vary depending upon accounting methods.

The presentation of non-GAAP financial measures in this offering memorandum may not comply with all of the rules of the Securities and Exchange Commission (the "SEC") for non-GAAP measures presented in filings with the SEC. We may modify or omit such measures in our filings with the SEC. Any such change could result in differences between the information included in this offering memorandum and the information included in any such SEC filing, and any such change could be material.

## DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements that are based on current expectations, estimates, forecasts and projections about us, our future performance, our liquidity, our beliefs and management's assumptions. Such forward-looking statements include statements regarding expected financial results and other planned events, including, but not limited to, anticipated liquidity, Adjusted EBITDA and capital expenditures. Words such as "anticipate," "assume," "believe," "estimate," "expect," "intend," "plan," "seek," "project," "target," "goal," "likely," "will," "would," "could," and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. The occurrence of the events described and the achievement of the expected results depend on many events, some or all of which are not predictable or within our control. Therefore, actual future events or results may differ materially from these statements.

The following is a list of factors, among others, that could cause actual results to differ materially from the forward-looking statements:

- risks associated with our substantial indebtedness and debt service;
- changes in prices and availability of resin and other raw materials and our ability to pass on changes in raw material prices to our customers on a timely basis;
- risks related to acquisitions or divestitures and integration of acquired businesses and their operations, and realization of anticipated cost savings and synergies (including with respect to the RPC Acquisition);
- performance of our business and future operating results;
- risks related to international business, including foreign currency exchange rate risk and the risks of compliance with applicable export controls, sanctions, anti-corruption laws and regulations;

- uncertainty regarding the United Kingdom's withdrawal from the European Union and the outcome of future arrangements between the United Kingdom and the European Union;
- reliance on unpatented proprietary know-how and trade secrets;
- the phase-out of the London Interbank Offered Rate (LIBOR), or the replacement of LIBOR with a different reference rate or modification of the method used to calculate LIBOR, which may adversely affect interest rates;
- increases in the cost of compliance with laws and regulations, including environmental, safety, anti-plastic legislation, production and product laws and regulations;
- employee shutdowns or strikes or the failure to renew effective bargaining agreements;
- risks related to disruptions in the overall economy and the financial markets that may adversely impact our business;
- risks of catastrophic loss of one of our key manufacturing facilities, natural disasters, and other unplanned business interruptions;
- risks related to the failure of, inadequacy of or attacks on our information technology systems and infrastructure;
- risks related to market acceptance of our developing technologies and products;
- general business and economic conditions, particularly an economic downturn;
- ability of our insurance to fully cover potential exposures;
- risks that our restructuring programs may entail greater implementation costs or result in lower savings than anticipated;
- risks related to future write-offs of substantial goodwill;
- risks of competition, including foreign competition, in our existing and future markets;
- new legislation or new regulations and our corresponding interpretations of the same may affect our business and consolidated financial condition and results of operations; and
- the other factors discussed in the section of this offering memorandum titled "Risk Factors."

These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Forward-looking statements should, therefore, be considered in light of various factors, including those set forth in this offering memorandum under "Risk Factors" and elsewhere in this offering memorandum, and under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the documents incorporated by reference into this offering memorandum. Moreover, we caution you not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. We do not undertake any obligation to update or publicly release any revisions to these forward-looking statements to reflect changes in underlying assumptions, new information, future events or other changes after the date of this offering memorandum or to reflect the occurrence of unanticipated events.

## BASIS OF PRESENTATION

As used in this offering memorandum, unless otherwise noted or the context otherwise requires:

- references to the "Issuer" are to BGI;
- references to "we," "us," "our," "Berry," and "the Company" are to Berry Global Group, Inc. and its subsidiaries (including RPC and its subsidiaries);
- references to the "initial purchasers" are to the firms listed on the cover page of this offering memorandum;

- references to “RPC” are to RPC Group Plc, previously a public limited company incorporated in England and Wales and its subsidiaries and now known as RPC Group Ltd.;
- references to the “RPC Acquisition” are to the acquisition by Berry of all of the issued and outstanding share capital of RPC;
- references to our market positions or rank, are except as otherwise indicated, based on net sales of Berry;
- references to the “Issue Date” are to the issue date of the Notes offered hereby;
- references to the “Transactions” are to the completion of the Financings and the payment of related fees and expenses;
- references to the “Financings” are to this offering of Notes, the loans available under the Incremental Term Loans (as defined herein) and the proceeds therefrom;
- references to “pro forma” give pro forma effect to the Transactions, as of or for the period indicated; and
- references to “LTM” are to the four quarterly periods ended on the date indicated.

Our fiscal year is the 52- or 53-week period ending generally on the Saturday closest to September 30. Prior to the RPC Acquisition, RPC’s fiscal year ended on March 31.

Prior to the RPC Acquisition, RPC was a public limited company incorporated under the laws of England and Wales that provided public financial statements semi-annually. RPC’s historical financial statements were prepared in accordance with International Financial Standards as adopted by the International Accounting Standards Board (“IFRS”), which differ from U.S. GAAP. RPC’s historical audited financial statements incorporated by reference into this offering memorandum are as of March 31, 2019 and March 31, 2018 and for each of the three fiscal years ended March 31, 2019.

Within the unaudited pro forma information presented in this offering memorandum, the Company has made various adjustments to reflect IFRS to U.S. GAAP differences based on RPC’s available information and certain assumptions we believe are reasonable. Adjustments were made to translate RPC’s financial statements from British Pounds to U.S. dollars based upon applicable historical exchange rates, which may differ materially from future exchange rates. Additionally, the RPC Acquisition will be accounted for using the purchase method of accounting. The purchase accounting allocations in the RPC Acquisition will be determined at a later date and depend on a number of factors, including the final valuation of our tangible and identifiable intangible assets acquired and liabilities assumed. The actual fair values of RPC’s assets acquired, liabilities assumed and resulting goodwill may differ significantly from the adjustments set forth in the unaudited pro forma condensed combined financials. See “Unaudited Pro Forma Condensed Combined Financial Information” below.

Certain figures included in this offering memorandum have been rounded for ease of presentation. Percentage figures included in this offering memorandum have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, certain percentage amounts in this offering memorandum may vary from those obtained by performing the same calculations using the figures in our consolidated financial statements. Certain other amounts that appear in this offering memorandum may not sum due to rounding.

## CURRENCY PRESENTATION AND EXCHANGE RATE DATA

In this offering memorandum, (i) $ or U.S. dollar refer to the lawful currency of the United States, (ii) £ or British Pounds refer to the lawful currency of the United Kingdom, and (iii) € or euro refer to the single currency introduced at the third stage of the European Monetary Union pursuant to the Treaty establishing the European Community, as amended. We present our financial data in U.S. dollars, and RPC, prior to the RPC Acquisition, historically presented its financial data in British Pounds. This offering memorandum contains a translation of some Sterling amounts into U.S. dollar amounts at specified exchange rates solely for convenience. See “Summary — Summary RPC Historical Financial Information” for a translation of certain of RPC’s historical financial data from British Pounds to U.S. dollar.

## Recent Developments

*Term Loan Repricing*

Prior to this offering, BGI launched a term loan refinancing for certain of its term loans maturing in 2026. The refinancing term loans will rank pari passu in right of payment with all of BGI's other senior indebtedness and will be secured on a ratable basis with BPC's existing term loans as well as the notes offered hereby. The terms of the refinancing term loans, other than interest rates and prepayment premiums, are substantially identical to those of BGI's existing term loans. BGI plans to use some combination of proceeds from the issuance of the Notes offered hereby, together with the refinancing term loans, to prepay the entire outstanding amount of the Term V Loan. However, the term loan refinancing is not conditioned upon the consummation of the offering of the notes hereby and the offering of the notes hereby is not conditioned upon the completion of the term loan refinancing. See "Description of Other Indebtedness.

*Existing Notes Redemption*

On November 7, 2019, BGI issued a notice of partial redemption with respect to $100 million aggregate principal amount of its 6.00% Second Priority Senior Secured Notes due 2022 (the "6.00% 2022 Notes"), in accordance with the optional redemption provisions provided in the indenture governing the 6.00% 2022 Notes. The 6.00% 2022 Notes were redeemed on December 9, 2019 at a redemption price of 101.500% of the aggregate principal amount of the 6.00% 2022 Notes to be redeemed, plus accrued and unpaid interest, if any, to the redemption date. Following such redemption, $300 million in aggregate principal amount of the 6.00% 2022 Notes remains outstanding. BGI used cash on hand to fund the redemption. This offering memorandum does not constitute a notice of redemption.

## Summary Berry Historical and Unaudited Pro Forma Financial Information

The following table sets forth certain historical and unaudited pro forma financial data for Berry. Our fiscal year is the 52-week period ending generally on the Saturday closest to September 30. The summary historical financial data for the fiscal year ended September 28, 2019, September 29, 2018, and September 30, 2017 has been derived from our audited consolidated financial statements and related notes thereto incorporated by reference in this offering memorandum.

The summary unaudited pro forma financial information has been derived from the pro forma financial information set forth under "Unaudited Pro Forma Condensed Combined Financial Information," which has been prepared to give pro forma effect to the Transactions. The summary unaudited pro forma condensed combined statement of operations data gives effect to the Transactions as if they had occurred on the first day of the twelve-month periods ended presented. It does not give effect to the redemption of $100 million of BGI's 6.00% Notes, which was completed on December 9, 2019 pursuant to a notice of partial redemption delivered to the trustee on November 7, 2019. See "Summary — Recent Developments — Existing Notes Redemption."

The summary unaudited pro forma condensed combined financial information is provided for illustrative purposes only and does not purport to represent what our results of operations and financial condition would have been had the Transactions occurred as of the dates indicated, nor does it project our results of operations for any future period or our financial condition at any future date. As a result of the RPC Acquisition, our assets, liabilities and an equity structure will not be comparable to historical periods and Berry may have performed differently had they been combined during the periods presented. The historical financial information set forth below is not necessarily indicative of the results to be expected for any future period.

The following financial information should be read in conjunction with and is qualified in its entirety by reference to Berry's audited consolidated financial statements and the related notes incorporated by reference in this offering memorandum, our management's discussion and analysis of financial condition and results of operations for the historical periods presented incorporated by reference in this offering memorandum, the sections entitled "Unaudited Pro forma Condensed Combined Financial Information" and "Risk Factors" included elsewhere in this offering memorandum.

| | Fiscal Year ended | | | Pro Forma LTM |
|---|---|---|---|---|
| **($ in millions)** | **September 28, 2019** | **September 29, 2018** | **September 30, 2017** | **September 28, 2019** |
| **Statement of Operations Data:** | | | | |
| Net sales | $ 8,878 | $7,869 | $7,095 | $12,573 |
| Operating costs | 7,904 | 7,108 | 6,363 | 11,406 |
| Operating income | 974 | 761 | 732 | 1,167 |
| Other expenses (income), net | 155 | 25 | 14 | 156 |
| Interest expense, net | 329 | 259 | 269 | 466 |
| Income before income taxes | 490 | 477 | 449 | 545 |
| Income tax expense (benefit) | 86 | (19) | 109 | 137 |
| Net income from continuing operations | 404 | 496 | 340 | 408 |
| **Balance Sheet Data (at period end):** | | | | |
| Working capital[1] | $ 1,718 | $1,048 | $ 870 | $ 1,698 |
| Total assets | 16,469 | 9,131 | 8,476 | 16,449 |
| Long-term debt | 11,365 | 5,844 | 5,641 | 11,355 |
| Stockholders' equity | 1,618 | 1,434 | 1,015 | 1,608 |
| **Other Financial Data:** | | | | |

(1) Represents total current assets less total current liabilities.

Adjusted Free Cash Flow, Adjusted EBITDA, Operating EBITDA and Net Debt as presented in this document, are supplemental financial measures that are not required by, or presented in accordance with, generally accepted accounting principles in the United States ("GAAP"). The following table reconciles these non-GAAP financial measures to comparable measures determined in accordance with GAAP.

| ($ in millions) | Fiscal Year ended September 28, 2019 | Fiscal Year ended September 29, 2018 | Fiscal Year ended September 30, 2017 | Pro Forma LTM September 28, 2019 |
|---|---|---|---|---|
| **Adjusted EBITDA:** | | | | |
| Net income from continuing operations | 404 | 496 | 340 | 408 |
| Income tax expense (benefit) | 86 | (19) | 109 | 137 |
| Income before income taxes | 490 | 477 | 449 | 545 |
| Interest expense, net | 329 | 259 | 269 | 466 |
| Other expenses (income), net | 155 | 25 | 14 | 156 |
| Operating Income | $ 974 | $ 761 | $ 732 | $ 1,167 |
| Plus: Depreciation and amortization | 613 | 538 | 521 | 883 |
| Plus: Business optimization, non-cash & other expenses(1) | (57) | 81 | 74 | 45 |
| Operating EBITDA | $ 1,530 | $1,380 | $1,327 | 2,095 |
| Plus: Acquisitions(2) | 535 | | | (30) |
| Plus: Unrealized cost savings(3) | 150 | | | 150 |
| **Adjusted EBITDA** | $ 2,215 | | | $ 2,215 |
| Long-term debt | 11,365 | | | 11,355 |
| Less: Unrestricted cash | 750 | | | 730 |
| **Net Debt(4)** | $10,615 | | | $10,625 |
| **Leverage ratio(5)** | 4.8x | | | 4.8x |

(1) Includes stock compensation and other non-cash charges, integration expenses and other business optimization charges.

(2) Represents Operating EBITDA for RPC for the period from October 1, 2018 through June 30, 2019 partially offset by Operating EBITDA for SFL disposition.

(3) Includes $150 million of cost synergies from RPC Acquisition.

(4) Represents Long-term debt plus debt discount less unrestricted cash and cash equivalents.

(5) Represents Net Debt divided by Adjusted EBITDA.

| ($ in millions) | Fiscal Year ended September 28, 2019(1) | Fiscal Year ended September 29, 2018 | Fiscal Year ended September 30, 2017 |
|---|---|---|---|
| **Adjusted Free Cash Flow:** | | | |
| Cash from operations | $ 1,201 | $ 1,004 | $975 |
| Less: Capital expenditures, net | 399 | 333 | 263 |
| Less: Tax Receivable Payments | 38 | 37 | 111 |
| **Adjusted Free Cash Flow** | $ 764 | $ 634 | $601 |

(1) Adjusted Free Cash Flow for this period excludes $150 million of expected RPC synergies and includes RPC Acquisition-related expenses.

## Summary RPC Historical Financial Information

The following summary historical condensed financial information and other data set forth below have been derived from RPC's audited consolidated financial statements incorporated by reference to this Offering Memorandum and should be read in conjunction with "Basis of Presentation," "Unaudited Pro Forma Condensed Combined Financial Information," including the related notes, and the historical financial statements of RPC, including the related notes thereto incorporated by reference in this offering memorandum as of March 31, 2019 and 2018 for the three years in the period ended March 31, 2019. The summary historical financial information presented below is not necessarily indicative of the results to be expected for any future period.

| | Fiscal Year ended | | |
|---|---|---|---|
| **(GBP in millions)** | **March 31, 2019** | **March 31, 2018** | **March 31, 2017** |
| **Statement of Operations Data:** | | | |
| Revenue | £3,771 | £3,538 | £2,648 |
| Operating costs | 3,460 | 3,189 | 2,462 |
| Operating profit | 311 | 349 | 186 |
| Other expenses | (1) | (1) | (1) |
| Net financial costs | 57 | 39 | 38 |
| Profit before taxation | 255 | 311 | 149 |
| Taxation | 67 | 64 | 23 |
| Profit after taxation from continuing operations | 188 | 247 | 126 |
| Loss/(profit) from discontinued operations | 41 | (7) | (7) |
| Profit after taxation | £ 147 | £ 254 | £ 132 |
| **Balance Sheet Data (at period end):** | | | |
| Working capital(1) | £ 391 | £ 176 | £ 286 |
| Total assets | 4,848 | 4,783 | 4,768 |
| Stockholders' equity | 1,937 | 1,920 | 1,823 |
| **Other Financial Data:** | | | |
| Capital expenditures, net | £ 210 | £ 238 | £ 171 |
| Depreciation and amortization | 225 | 216 | 164 |

(1) Represents total current assets less total current liabilities.

| | Fiscal Year ended | | |
|---|---|---|---|
| **(GBP in millions)** | **March 31, 2019** | **March 31, 2018** | **March 31, 2017** |
| **Operating EBITDA:** | | | |
| Operating Profit | £311 | £349 | £186 |
| Minus: Non-cash profit(1) | (14) | (32) | (50) |
| Plus: Depreciation and amortization | 225 | 216 | 164 |
| Minus: Capitalized costs(4) | (6) | (5) | (5) |
| Plus: Other non-cash charges(2) | 20 | 9 | 17 |
| Plus: Business optimization costs(3) | 44 | 20 | 78 |
| Operating EBITDA | £580 | £557 | £390 |

(1) Represents amortization of purchase accounting out-of-market customer contract provisions.

(2) Includes stock compensation expense and other non-cash charges.

(3) Includes integration expenses, EBITDA from discontinued operations and other business optimization charges.

(4) Represents internally capitalized research and development costs.

| | Fiscal Year ended | | |
|---|---|---|---|
| **(GBP in millions)** | **March 31, 2019** | **March 31, 2018** | **March 31, 2017** |
| **Adjusted Free Cash Flow:** | | | |
| Cash from operations | £312 | £387 | £277 |
| Less: Capital expenditures, net | 210 | 238 | 171 |
| Adjusted Free Cash Flow | £102 | £149 | £106 |

The following applicable historical exchange rates were utilized in order to translate RPC's historical financial information from British Pounds to U.S. dollars. Future exchange rates may differ from those used for this translation.

| | Fiscal Year ended | | |
|---|---|---|---|
| | **March 31, 2019** | **March 31, 2018** | **March 31, 2017** |
| **Historical Exchange Rates:** | | | |
| Average daily closing exchange rate for | $1.3129/£1 | $1.3267/£1 | $1.3077/£1 |
| Closing exchange rate as of | $1.3021/£1 | $1.4036/£1 | $1.2542/£1 |

The following table represents the above RPC historical financial tables translated to U.S. dollars.

| | Fiscal Year ended | | |
|---|---|---|---|
| **(USD in millions)** | **March 31, 2019** | **March 31, 2018** | **March 31, 2017** |
| **Statement of Operations Data:** | | | |
| Revenue | $4,951 | $4,694 | $3,463 |
| Operating costs | 4,543 | 4,231 | 3,220 |
| Operating profit | 408 | 463 | 243 |
| Other expenses | (1) | (1) | (1) |
| Net financial costs | 75 | 52 | 49 |
| Profit before taxation | 335 | 413 | 195 |
| Taxation | 88 | 85 | 30 |
| Profit after taxation from continuing operations | 247 | 328 | 165 |
| Loss/(profit) from discontinued operations | 54 | (9) | (9) |
| Profit after taxation | $ 193 | $ 337 | $ 174 |
| **Balance Sheet Data (at period end):** | | | |
| Working capital[(1)] | $ 509 | $ 247 | $ 359 |
| Total assets | 6,313 | 6,713 | 5,980 |
| Stockholders' equity | 2,522 | 2,695 | 2,286 |
| **Other Financial Data:** | | | |
| Capital expenditures, net | $ 276 | $ 316 | $ 224 |
| Depreciation and amortization | 295 | 287 | 214 |

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(1) Represents total current assets less total current liabilities.

| (USD in millions) | Fiscal Year ended March 31, 2019 | March 31, 2018 | March 31, 2017 |
|---|---|---|---|
| **Adjusted Free Cash Flow:** | | | |
| Cash from operations | $410 | $513 | $362 |
| Less: Capital expenditures, net | 276 | 316 | 224 |
| Adjusted Free Cash Flow | $134 | $197 | $138 |
| **Adjusted EBITDA:** | | | |
| Operating Profit | $408 | $463 | $243 |
| Minus: Non-cash profit(1) | (18) | (42) | (65) |
| Plus: Depreciation and amortization | 295 | 287 | 214 |
| Minus: Capitalized costs(4) | (8) | (7) | (7) |
| Plus: Other non-cash charges(2) | 26 | 12 | 22 |
| Plus: Business optimization costs(3) | 58 | 26 | 102 |
| Operating EBITDA | $761 | $740 | $509 |

(1) Represent amortization of purchase accounting out-of-market customer contract provisions.

(2) Includes stock compensation expense and other non-cash charges.

(3) Includes integration expenses and other business optimization charges.

(4) Represents internally capitalized research and development costs.

# CAPITALIZATION

The following table sets forth cash and cash equivalents and capitalization of Berry Global Group, Inc. as of September 28, 2019 — both on an actual basis and on a pro forma basis, as adjusted to give effect to the prepayment of the Term V Loan, this offering and the intended use of the proceeds therefrom. The table below uses the historical exchange rate as of December 12, 2019 in order to translate amounts from euros to U.S. dollars. Future exchange rates may differ from those used for this translation.

You should read this table in conjunction with the consolidated financial statements and the related notes included in or incorporated by reference into this offering memorandum and "Summary," "Use of Proceeds," and "Unaudited Pro Forma Condensed Combined Financial Information."

| | As of September 28, 2019 | |
|---|---|---|
| **($ in millions)** | **Actual** | **Pro Forma, As Adjusted[(1)]** |
| Cash and cash equivalents[(1)] | $ 750 | $ 740 |
| Term loan maturing 2026[(2)] | $ 4,250 | $ 4,250 |
| Term loan maturing 2026 (Euro)[(2)] | 1,204 | — |
| Term loan maturing 2022 | 1,545 | 1,545 |
| Term loan maturing 2024 | 489 | 489 |
| Revolving line of credit[(3)] | — | — |
| 1.00% First Priority Senior Secured Notes due 2025 offered hereby | — | 784 |
| 1.50% First Priority Senior Secured Notes due 2027 offered hereby | — | 420 |
| 4⅞% First Priority Notes due 2026 | 1,250 | 1,250 |
| 5½% Second Priority Senior Secured Notes due 2022 | 500 | 500 |
| 6% Second Priority Senior Secured Notes due 2022[(1)] | 400 | 400 |
| 5⅛% Second Priority Senior Secured Notes due 2023 | 700 | 700 |
| 4½% Second Priority Senior Secured Notes due 2026 | 500 | 500 |
| 5⅝% Second Priority Senior Secured Notes due 2027 | 500 | 500 |
| Debt discounts | (112) | (112) |
| Capital leases and other | 167 | 167 |
| Total long-term debt | 11,393 | 11,393 |
| Total stockholders' equity | 1,618 | 1,618 |
| Total Capitalization | $13,011 | $13,011 |

(1) Does not give effect to the redemption of $100 million of BGI's 6.00% Notes, which was completed on December 9, 2019 pursuant to a notice of partial redemption delivered to the trustee on November 7, 2019. See "Summary — Recent Developments — Existing Notes Redemption." "Pro Forma As Adjusted" cash and cash equivalents gives effect to fees, expenses, initial purchasers' discount and original issue discount, if any, incurred in connection with this offering and the Transactions.

(2) Prior to this offering, BGI launched a term loan refinancing for certain of its term loans maturing in 2026. The refinancing term loans will rank pari passu in right of payment with all of BGI's other senior indebtedness and will be secured on a ratable basis with BPC's existing term loans as well as the notes offered hereby. The terms of the refinancing term loans, other than interest rates and prepayment premiums, are substantially identical to those of BGI's existing term loans. BGI plans to use some combination of proceeds from the issuance of the Notes offered hereby, together with the refinancing term loans, to prepay the entire outstanding amount of the Term V Loan. However, the term loan refinancing is not conditioned upon the consummation of the offering of the notes hereby and the offering of the notes hereby is not conditioned upon the completion of the term loan refinancing. See "Description of Other Indebtedness.

(3) As of September 28, 2019, we had $850 million available under our revolving line of credit.

## UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following tables set forth unaudited pro forma condensed combined financial information of Berry and RPC for the four quarterly periods ended September 28, 2019. The pro forma financial information has been derived from (i) the most recently publicly reported four quarterly periods ended September 28, 2019 of Berry, which includes RPC activities since the closing of the acquisition on July 1, 2019, (ii) the unaudited six-month period ended March 31, 2019 of RPC, derived from publicly reported RPC annual and interim information (see below), and (iii) our internally reported RPC activity for the three-month period ended June 30, 2019. The unaudited pro forma condensed combined financial information includes estimated adjustments directly attributable this offering and the RPC Acquisition that are expected to have a continuing impact on us. The unaudited pro forma condensed combined financial information does not give effect to the redemption of $100 million of BGI's 6.00% Notes, which was completed on December 9, 2019 pursuant to a notice of partial redemption delivered to the trustee on November 1, 2019. See "Summary — Recent Developments — Existing Notes Redemption." The pro forma adjustments are described in the notes accompanying the unaudited pro forma condensed combined financial information. The pro forma adjustments are based upon publicly available information and certain assumptions we believe are reasonable. The unaudited pro forma condensed combined financial information does not purport to represent what our results of operations and financial condition would have been had this offering or the RPC Acquisition had occurred as of the dates indicated, nor does it project our results of operations for any future period or our financial condition at any future date.

RPC's historical financial statements were prepared in accordance with International Financial Standards as adopted by the International Accounting Standards Board ("IFRS"), which differ from U.S. GAAP. RPC's historical audited financial statements utilized in the unaudited pro forma condensed combined financial information are as of and for the fiscal year ended March 31, 2019. The unaudited pro forma condensed combined statement of operations for the six months ended March 31, 2019 is derived by utilizing RPC's audited historical financial data as of the fiscal year ended March 31, 2019 and subtracting the unaudited interim historical financial data as of the six-month period ended September 30, 2018. The unaudited pro forma condensed combined statement of operations for the nine months ended June 30, 2019 is derived by utilizing RPC's unaudited six-month period ended March 31, 2019 and adding RPC's internally reported activity for the three-month period ended June 30, 2019. Within the unaudited pro forma information presented, the Company has made various adjustments to reflect IFRS to U.S. GAAP differences based on RPC's available information and certain assumptions we believe are reasonable. Adjustments were made to translate RPC's financial statements from British Pounds to U.S. dollars based upon applicable historical exchange rates, which may differ materially from future exchange rates.

The unaudited pro forma condensed combined financial statements do not assume any differences in accounting policies or presentation unless otherwise noted.

The RPC Acquisition has been accounted for using the purchase method of accounting. RPC was acquired by Berry in July 2019. The final purchase accounting allocations in the RPC Acquisition will be determined at a later date and depend on a number of factors, including the final valuation of our tangible and identifiable intangible assets acquired and liabilities assumed. The actual fair values of RPC's assets acquired, liabilities assumed and resulting goodwill may differ significantly from the adjustments set forth in the unaudited pro forma condensed combined financials.

The unaudited pro forma condensed combined financial information should be read in conjunction with Berry's "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our and RPC's historical consolidated financial statements, in each case included elsewhere or incorporated by reference in this offering memorandum.

**Berry Global Group, Inc.**
**Unaudited Pro Forma Condensed Combined Statement of Operations**
**For the twelve months ended September 28, 2019**
**($ in millions, except per share data)**

| | Berry Historical | RPC U.S. GAAP(2) | Pro Forma Adjustments(1) Transaction | | Financing | | Pro Forma Combined |
|---|---|---|---|---|---|---|---|
| Net sales | $8,878 | $3,695 | $ — | | $ — | | $12,573 |
| Cost of goods sold | 7,259 | 3,024 | (12) | (a) | — | | 10,271 |
| Selling, general and administrative | 583 | 284 | | | | | 867 |
| Amortization of intangibles | 194 | 52 | 65 | (a) | | | 311 |
| Restructuring and impairment | (132) | 89 | | | — | | (43) |
| Operating income (loss) | 974 | 246 | (53) | | — | | 1,167 |
| Other expense, net | 155 | 1 | — | | — | | 156 |
| Interest expense, net | 329 | 39 | 124 | (b) | (26) | (b) | 466 |
| Income (loss) before income taxes | 490 | 206 | (177) | | 26 | | 545 |
| Income tax expense (benefit) | 86 | 57 | (13) | (c) | 7 | (c) | 137 |
| Net income (loss) | $ 404 | $ 149 | $(164) | | $ 19 | | $ 408 |

## NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

**Description of Transaction**

In July 2019, the Company completed the acquisition of the entire outstanding share capital of RPC, for aggregate consideration of $6.1 billion. To finance the all-cash purchase, the Company issued $1,250 million aggregate principal amount of 4.875% first priority senior secured notes due 2026, $500 million aggregate principal amount of 5.625% second priority senior secured notes due 2027, and entered into incremental term loans due July 2026, to fund the remainder of the purchase price.

**Basis of Presentation**

The unaudited pro forma condensed combined financial information was prepared based on the historical financial statements of the Company and RPC and has been prepared to illustrate the effects of the RPC Acquisition and related financings as if they occurred on the first date of the period presented. The results of the acquisitions of Neluplast Tiefzieh-Technik GmbH have been included in RPC's operations since January 2019. The results of the divestiture of Seal For Life business were included in Berry's operations through July 2019. As these transactions are not considered significant, no pro forma adjustments have been made with respect to their operations prior to the date of acquisition.

The RPC Acquisition has been accounted for using the purchase method of accounting. Under this method, the assets acquired and liabilities assumed have been recorded based on preliminary estimates of fair value. In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The final purchase accounting allocations in the RPC Acquisition will be determined at a later date and depend on a number of factors, including the final valuation of our long-lived tangible and identified intangible assets acquired and liabilities assumed. The actual fair values of RPC's assets acquired, liabilities assumed and resulting goodwill may differ materially from the adjustments set forth in the unaudited pro forma condensed combined financials. Under ASC 805, acquisition-related transaction costs and acquisition-related restructuring charges are not included as components of consideration transferred but are accounted for as expenses in the period in which the costs are incurred.

**Note 1. Income Statement**

(a) This relates to the net impact to (i) depreciation expense that would result from the $424 million estimated fair value adjustment of long-lived tangible assets with an average useful life of twelve years for buildings and nine years for equipment and (ii) amortization expense that would result from the $1,712 million estimated fair value of identified intangible assets acquired with an average useful life of twelve years. Useful lives were determined using the average of our historical acquisition experience.

(b) This represents (i) the elimination of the historical interest expense of both RPC and Berry (ii) the annualized estimated interest expense based on our capital structure as of September 28, 2019 and (iii) the annualized expected interest benefit from the proposed offering and launched term loan repricing. The adjustment is as follows:

| | Twelve months ended September 28, 2019 |
|---|---|
| Eliminate historical reported interest expense of Berry and RPC | $(368) |
| Annualized interest expense based on September 28, 2019 capital structure.(1) | 492 |
| Annualized expected interest benefit from the proposed offering and launched term loan repricing | (26) |
| | $ 98 |

(1) Represents a 4.8% average interest rate on the outstanding debt as of September 29, 2019 including average LTM LIBOR rate of 2.50% as of September 28, 2019 and an assumed $60 million benefit in interest expense from the combined benefit from interest rate swaps and cross currency swaps based on LIBOR rates and exchange rates at the time of this offering.

(c) This represents a pro forma adjustment to reflect a consolidated estimated combined statutory rate of 25%.

| | Twelve months ended September 28, 2019 |
|---|---|
| Eliminate historical tax expense of Berry and RPC | $(143) |
| Annualized tax expense based on $519 million of Income before income taxes | 130 |
| Tax effected annul interest benefit from the Offering and launched term loan repricing | 7 |
| | $ (6) |

**Note 2. RPC's Converted Historical Financial Information**

The following financial information illustrates the impact of adjustments made to RPC's reported financials prepared in accordance with International Financial Standards as adopted by the International Accounting Standards Board ("IFRS") reported in British Pounds. These adjustments reflect estimates based on available RPC information and certain assumptions we believe are reasonable which could differ materially from the actual adjustments once conformed.

An average daily closing exchange rate for the nine-month period ending June 30, 2019 of $1.2912/£1 was utilized in order to translate RPC's historical financial information form British Pounds to U.S. dollars. Future exchange rates may differ from those used for this translation.

RPC's reported financial statements presented in accordance with IFRS have been adjusted in order to present them on a basis consistent under U.S. GAAP. The adjustments include the following:

i. Reclasses: represents modifications to the historical RPC financial statements from consolidated Operating costs to Cost of goods sold, Selling, general and administrative, and Restructuring and impairments.

ii. Pension: represents the net impact of the remeasurement gains and losses recognized in net earnings under U.S. GAAP. IFRS does not permit recognition of remeasurement gains and losses in net earnings in current or future periods.

iii. Contract provisions: represents the elimination of out-of-market contract provisions historically recorded as part of the purchase accounting valuations which were amortized into earnings as contract factors improved.

iv. Intangibles: represents the elimination of capitalized internal development costs in the period presented that would have otherwise been expensed under U.S. GAAP.

**Condensed Combined Income Statements for the six months ended March 31, 2019**

| (GBP in millions) | RPC IFRS 6 months ended September 2018 Reported | RPC IFRS 12 months ended March 2019 Reported | RPC IFRS 6 months ended March 2019 Calculated |
|---|---|---|---|
| Revenue | £1,892 | £3,771 | £ 1,879 |
| Operating costs | 1,682 | 3,408 | 1,726 |
| Amortization | 26 | 52 | 26 |
| Operating profit | 184 | 311 | 127 |
| Other expenses | — | (1) | (1) |
| Net financial costs | 30 | 57 | 27 |
| Profit before taxation | 154 | 255 | 101 |
| Taxation | 35 | 67 | 32 |
| Profit after taxation from continuing operations | 119 | 188 | 69 |
| Loss/(profit) from discontinued operations | 29 | 41 | 12 |
| Profit after taxation | £ 90 | £ 147 | £ 57 |

## Condensed Combined Income Statements for the nine months ended June 30, 2019
## Reclassifications and IFRS to U.S. GAAP Adjustments

| (in millions) | RPC IFRS 6 months ended March 2019 Calculated | RPC IFRS 3 months ended June 2019 Internal | Reclasses | Pension | Contract Provisions | Intangibles | RPC U.S. GAAP (in GBP) | RPC U.S. GAAP (in USD) |
|---|---|---|---|---|---|---|---|---|
| Net Sales | £ 1,879 | £983 | £ — | £ — | £— | £— | £2,862 | $3,695 |
| Cost of goods sold | | | 2,337 | (2) | 7 | — | 2,342 | 3,024 |
| Selling, general and administrative | | | 215 | | — | 5 | 220 | 284 |
| Restructuring and impairments | | | 69 | | — | — | 69 | 89 |
| Operating costs | 1,726 | 897 | (2,623) | — | — | — | — | — |
| Amortization of intangibles | 26 | 12 | 2 | — | — | — | 40 | 52 |
| Operating income | 127 | 74 | — | 2 | (7) | (5) | 191 | 246 |
| Other expense (income), net | (1) | 2 | — | — | — | — | 1 | 1 |
| Interest expense, net | 27 | 14 | — | (11) | — | — | 30 | 39 |
| Income (loss) before taxes | 101 | 58 | — | 13 | (7) | (5) | 160 | 206 |
| Income tax expense (benefit) | 32 | 12 | — | 3 | (2) | (1) | 44 | 57 |
| Net income (loss) from continuing ops | 69 | 46 | — | 10 | (5) | (4) | 116 | 149 |
| (Gain)/loss from discontinued operations | 12 | — | — | — | — | — | 12 | 15 |
| Combined net income (loss) | £ 57 | £ 46 | £ — | £ 10 | £ (5) | £ (4) | £ 104 | $ 134 |