

# Ardagh Group S.A.

Citi 2017 Basic Materials Conference

November 29, 2017

# Disclaimer

## **Forward-Looking Statements**

This presentation may contain "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Section 27A of the Securities Act of 1933. Forward-looking statements reflect the Company's current expectations and projections about future events at the time, and thus involve uncertainty and risk. The words "believe," "expect," "anticipate," "will," "could," "would," "should," "may," "plan," "estimate," "intend," "predict," "potential," "continue," and the negatives of these words and other similar expressions generally identify forward-looking statements. It is possible the Company's future financial performance may differ from expectations due to a variety of factors including, but not limited to the following:

(i) global and regional economic downturn; (ii) competition from other metal and glass packaging producers and manufacturers of alternative forms of packaging; (iii) the Company's inability to maintain relationships with its largest customers or suppliers; (iv) less than expected increase in demand; (v) varied seasonal demands, climate and water conditions, and the availability and cost of raw materials; (vi) currency and interest rate fluctuations; (vii) various environmental requirements (viii) the Company's substantial debt and its ability to generate cash and comply with financial covenants; (ix) the Company's ability to integrate acquired businesses and achieve expected operating efficiencies and cost savings; (x) the availability and cost of raw materials and energy; (xi) foreign currency, interest rate, exchange rate and commodity price fluctuations; (xii) operating hazards or unanticipated interruptions at our manufacturing facilities, including labor strikes or work stoppages; (xiii) claims of injury or illness from materials used at our productions sites or in our products; and (xiv) regulation of materials used in packaging and consumer preferences for alternative forms of packaging.

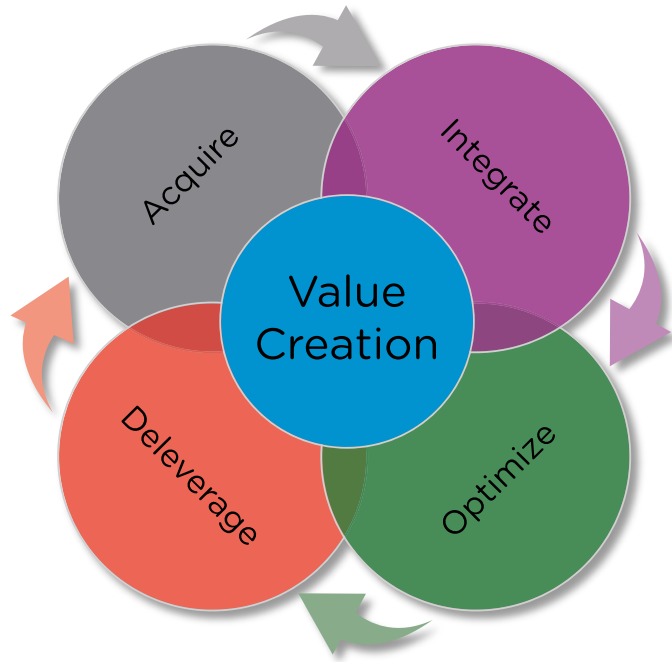
Any forward-looking statements in this document are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward-looking statements are not a guarantee of future performance and actual results or developments may differ materially from expectations. While the Company continually reviews trends and uncertainties affecting the Company's results of operations and financial condition, the Company does not assume any obligation to update or supplement any particular forward-looking statements contained in this document.

## **Non-GAAP Financial Measures**

This presentation may contain certain consolidated financial measures (Adjusted EBITDA, working capital, net borrowings, net interest costs, and ratios relating thereto) that are not calculated in accordance with IFRS or US GAAP. Non-GAAP financial measures may be considered in addition to GAAP financial information, but should not be used as substitutes for the corresponding GAAP measures. The non-GAAP financial measures used by Ardagh may differ from, and not be comparable to, similarly titled measures used by other companies.

This presentation does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities, including in the United States, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever. Specifically, this presentation does not constitute a "prospectus" within the meaning of the Securities Act.

The Company routinely posts important information on its website – <https://www.ardaghgroup.com/corporate/investors>



## Key Events

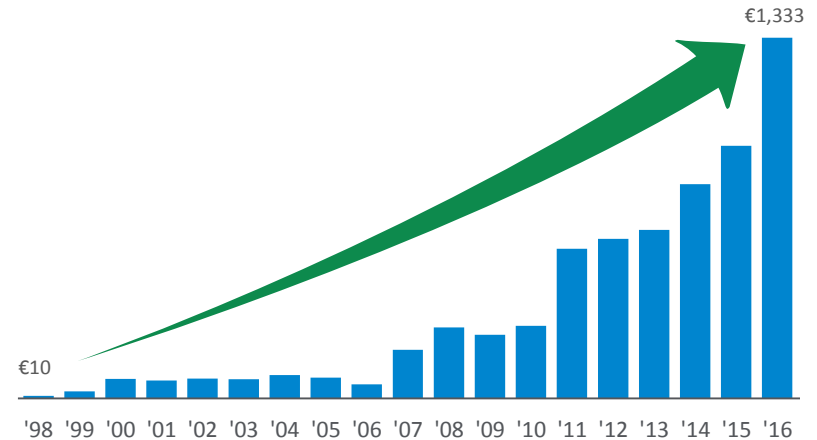
- 1998–2007: Grow European Glass footprint
- 2010: Enter Metal Container market
- 2012: Initial expansion in North America Glass
- 2013: Began construction of new NA metal plants
- 2014: Verallia NA – expanded/broadened NA Glass profile
- 2016: BevCan – enter Beverage Can market
- 2017: IPO in Q1 2017

# Track Record of Growth and Value Creation

- Strategic acquisitions, effectively integrated
- Performance improvement, through consistent focus on operational excellence
- Selective pursuit of attractive growth investments

## Adjusted EBITDA (1998 – 2016)

(€ in millions)



*Distributed over €570 million to shareholders since 2010*

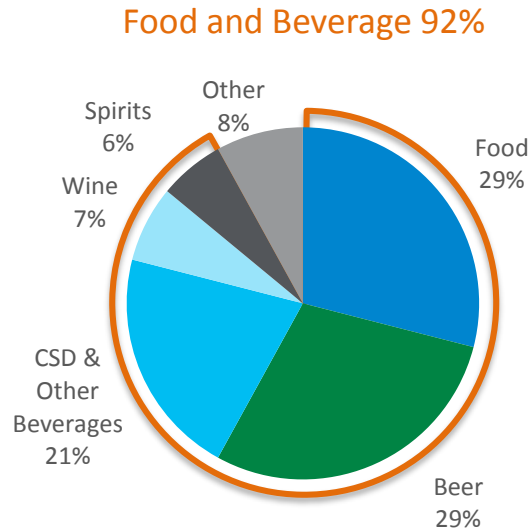
## Ardagh Metal

	Food & Specialty	BevCan	Ardagh Glass	Ardagh Group
<b>LTM Financials</b>				
Revenue	€4.65 billion		€3.03 billion	€7.68 billion
Adj. EBITDA	€725 million		€636 million	€1.36 billion
<i>% Margin</i>	15.6%		21.0%	17.7%
<b>Operations</b>				
Plants	52	22	35	109
Production	29bn cans and components	34bn cans	22bn containers	85bn containers and components
Employees	7,000	4,500	12,000	23,500

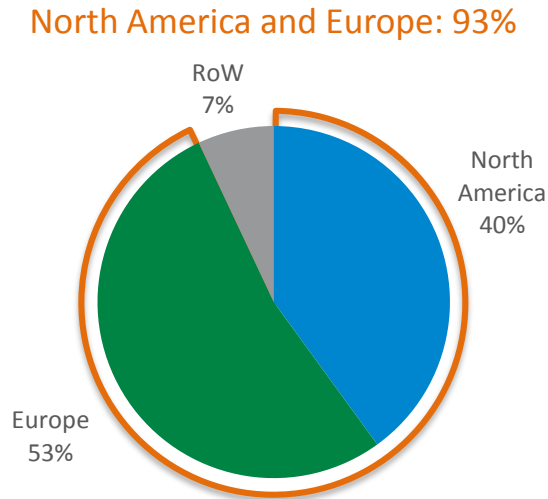
Note: Financials for the LTM period ended September 30, 2017

# Well-positioned in Attractive Markets

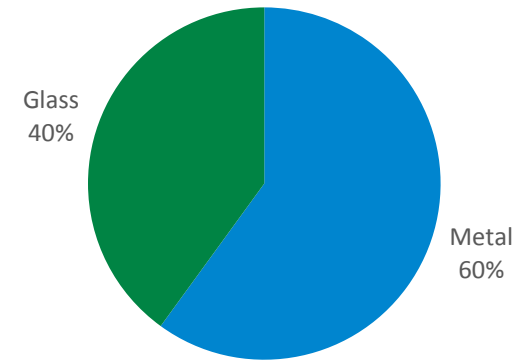
## Revenue by End Market



## Revenue by Geography



## Revenue by Product

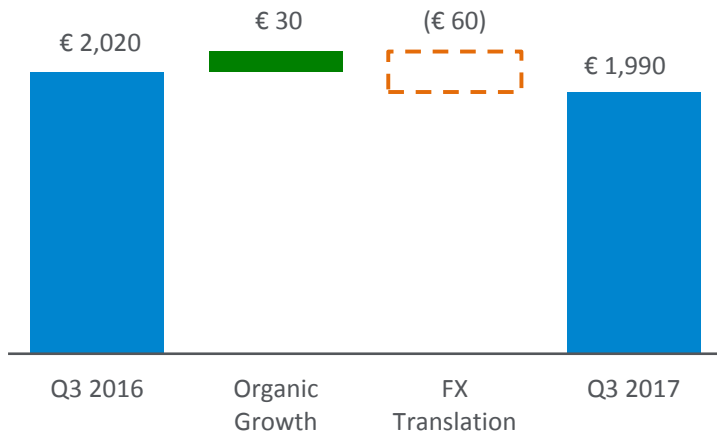


Note: For period ended December 31, 2016 and is pro forma for the BevCan acquisition. RoW denotes "Rest of World".

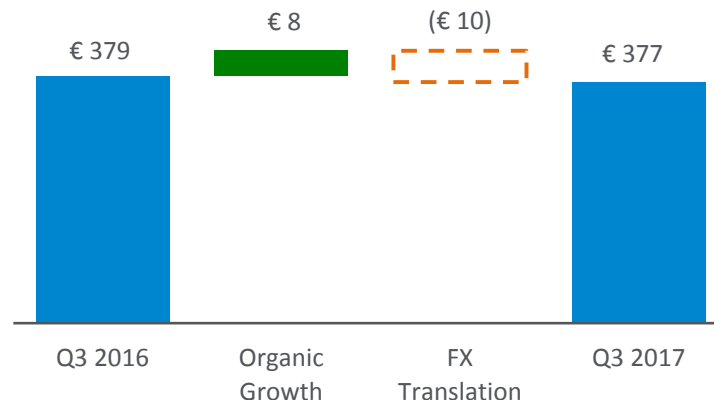
# Q3 Results Update

(€ in m)

## Revenue



## Adjusted EBITDA



- Constant currency revenue and Adjusted EBITDA each increased by 2% QoQ
- Three out of four segments delivered Adjusted EBITDA growth
- Adjusted EBITDA margin increased by 10bps QoQ to 18.9%
- Continued strong cash generation – Net leverage reduced from 5.1x to 4.9x during the quarter (down from 5.5x in Q3 2016)
- 2017 full year Adjusted EBITDA guidance of €1,340 million, leverage of ~4.8x at year end

*Continuing Benefits of Geographic, Substrate, and End-Market Diversity*

ArdaghGroup



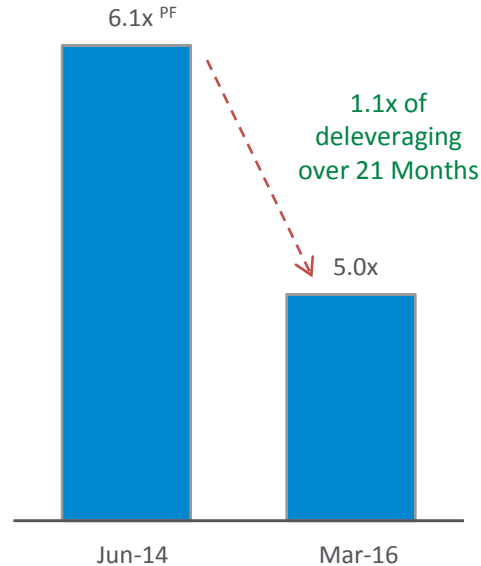
# Deleveraging After Acquisitions

## Deleveraging Highlights

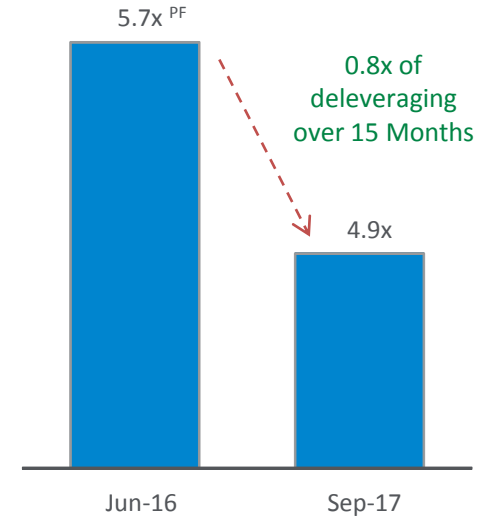
- Proactive management of capital structure
  - Average coupon reduced from 7.4% to ~ 5.0%
  - Average maturity increased from 5.0 to ~ 6.6 years
  - 92% fixed rate debt

## Free Cash Flow Used for De-leveraging or M&A

### After VNA Acquisition



### After BevCan Acquisition

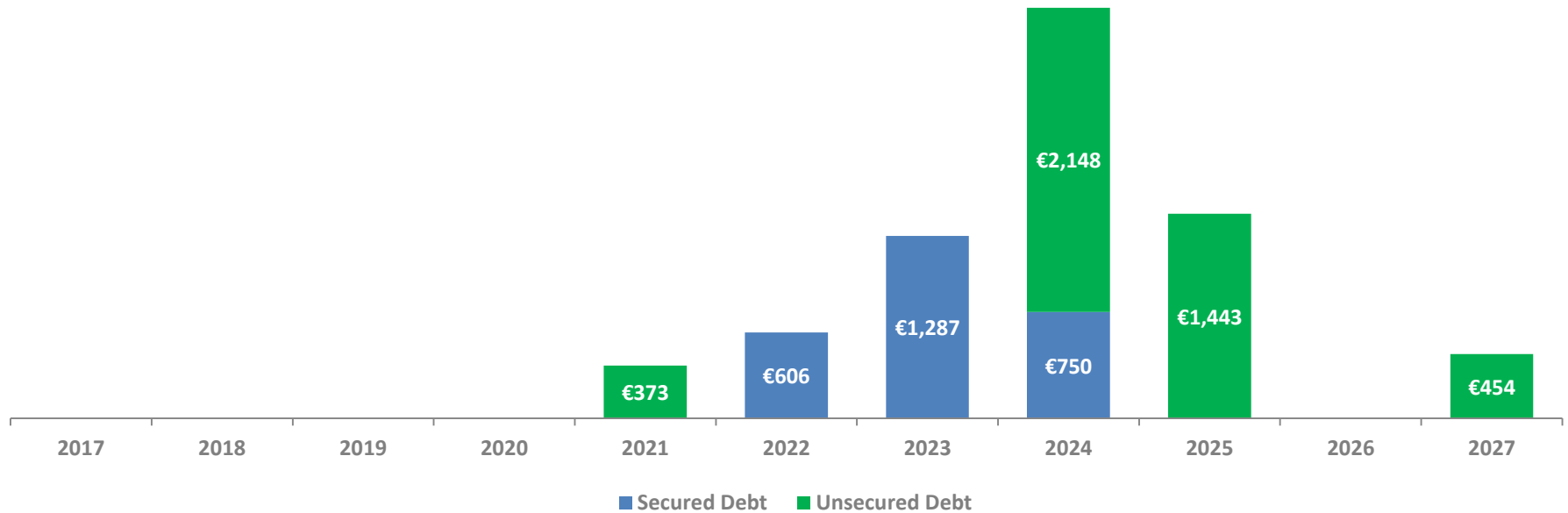




# Debt Maturity Profile

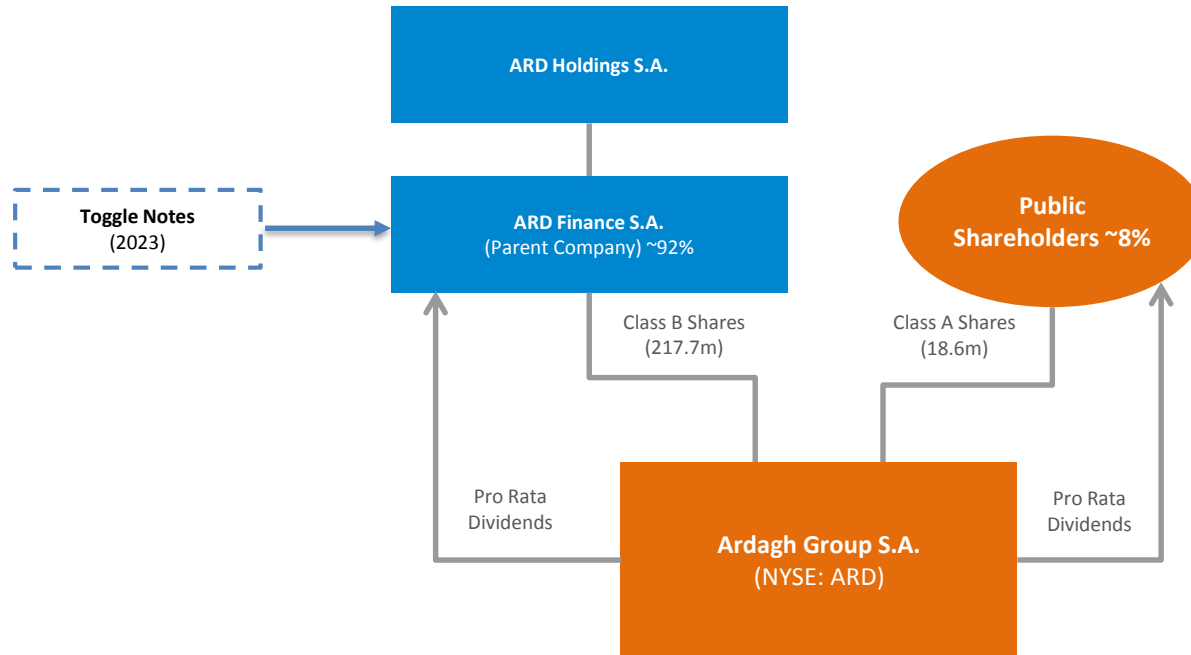
€ in millions

*No debt maturities until 2021*



\* Balances at September 30, 2017

# Group Structure



one brand one vision