UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 28, 2020

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission File Number 001-35672

BERRY GLOBAL GROUP, INC.

A Delaware corporation	101 Oakley Street, Evansville, Indiana, 47710 (812) 424-2904	IRS employer identification number 20-5234618

Securities registered pursuant to Section 12(b) of 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 (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-accelerated Filer ☐ Smaller Reporting Company ☐ 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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 132.5 million shares of common stock outstanding at May 1, 2020.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to our financial condition, results of operations and business and our expectations or beliefs concerning future events. The forward-looking statements include, in particular, statements about our plans, strategies and prospects under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations." These statements contain words such as “believes,” “expects,” “may,” “will,” “should,” “would,” “could,” “seeks,” “approximately,” “intends,” “plans,” “estimates,” “outlook,” “anticipates” or “looking forward” or similar expressions that relate to our strategy, plans, intentions, or expectations. All statements we make relating to our estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results or to our expectations regarding future industry trends are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. All forward-looking statements are based upon information available to us on the date of this Form 10-Q, and we undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Readers should carefully review the factors discussed in our most recent Form 10-K in the section titled "Risk Factors" and other risk factors identified from time to time in our periodic filings with the Securities and Exchange Commission.

Berry Global Group, Inc.
Form 10-Q Index
For Quarterly Period Ended March 28, 2020

Part I. Financial Information

Item 1. Financial Statements

Berry Global Group, Inc.
Consolidated Statements of Income
(Unaudited)
(in millions of dollars, except per share amounts)

	Quarterly Period Ended		Two Quarterly Periods Ended	
	March 28, 2020	March 30, 2019	**March 28, 2020**	March 30, 2019
Net sales	**$ 2,975**	$ 1,950	**$ 5,791**	$ 3,922
Costs and expenses:				
Cost of goods sold	**2,391**	1,578	**4,687**	3,197
Selling, general and administrative	**204**	143	**433**	267
Amortization of intangibles	**77**	39	**152**	81
Restructuring and transaction activities	**19**	5	**36**	16
Operating income	**284**	185	**483**	361
Other expense, net	**—**	23	**13**	23
Interest expense, net	**111**	66	**229**	130
Income before income taxes	**173**	96	**241**	208
Income tax expense	**47**	22	**68**	46
Net income	**$ 126**	$ 74	**$ 173**	$ 162
Net income per share:				
Basic	**$ 0.95**	$ 0.57	**$ 1.31**	$ 1.24
Diluted	**0.94**	0.55	**1.29**	1.21
Outstanding weighted-average shares:				
Basic	**132.4**	130.5	**132.4**	130.8
Diluted	**134.1**	133.8	**134.2**	133.9

Consolidated Statements of Comprehensive Income
(Unaudited)
(in millions of dollars)

	Quarterly Period Ended		Two Quarterly Periods Ended	
	March 28, 2020	March 30, 2019	**March 28, 2020**	March 30, 2019
Net income	**$ 126**	$ 74	**$ 173**	$ 162
Other comprehensive income (loss), net of tax:				
Currency translation	**(157)**	6	**(65)**	2
Pension	**(1)**	—	**(1)**	—
Derivative instruments	**(109)**	(15)	**(96)**	(32)
Other comprehensive income (loss)	**(267)**	(9)	**(162)**	(30)
Comprehensive income (loss)	**$ (141)**	$ 65	**$ 11**	$ 132

See notes to consolidated financial statements.

Berry Global Group, Inc.
Consolidated Balance Sheets
(in millions of dollars)

	March 28, 2020	September 28, 2019
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 953	$ 750
Accounts receivable (less allowance of 28 and 28, respectively)	1,537	1,526
Finished goods	801	743
Raw materials and supplies	565	581
Prepaid expenses and other current assets	197	157
Total current assets	4,053	3,757
Noncurrent assets:		
Property, plant, and equipment	4,467	4,714
Goodwill and intangible assets	7,768	7,831
Right-of-use assets	574	—
Other assets	87	167
Total assets	$ 16,949	$ 16,469
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,231	$ 1,159
Accrued employee costs	227	214
Other current liabilities	672	562
Current portion of long-term debt	72	104
Total current liabilities	2,202	2,039
Noncurrent liabilities:		
Long-term debt, less current portion	11,043	11,261
Deferred income taxes	608	803
Employee benefit obligations	316	327
Operating lease liabilities	479	—
Other long-term liabilities	650	421
Total liabilities	15,298	14,851
Stockholders' equity:		
Common stock (132.5 and 132.3 million shares issued, respectively)	1	1
Additional paid-in capital	976	949
Retained earnings	1,222	1,054
Accumulated other comprehensive loss	(548)	(386)
Total stockholders' equity	1,651	1,618
Total liabilities and stockholders' equity	$ 16,949	$ 16,469

See notes to consolidated financial statements.

Berry Global Group, Inc.
Consolidated Statements of Changes in Stockholders' Equity
(Unaudited)
(in millions of dollars)

Quarterly Period Ended	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at December 28, 2019	$ 1	$ 970	$ (281)	$ 1,096	$ 1,786
Net income	—	—	—	126	126
Other comprehensive loss	—	—	(267)	—	(267)
Share-based compensation	—	5	—	—	5
Proceeds from issuance of common stock	—	1	—	—	1
Balance at March 28, 2020	$ 1	$ 976	$ (548)	$ 1,222	$ 1,651
Balance at December 29, 2018	$ 1	$ 876	$ (177)	$ 755	$ 1,455
Net income	—	—	—	74	74
Other comprehensive loss	—	—	(9)	—	(9)
Share-based compensation	—	14	—	—	14
Proceeds from issuance of common stock	—	15	—	—	15
Common stock repurchased and retired	—	(1)	—	(17)	(18)
Balance at March 30, 2019	$ 1	$ 904	$ (186)	$ 812	$ 1,531

Two Quarterly Periods Ended	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at September 28, 2019	$ 1	$ 949	$ (386)	$ 1,054	$ 1,618
Net income	—	—	—	173	173
Other comprehensive loss	—	—	(162)	—	(162)
Share-based compensation	—	24	—	—	24
Proceeds from issuance of common stock	—	3	—	—	3
Adoption of lease accounting standard	—	—	—	(5)	(5)
Balance at March 28, 2020	$ 1	$ 976	$ (548)	$ 1,222	$ 1,651
Balance at September 29, 2018	$ 1	$ 870	$ (156)	$ 719	$ 1,434
Net income	—	—	—	162	162
Other comprehensive loss	—	—	(30)	—	(30)
Share-based compensation expense	—	17	—	—	17
Proceeds from issuance of common stock	—	20	—	—	20
Common stock repurchased and retired	—	(3)	—	(69)	(72)
Balance at March 30, 2019	$ 1	$ 904	$ (186)	$ 812	$ 1,531

See notes to consolidated financial statements.

Berry Global Group, Inc.
Consolidated Statements of Cash Flows
(Unaudited)
(in millions of dollars)

	Two Quarterly Periods Ended	
	March 28, 2020	March 30, 2019
Cash Flows from Operating Activities:		
Net income	$ **173**	$ 162
Adjustments to reconcile net cash provided by operating activities:		
Depreciation	**277**	189
Amortization of intangibles	**152**	81
Non-cash interest	**9**	(3)
Loss on foreign exchange forward contracts	**—**	18
Deferred income tax	**12**	(2)
Share-based compensation expense	**24**	17
Other non-cash operating activities, net	**33**	10
Changes in working capital	**(114)**	(138)
Changes in other assets and liabilities	**(33)**	(3)
Net cash from operating activities	**533**	331
Cash Flows from Investing Activities:		
Additions to property, plant and equipment, net	**(263)**	(167)
Settlement of net investment hedges	**246**	—
Other investing activities	**(10)**	—
Net cash from investing activities	**(27)**	(167)
Cash Flows from Financing Activities:		
Proceeds from long-term borrowings	**1,202**	—
Repayments on long-term borrowings	**(1,484)**	(122)
Proceeds from issuance of common stock	**3**	20
Repurchase of common stock	**—**	(74)
Payment of tax receivable agreement	**—**	(16)
Debt financing costs	**(17)**	—
Net cash from financing activities	**(296)**	(192)
Effect of exchange rate changes on cash	**(7)**	—
Net change in cash	**203**	(28)
Cash and cash equivalents at beginning of period	**750**	381
Cash and cash equivalents at end of period	**$ 953**	$ 353

See notes to consolidated financial statements.

1. Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements of Berry Global Group, Inc. ("the Company," "we," or "Berry") have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") pursuant to the rules and regulations of the Securities and Exchange Commission for interim reporting. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In preparing financial statements in conformity with GAAP, we must make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates. The Company has recast certain prior period amounts to conform to current reporting. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included, and all subsequent events up to the time of the filing have been evaluated. For further information, refer to the Company's most recent Form 10-K filed with the Securities and Exchange Commission.

2. Recent Accounting Pronouncements

Changes to GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of accounting standards updates to the FASB's Accounting Standards Codification. During fiscal 2020, with the exception of the below, there have been no developments to the recently adopted accounting pronouncements from those disclosed in the Company's 2019 Annual Report on Form 10-K that are considered to have a material impact on our unaudited consolidated financial statements.

Leases

Effective September 29, 2019, the Company adopted ASU 2016-02, Leases (Topic 842), including all related amendments, using the modified retrospective approach and recognized the cumulative effect of adoption to retained earnings. Under the new standard, the lessee of an operating lease is required to: 1) recognize a right-of-use asset and a lease liability in the statement of financial position, 2) recognize a single lease cost allocated over the lease term generally on a straight-line basis, and 3) classify all cash payments within operating activities on the statement of cash flows. See Note 6. Leases for more information.

Credit Losses

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326) and issued subsequent amendments to the initial guidance. The new standard requires entities to measure all expected credit losses for most financial assets held at the reporting date based on an expected loss model, which includes historical experience, current conditions, and reasonable and supportable forecasts. The new standard also requires enhanced disclosure. The new standard will be effective for the Company beginning fiscal 2021. The Company is in the process of evaluating this new standard, however, the Company does not anticipate this to have a material impact.

Defined Benefit Plans

In August 2018, the FASB issued ASU 2018-14, Changes to the Disclosure Requirements for Defined Benefit Plans. The new standard removes requirements to disclose the amounts in accumulated other comprehensive income expected to be recognized as components of net periodic benefit cost over the next fiscal year and the effects of a one-percentage-point changes in assumed health care cost trend rates. The standard also adds requirements to disclose the reasons for significant gains and losses related to changes in the benefit obligations for the period and the accumulated benefit obligation ("ABO") for plans with ABOs in excess of plan assets. The new standard will be effective for the Company beginning fiscal 2022. The Company is currently evaluating the impact of the adoption of this standard to our disclosures.

Income Taxes

In December 2019, the FASB issued ASU 2019-12, Income Taxes - Simplifying the Accounting for Income Taxes (Topic 740). The new guidance eliminates certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. It also clarifies and simplifies other aspects of the accounting for income taxes. The new standard will be effective for the Company beginning fiscal 2022. The Company is currently evaluating the impact of the adoption of this new standard.

Reference Rate Reform

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform - Facilitation of the Effects of Reference Rate Reform on Financial Reporting (Topic 848). This standard provides temporary optional expedients and exceptions to the GAAP guidance on contract modifications and hedge accounting to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates, such as SOFR. ASU 2020-04 is effective upon issuance and generally can be applied through the end of calendar year 2022. The Company is currently evaluating the impact and whether it plans to adopt the optional expedients and exceptions provided under this new standard.

3. Revenue and Accounts Receivable

Our revenues are primarily derived from the sale of plastic packaging products to customers. We consider the promise to transfer products to be our sole performance obligation. If the consideration agreed to in a contract includes a variable amount, we estimate the amount of consideration we expect to be entitled to in exchange for transferring the promised goods to the customer using the most likely amount method. Our main source of variable consideration are customer rebates. The accrual for customer rebates was $121 million and $114 million at March 28, 2020 and September 28, 2019, respectively, and is included in Other current liabilities on the Consolidated Balance Sheets. The Company disaggregates revenue based on reportable business segment, geography, and significant product line. Refer to Note 10. Segment and Geographic Data for further information.

The Company has entered into various qualifying factoring agreements to sell certain receivables to third-party financial institutions. The transfer of receivables is accounted for as a sale, without recourse. Net sales available under qualifying U.S. based programs were $236 million and $203 million for the quarterly period ended March 28, 2020 and March 30, 2019, respectively. Net sales available under qualifying U.S. based programs were $458 million and $415 million for the two quarterly periods ended March 28, 2020 and March 30, 2019, respectively. There were no amounts outstanding from financial institutions related to these programs. The fees associated with the transfer of receivables for all programs were not material for any of the periods presented.

4. Acquisitions and Dispositions

RPC Group Plc

In July 2019, the Company completed the acquisition of the entire outstanding share capital of RPC Group Plc (“RPC”), for aggregate consideration of $6.1 billion. RPC is a leading plastic product design and engineering company for packaging and select non-packaging markets, with 189 sites in 34 countries. RPC develops and manufactures a diverse range of products for a wide variety of customers, including many household names, and enjoys strong market positions in many of the end markets it serves and the geographical areas in which it operates. It uses a wide range of polymer conversion techniques in both rigid and flexible plastics manufacture, and is one of the largest plastic converters in Europe. The international based facilities are operated within the Consumer Packaging International segment with the remaining U.S. based facilities operated within the Consumer Packaging North America segment. The results of RPC have been included in the consolidated results of the Company since the date of the acquisition.

Net sales and operating income of RPC included in the Consolidated Statements of Income for the quarterly period ended March 28, 2020 were $1,174 million and $81 million, respectively. The majority of RPC activity for the quarter ended March 28, 2020, net sales of $1,045 million and operating income of $65 million, is operated in the Consumer Packaging International segment. Net sales and operating income of RPC included in the Consolidated Statements of Income for the two quarterly periods ended March 28, 2020 were $2,256 million and $135 million, respectively. The majority of RPC activity for the two quarterly periods ended March 28, 2020, net sales of $2,006 million and operating income of $107 million, is operated in the Consumer Packaging International segment.

The acquisition has been accounted for under the purchase method of accounting. Under this method, the assets acquired and liabilities assumed have been recorded based on preliminary valuation estimates of fair value. The final purchase accounting allocations for the RPC acquisition will depend on a number of factors, including the final valuation of our long-lived tangible and identified intangible assets acquired and liabilities assumed, and finalization of income tax effects of the opening balance sheet. The actual fair values of RPC’s assets acquired, liabilities assumed and resulting goodwill may differ materially once finalized. The Company has recognized goodwill on this transaction primarily as a result of expected cost synergies, and expects goodwill to be partially deductible for tax purposes.

The preliminary purchase price allocation has been updated for certain measurement period adjustments based on a preliminary valuation report resulting in a $211 million decrease in the property, plant and equipment, a $47 million decrease in intangible assets, a $19 million increase in inventory and a $89 million decrease in deferred tax liabilities. These adjustments resulted in corresponding increases to goodwill.

The following table summarizes the preliminary purchase price allocation and resulting measurement period adjustments from the preliminary estimated fair values of the assets acquired and liabilities assumed at the date of the acquisition (in millions):

Consideration	
Cash	$ 6,079
Total consideration transferred	6,079
Identifiable assets acquired and liabilities assumed	
Working capital[(a)]	721
Property, plant and equipment	2,164
Identifiable intangible assets	1,665
Other assets	4
Other long-term liabilities	(837)
Goodwill	2,362
Net assets acquired and liabilities assumed	$ 6,079

(a) Includes a $58 million step up of inventory to fair value

To finance the purchase, the Company issued $1,250 million aggregate principal amount of first priority senior secured notes due 2026, $500 million aggregate principal amount of second priority senior secured notes due 2027, and entered into incremental term loans due July 2026, to fund the remainder of the purchase price.

When including RPC results for the periods prior to the acquisition date, unaudited pro forma net sales and net income were $3.1 billion and $61 million, respectively, for the quarterly period ended March 30, 2019 and $6.3 billion and $169 million, respectively, for the two quarterly periods ended March 30, 2019. The unaudited pro forma net sales and net income assume that the RPC acquisition had occurred as of the beginning of the period.

Seal For Life

In July 2019, the Company completed the sale of its Seal For Life ("SFL") business which was operated in our Health, Hygiene & Specialties reporting segment for net proceeds of $325 million. SFL recorded $96 million in net sales during fiscal 2019.

5. Restructuring and Transaction Activities

The table below includes the significant components of restructuring and transaction activities, by reporting segment:

	Quarterly Period Ended		Two Quarterly Periods Ended	
	March 28, 2020	March 30, 2019	**March 28, 2020**	March 30, 2019
Consumer Packaging International	**$ 14**	$ —	**$ 24**	$ —
Consumer Packaging North America	**3**	2	**4**	3
Engineered Materials	**1**	1	**4**	1
Health, Hygiene & Specialties	**1**	2	**4**	12
Consolidated	**$ 19**	$ 5	**$ 36**	$ 16

The table below sets forth the activity with respect to the restructuring and transaction activities accrual at March 28, 2020:

	Restructuring				
	Employee Severance and Benefits	**Facility Exit Costs**	**Non-cash Impairment Charges**	**Transaction Activities**	**Total**
Balance as of September 28, 2019	$ 2	$ 5	$ —	$ —	$ 7
Charges	**17**	**—**	**2**	**17**	**36**
Non-cash items	**—**	**—**	**(2)**	**—**	**(2)**
Cash payments	**(12)**	**(1)**	**—**	**(17)**	**(30)**
Balance as of March 28, 2020	**$ 7**	**$ 4**	**$ —**	**$ —**	**$ 11**

6. Leases

During the first quarter of fiscal 2020, the Company adopted ASU 2016-02, Leases (Topic 842). The Company leases certain manufacturing facilities, warehouses, office space, manufacturing equipment, office equipment, and automobiles.

Under the new standard, we recognize right-of-use assets and lease liabilities for leases with original lease terms greater than one year based on the present value of lease payments over the lease term using our incremental borrowing rate on a collateralized basis. Short-term leases, with original lease terms of less than one year, are not recognized on the balance sheet. We are party to certain leases, namely for manufacturing facilities, which offer renewal options to extend the original lease term. Renewal options are included in the right-of-use asset and lease liability based on our assessment of the probability that the options will be exercised.

We have elected the package of practical expedients which allows the Company to not reassess: (i) whether any expired or existing contracts are or contain leases (ii) lease classification for any expired or existing leases and (iii) initial direct costs for any existing leases. Additionally, we have elected the practical expedient to not separate lease and non-lease components for all asset classes.

Supplemental lease information is as follows:

Leases	Classification	March 28, 2020
Assets		
Operating lease right-of-use assets	Right-of-use assets	$ 574
Finance lease right-of-use assets	Property, plant, and equipment	99
Current liabilities		
Operating lease liabilities	Other current liabilities	$ 112
Finance lease liabilities	Current portion of long-term debt	19
Non-current liabilities		
Operating lease liabilities	Operating lease liabilities	$ 479
Finance lease liabilities	Long-term debt, less current portion	81

Lease cost	Quarterly Period Ended March 28, 2020	Two Quarterly Periods Ended March 28, 2020
Operating lease cost	$ 28	$ 57
Finance lease cost:		
Amortization of right-of-use assets	4	8
Interest on lease liabilities	1	2
Total finance lease cost	5	10
Short-term lease cost	4	8
Total lease cost	$ 37	$ 75

Cash paid for amounts included in lease liabilities	Two Quarterly Periods Ended March 28, 2020
Operating cash flows from operating leases	$ 57
Operating cash flows from finance leases	1
Financing cash flows from finance leases	17

	March 28, 2020
Weighted-average remaining lease term - operating leases	8 years
Weighted-average remaining lease term - finance leases	4 years
Weighted-average discount rate - operating leases	4.5%
Weighted-average discount rate - finance leases	3.7%

Right-of-use assets obtained in exchange for new operating lease liabilities were $5 million and $13 million for the quarterly and two quarterly periods ended March 28, 2020, respectively.

At March 28, 2020, annual lease commitments were as follows:

Fiscal Year	Operating Leases	Finance Leases
Remainder of 2020	$ 59	$ 19
2021	111	27
2022	97	26
2023	84	13
2024	70	7
Thereafter	303	15
Total lease payments	724	107
Less: Interest	(133)	(7)
Present value of lease liabilities	$ 591	$ 100

7. Long-Term Debt

Long-term debt consists of the following:

Facility	Maturity Date	March 28, 2020	September 28, 2019
Term loan	October 2022	**$ 1,545**	$ 1,545
Term loan	January 2024	**451**	489
Term loan	July 2026	**4,229**	4,250
Term loan[a]	July 2026	**—**	1,176
Revolving line of credit	May 2024	**—**	—
5.50% Second Priority Senior Secured Notes	May 2022	**500**	500
6.00% Second Priority Senior Secured Notes	October 2022	**200**	400
5.125% Second Priority Senior Secured Notes	July 2023	**700**	700
1.00% First Priority Senior Secured Notes[a]	July 2025	**779**	—
4.50% Second Priority Senior Secured Notes	February 2026	**500**	500
4.875% First Priority Senior Secured Notes	July 2026	**1,250**	1,250
5.625% Second Priority Senior Secured Notes	July 2027	**500**	500
1.50% First Priority Senior Secured Notes[a]	July 2027	**417**	—
Debt discounts and deferred fees		**(98)**	(112)
Finance leases and other	Various	**142**	167
Total long-term debt		**11,115**	11,365
Current portion of long-term debt		**(72)**	(104)
Long-term debt, less current portion		**$ 11,043**	11,261

[a] Euro denominated

In January 2020, the Company (i) issued €700 million aggregate principal amount of 1.00% first priority senior secured notes due 2025 and €375 million aggregate principal amount of 1.50% first priority senior secured notes due 2027 (the "Euro notes") and (ii) refinanced its existing $4.25 billion Term loan maturing in July 2026, resulting in a 50 basis point interest rate reduction. The proceeds of the Euro notes were used to prepay the entire outstanding amount of our existing euro denominated Term loan. Debt extinguishment costs of $18 million, primarily comprised of deferred debt discount and financing fees, were recorded in Other expense, net on the Consolidated Statements of Income upon the extinguishment of the euro Term loan.

The Company was in compliance with all debt covenants for all periods presented.

Debt discounts and deferred financing fees are presented net of Long-term debt, less the current portion on the Consolidated Balance Sheets and are amortized to Interest expense, net on the Consolidated Statements of Income through maturity.

8. Financial Instruments and Fair Value Measurements

In the normal course of business, the Company is exposed to certain risks arising from business operations and economic factors. The Company may use derivative financial instruments to help manage market risk and reduce the exposure to fluctuations in interest rates and foreign currencies. These financial instruments are not used for trading or other speculative purposes.

Cross-Currency Swaps

The Company is party to certain cross-currency swaps to hedge a portion of our foreign currency risk. The swap agreements mature May 2022 (€250 million) and June 2024 (€1,625 million and £700 million). In addition to cross-currency swaps, we hedge a portion of our foreign currency risk by designating foreign currency denominated long-term debt as net investment hedges of certain foreign operations. As of March 28, 2020, we had outstanding long-term debt of €1,075 million that was designated as a hedge of our net investment in certain euro-denominated foreign subsidiaries. When valuing cross-currency swaps the Company utilizes Level 2 inputs (substantially observable).

In March 2020, the Company entered into transactions to cash settle existing cross-currency swaps and received proceeds of $246 million. The swap settlement impact has been included as a component of Currency translation within Accumulated other comprehensive loss. Following the settlement of the existing cross-currency swaps, we entered into new cross-currency swaps with matching notional amounts and maturity dates of the original swaps.

Interest Rate Swaps

The primary purpose of the Company's interest rate swap activities is to manage interest expense variability associated with our outstanding variable rate term loan debt. When valuing interest rate swaps the Company utilizes Level 2 inputs (substantially observable).

As of March 28, 2020, the Company effectively had (i) a $450 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.398%, with an expiration in June 2026, (ii) a $1 billion interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.835% with an expiration in June 2026, (iii) a $400 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.916% with an expiration in June 2026, (iv) a $884 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.857%, with an expiration in June 2024, and (v) a $473 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 2.050%, with an expiration in June 2024.

The Company records the fair value positions of all derivative financial instruments on a net basis by counterparty for which a master netting arrangement is utilized. Balances on a gross basis are as follows:

Derivative Instruments	**Hedge Designation**	**Balance Sheet Location**	**March 28, 2020**	September 28, 2019
Cross-currency swaps	Designated	Other assets	**$ 5**	$ 88
Cross-currency swaps	Designated	Other long-term liabilities	**101**	—
Interest rate swaps	Designated	Other long-term liabilities	**208**	81

The effect of the Company's derivative instruments on the Consolidated Statements of Income is as follows:

		Quarterly Period Ended		**Two Quarterly Periods Ended**	
Derivative Instruments	**Statements of Income Location**	**March 28, 2020**	March 30, 2019	**March 28, 2020**	March 30, 2019
Cross-currency swaps	Interest expense, net	**$ (1)**	$ (1)	**$ (3)**	$ (3)
Foreign exchange forward contracts	Other expense, net	**—**	18	**—**	18
Interest rate swaps	Interest expense, net	**17**	(5)	**34**	(9)

Non-recurring Fair Value Measurements

The Company has certain assets that are measured at fair value on a non-recurring basis when impairment indicators are present or when the Company completes an acquisition. The Company adjusts certain long-lived assets to fair value only when the carrying values exceed the fair values. The categorization of the framework used to value the assets is considered Level 3, due to the subjective nature of the unobservable inputs used to determine the fair value. These assets that are subject to our annual impairment analysis primarily include our definite lived and indefinite lived intangible assets, including Goodwill and our property, plant and equipment. The Company reviews Goodwill and other indefinite lived assets for impairment as of the first day of the fourth fiscal quarter each year and more frequently if impairment indicators exist. The Company determined Goodwill and other indefinite lived assets were not impaired in our annual fiscal 2019 assessment. While impairment indicators were not identified during the quarter that warranted impairment testing, the ongoing COVID-19 pandemic has created market volatility which we believe is short-term in nature. However, if we experience sustained declines in valuation market multiples, sustained lower earnings, or escalating macroeconomic challenges, the need for future impairment tests may arise.

Included in the following table are the major categories of assets measured at fair value on a non-recurring basis as of March 28, 2020 and September 28, 2019, along with the impairment loss recognized on the fair value measurement during the period:

	As of March 28, 2020				
	Level 1	**Level 2**	**Level 3**	**Total**	**Impairment**
Indefinite-lived trademarks	**$ —**	**$ —**	**$ 248**	**$ 248**	**$ —**
Goodwill	**—**	**—**	**5,162**	**5,162**	**—**
Definite lived intangible assets	**—**	**—**	**2,358**	**2,358**	**—**
Property, plant, and equipment	**—**	**—**	**4,467**	**4,467**	**2**
Total	**$ —**	**$ —**	**$ 12,235**	**$ 12,235**	**$ 2**

	As of September 28, 2019									
	Level 1		Level 2		Level 3		Total		Impairment	
Indefinite-lived trademarks	$	—	$	—	$	248	$	248	$	—
Goodwill		—		—		5,051		5,051		—
Definite lived intangible assets		—		—		2,532		2,532		—
Property, plant, and equipment		—		—		4,714		4,714		8
Total	$	—	$	—	$	12,545	$	12,545	$	8

The Company's financial instruments consist primarily of cash and cash equivalents, long-term debt, interest rate and cross-currency swap agreements, and finance lease obligations. The book value of our marketable long-term indebtedness exceeded fair value by $163 million as of March 28, 2020. The Company's long-term debt fair values were determined using Level 2 inputs as other significant observable inputs were not available.

9. Income Taxes

The effective tax rate for the quarter and year-to-date period was negatively impacted by 2% from uncertain tax positions recognized in the quarter and 2% from global intangible low-taxed income provisions.

10. Segment and Geographic Data

The Company's operations are organized into four reporting segments: Consumer Packaging International, Consumer Packaging North America, Engineered Materials, and Health, Hygiene & Specialties. The structure is designed to align us with our customers, provide optimal service, drive future growth, and to facilitate synergies realization.

Selected information by reportable segment is presented in the following tables:

	Quarterly Period Ended				**Two Quarterly Periods Ended**			
	March 28, 2020		March 30, 2019		**March 28, 2020**		March 30, 2019	
Net sales:								
Consumer Packaging International	**$**	**1,095**	$	50	**$**	**2,105**	$	101
Consumer Packaging North America		**706**		639		**1,386**		1,240
Engineered Materials		**598**		619		**1,183**		1,280
Health, Hygiene & Specialties		**576**		642		**1,117**		1,301
Total net sales	**$**	**2,975**	$	1,950	**$**	**5,791**	$	3,922
Operating income:								
Consumer Packaging International	**$**	**61**	$	(5)	**$**	**105**	$	(1)
Consumer Packaging North America		**83**		62		**133**		95
Engineered Materials		**88**		74		**159**		167
Health, Hygiene & Specialties		**52**		54		**86**		100
Total operating income	**$**	**284**	$	185	**$**	**483**	$	361
Depreciation and amortization:								
Consumer Packaging International	**$**	**80**	$	4	**$**	**161**	$	8
Consumer Packaging North America		**64**		53		**129**		106
Engineered Materials		**25**		29		**54**		60
Health, Hygiene & Specialties		**44**		46		**85**		96
Total depreciation and amortization	**$**	**213**	$	132	**$**	**429**	$	270

Selected information by geographical region is presented in the following tables:

	Quarterly Period Ended				**Two Quarterly Periods Ended**			
	March 28, 2020		March 30, 2019		**March 28, 2020**		March 30, 2019	
Net sales:								
United States and Canada	**$**	**1,705**	$	1,595	**$**	**3,218**	$	3,200
Europe		**981**		210		**1,984**		414
Rest of world		**289**		145		**589**		308
Total net sales	**$**	**2,975**	$	1,950	**$**	**5,791**	$	3,922

Selected information by product line is presented in the following tables:

	Quarterly Period Ended		Two Quarterly Periods Ended	
	March 28, 2020	March 30, 2019	**March 28, 2020**	March 30, 2019
Net sales:				
Packaging	**83**	100	**82**	100
Non-packaging	**17**	—	**18**	—
Consumer Packaging International	**100%**	100%	**100%**	100%
Rigid Open Top	**44**	43	**45**	44
Rigid Closed Top	**56**	57	**55**	56
Consumer Packaging North America	**100%**	100%	**100%**	100%
Core Films	**38**	40	**37**	39
Retail & Industrial	**62**	60	**63**	61
Engineered Materials	**100%**	100%	**100%**	100%
Health	**17**	14	**17**	14
Hygiene	**53**	54	**54**	55
Specialties	**30**	32	**29**	31
Health, Hygiene & Specialties	**100%**	100%	**100%**	100%

11. Contingencies and Commitments

The Company is party to various legal proceedings involving routine claims which are incidental to its business. Although the Company's legal and financial liability with respect to such proceedings cannot be estimated with certainty, we believe that any ultimate liability would not be material to our financial statements.

The Company has various purchase commitments for raw materials, supplies, and property and equipment incidental to the ordinary conduct of business.

12. Share Repurchase Program

No shares were repurchased during the two quarterly periods ended March 28, 2020. Authorized share repurchases of $393 million remain available to the Company.

13. Basic and Diluted Net Income Per Share

Basic net income per share is calculated by dividing the net income attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for common stock equivalents. Diluted net income per share is calculated by dividing the net income attributable to common stockholders by the weighted-average number of common share equivalents outstanding for the period determined using the treasury-stock method and the if-converted method. For purposes of this calculation, stock options are considered to be common stock equivalents and are only included in the calculation of diluted net income per share when their effect is dilutive. For the three and six months ended March 28, 2020, 7.1 million and 7.1 million shares, respectively, were excluded from the diluted net income per share calculation as their effect would be anti-dilutive.

The following tables provide a reconciliation of the numerator and denominator of the basic and diluted net income per share calculations.

	Quarterly Period Ended		Two Quarterly Periods Ended	
(in millions, except per share amounts)	**March 28, 2020**	March 30, 2019	**March 28, 2020**	March 30, 2019
Numerator				
Consolidated net income	**$ 126**	$ 74	**$ 173**	$ 162
Denominator				
Weighted average common shares outstanding - basic	**132.4**	130.5	**132.4**	130.8
Dilutive shares	**1.7**	3.3	**1.8**	3.1
Weighted average common and common equivalent shares outstanding - diluted	**134.1**	133.8	**134.2**	133.9
Per common share income				
Basic	**$ 0.95**	$ 0.57	**$ 1.31**	$ 1.24
Diluted	**$ 0.94**	$ 0.55	**$ 1.29**	$ 1.21

14. Accumulated Other Comprehensive Loss

The components and activity of Accumulated other comprehensive loss are as follows:

Quarterly Period Ended	**Currency Translation**	**Defined Benefit Pension and Retiree Health Benefit Plans**	**Derivative Instruments**	**Accumulated Other Comprehensive Loss**
Balance at December 28, 2019	$ (187)	$ (56)	$ (38)	$ (281)
Other comprehensive loss before reclassifications	**(109)**	**(1)**	**(181)**	**(291)**
Net amount reclassified from accumulated other comprehensive loss	**—**	**—**	**35**	**35**
Provision for income taxes	**(48)**	**—**	**37**	**(11)**
Balance at March 28, 2020	**$ (344)**	**$ (57)**	**$ (147)**	**$ (548)**

	Currency Translation	**Defined Benefit Pension and Retiree Health Benefit Plans**	**Derivative Instruments**	**Accumulated Other Comprehensive Loss**
Balance at December 29, 2018	$ (179)	$ (13)	$ 15	$ (177)
Other comprehensive income (loss) before reclassifications	6	—	(16)	(10)
Net amount reclassified from accumulated other comprehensive loss	—	—	(4)	(4)
Provision for income taxes	—	—	5	5
Balance at March 30, 2019	$ (173)	$ (13)	$ —	$ (186)

Two Quarterly Periods Ended	**Currency Translation**	**Defined Benefit Pension and Retiree Health Benefit Plans**	**Derivative Instruments**	**Accumulated Other Comprehensive Loss**
Balance at September 28, 2019	$ (279)	$ (56)	$ (51)	$ (386)
Other comprehensive loss before reclassifications	**(42)**	**(1)**	**(180)**	**(223)**
Net amount reclassified from accumulated other comprehensive loss	**—**	**—**	**52**	**52**
Provision for income taxes	**(23)**	**—**	**32**	**9**
Balance at March 28, 2020	**$ (344)**	**$ (57)**	**$ (147)**	**$ (548)**

	Currency Translation	**Defined Benefit Pension and Retiree Health Benefit Plans**	**Derivative Instruments**	**Accumulated Other Comprehensive Loss**
Balance at September 29, 2018	$ (175)	$ (13)	$ 32	$ (156)
Other comprehensive income (loss) before reclassifications	2	—	(38)	(36)
Net amount reclassified from accumulated other comprehensive loss	—	—	(5)	(5)
Provision for income taxes	—	—	11	11
Balance at March 30, 2019	$ (173)	$ (13)	$ —	$ (186)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the consolidated financial statements of Berry Global Group, Inc. and its subsidiaries and the accompanying notes thereto, which information is included elsewhere herein. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in our most recent Form 10-K in the section titled "Risk Factors", Item 1A of the our Quarterly Report on Form 10-Q for the quarter ended March 28, 2020, and other risk factors identified from time to time in our subsequent periodic filings with the Securities and Exchange Commission. As a result, our actual results may differ materially from those contained in any forward-looking statements. The forward-looking statements referenced within this report should be read with the explanation of the qualifications and limitations included herein. Fiscal 2019 and fiscal 2020 are fifty-two week periods.

Executive Summary

COVID-19. The ongoing pandemic has impacted various businesses and supply chains, including travel restrictions and the extended shutdown of certain industries in various countries. Due to the nature of the majority of our products, geographic footprint and end market diversity, on a consolidated operational basis we have been somewhat negatively impacted with lower customer demand in food service and industrials being partially offset by higher consumer demand in our healthcare, hygiene and food product categories. Additionally, the impact of travel and safety restriction related to the pandemic has negatively impacted various integration activities and back office functions. The Company will continue to evaluate the potential impacts and closely monitor developments as they arise.

Business. The Company's operations are organized into four reporting segments: Consumer Packaging International, Consumer Packaging North America, Engineered Materials and Health, Hygiene & Specialties. The structure is designed to align us with our customers, provide optimal service, drive future growth, and to facilitate synergies realization. The Consumer Packaging International segment primarily consists of containers, closures, dispensing systems, pharmaceutical devices and packaging, polythene films, and technical components and includes the international portion of the recently acquired RPC Group Plc (“RPC”) business. The Consumer Packaging North America segment primarily consists of containers, foodservice items, closures, overcaps, bottles, prescription vials, and tubes. The Engineered Materials segment primarily consists of tapes and adhesives, polyethylene-based film products, can liners, and specialty coated and laminated products. The Health, Hygiene & Specialties segment primarily consists of nonwoven specialty materials and films used in hygiene, infection prevention, personal care, industrial, construction, and filtration applications.

Acquisitions. Our acquisition strategy is focused on improving our long-term financial performance, enhancing our market positions, and expanding our existing and complementary product lines. We seek to obtain businesses for attractive post-synergy multiples, creating value for our stockholders from synergy realization, leveraging the acquired products across our customer base, creating new platforms for future growth, and assuming best practices from the businesses we acquire. While the expected benefits on earnings is estimated at the commencement of each transaction, once the execution of the plan and integration occur, we are generally unable to accurately estimate or track what the ultimate effects have been due to system integrations and movements of activities to multiple facilities. As historical business combinations and restructuring plans have not allowed us to accurately separate realized synergies compared to what was initially identified, we measure the synergy realization based on the overall segment profitability post integration.

RPC Group Plc

In July 2019, the Company completed the acquisition of RPC for aggregate consideration of $6.1 billion. RPC is a leading plastic product design and engineering company for packaging and select non-packaging markets, with 189 sites in 34 countries. RPC develops and manufactures a diverse range of products for a wide variety of customers, including many household names, and enjoys strong market positions in many of the end markets it serves and the geographical areas in which it operates. It uses a wide range of polymer conversion techniques and is also one of the largest plastic recyclers in Europe. The international based facilities are operated within the Consumer Packaging International segment with the remaining U.S. based facilities operated within the Consumer Packaging North America segment. The Company expects to realize annual cost synergies of $150 million of which an estimated $75 million is expected to be realized in fiscal 2020. See Note 4 to the Consolidated Financial Statements for further details on the acquisition of RPC.

Seal For Life

In July 2019, the Company completed the sale of our Seal For Life ("SFL") business which was operated in our Health, Hygiene & Specialties segment for net proceeds of $325 million. SFL recorded $96 million in net sales during fiscal 2019.

Raw Material Trends. Our primary raw material is plastic resin. Polypropylene and polyethylene account for approximately 90% of our plastic resin pounds purchased. The three month simple average price per pound, as published by U.S. market indices, were as follows:

	Polyethylene Butene Film			Polypropylene		
	2020	2019	2018	**2020**	2019	2018
1st quarter	**$ .58**	$ .64	$ .68	**$ .58**	$ .76	$ .71
2nd quarter	**.59**	.61	.69	**.53**	.63	.75
3rd quarter	**—**	.63	.68	**—**	.62	.76
4th quarter	**—**	.59	.66	**—**	.62	.85

Due to differences in the timing of passing through resin cost changes to our customers on escalator/de-escalator programs, segments are negatively impacted in the short term when plastic resin costs increase and are positively impacted when plastic resin costs decrease. This timing lag and competitor behaviors related to passing through raw material cost changes could affect our results as plastic resin costs fluctuate.

Outlook. The Company is affected by general economic and industrial growth, plastic resin availability and affordability, and general industrial production. Our business has both geographic and end market diversity, which reduces the effect of any one of these factors on our overall performance. Our results are affected by our ability to pass through raw material and other cost changes to our customers, improve manufacturing productivity and adapt to volume changes of our customers, including those changes being impacted by the current COVID-19 pandemic. Based on current market conditions we believe both of our Consumer Packaging segments and our Engineered Materials segment will see negative volumes in the near-term as they are more highly indexed to food service and industrials markets as well as experiencing temporary delays in various project launches. We also believe our Health, Hygiene, & Specialties segment will continue to have strong volumes for the duration of fiscal 2020 as a result of strong demand for healthcare products. Despite some near-term pressures we believe our underlying long-term demand fundamentals in all divisions remains intact as we continue our focus on delivering protective solutions that enhance consumer safety and execute on the Company's mission statement of "Always Advancing to Protect What's Important". For fiscal 2020, we project cash flow from operations and free cash flow of at least $1,400 million and $800 million, respectively. The free cash flow floor assumes an estimated $600 million of capital spending, cash taxes of $150 million, cash interest costs of $430 million, and other cash uses of $50 million related to changes in working capital, acquisition integration expenses and costs to achieve synergies. For the definition of free cash flow and further information related to free cash flow as a non-GAAP financial measure, see "Liquidity and Capital Resources".

Results of Operations

Comparison of the Quarterly Period Ended March 28, 2020 (the "Quarter") and the Quarterly Period Ended March 30, 2019 (the "Prior Quarter")

Acquisition sales and operating income disclosed within this section represents the results from acquisitions for the current period. Business integration expenses consist of restructuring and impairment charges, acquisition related costs, and other business optimization costs. Tables present dollars in millions.

Consolidated Overview

	Quarter	Prior Quarter	$ Change	% Change
Net sales	**$ 2,975**	$ 1,950	$ 1,025	53%
Operating income	**$ 284**	$ 185	$ 99	54%
Operating income percentage of net sales	**10%**	9%		

The net sales growth is primarily attributed to acquisition net sales of $1,174 million and a base volume increase of 2%. These increases were partially offset by lower selling prices of $148 million due to the pass through of lower resin costs and Prior Quarter divestiture sales of $24 million.

The operating income increase is primarily attributed to acquisition operating income of $81 million, a $11 million decrease in business integration costs, a $9 million decrease in selling, general and administrative expenses primarily related to timing of issuing annual option awards to employees and an $8 million decrease in depreciation and amortization. These improvements were partially offset by a $9 million negative impact from price cost spread and Prior Quarter divestiture operating income of $7 million.

Consumer Packaging International

	Quarter	Prior Quarter	$ Change	% Change
Net sales	**$ 1,095**	$ 50	$ 1,045	2,090%
Operating income (loss)	**$ 61**	$ (5)	$ 66	(1,320)%
Operating income percentage of net sales	**6%**	(10)%		

The net sales and operating income growth in the Consumer Packaging International segment is primarily attributed to the RPC acquisition.

Consumer Packaging North America

	Quarter	Prior Quarter	$ Change	% Change
Net sales	**$ 706**	$ 639	$ 67	10%
Operating income	**$ 83**	$ 62	$ 21	34%
Operating income percentage of net sales	**12%**	10%		

The net sales growth in the Consumer Packaging North America segment is primarily attributed to acquisition net sales of $123 million related to the U.S. portion of the acquired RPC business, partially offset by lower selling prices of $56 million due to the pass through of lower resin costs.

The operating income increase is primarily attributed to acquisition operating income of $16 million and a $3 million decrease in depreciation and amortization.

Engineered Materials

	Quarter	Prior Quarter	$ Change	% Change
Net sales	**$ 598**	$ 619	$ (21)	(3)%
Operating income	**$ 88**	$ 74	$ 14	19%
Operating income percentage of net sales	**15%**	12%		

The net sales decrease in the Engineered Materials segment is primarily attributed to lower selling prices of $39 million due to the pass through of lower resin costs, partially offset by a 2% base volume increase.

The operating income increase is primarily attributed to a $4 million decrease in depreciation and amortization, a $4 million decrease in selling, general and administrative expenses, and a favorable impact from price cost spread.

Health, Hygiene & Specialties

	Quarter	Prior Quarter	$ Change	% Change
Net sales	**$ 576**	$ 642	$ (66)	(10)%
Operating income	**$ 52**	$ 54	$ (2)	(4)%
Operating income percentage of net sales	**9%**	8%		

The net sales decrease in the Health, Hygiene & Specialties segment is primarily attributed to lower selling prices of $52 million due to the pass through of lower resin costs and Prior Quarter sales of $24 million related to the divested SFL business. These decreases are partially offset by a 3% base volume increase.

The operating income decrease is primarily attributed to an $8 million unfavorable impact from price cost spread and Prior Quarter operating income of $7 million related to the divested SFL business. These decreases were partially offset by a $6 million decrease in business integration costs and a $3 million favorable impact from the base volume increase.

Other expense, net

	Quarter	Prior Quarter	$ Change	% Change
Other expense, net	**$ —**	$ 23	$ (23)	(100)%

Other expense in the Quarter includes $20 million of debt extinguishment costs, primarily a result of the prepayment of the entire outstanding amount of our existing euro denominated term loan, offset by favorable foreign currency changes associated with the remeasurement of non-operating intercompany balances. The Prior Quarter contains non-recurring, unfavorable foreign currency changes related to the foreign exchange forward contracts entered into as a part of the RPC acquisition.

Interest expense, net

	Quarter	Prior Quarter	$ Change	% Change
Interest expense, net	**$ 111**	$ 66	$ 45	68%

The interest expense increase is primarily attributed to the incremental debt facilities entered into as part of the RPC acquisition.

Income tax expense

	Quarter	Prior Quarter	$ Change	% Change
Income tax expense	**$ 47**	$ 22	$ 25	114%

The effective tax rate was 27% for the quarter and was negatively impacted by 3% from U.S. state income taxes, 2% from uncertain tax positions, 2% from global intangible low-taxed income provisions, and was partially offset by other discrete items.

Changes in Comprehensive Income

The $206 million decline in comprehensive income from the Prior Quarter was primarily attributed to a $94 million unfavorable change in the fair value of derivative instruments, net of tax and a $163 million unfavorable change in currency translation, partially offset by a $52 million improvement in net income. Currency translation gains and losses are primarily related to non-U.S. subsidiaries with a functional currency other than U.S. dollars whereby assets and liabilities are translated from the respective functional currency into U.S. dollars using period-end exchange rates. The change in currency translation in the Quarter was primarily attributed to locations utilizing the euro, British pound sterling, Brazilian real, Canadian dollar, Chinese renminbi and Mexican peso as the functional currency. As part of the overall risk management, the Company uses derivative instruments to (i) reduce our exposure to changes in interest rates attributed to the Company's borrowings and (ii) reduce foreign currency exposure to translation of certain foreign operations. The Company records changes to the fair value of these instruments in Accumulated other comprehensive loss. The change in fair value of these instruments in fiscal 2020 versus fiscal 2019 is primarily attributed to the change in the forward interest and foreign exchange curves between measurement dates.

Comparison of the Two Quarterly Periods Ended March 28, 2020 (the "YTD") and the Two Quarterly Periods Ended March 30, 2019 (the "Prior YTD")

Acquisition sales and operating income disclosed within this section represents the results from acquisitions for the current period. Business integration expenses consist of restructuring and impairment charges, acquisition related costs, and other business optimization costs. Tables present dollars in millions.

Consolidated Overview

	YTD	Prior YTD	$ Change	% Change
Net sales	**$ 5,791**	$ 3,922	$ 1,869	48%
Operating income	**$ 483**	$ 361	$ 122	34%
Operating income percentage of net sales	**8%**	9%		

The net sales growth is primarily attributed to acquisition net sales of $2,256 million, partially offset by lower selling prices of $330 million due to the pass through of lower resin costs, Prior YTD divestiture sales of $52 million and a $13 million unfavorable impact from foreign currency changes.

The operating income increase is primarily attributed to acquisition operating income of $135 million, a $17 million decrease in business integration costs, a $16 million decrease in depreciation and amortization. These improvements were partially offset by a $29 million negative impact from price cost spread and Prior YTD divestiture operating income of $16 million.

Consumer Packaging International

	YTD	Prior YTD	$ Change	% Change
Net sales	**$ 2,105**	$ 101	$ 2,004	1,984%
Operating income	**$ 105**	$ (1)	$ 106	(10,600)%
Operating income percentage of net sales	**5%**	(1)%		

The net sales and operating income growth in the Consumer Packaging International segment is attributed to the RPC acquisition.

Consumer Packaging North America

	YTD	Prior YTD	$ Change	% Change
Net sales	**$ 1,386**	$ 1,240	$ 146	12%
Operating income	**$ 133**	$ 95	$ 38	40%
Operating income percentage of net sales	**10%**	8%		

The net sales growth in the Consumer Packaging North America segment is primarily attributed to acquisition net sales of $239 million related to the U.S. portion of the acquired RPC business and a 2% base volume improvement, partially offset by lower selling prices of $111 million due to the pass through of lower resin costs.

The operating income increase is primarily attributed to acquisition operating income of $27 million and a $5 million favorable impact from price cost spread.

Engineered Materials

	YTD	Prior YTD	$ Change	% Change
Net sales	**$ 1,183**	$ 1,280	$ (97)	(8)%
Operating income	**$ 159**	$ 167	$ (8)	(5)%
Operating income percentage of net sales	**13%**	13%		

The net sales decrease in the Engineered Materials segment is primarily attributed to lower selling prices of $100 million due to the pass through of lower resin costs.

The operating income decrease is primarily attributed to a $15 million unfavorable impact from price cost spread partially offset by a $6 million decrease in depreciation and amortization.

Health, Hygiene & Specialties

	YTD	Prior YTD	$ Change	% Change
Net sales	**$ 1,117**	$ 1,301	$ (184)	(14)%
Operating income	**$ 86**	$ 100	$ (14)	(14)%
Operating income percentage of net sales	**8%**	8%		

The net sales decrease in the Health, Hygiene & Specialties segment is primarily attributed to lower selling prices of $119 million due to the pass through of lower resin costs and Prior YTD sales of $52 million related to the divested SFL business.

The operating income decrease is primarily attributed to a $19 million unfavorable impact from price cost spread and Prior YTD operating income of $16 million related to the divested SFL business. These decreases are partially offset by a $15 million decrease in business integration costs and an $8 million decrease in depreciation and amortization.

Other expense, net

	YTD	Prior YTD	$ Change	% Change
Other expense, net	**$ 13**	$ 23	$ (10)	(100)%

The other expense decrease is primarily attributed to non-recurring, unfavorable foreign currency changes related to the foreign exchange forward contracts entered into as a part of the RPC acquisition in the Prior YTD.

Interest expense, net

	YTD	Prior YTD	$ Change	% Change
Interest expense, net	**$ 229**	$ 130	$ 99	76%

The interest expense increase is primarily attributed to the incremental debt facilities entered into as part of the RPC acquisition.

Income tax expense

	YTD	Prior YTD	$ Change	% Change
Income tax expense	**$ 68**	$ 46	$ 22	48%

The effective tax rate was 28% for the YTD and was negatively impacted by 3% from U.S. state income taxes, 2% from uncertain tax positions, 2% from global intangible low-taxed income provisions, and other discrete items.

Changes in Comprehensive Income

The $121 million decline in comprehensive income from the Prior YTD was primarily attributed to a $64 million unfavorable change in the fair value of derivative instruments, net of tax, and a $67 million unfavorable change in currency translation, partially offset by an $11 million improvement in net income. Currency translation gains and losses are primarily related to non-U.S. subsidiaries with a functional currency other than U.S. dollars whereby assets and liabilities are translated from the respective functional currency into U.S. dollars using period-end exchange rates. The change in currency translation in the YTD was primarily attributed to locations utilizing the euro, British pound sterling, Brazilian real, Canadian dollar, Chinese renminbi and Mexican peso as the functional currency. As part of the overall risk management, the Company uses derivative instruments to (i) reduce our exposure to changes in interest rates attributed to the Company's borrowings and (ii) reduce foreign currency exposure to translation of certain foreign operations. The Company records changes to the fair value of these instruments in Accumulated other comprehensive loss. The change in fair value of these instruments in fiscal 2020 versus fiscal 2019 is primarily attributed to the change in the forward interest and foreign exchange curves between measurement dates.

Liquidity and Capital Resources

Senior Secured Credit Facility

We manage our global cash requirements considering (i) available funds among the many subsidiaries through which we conduct business, (ii) the geographic location of our liquidity needs, and (iii) the cost to access international cash balances. At the end of the Quarter, the Company had no outstanding balance on its $850 million asset-based revolving line of credit that matures in May 2024. The Company was in compliance with all covenants at the end of the Quarter (see Note 7).

Cash Flows

Net cash from operating activities increased $202 million from the Prior YTD primarily attributed to improved net income prior to non-cash activities related to the RPC acquisition.

Net cash used in investing activities decreased $140 million from the Prior YTD primarily attributed to proceeds from the settlement of cross-currency derivatives partially offset by increased capital expenditures as a result of the RPC acquisition.

Net cash used in financing activities increased $104 million from the Prior YTD primarily attributed to higher debt repayments partially offset by lower share repurchase activity.

Share Repurchases

No shares were repurchased during the quarter. Authorized share repurchases of $393 million remain available to the Company.

Free Cash Flow

We define "Free cash flow" as cash flow from operating activities less net additions to property, plant and equipment.

Based on our definition, our consolidated Free cash flow is summarized as follows:

	Two Quarterly Periods Ended March 28, 2020
Cash flow from operating activities	**$ 533**
Additions to property, plant and equipment, net	**(263)**
Free cash flow	**$ 270**

Free cash flow, as presented in this document, is a supplemental financial measure that is not required by, or presented in accordance with, generally accepted accounting principles in the U.S. ("GAAP"). Free cash flow is not a GAAP financial measure and should not be considered as an alternative to cash flow from operating activities or any other measure determined in accordance with GAAP. We use Free cash flow as a measure of liquidity because it assists us in assessing our company’s ability to fund its growth through its generation of cash, and believe it is useful to investors for such purpose. In addition, Free cash flow and similar measures are widely used by investors, securities analysts and other interested parties in our industry to measure a company's liquidity. Free cash flow may be calculated differently by other companies, including other companies in our industry, limiting its usefulness as a comparative measure.

Liquidity Outlook

At March 28, 2020, our cash balance was $953 million, of which approximately 65% was located outside the U.S. We believe our existing U.S. based cash and cash flow from U.S. operations, together with available borrowings under our senior secured credit facilities, will be adequate to meet our liquidity needs over the next twelve months. We do not expect our free cash flow to be sufficient to cover all long-term debt obligations and intend to refinance these obligations prior to maturity. However, we cannot predict our future results of operations and our ability to meet our obligations involves numerous risks and uncertainties, including, but not limited to, those described in the “Risk Factors” section of our most recent Form 10-K filed with the Securities and Exchange Commission and in this Form 10-Q, if any.

Summarized Guarantor Financial Information

Berry Global, Inc. ("Issuer") has notes outstanding which are fully, jointly, severally, and unconditionally guaranteed by its parent, Berry Global Group, Inc. (for purposes of this section, "Parent") and substantially all of Issuer's domestic subsidiaries. Separate narrative information or financial statements of the guarantor subsidiaries have not been included because they are 100% owned by Parent and the guarantor subsidiaries unconditionally guarantee such debt on a joint and several basis. A guarantee of a guarantor subsidiary of the securities will terminate upon the following customary circumstances: the sale of the capital stock of such guarantor if such sale complies with the indentures, the designation of such guarantor as an unrestricted subsidiary, the defeasance or discharge of the indenture or in the case of a restricted subsidiary that is required to guarantee after the relevant issuance date, if such guarantor no longer guarantees certain other indebtedness of the issuer. The guarantees of the guarantor subsidiaries are also limited as necessary to prevent them from constituting a fraudulent conveyance under applicable law and any guarantees guaranteeing subordinated debt are subordinated to certain other of the Company's debts. Parent also guarantees the Issuer's term loans and revolving credit facilities. The guarantor subsidiaries guarantee our term loans and are co-borrowers under our revolving credit facility.

Presented below is summarized financial information for the Parent, Issuer and guarantor subsidiaries on a combined basis, after intercompany transactions have been eliminated.

	Two Quarterly Periods Ended March 28, 2020
Net sales	$ 2,848
Gross profit	626
Earnings from continuing operations	92
Net income	$ 92

Includes $12 million of income associated with intercompany activity from non-guarantor subsidiaries.

	March 28, 2020	September 28, 2019
Assets		
Current assets	**$ 1,671**	$ 856
Noncurrent assets	**5,353**	5,469
Liabilities		
Current liabilities	**$ 953**	$ 436
Noncurrent liabilities	**12,502**	12,341

Includes $416 million of current intercompany receivables due from non-guarantor subsidiaries as of March 28, 2020 and $45 million of current intercompany payables due to non-guarantor subsidiaries as of September 28, 2019.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

We are exposed to market risk from changes in interest rates primarily through our senior secured credit facilities. Our senior secured credit facilities are comprised of (i) $6.2 billion term loans and (ii) a $850 million revolving credit facility with no borrowings outstanding. Borrowings under our senior secured credit facilities bear interest at a rate equal to an applicable margin plus LIBOR. The applicable margin for LIBOR rate borrowings under the revolving credit facility ranges from 1.25% to 1.50%, and the margin for term loans is 2.00% per annum. As of period end, the LIBOR rate of approximately 1.00% was applicable to the term loans. A 0.25% change in LIBOR would increase our annual interest expense by $8 million on variable rate term loans.

We seek to minimize interest rate volatility risk through regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. These financial instruments are not used for trading or other speculative purposes. At period end, the Company effectively had (i) a $450 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.398%, with an expiration in June 2026, (ii) a $1 billion interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.835% with an expiration in June 2026, (iii) a $400 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.916% with an expiration in June 2026, (iv) a $884 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.857%, with an expiration in June 2024, and (v) a $473 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 2.050%, with an expiration in June 2024.

Foreign Currency Risk

As a global company, we face foreign currency risk exposure from fluctuating currency exchange rates, primarily the U.S. dollar against the euro, British pound sterling, Brazilian real, Chinese renminbi, Canadian dollar and Mexican peso. Significant fluctuations in currency rates can have a substantial impact, either positive or negative, on our revenue, cost of sales, and operating expenses. Currency translation gains and losses are primarily related to non-U.S. subsidiaries with a functional currency other than U.S. dollars whereby assets and liabilities are translated from the respective functional currency into U.S. dollars using period-end exchange rates and impact our Comprehensive income. A 10% decline in foreign currency exchange rates would have had a $12 million unfavorable impact on our Net income for the two quarterly periods ended March 28, 2020.

The Company is party to certain cross-currency swaps to hedge a portion of our foreign currency risk. The swap agreements mature May 2022 (€250 million) and June 2024 (€1,625 million and £700 million). In addition to cross-currency swaps, we hedge a portion of our foreign currency risk by designating foreign currency denominated long-term debt as net investment hedges of certain foreign operations. As of March 28, 2020, we had outstanding long-term debt of €1,075 million that was designated as a hedge of our net investment in certain euro-denominated foreign subsidiaries.

Item 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures.

Under applicable Securities and Exchange Commission regulations, management of a reporting company, with the participation of the principal executive officer and principal financial officer, must periodically evaluate the company's "disclosure controls and procedures," which are defined generally as controls and other procedures of a reporting company designed to ensure that information required to be disclosed by the reporting company in its periodic reports filed with the commission (such as this Form 10-Q) is recorded, processed, summarized, and reported on a timely basis.

The Company's management, with the participation of the Chief Executive Officer and the Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of our disclosure controls and procedures were effective at the reasonable assurance level as of the end of the period covered by this report.

(b) Changes in internal controls.

The impact of travel and safety restriction related to the COVID-19 pandemic has negatively impacted various integration activities including the ongoing process of implementing standardized internal control procedures over financial reporting within the recently acquired RPC business. We will continue to evaluate the potential impacts and closely monitor developments as they arise and will continue to respond accordingly.

There were no other changes in our internal control over financial reporting that occurred during the quarter ended that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

There have been no material changes in legal proceedings from the items disclosed in our Form 10-K filed with the Securities and Exchange Commission.

Item 1A. Risk Factors

Before investing in our securities, we recommend that investors carefully consider the risks described in our most recent Form 10-K filed with the Securities and Exchange Commission, including those under the heading "Risk Factors" and other information contained in this Quarterly Report. Realization of any of these risks could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The ongoing COVID-19 pandemic could continue to have an adverse impact on our business, financial condition, liquidity, and results of operations, which may be material.

The ongoing COVID-19 pandemic has impacted demand for some of our products and we may not be successful in allocating resources to address rapidly shifting demand among our product lines. Additionally, the impact of travel and safety restrictions related to the COVID-19 pandemic has negatively impacted certain integration activities, including the ongoing process of implementing standardized internal control procedures within the recently acquired RPC business. The extent to which the ongoing COVID-19 pandemic adversely impacts our business, financial condition, liquidity and results of operations will depend on future developments that are highly uncertain and cannot be predicted, including, but not limited to, the duration of the pandemic, the severity of the COVID-19 virus, potential actions taken by various governmental authorities in response to the pandemic, and the timing of recovery of the global economy. As a result, we cannot at this time predict the overall impact of the COVID-19 pandemic, but it could have a material adverse impact on our business, financial condition, liquidity, and results of operations. To the extent the COVID-19 pandemic adversely affects our business, financial condition, liquidity, or results of operations, it may also have the effect of heightening many of the other risks described in the “Risk Factors” section of our most recent Form 10-K.

Forward-looking Statements and Other Factors Affecting Future Results.

All forward-looking information and subsequent written and oral forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results include:

- 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;
- risk related to international business, including as a result of the RPC transaction, 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, including as a result of the COVID-19 pandemic;
- risk 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;
- risks that our restructuring programs may entail greater implementation costs or result in lower cost savings than anticipated;
- ability of our insurance to fully cover potential exposures;
- risks related to future write-offs of our substantial goodwill;
- risks of competition, including foreign competition, in our existing and future markets;
- new legislation or new regulations and the Company's corresponding interpretations of either may affect our business and consolidated financial condition and results of operations; and
- the other factors discussed in our most recent Form 10-K and in this Form 10-Q in the section titled "Risk Factors."

We caution readers that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this Form 10-Q may not in fact occur. Accordingly, investors should not place undue reliance on those statements. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Repurchases of Equity Securities

During the quarter, the Company did not repurchase any shares. As of March 28, 2020, $393 million of authorized shares remained available to purchase under the program.

Item 6. Exhibits

Exhibit No.	Description of Exhibit
3.1	Amended and Restated Bylaws of Berry Global Group, Inc., as amended and restated effective as of March 6, 2019 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on March 8, 2019) [corrected hyperlink].
4.1	Indenture, among Berry Global, Inc., certain guarantors party thereto, U.S. Bank National Association, as Trustee and Collateral Agent, and Elavon Financial Services DAC, as Paying Agent, Transfer Agent and Registrar, relating to the 1.00% First Priority Senior Secured Notes due 2025 and 1.50% First Priority Senior Secured Notes due 2027, dated January 2, 2020 (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on January 2, 2020).
31.1*	Rule 13a-14(a)/15d-14(a) Certification of the Chief Executive Officer.
31.2*	Rule 13a-14(a)/15d-14(a) Certification of the Chief Financial Officer.
32.1*	Section 1350 Certification of the Chief Executive Officer.
32.2*	Section 1350 Certification of the Chief Financial Officer.
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

SIGNATURE

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.

May 1, 2020

By: /s/ Mark W. Miles
Mark W. Miles
Chief Financial Officer

EXHIBIT 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Thomas E. Salmon, Chief Executive Officer of Berry Global Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Berry Global Group, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 1, 2020

By: /s/ Thomas E. Salmon
Thomas E. Salmon
Chief Executive Officer

EXHIBIT 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Mark W. Miles, Chief Financial Officer of Berry Global Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Berry Global Group, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

By: /s/ Mark W. Miles
Mark W. Miles
Chief Financial Officer

Date: May 1, 2020

EXHIBIT 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Berry Global Group, Inc. (the "Registrant") on Form 10-Q for the quarter ended March 28, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas E. Salmon, Chief Executive Officer of the Registrant, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Thomas E. Salmon
Thomas E. Salmon
Chief Executive Officer

Date: May 1, 2020

EXHIBIT 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Berry Global Group, Inc. (the "Registrant") on Form 10-Q for the quarter ended March 28, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark W. Miles, the Chief Financial Officer and Treasurer of the Registrant, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Mark W. Miles
Mark W. Miles
Chief Financial Officer

Date: May 1, 2020