

Sealed Air Corporation
Reconciliation of EBIT/EBITDA
For the current period and prior five years
Amounts in millions
All amounts are approximate due to rounding

Reconciliation from "Net cash provided by operating activities" to non-GAAP EBITDA & EBIT:

| | Six months ended June 30, | | Three months ended June 30, | | Three months ended March 31, | | For the year ended December 31, | | | | |
|--|------------------------------|-----------------|--------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 | 2002 | 2001 | 2000 | 1999 | 1998 |
| Net cash provided by operating activities | \$ 168.1 | \$ 82.8 | \$ 87.1 | \$ 81.3 | \$ 81.0 | \$ 1.5 | \$ 323.9 | \$ 578.7 | \$ 329.4 | \$ 430.4 | \$ 411.6 |
| Adjustment for items included in cash provided by operating activities but excluded from the calculation of EBITDA and EBIT: | | | | | | | | | | | |
| Amortization of bond discount | (0.4) | (0.4) | (0.3) | (0.2) | (0.1) | (0.2) | (0.7) | (0.6) | (0.3) | (0.2) | - |
| Non-cash portion of restructuring and other charges (credits) | - | - | - | - | - | - | - | (7.3) | 1.2 | - | (44.2) |
| Non-cash portion of asbestos settlement | - | - | - | - | - | - | (321.5) | - | - | - | - |
| Deferred tax (benefit) provisions | 7.2 | 1.1 | 2.9 | 1.4 | 4.3 | (0.3) | 257.2 | 9.1 | (20.4) | (19.4) | (24.0) |
| Net loss (gain) on disposals of property and equipment | (0.3) | 0.1 | (0.2) | 0.3 | (0.1) | (0.2) | (0.1) | 0.2 | (0.6) | (0.1) | (2.0) |
| Changes in operating assets and liabilities, net of businesses acquired | 39.2 | 125.5 | 20.0 | 25.0 | 19.2 | 100.4 | (402.9) | (202.8) | 135.7 | 24.2 | (72.4) |
| Interest expense | 48.9 | 33.2 | 26.5 | 16.5 | 22.4 | 16.7 | 65.3 | 76.4 | 64.5 | 58.1 | 53.6 |
| Income tax (benefit) expense | 73.2 | 87.9 | 37.0 | 45.2 | 36.2 | 42.8 | (82.9) | 140.8 | 188.1 | 184.2 | 125.9 |
| EBITDA (1) | \$ 335.9 | \$ 330.2 | \$ 173.0 | \$ 169.5 | \$ 162.9 | \$ 160.7 | \$ (161.7) | \$ 594.5 | \$ 697.6 | \$ 677.2 | \$ 448.5 |
| Less: depreciation and amortization (2) | (86.3) | (82.5) | (43.7) | (41.8) | (42.6) | (40.7) | (164.9) | (220.6) | (219.7) | (223.4) | (195.9) |
| EBIT (1) | \$ 249.6 | \$ 247.7 | \$ 129.3 | \$ 127.7 | \$ 120.3 | \$ 120.0 | \$ (326.6) | \$ 373.9 | \$ 477.9 | \$ 453.8 | \$ 252.6 |

Reconciliation from "Net earnings (loss)" to non-GAAP EBITDA & EBIT:

| | Six months ended June 30, | | Three months ended June 30, | | Three months ended March 31, | | For the year ended December 31, | | | | |
|--|------------------------------|-----------------|--------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 | 2002 | 2001 | 2000 | 1999 | 1998 |
| Net earnings (loss) | \$ 127.5 | \$ 126.6 | \$ 65.8 | \$ 66.0 | \$ 61.7 | \$ 60.5 | \$ (309.1) | \$ 156.7 | \$ 225.3 | \$ 211.5 | \$ 73.0 |
| Add: | | | | | | | | | | | |
| Interest expense | 48.9 | 33.2 | 26.5 | 16.5 | 22.4 | 16.7 | 65.3 | 76.4 | 64.5 | 58.1 | 53.6 |
| Income tax expense (benefit) | 73.2 | 87.9 | 37.0 | 45.2 | 36.2 | 42.8 | (82.8) | 140.8 | 188.1 | 184.2 | 126.0 |
| EBIT (1) | \$ 249.6 | \$ 247.7 | \$ 129.3 | \$ 127.7 | \$ 120.3 | \$ 120.0 | \$ (326.6) | \$ 373.9 | \$ 477.9 | \$ 453.8 | \$ 252.6 |
| Add: depreciation and amortization (2) | 86.3 | 82.5 | 43.7 | 41.8 | 42.6 | 40.7 | 164.9 | 220.6 | 219.7 | 223.4 | 195.9 |
| EBITDA (1) | \$ 335.9 | \$ 330.2 | \$ 173.0 | \$ 169.5 | \$ 162.9 | \$ 160.7 | \$ (161.7) | \$ 594.5 | \$ 697.6 | \$ 677.2 | \$ 448.5 |

Notes:

(1) - EBIT is defined as earnings (loss) before interest expense and provisions for income taxes. EBITDA is defined as EBIT plus depreciation and amortization. EBIT and EBITDA do not purport to represent net earnings or net cash provided by operating activities, as those terms are defined under generally accepted accounting principles, and should not be considered as an alternative to such measurements or as indicators of the Company's performance. The Company's definitions of EBIT and EBITDA may not be comparable with similarly-titled measures used by other companies. EBIT and EBITDA are among the indicators used by the Company's management to measure the performance of the Company's operations and are also among the criteria upon which performance based compensation may be based.

(2) - Beginning January 1, 2002, in accordance with SFAS No. 142, the Company ceased recording amortization expense related to goodwill. Goodwill amortization expense was \$57.0 in 2001, \$51.8 in 2000, \$49.4 in 1999 and \$36.1 in 1998.