Aspiring to new heights

Amcor Australasia & Packaging Distribution

Nigel Garrard, President
Amcor Australasia & Packaging Distribution

Key messages

- Australia and NZ
  - Good industry structures in defensive market segments
  - Number one or two in all markets
    - Strong customer relationships
    - Well capitalised operations
  - New recycled paper mill to substantially improve cost position and product offering
  - Adapting to changing market conditions
- Packaging Distribution
  - Strong business model with proven track record of success
  - Broadening national network and successfully developed new distribution channels

Well positioned and well capitalised businesses. Earnings growth driven by recent capital expenditure.

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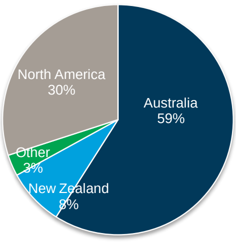
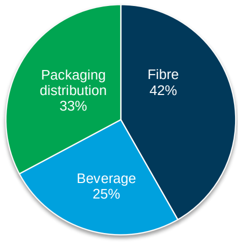
Business overview

FY2012 Sales $2,872 million

Sales by Region



Sales by Division



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Packaging Distribution

- Market conditions
  - Slow economic recovery in USA
  - Not relying on economic expansion to drive growth
- Enhanced positioning
  - Compelling customer service
  - Geographic reach
  - Financial strength
  - Brand equity
  - Operational and technical scope
- Aim to be a global “Packaging Distribution” brand
  - A top-performer in targeted segments

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Sales channel expansion

The business has moved from "One size fits all"
- Sales predominately through Amcor's commission-based sales force

To a multi-channel, "Market segmentation" approach
- Develop specific channels to meet different customer needs

- New channels developed:
  - Large customers
    - Key account managers
    - Direct selling from manufacturers
  - Small customers
    - Web enabled, catalogue, inside sales team

Enhanced "go to market" strategy is delivering new growth opportunities

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Australian distribution strategy – new growth opportunity

- Customers want a more efficient supply chain model that delivers a lower "total cost to serve"
- Developing a new distribution channel leveraging Packaging Distribution's experience and expertise to offer:
  - A broader range of products and services from a single supplier and simplify the supply chain
  - Total packaging solutions including self-manufacture and third-party sourcing

Leverage Amcor's extensive footprint and experience to meet an evolving market need

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Distribution channels

- Wayne Richardson Sales (WRS)
  - Access to SME market
  - Well-established customer base
- Integration progressing well
  - Customer and supplier synergies
- Opportunities for further growth
  - Organic and M&A

Wayne Richardson Sales

Exciting new growth opportunity

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The Australasian competitive landscape

Division	Business	Market Position	Market Share (Top 2)	Key Competitor(s)
Beverage	Cans	# 1	100%	Visy
	Glass	# 2	87%	Owens-Illinois (O-I)
	Closures (wine)	# 2	93%	Guala, Imports
Paper & Recycling	Recycled Paper	# 2	93%	Visy, CHH
	Recycling			Visy, Waste mgt centres
Fibre Packaging	Corrugated	# 2	82%	Visy, CHH, Independents
Cartons & Sacks	Folding Cartons	# 1	56%	Colorpak, Hannapak,
	Sacks	# 1	72%	CHH, Cryovak, Pope

Very good industry structures with Amcor either the market leader or a strong number two

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Growth of Amcor Glass

Single plant at Gawler, South Australia

2002	2004	2012
1 furnace 208m bottle capacity Limited colours Premium wine focus	2 furnaces 416m bottle capacity Broader range of colours Introduced lightweight bottles	3 furnaces 800m bottle capacity Light weighting focus Entry into beer market Complementary wine closures

Low cost operation focused on wine, with a niche position in beer

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Glass

- Business has adapted to changing market conditions
  - Lightweight bottles
  - New market segments
- Industry in supply/demand balance
- Enhanced product offering with Stelvin wine closures
  - Acquired with Alcan Packaging
  - Broadest product offering in market
    - Local supply and global footprint

Punted Claret bottle
Reduced from 515g to 397g

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Innovate for competitive advantage

Stelvin QR Code wine screw caps

- Responding to consumer demand by integrating with smart phone technology

Stelvin UV inks wine screw cap

- Delivering improved shelf presence by aligning branding on cap with label

Internally embossed wine bottle

- Delivering consumer differentiation and product positioning in the segment

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Beverage cans

- Long-term customer relationships and agreements
- Consistent growth over the past 10 years
  - Multipack CSD format
  - New products – RTD's, energy drinks
- Broad Australasian manufacturing footprint
  - Efficient supply chain

Consistently strong performing business

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Innovate for competitive advantage

- Delivering "first to market" advantage for customers
- Continued investment in innovation
  - Decoration "Centre of Excellence" (Dandenong, VIC)
  - NZL60 can line (Auckland, NZ)

"Share a Coke & a song" campaign

- World-first can production and randomisation method

Strongbow aluminium bottle

- Australian-first production of cider

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Fibre

- The fibre business consists of:
  - Cartons
    - Recycle collection business
    - Recycled cartonboard mill at Petrie (Qld)
    - Carton converting
  - Corrugated
    - Recycle collection business
    - Recycled paper mill at Botany (NSW)
    - Corrugated box manufacturing
  - Other
    - Folding cartons
    - Sacks

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Carton converting

- Significant improvement in industry structure over the past two years
  - Colorpak purchased Carter Holt Harvey's operations
- Consolidated manufacturing footprint and improved operating performance
  - Smithfield plant closure

Business has improved significantly over the past two years

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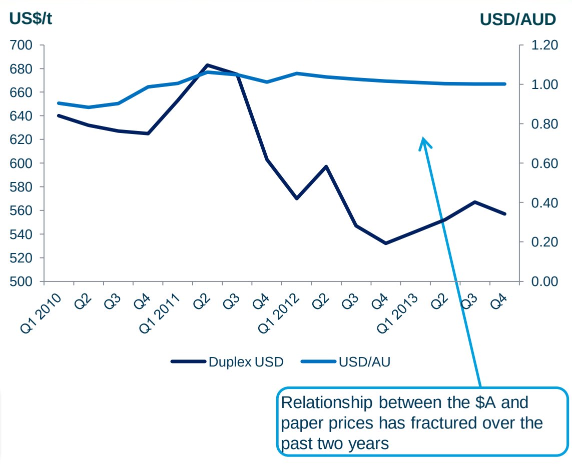
Cartonboard

- Cartonboard recycled papermaking operations are at Petrie (Qld)
- The mill predominately supplies the local market with the balance being exported
- Historically commodity prices and the $A have tracked in line with each other
- This relationship has fractured over the past two years
- The full impact of this will be felt in the 2012/13 year



Cartonboard operations are challenged and earnings will be lower in 2012/13

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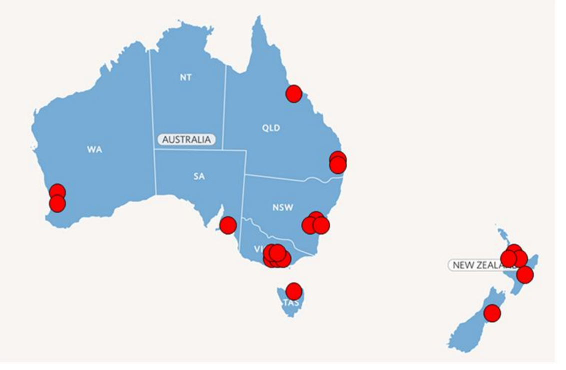
Corrugated boxes

- National manufacturing footprint
- Two main players in the market
- Volumes flat and market share stable
- Rising costs difficult to pass on
- Business has been uncompetitive with recycled paper in terms of cost and quality
- Substantial improvement in customer service and innovation being recognised

New recycled paper mill creates substantially improved outlook



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Botany recycled paper mill

B9 video

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Botany recycled paper mill

- 400,000 tonnes per annum capacity
  - Commissioning commenced in October 2012
    - Proceeding as scheduled
    - Takes 18 to 24 months to “ramp up” to full capacity
- Creates leadership position in recycled paper
  - Low cost manufacture
    - $50m cost reduction over 24 months
  - Sustainability benefits
    - 26% reduction in water usage
    - 34% reduction in energy usage
    - 75% reduction in waste to landfill

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Substantial benefits in the corrugated box operations

- New Botany mill creates differentiated position
  - Substantial product quality improvements
    - Surface finish and printability
    - Improved shelf presence
  - Lightweight papers
    - Environmental, innovation and cost benefits
  - Innovation
    - Shelf ready packaging

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Innovate for competitive advantage

Chillfresh Oyster corrugated box

- A lightweight, sustainable alternative to polystyrene foam products and is recyclable

Shelf ready packaging

- Enhances supply chain efficiencies & improves shelf presence in supermarkets

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Summary

Strong, well positioned businesses

- Well capitalised
- Strong customer relationships
- Excellent industry structures
- Stable and consistent earnings base
- Cartonboard mill trade exposed

Growth

- New recycled paper machine
  - Improved cost position
  - Product improvements and innovation
- Distribution – both Australia and North America

Substantial opportunities for growth off a solid base

Forming & Press section – Amcor Botany Mill (B9)

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