News Release

20 February 2012

AMCOR ANNOUNCES INTERIM PROFIT RESULT FOR SIX MONTHS ENDED 31 DECEMBER 2011

Highlights

- Profit after tax and before significant items of $304.7[(1)] million, up 14%;
- The translation impact from the higher Australian dollar on profit after tax and before significant items was negative $16 million;
- Significant items, primarily relating to acquisitions and restructuring activities, were an after tax expense of $99.8 million compared to an after tax expense of $41.3 million in 2011;
- Profit after tax and significant items of $204.9 million, down 9.4%;
- Operating cash flow after base capital expenditure of $129.9[(5)] million;
- Cash flow from operating activities of $309.6[(2)] million; and
- Interim dividend of 18.0 cents per share, up 6%.

Results	1H11	1H12	Change %
Sales revenue[(2)]	6,175.3	6,085.3	(1.5)
PBITDA[(1)]	742.0	770.9	3.9
PBIT[(1)]	477.9	515.7	7.9
PAT[(1)]	**267.4**	**304.7**	**13.9**
Significant items[(3)]	(41.3)	(99.8)	>(100.0)
Profit[(2)]	226.1	204.9	(9.4)
EPS[(4)] (cents)	21.8	24.9	14.2
Operating cash flow[(5)]	10.8	129.9	>100.0
Dividend[(2)] (cents per share)	17.0	18.0	5.9

Key Ratios	1H11	1H12
PBIT/Average funds employed (%)[(4)]	13.1	15.1
Net debt / (Net debt plus equity) (%)	45.9	49.6
Net PBITDA interest cover (times)[(4)]	7.1	7.5

(1) Throughout this news release, we have included certain non-IFRS financial information, including profit after tax and before significant items, operating cash flow, free cash flow, PBIT and PBITDA before significant items. This information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. Amcor Management uses these measures to assess the performance of the business and believes that the information is useful to investors. References to earnings throughout this report are references to PBIT before significant items. For a reconciliation of IFRS compliant profit for the period to PBIT, PBITDA and PAT before significant items refer to the Consolidated Income Statement included on page 2.
(2) IFRS compliant information extracted from Amcor's interim financial report. Amcor's interim financial report has been subject to review by the external auditors.
(3) Refer page 12 for further information.
(4) Based on earnings before significant items.
(5) After significant items and base capital expenditure. Refer page 12 for further information.

Amcor has released to the Australian Securities Exchange a webcast presentation on its financial results for the half year ended 31 December 2011. This is available at www.amcor.com

Segment information

Segment analysis (A$ mill)	1H11 Sales revenue[1]	1H11 PBIT	1H11 ROAFE[3] %	1H12 Sales revenue[1]	1H12 PBIT	1H12 ROAFE[3] %
Flexibles	3,146.3	277.0	18.0	3,042.0	329.0	22.4
Rigid Plastics	1,495.8	107.1	11.4	1,575.4	113.0	13.0
Australasia and Packaging Distribution	1,470.4	99.8	11.9	1,478.9	89.8	11.0
Investments / Other / Intersegment	62.8	(6.0)	-	(11.0)	(16.1)	-
TOTAL	**6,175.3**	**477.9**	**13.1**	**6,085.3**	**515.7**	**15.1**

Financial results

Consolidated Income (A$ mill)	1H11	1H12
Sales revenue	**6,175.3**	**6,085.3**
PBITDA	742.0	770.9
- Depreciation and amortisation[1]	(264.1)	(255.2)
PBIT	477.9	515.7
- Net finance costs[1]	(105.0)	(102.4)
Profit before tax	**372.9**	**413.3**
- Income tax expense	(95.3)	(97.9)
- Non-controlling interest[1]	(10.2)	(10.7)
Profit after tax and before significant items	**267.4**	**304.7**
Significant items after tax	(41.3)	(99.8)
Profit for the financial period[1]	**226.1**	**204.9**

Consolidated Balance Sheet[1]	30/06/11	31/12/11
Current assets	3,660.3	3,523.6
Property, plant and equipment	4,497.3	4,505.5
Intangible assets	1,881.5	1,878.5
Investments and other assets	885.2	924.4
Total assets	**10,924.3**	**10,832.0**
Current interest-bearing liabilities	356.2	730.2
Non-current interest-bearing liabilities	3,063.6	3,041.9
Payables and provisions	3,755.9	3,519.8
Total equity	3,748.6	3,540.1
Total liabilities and equity	**10,924.3**	**10,832.0**

Consolidated Cash Flow (A$ mill)	1H11	1H12
PBITDA	742.0	770.9
Interest received/borrowing costs paid	(92.6)	(92.2)
Income tax paid[1]	(83.2)	(49.6)
Base capital expenditure	(198.2)	(174.9)
Movement in working capital	(294.4)	(190.3)
Cash significant items	(58.2)	(74.4)
Other	(4.6)	(59.6)
Operating cash flow[2]	**10.8**	**129.9**
Dividends and other equity distributions[1]	(217.3)	(226.3)
Free cash flow[2]	**(206.5)**	**(96.4)**
Divestments	139.9	131.1
Growth capital / acquisitions	(471.9)	(156.2)
Movements in share capital	9.2	(169.0)
Proceeds on capital contribution from minority interests[1]	3.3	1.8
Foreign exchange rate changes	(54.4)	3.0
Increase in net debt [2]	**(580.4)**	**(285.7)**

(1) IFRS compliant information extracted from Amcor's interim financial report. Amcor's interim financial report has been subject to review by the external auditors.
(2) Refer page 12 for further information.
(3) Before significant items.

Net debt and net finance costs

Net debt increased from $3,195.4 million at 30 June 2011 to $3,482.4 million at 31 December 2011. Excluding the currency translation impact, net debt increased by $285.7 million to $3,481.1 million, due to the seasonally lower operating cash flow in the first half and increased spending on the new paper mill in New South Wales as commissioning approaches.

Gearing, measured as net debt over net debt plus equity, was 49.6% at 31 December 2011.

Net finance costs were $102.4 million. Interest cover, measured as PBITDA to net interest, was 7.5 times.

Operating cash flow was $129.9 million and, after the payment of dividends, free cash outflow was $96.4 million.

Exchange Rate Sensitivity

The main currencies that Amcor is exposed to when translating overseas earnings into Australian dollars for reporting purposes are US dollars and Euros. For the second half of the 2012 financial year the annualised profit after tax sensitivity for a one cent movement against the Euro is expected to be approximately $5.0 million. The annualised sensitivity for a one cent movement against the US dollar is expected to be approximately $3.0 million.

Capital management

The Directors declared an unfranked interim dividend of 18 cents per share. This represents an increase of one cent or 6% compared with the 2011 interim dividend.

100% of the dividend is sourced from the Conduit Foreign Income Account. The ex-dividend date will be 27 February 2012, the record date will be 2 March 2012 and the payment date will be 29 March 2012.

A $150 million on-market share buy-back was announced on 22 August 2011, and was completed during the current half year. A total of 21.1 million shares were repurchased at an average price of $7.10. This represents 1.72% of shares outstanding at the time of the announcement, and all of the shares repurchased have been cancelled.

Flexibles

The Flexibles segment includes the Flexibles Europe & Americas, Flexibles Asia Pacific and Tobacco Packaging businesses.

Earnings	1H11 A$ mill	1H12 A$ mill	Change %	1H11 € mill	1H12 € mill	Change %
Sales revenue	3,146	3,042	(3.3)	2,248	2,272	1.1
PBIT	**277.0**	**329.0**	**18.8**	**197.9**	**245.7**	**24.2**
Operating Margin (%)	8.8	10.8		8.8	10.8	
Average funds employed	3,072	2,939	(4.3)	2,195	2,195	-
PBIT/AFE (%)	**18.0**	**22.4**		**18.0**	**22.4**	
Average exchange rate (cents)	0.72	0.75				

Cash Flow						
PBITDA(1)	391.8	438.7	12.0	280.0	327.6	17.0
Base Capital Expenditure	(67.5)	(51.9)		(48.2)	(38.7)	
Movement in Working Capital	(131.4)	(68.4)		(93.9)	(51.1)	
Significant items	(40.0)	(48.5)		(28.6)	(36.2)	
Operating Cash Flow	**152.9**	**269.9**	**76.5**	**109.3**	**201.6**	**84.4**

(1) Includes share of net profit of associates.

The Flexibles segment had a strong first half with PBIT up 24.2% to €245.7 million. This result was achieved against a backdrop of subdued economic conditions in the European region.

Sales revenue for the half was modestly higher with underlying demand stable in developed markets and continued growth in emerging markets. A key component impacting sales for the half was the decision, announced in August 2011, to exit approximately €100 million of annualised sales in low margin commodity business in Western Europe.

The operating margin for the half increased from 8.8% to 10.8%. This 2% increase in margin is consistent with the guidance given in August 2011 that the operating margin for the 2012 year would increase by approximately 1.5%.

Returns measured as PBIT over average funds employed increased from 18.0% to 22.4%.

Total capital expenditure was €38.7 million.

Synergies

As reported with the 2011 results, the run rate of synergies relating to the Alcan Packaging acquisition at 30 June 2011 was approximately $200 million. To achieve these benefits, the cash spend was $142 million.

In the first half of the 2012 year there was additional cash spend of $54 million and it is envisaged there will be approximately $90 million of additional spending to complete the synergy program.

The majority of the cash outlay this year relates to plant closures and overhead reductions. In December 2011 a flexible plant in Germany was closed, with volumes distributed to other sites. As previously announced, a flexibles plant in Australia is also expected to close by June 2012.

Two years after the acquisition, the businesses are fully integrated and it is not possible to fully disaggregate cost synergies from operating improvements. The final synergy realisation however, will be in excess of $200 million given the benefits currently being obtained by the cash spending this year. This benefit is reflected in the significantly improved operating margins and higher returns.

Raw material input costs

For the half the business experienced higher raw materials costs. Although costs decreased for some resins and aluminium there continued to be substantial increases in inks, adhesives and solvents. Through the 2011 year, raw materials costs increased substantially and the businesses have continued to actively recover these costs, on a lagged basis, through the December 2011 half. This cost recovery process is continuing for those input costs which continue to rise.

In the current period, there was a modest impact on earnings from the movement in raw material costs. This compares to a negative impact of €14 million in the same period last year.

Flexibles Europe and Americas

This business is organised as five operating units being a combination of technology and market focused units: Fresh Dairy and Capsules, Snacks and Confectionery, Americas and Medical Europe, High Performance Laminates and High Performance Foil.

Earnings for the Flexibles Europe and Americas business were substantially higher than for the same period last year, due to the realisation of cost synergies, enhanced product mix, operating improvements and a reduced negative impact from rising raw material costs. This improvement in earnings was reflected in higher margins and returns.

The business services the defensive market segments of food and healthcare in Europe and the Americas. Despite challenging economic conditions underlying volumes were stable. In North America volumes were modestly higher driven by growth in pharmaceutical and high performance food applications and underlying volumes in Europe were generally stable. In Europe, as plants were closed the business exited unprofitable volume, thereby improving mix and optimising plant performance.

Plant closures have proceeded as planned with the plant in Viersen, Germany closed and production moved to other locations. The benefits from this plant closure will be realised in the second half. As part of these relocations additional inventory was built to ensure a smooth transition of volumes to other sites.

Flexibles Asia Pacific

The Flexibles Asia Pacific business has leading positions in key markets within the region and significant growth opportunities. Strong relationships with large multinational customers along with Amcor's technology, scale and financial strength provide the capability to support customer growth objectives in the world's largest and fastest population growth region.

The Flexibles Asia Pacific business had a strong half year, with earnings and returns significantly higher than the same period last year. This was driven by strong volume growth, excellent cost management and operating improvements.

The business in China consists of seven plants and holds market leading positions across China's major regional centres. Earnings for the half were significantly higher than the same period last year. The business expanded capacity in prior years and these investments have contributed to achieving strong double digit sales growth in the first half. New capital investment in the current period was 1.7 times depreciation, and included three capacity expansion projects. These capital investments will continue to support future growth objectives.

In addition to organic growth, agreement has been reached to acquire shares held by minorities in the flexibles plants located in Beijing and Chengdu. Amcor currently holds 75% and 40% interests in these plants respectively, and both acquisitions remain subject to standard regulatory approvals being received. The Beijing transaction is expected to be completed by the end of the 2012 financial year, and the Chengdu transaction by the end of September 2012. This will provide the business with additional leverage to the growth opportunities being pursued in the North and East of China.

The Thailand business had a solid half year, with earnings moderately higher than the same period last year in local currency terms. This was an outstanding outcome given the significant challenges presented by severe flooding through the December quarter. The business was able to offset the negative impact of the floods on domestic demand with stronger export volumes. All three plants were operating at full capacity in the September quarter, underpinned by volume growth from large multinational customers. Additional capacity expansion projects have been approved for two of the three plants in Thailand. This will enable the business to continue benefiting from the strong growth in this market.

The business unit that comprises the operations in Indonesia, Singapore and India had a solid half with all four plants continuing to increase volumes, creating strong platforms for future growth. Off a relatively low base, earnings were substantially higher than the same period last year.

The Australia and New Zealand operations had improved earnings. During the first half volumes were strong for the dairy sector in New Zealand and pharmaceutical segment in Australia, offset by weaker volumes in the industrial and export related end markets. The recently acquired Techni-Chem business made a positive contribution for the half.

Tobacco Packaging

The Tobacco Packaging business had a strong half year. Earnings were significantly higher than the first half last year, driven by solid volumes, improved product mix, cost savings and operating improvements.

Across Europe the customer trend towards higher value-add product continued with sophisticated design features being introduced, including lacquering, embossing and hot foil stamping along with new pack shapes.

Operating performance has continually improved across all European plants, enabling the business to service increasingly complex customer requirements. In particular, turnaround projects completed in the 2011 financial year provided a strong platform from which further improvements have been delivered via continuous improvement initiatives, specifically focused on productivity improvements and waste reduction.

The North American business also had a solid half, benefiting from higher volumes and excellent cost management. Additional volumes have been secured in this market and the business will benefit from further improvements in market share in the second half of the year. The product offering in the region continues to diversify with selective moves into non-tobacco end markets that require high quality, large volume gravure printing, that are deliverable on existing equipment.

During the period, Amcor announced the acquisition of International Playing Card & Label Company (IPC&L), a privately held business in Argentina. Located near Buenos Aires, IPC&L is the largest tobacco packaging producer in Argentina. This acquisition establishes a local presence in the Latin American market to support customer's growth aspirations in the region. The transaction is expected to be complete at the end of the 2012 financial year.

Outlook

Since announcing the Alcan acquisition, the Flexibles business has targeted a PBIT to sales margin consistent with leading global flexible packaging peer companies of 11% to 12%.

The outlook for the second half is for stable volumes in mature markets and continued growth in emerging markets.

As reported at the full year results in August 2011 it is anticipated that the full year PBIT to sales margin will be between 11% and 11.5%. Assuming economic conditions in Europe do not deteriorate further, margins are expected to be in the middle of the range.

Rigid Plastics

Earnings	1H11 A$ mill	1H12 A$ mill	Change %	1H11 US$ mill	1H12 US$ mill	Change %
Sales revenue	1,496	1,575	5.3	1,417	1,625	14.7
PBIT	**107.1**	**113.0**	**5.5**	**101.4**	**116.6**	**15.0**
Operating Margin (%)	7.2	7.2		7.2	7.2	
Average funds employed	1,886	1,744	(7.5)	1,786	1,798	**0.7**
PBIT/AFE (%)	**11.4**	**13.0**		**11.4**	**13.0**	
Average exchange rate (cents)	0.95	1.03				

Cash Flow						
PBITDA[1]	195.3	194.4	(0.5)	184.9	200.5	8.4
Base Capital Expenditure	(90.3)	(79.6)		(85.5)	(82.1)	
Movement in Working Capital	(103.5)	(70.2)		(98.0)	(72.4)	
Significant items	(2.6)	(10.5)		(2.4)	(10.9)	
Operating Cash Flow	**(1.1)**	**34.1**	**>100.0**	**(1.0)**	**35.1**	**>100.0**

(1) Includes share of net profit of associates.

Amcor Rigid Plastics had a solid half year with PBIT up 15.0% to US$116.6 million. The result includes an additional month of earnings from the Ball Plastics Packaging business, which was acquired in August 2010.

Overall beverage volumes across the group for the half were 1% higher than the same period last year, comprising custom container volumes 6% lower and carbonated soft drink and water (CSDW) volumes 4% higher. Sales for Diversified Products increased by 6%.

Capital expenditure was US$82.1 million, and returns, measured as PBIT over average funds employed, were 13.0%.

Restructuring program

As announced in August 2011, following the acquisitions of Ball Plastics Packaging and Alcan Packaging, the business is undertaking a number of cost reduction and operating improvement initiatives across North and South America. These are primarily focused on rationalising the manufacturing footprint and reducing overheads.

Over the past decade the business has also disinvested in the CSDW segment as customers moved to self-manufacture of water and CSD containers. This trend to self-manufacture is nearing its conclusion and as part of this process the business has recently secured contracts for additional preform volumes to partially offset the impact of reductions in blown bottles. These additional preform volumes enable further optimisation of the manufacturing footprint and this new opportunity has been incorporated into the current restructuring plan.

As previously announced, total cash costs for integrating acquired assets and restructuring are estimated to be approximately US$50 million and non-cash costs are expected to be an additional US$50 million. These costs will be treated as significant items in the current financial year. In the first half US$47.4 million was recognised, of which $5.4 million was cash.

Restructuring under this program has commenced. The plant in Delran, New Jersey is in the process of closing and the business has exited some lower margin volumes in Mexico and redeployed assets into the North American network. Other restructuring initiatives are well progressed and the business expects the program to be largely completed by the end of the 2012 financial year. Total synergy benefits are expected to be US$35 million.

North America

The North American business, which includes Mexico, delivered a solid operating performance with earnings substantially higher than the same period last year. Benefits from excellent cost management, synergies and operating improvement initiatives more than offset an unfavourable movement in overall volumes and product mix.

Beverage

Custom beverage container volumes were 7% lower. This was mainly due to a cooler and shorter summer season in 2011 compared with 2010, weak consumer demand in higher priced premium juice products and the non-recurrence of spot volumes obtained in the comparative period. These factors were partly offset by an additional month of acquired volumes from the Ball Plastics Packaging business.

CSDW volumes were 2% higher for the half, driven by the additional one month of Ball volumes, and higher preform volumes.

Diversified Products

The Diversified Products segment consists of rigid plastic containers predominately for the food, alcoholic beverage, personal care / home care and pharmaceutical / healthcare markets. These end markets typically grow faster than GDP, due to the ongoing substitution from glass to plastic as well as the underlying higher growth rates for some of these segments.

The Ball and Alcan acquisitions have significantly increased Amcor's exposure to this segment. The business has an operating improvement program, which commenced in the 2011 financial year to modernise the manufacturing base, lower operating costs and improve quality and service. There will continue to be a focus on these initiatives over the next 18 months, to ensure a strong and stable platform is created which leverages the extensive footprint Amcor has established in the beverage business. This will position the business to capture a number of long term growth opportunities.

Sales revenue for this segment was US$231 million, 7% higher than last year, largely reflecting an additional month of acquired earnings from the Ball acquisition. Internal manufacturing issues experienced by a key pharmaceutical customer led to production shutdowns in a number of their plants, and this resulted in lower volumes during the current half. However, it is expected that volumes will recover later in the second half.

South & Central America

Overall, the performance in the South & Central American business remained solid with earnings marginally higher than the same period last year.

Beverage volumes were 1% higher than the comparative period with mixed performance across the region. There was continued strong growth in Colombia and Argentina, partly offset by a 3% decline in volumes in Brazil as economic conditions weakened during the period.

Across the region benefits from operating efficiencies, cost management initiatives and higher beverage volumes offset the negative impact of a reduction in fiscal benefits in Brazil of approximately US$4 million.

Bericap

The majority-owned joint venture, Bericap North America, is managed and reported within the Rigid Plastics segment. This business has plants in Ontario, Canada, and in the United States in California and South Carolina.

Earnings were marginally lower than the same period last year, mainly as a result of lower volumes. This was driven by the milder and shorter 2011 summer period in North America.

Outlook

Assuming economic conditions in key markets remain stable for the balance of the year, the Rigid Plastics business is expected to achieve substantial earnings growth for the 2012 full year.

Australasia and Packaging Distribution

Earnings	1H11 A$ mill	1H12 A$ mill	Change %
Sales revenue	1,470	1,479	**0.6**
PBIT	**99.8**	**89.8**	**(10.0)**
Operating Margin (%)	6.8	6.1	
Average funds employed	1,679	1,638	(2.4)
PBIT/AFE (%)	**11.9**	**11.0**	

Cash Flow			
PBITDA	**159.8**	**152.7**	**(4.4)**
Base Capital Expenditure	(40.9)	(42.0)	
Movement in Working Capital	(10.9)	(42.0)	
Significant items	(1.3)	(6.3)	
Operating Cash Flow	**106.7**	**62.4**	**(41.5)**
Growth capital expenditure	(42.5)	(142.7)	

Australasia and Packaging Distribution achieved a PBIT of $89.8 million, 10.0% lower than last year.

Underlying earnings were broadly in line with the same period last year after adjusting for the $7 million profit on asset sales in the prior period and the impact of the higher Australian dollar on translating earnings of the US based Packaging Distribution business into Australian dollars.

In Australasia earnings were slightly lower. This was a good result given the comparative period included a particularly strong performance in the first quarter. Packaging Distribution achieved higher underlying earnings which was a solid result given economic conditions in the US remained subdued.

Returns, measured as PBIT over average funds employed, were 11.0% and operating cash flow for the half year was $62.4 million.

Capital expenditure was $184.7 million, comprising $42.0 million for base capital spending and $142.7 million for the new recycled paper mill.

Paper

The new recycled paper mill, located at Botany, NSW is a world class machine that will create a differentiated customer value proposition by introducing to the Australian market higher quality recycled paper for use in the corrugated box market. It will also produce a broader range of lightweight papers enabling the development of innovative new products.

The environmental credentials of the machine will assist customers in meeting or exceeding many of their obligations under the Australian Packaging Covenant. The significantly improved environmental impact includes a 34% reduction in energy usage, 26% reduction in water usage and a 75% reduction in waste to landfill.

The capital cost of the machine, net of expected proceeds from land sales, is approximately $280 million and commissioning will commence early in the 2013 financial year, with the ramp up to full production expected to take around 24 months. The new machine will deliver cost reduction benefits of approximately $40 million once operating at full speed. There will also be additional benefits due to the improved paper quality and the ability to bring new products to market.

Corrugated
Volumes in the corrugated business were in line with the corresponding period. In the industrial segment, volumes were lower as manufacturing continues to be impacted by the high Australian dollar. This was offset by improvements across other segments.

Despite the solid overall volume performance, the corrugated business continues to operate in a challenging environment. The combination of a strong Australian dollar and lower international paper prices has resulted in a very competitive local corrugated box market. In the current environment of rising labour and energy costs selling prices need to increase. The business implemented a 3.2% price increase to non-contracted customers effective 1 July 2011.

Cartons
The carton converting business has achieved a strong turnaround in earnings in the first half, driven by improved operating performance and recovery of inflationary cost increases. Following the acquisition of a former Carter Holt Harvey plant in December 2010 the business is currently rationalising its operations from two sites to one in New South Wales. The benefits from this rationalisation should contribute to earnings improvement in 2013.

Rigids
The beverage can business had a solid half. Volumes were 3.7% higher, predominately due to a six month contribution from the new can line in New Zealand as well as good volumes in Australia. The second half of the year has commenced with cool and wet conditions in the key markets of NSW and Queensland. The business will be impacted in the second half by the loss of Amcor's share of the Schweppes business. This reduction has been partially offset by additional business from new and existing customers.

The glass operations had a good half with all three furnaces operating close to full capacity. With the high Australian dollar severely impacting export bottled wine volumes the business has continued to diversify its product range into beer and other non-wine products. For the balance of the year the business is forecast to remain close to full capacity and earnings in the second half should be similar to first half earnings. Taking into account the closure of two furnaces by a major competitor, overall glass demand in Australia remains well supplied. As a result, Amcor is unlikely to pursue further growth capital expenditure in this segment for the foreseeable future.

Packaging Distribution
The Packaging Distribution business performed well with underlying US dollar earnings higher than last year. The result was positively impacted by incremental gains in market share, earnings from acquired businesses and excellent management of costs. The business has successfully completed two small acquisitions over the past 15 months. The Memphis based Wurzburg business increased the scale of operations in this important growth market and Manfred Industries is a Californian based business that leverages off the extensive existing footprint in this market.

Outlook

At the full year results in August 2011 the expectation was that the earnings in the 2012 fiscal year would be in line with the 2011 fiscal year. Given the uncertain outlook for the Australian economy for the balance of the year and the ongoing adverse impact of the high Australian dollar this expectation remains unchanged.

Investments / Other

PBIT (A$ million)	FY10	1H11	FY11	1H12
AMVIG	31.3	17.1	34.0	15.4
Glass Tubing	4.7	8.5	18.4	-
Corporate costs	(47.9)	(31.6)	(72.2)	(31.5)
Total	**(11.9)**	**(6.0)**	**(19.8)**	**(16.1)**

Investments / Other include corporate costs and equity accounted earnings from the 47.94% interest in the Hong Kong publicly listed company AMVIG Holdings Limited (AMVIG).

For the half year ended 31 December 2011, corporate costs were $31.5 million and AMVIG earnings were $15.4 million.

For the half year ended 31 December 2010, corporate costs were $31.6 million, earnings from the Glass Tubing business were $8.5 million and AMVIG earnings were $17.1 million.

The Glass Tubing business was reported in investments / other as it was a business held for sale. The business was sold to Nipro Corporation, effective 23 June 2011.

Significant items[1]

(A$ mill)	1H11	1H12
Transaction, synergy and restructuring costs	45.2	110.5
ACCC class action	8.7	1.3
Other	(8.8)	5.3
Significant items before related income tax expense	**45.1**	**117.1**
Income tax benefit on significant items	(3.8)	(17.3)
Significant items after related income tax expense	**41.3**	**99.8**

(1) Significant items are items of income or expense which are considered outside the ordinary course of operations, are non-recurring in nature and are material. Management excludes these items when explaining the financial performance of the Amcor group, to ensure that the underlying operating results of the Group are not distorted and to enable appropriate comparison across periods.

Cash flow

1H12 (A$ mill)	Flexibles	Rigid Plastics	Australasia & Packaging Distribution	Investments / Other	Consolidated
PBITDA	438.7	194.4	152.7	(14.9)	770.9
Interest	-	-	-	(92.2)	(92.2)
Tax	-	-	-	(49.6)	(49.6)
Base Capital Expenditure	(51.9)	(79.6)	(42.0)	(1.4)	(174.9)
(Increase)/decrease in working capital	(68.4)	(70.2)	(42.0)	(9.7)	(190.3)
Cash significant items	(48.5)	(10.5)	(6.3)	(9.1)	(74.4)
Other items	-	-	-	(59.6)	(59.6)
Operating cash flow	**269.9**	**34.1**	**62.4**	**(236.5)**	**129.9**
Dividends Paid	(1.5)	(3.7)	-	(221.1)	(226.3)
Free cash flow	**268.4**	**30.4**	**62.4**	**(457.6)**	**(96.4)**

The following notes provide further details of certain non-IFRS financial measures used within this announcement:

(a) **Operating cash flow** is cash flow from operating activities calculated in accordance with IFRS and extracted from Amcor's interim financial report, adjusted to take into account base capital expenditure and other items. This measure is reconciled to cash flow from operating activities as follows:

	1H11	1H12
Operating cash flow	10.8	129.9
Base capital expenditure	198.2	174.9
Other items	0.8	4.8
Cash flow from operating activities	209.8	309.6

(b) **Free cash flow** is Operating cash flow (refer note (a) above) less dividends paid during the period calculated in accordance with IFRS and extracted from Amcor's interim financial report.

(c) **Movement in net debt** is reconciled to the net increase in cash held calculated in accordance with IFRS and extracted from Amcor's interim financial report as follows:

	1H11	1H12
(increase)/decrease in net debt	(580.4)	(285.7)
Proceeds from borrowings	3,177.4	3,677.9
Repayment of borrowings	(2.568.1)	(3,350.1)
Foreign exchange rate changes	54.4	(3.0)
Other items	(0.3)	(0.8)
Net increase in cash held	83.0	38.3