



Half Year Results Presentation

February 2009

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- changes in behaviour of Amcor’s major customers;
- changes in behaviour of Amcor’s major competitors;
- the impact of foreign currency exchange rates; and
- general changes in the economic conditions of the major markets in which Amcor operates.

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Investor Presentation

- | | |
|----------------------|---------------------|
| Overview of Results | - Ken MacKenzie |
| PET | - Bill Long |
| Other business units | - Ken MacKenzie |
| Finance | - Leslie Desjardins |
| Summary | - Ken MacKenzie |



Half Year Profit Results

	<u>Dec 07</u>	<u>Dec 08</u>	<u>Δ %</u>
PBITDA (\$m)	537.5	535.7	(0.3)
PBIT(\$m)	333.8	316.8	(5.1)
PAT(\$m)	185.0	167.4	(9.5)
EPS(c)	21.0	20.1	(4.3)
PBIT/AFE(%)	11.8	10.3	
Dividend(c)	17.0	17.0	
Significant Items (\$m)	(31.0)	(58.9)	



Profit after tax \$167 million
Return on average funds employed 10.3%

Continuing Business PBIT Performance

<u>\$m</u>	<u>Dec 07</u>	<u>Dec 08</u>	<u>Δ %</u>
PET (USD)	86.2	81.7	(5.2)
Australasia (AUD)	112.9	74.3	(34.2)
Flexibles (€)	51.1	59.1	15.7
Sunclipse (USD)	31.5	19.6	(37.8)
Asia (SGD)	25.0	28.1	12.4

PBIT decreased 9.3% from \$326 m to \$296 m on continuing business and constant currency basis

Currency Translation Benefit

Average Exchange Rates

cents	USD	Euro
First half 07/08	86.8	61.5
First half 08/09	80.0	55.5

First half currency benefit \$14 million profit after tax

Second Half Potential Currency Translation Benefit

cents	USD	Euro
Second half 07/08	93.0	60.6
Current spot (13/2/09)	66.0	51.0
Approximate 2H PAT benefit	40.0	10.0

Second half benefit potentially \$50 million profit after tax

Cash Flow

\$m	<u>Dec 07</u>	<u>Dec 08</u>	
PBITDA	537.5	535.7	Solid first half performance under very difficult conditions
Operating cash flow	92.9	(60.5)	
Dividends	(154.8)	(145.3)	
Free cash flow	(61.9)	(205.8)	Strong working capital performance given the level of industry destocking
Divestments	970.5	(1.8)	
Growth capital	(78.5)	(231.8)	
Movement in share capital	(158.5)	2.0	Expecting strong second half free cash flow
Reduction in debt	659.8	(433.6)	

Full year free cash flow anticipated to be positive

Key Issues

- Changing consumer behaviour
- Supply chain impact
- Substantial input cost movements



Changing Consumer Behaviour



Supply chain impact

Substantial monthly demand variations

Destocking through the supply chain

Demand weakening through the half

Particularly poor in the November and December period

Input Costs Movement

Rising costs in the July to September period

Substantial falls in the October to December period

These cost reductions take time to be reflected in lower finished goods costs

Modest FIFO losses with some contracted customers

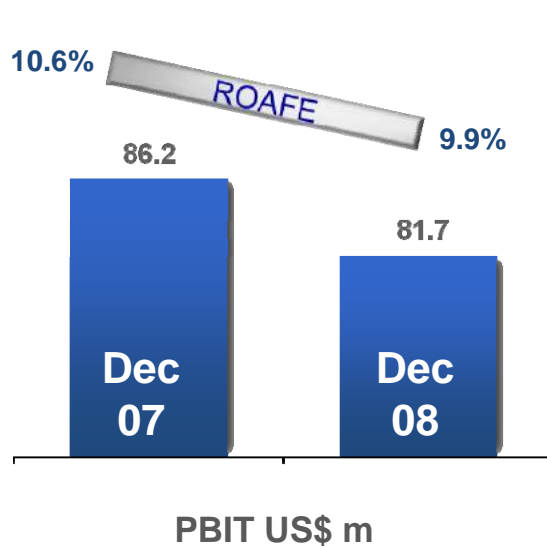
Benefits from lower input costs in calendar 2009

Businesses Responding Quickly



"The Way Forward" has been excellent preparation for the current economic conditions

Amcor PET Packaging



US\$m	Dec 07	Dec 08
Sales	1,263	1,272
PBIT	86.2	81.7
AFE	1,624	1,655
PBIT/AFE%	10.6	9.9
Cash Flow	86.7	46.3

Solid performance given difficult trading conditions

Amcor PET Packaging

Volumes

Million Units	Dec 07	Dec 08	%
North America	9,243	7,983	(13.6)
Latin America	4,758	4,811	1.1
Total	14,077	12,812	(9.0)
CSD/Water	9,989	8,847	(11.4)
Custom	4,088	3,965	(3.0)



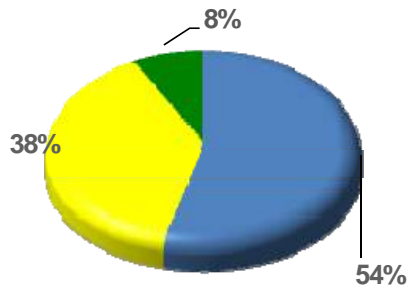
Solid performance given high levels of destocking

Changing Product

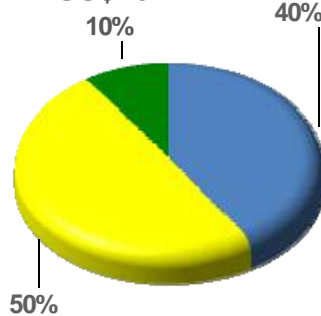
Mix – Value Breakdown

■ CSDW ■ Custom Beverage
■ DP (Diversified Products)

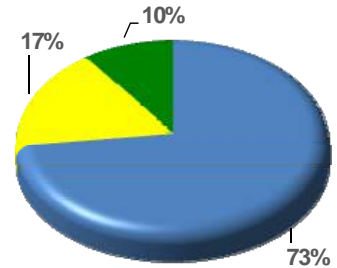
Total Sales:
US\$1,272 m



North America Sales
US\$761 m



Latin America Sales
US\$469 m



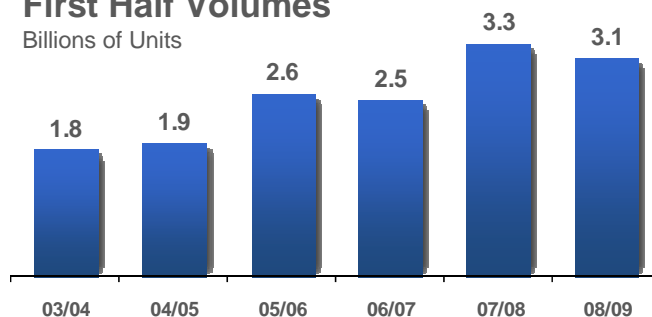
46% of total sales are in the custom and diversified products market

Amcor's Custom Container Growth

North America

First Half Volumes

Billions of Units



Substantial customer destocking in the July to October period

Destocking completed

Number of customer initiatives to stimulate growth

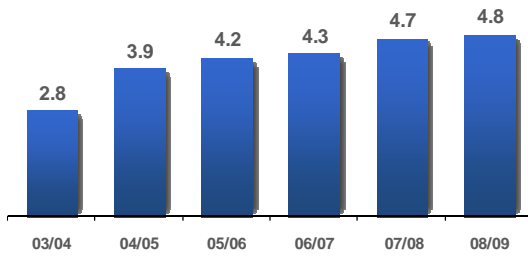
PowerFlex™ grew by 483% over the prior period

Cautiously optimistic regarding volumes

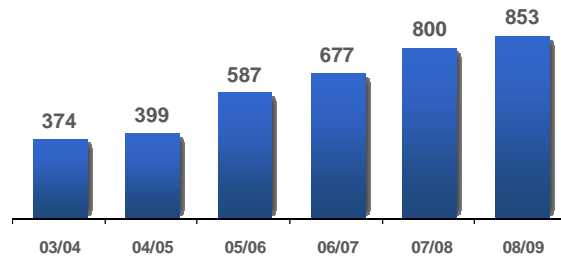
Compound average growth rate over the past 5 years of 11%

Latin America

First Half Volumes
Billions of Units



Custom Beverage Volumes
Millions of Units



Custom containers volumes increased 6.7% in the first half

Consumer Demand

Key Trends

- CSD consumption continues to decline in North America
- Consumers more value driven during challenging economic times
- Health and wellness trends continue but at slower pace



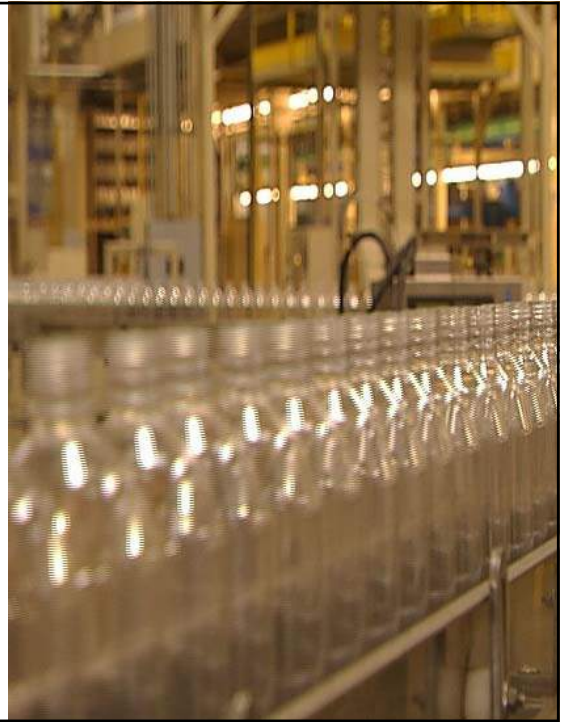
Operational Performance

Key Priorities

Continued strong management of costs

Discipline in capital expenditure and working capital management

Exceptional Safety performance



PET Packaging - Outlook

Second half

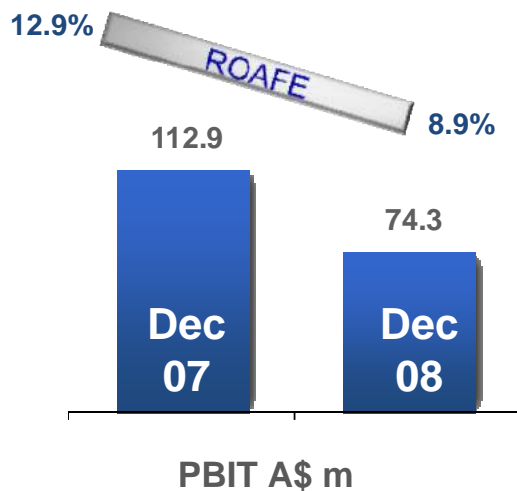
Economic environment creating demand uncertainty

Growth in innovative products (PowerFlex™)

Continued sound operating performance and capital discipline



Amcor Australasia



A\$m	<u>Dec 07</u>	<u>Dec 08</u>
Sales	1,134	1,120
PBIT	112.9	74.3
AFE	1,746	1,677
PBIT/AFE%	12.9	8.9
Cash flow	45.0	66.7

All data continuing operations, except cash flow

Difficult half
Beverage can earnings
substantially lower

Australasian Overhead Reduction

Reduction of 10% of salaried staff

Implemented in February

Estimated savings \$15 million per annum

Payback of approximately six months

Proactive adjustment to declining economic conditions

Corrugated

Stable volumes

Lower sales in grocery and industrial

Higher sales in fruit, produce, meat and beverage

Maintained high service levels



Corrugated Price Increase

Input cost increases of approximately \$80 million over the past three years

Price increase of 12% announced for all customers in October

Successful implementation to non-contract customers

Need to increase prices to contract customers as contracts renewed

Cost increases need to be recovered via higher selling prices

Recycled Paper Exports

Currently export old corrugated cartons and recycled paper

Export prices have decreased substantially since September

Collection costs tied to long term contracts

Negative impact on earnings in the short term

Substantial benefit in 2009/10

Significant volatility in export prices has created a short term mismatch in selling prices versus collection costs

Flexibles

Lower volumes

Weaker economic conditions

Lower dairy sales

Resin costs volatility

Negative in the first half

Benefit in calendar 2009 from lower resin costs



Rigids

Beverage Cans

35% reduction in RTD can volumes

New tax on alcoholic ready-to-drink products

Earnings substantially lower

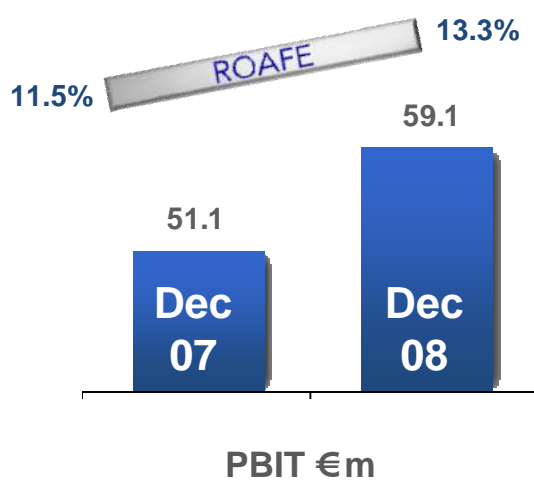
Glass

Continued excellent performance

Plant fully loaded



Amcor Flexibles

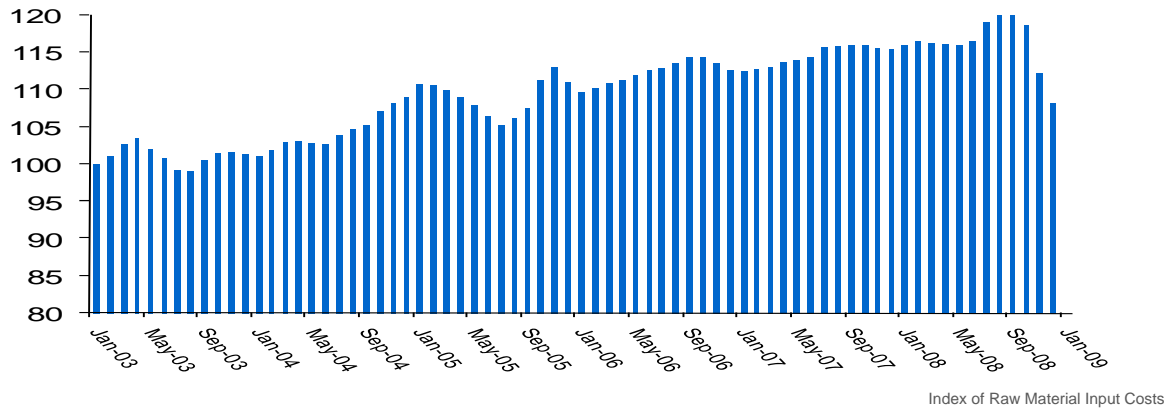


€m	<u>Dec 07</u>	<u>Dec 08</u>
Sales	886	813
PBIT	51.1	59.1
AFE	885	886
PBIT/AFE%	11.5	13.3
Cash Flow	20.3	6.2

PBIT up 15.7%
Returns improved to 13.3%

Amcor Flexibles

Index of Raw Material Input Costs



Raw material costs increased in the first quarter and decreased in the second quarter.

Food Flexibles



Volumes 3% lower

Customer destocking

Sound plant performance

Lower overhead costs

Benefits from footprint restructuring

Solid performance in challenging environment

Healthcare Flexibles

Improved earnings and returns
in the US and Europe

Focus on improving product
mix

Increase sales in high performance
products



Continued earnings improvement

Tobacco Packaging

Strong first half

Sales up 10.7%

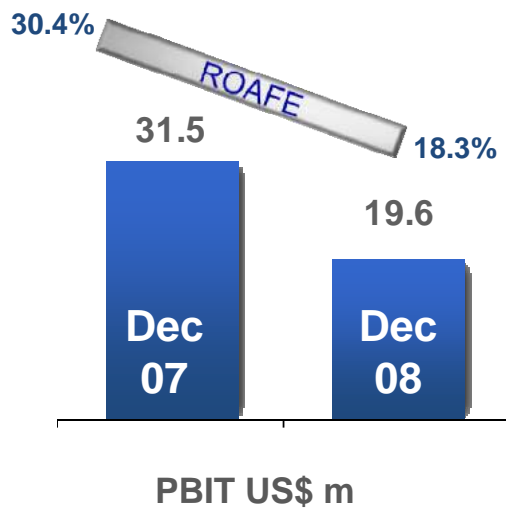
Successful start up of plant in the Ukraine

Investments in Russia, Ukraine and
Poland delivering benefits



Continued strong performance expected in the second half

Amcor Sunclipse



US\$m	Dec07	Dec 08
Sales	497	476
PBIT	31.5	19.6
AFE	207	214
PBIT/AFE%	30.4	18.3
Cash Flow	49.8	11.0

Significantly lower demand in November & December

Amcor Sunclipse

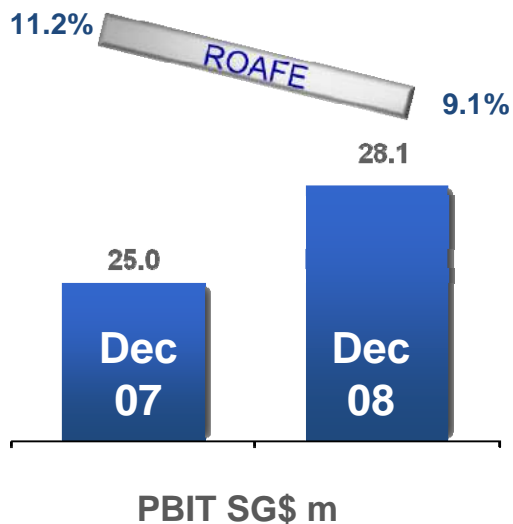
Sales

US\$m	Dec 07	Dec 08
Distribution	392	378
Man. Products	115	112
Corrugated	96	94
Eliminations	(106)	(108)
Total	497	476



Solid performance in distribution
Lower volumes in second quarter in corrugated

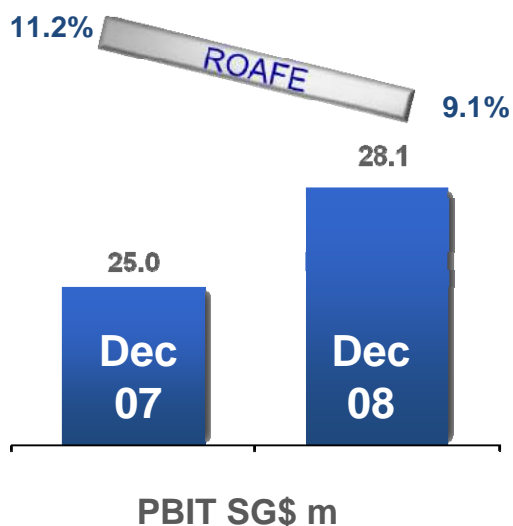
Amcor Asia



SG\$ m	<u>Dec 07</u>	<u>Dec 08</u>
Sales	75	80
PBIT	25.0	28.1
AFE	445	620
PBIT/AFE%	11.2	9.1
Cash Flow	9.8	24.9

Earnings growth of 12.4%

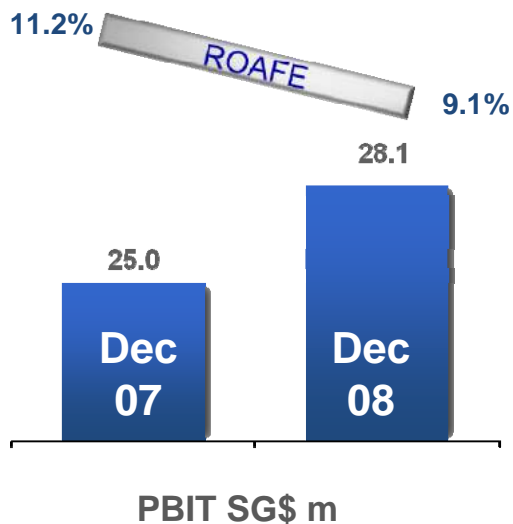
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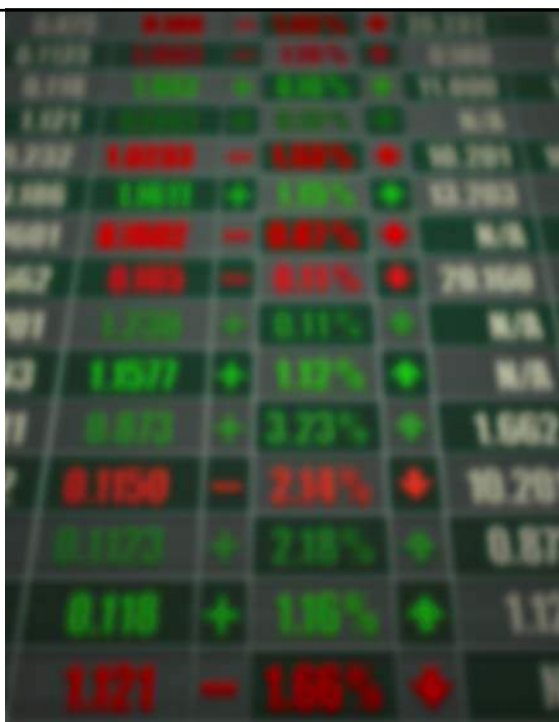


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Financial Highlights

- Results and significant items
- Cash flow and working capital
- Capital structure



Results All Operations – Before Significant Items

A\$m	<u>Dec 07</u>	<u>Dec 08</u>	<u>A\$m Δ</u>
Sales	4,739.2	4,835.3	
PBITDA	537.5	535.7	(1.8)
PBITDA difference from:			
			(10.4)
			32.0
			<u>(23.4)</u>
			(1.8)

Continuing businesses PBITDA down \$23 million on a constant currency basis

Results All Operations – Before Significant Items

A\$m	<u>Dec 07</u>	<u>Dec 08</u>	<u>% Change</u>
Sales	4,739.2	4,835.3	2.0
PBITDA	537.5	535.7	(0.3)
PBIT	333.8	316.8	(5.1)
Borrowing costs	(91.7)	(102.9)	(12.2)
PBT	242.1	213.9	(11.6)
Tax and minorities	(57.1)	(46.5)	18.6
PAT	185.0	167.4	(9.5)
Basic EPS (cents)	21.0	20.1	(4.3)
Weighted Ave No. of Shares (m)	880.1	834.9	(5.1)
ROAFE (%)	11.8	10.3	-
Dividend per share (cents)	17	17	-

Significant Items – All Operations

A\$m	<u>Dec 07</u>	<u>Dec 08</u>
Flexibles restructuring	(58.8)	(48.0)
Australasia restructuring	(4.1)	(13.7)
PET restructuring	-	(12.8)
Prior year disposed businesses	11.7	6.2
AMVIG equity issue	2.2	(3.6)
Other	-	(4.2)
Significant items	(49.0)	(76.1)
Tax effect	18.0	17.2
Net significant items	(31.0)	(58.9)

Over the past 3 years, significant items have totalled \$(87)m

Cash Flow - All Operations

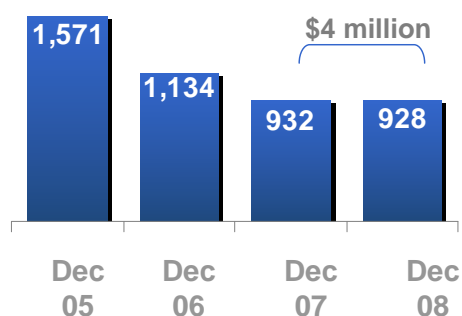
A\$m	<u>Dec 07</u>	<u>Dec 08</u>	<u>Comment</u>
PBITDA	537.5	535.7	
Interest	(88.4)	(75.1)	
Tax	(27.4)	(53.5)	US tax payment timing
Base net capital expenditure	(99.7)	(141.2)	Lower disposal proceeds
Cash significant items	(56.1)	(75.5)	Restructures
Movement in working capital	(154.1)	(181.7)	
Other	(18.9)	(69.2)	Realised / unrealised fx / pensions
Operating cash flow	92.9	(60.5)	

Cash Flow - All Operations

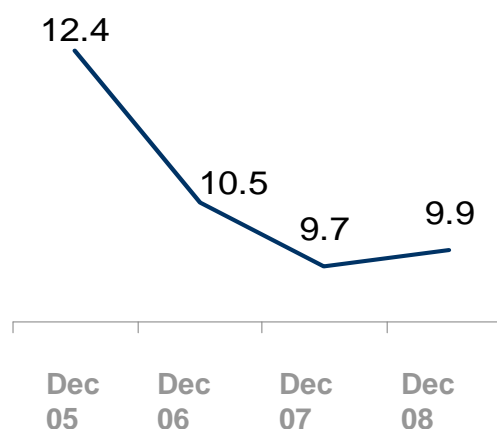
A\$m	Dec 07	Dec 08	Comment
Operating cash flow	92.9	(60.5)	
Dividends	(154.8)	(145.3)	Share buy-back
Free cash flow	(61.9)	(205.8)	
Divestments	970.5	(1.8)	PET Europe
Growth Capex / acquisitions	(78.5)	(231.8)	Growth initiatives
Payment for shares bought back	(169.7)	-	
Proceeds from share issues	7.5	2.0	
Proceeds on capital contribution from minorities	3.7	-	
Foreign exchange rate changes	(11.8)	3.8	
Movement in net debt	659.8	(433.6)	

Working Capital Performance

Period End Working Capital
A\$m



Average Working Capital to Sales
%



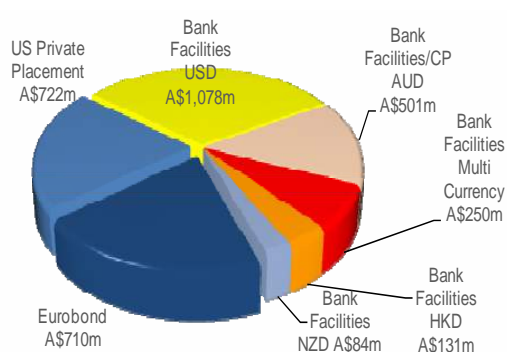
All operations, before factoring

Capital Structure



A\$m	<u>Jun 08</u>	<u>Dec 08</u>	<u>+/-</u>
Funds employed	5,255	6,640	1,385
Net debt	2,252	3,293	1,041
Equity	3,003	3,347	344
Gearing on balance sheet (%)	42.9	49.6	6.7
PBITDA interest cover (times)	6.0	5.2	(0.8)

Debt Profile



Debt Maturity Profile 31 December

A\$m	<u>Drawn</u>	<u>Undrawn</u>	<u>Total</u>
CY2009	609	325	934
CY2010	405	29	434
Beyond	2,213	244	2,457
Total Committed Facilities	3,227	598	3,825
Overdrafts / Other	250		
Cash	(184)		
Net Debt	3,293		

\$600 million un-drawn committed facilities
Investment Grade Rating BBB

Funding Announcements

Amcor has elected to early renew all term bank facilities due in calendar 2009

NAB A\$150 million facility which was due to mature in November 2009 has been rolled out to September 2010, subject to finalisation of documentation

US\$500 million standby facility due in June 2009 is currently in final stages of early renewal

Next bank refinancing is \$350 million in March 2010

Early refinancing calendar 2009 term bank facilities

Past Three Years

Developed the Amcor Business Drivers – “The Amcor Way”

Focused the portfolio

Strengthened the balance sheet

Established foundations for next phase of growth

Well prepared for the current environment

Transition to Growth

Considering purchasing parts of Alcan Packaging

Any acquisition will be consistent with strategy

Disciplined regarding value

Funding approach to be determined

Any acquisition will deliver substantial shareholder value

Well Positioned in the Current Environment

Relatively defensive product segments

Processes and system well established

Sound balance sheet

Favourable outlook for input costs

Positive FX benefit in the second half

Lower Australian dollar and raw material costs are substantial benefits in the second half

Appendix



Amcor PET Packaging

Sales

US\$m	<u>Dec 07</u>	<u>Dec 08</u>
North America	792	761
Latin America	428	469
Bericap	42	40
BG/India	1	2
Total	1,263	1,272



Amcor Flexibles

Sales

€m	<u>Dec 07</u>	<u>Dec 08</u>
Food	494	401
Healthcare	238	243
Tobacco Pack	152	168
Eliminations	2	1
Total	886	813



Amcor Australasia

Sales

A\$m	<u>Dec 07</u>	<u>Dec 08</u>
Fibre	567	598
Flexibles	225	186
Rigid	342	336
Total	1,134	1,120

* For continuing businesses



Amcor Asia

Sales

Sg \$m	<u>Dec 07</u>	<u>Dec 08</u>
Tobacco Pack	40	42
Flexibles	34	38
Other	1	-
Total	75	80

