A M C O R   L I M I T E D

A.B.N. 62 000 017 372

INTERIM FINANCIAL REPORT

31 DECEMBER 2007

Amcor Limited and its controlled entities

Directors' report

The directors present their report on the consolidated entity consisting of Amcor Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2007.

Directors

The following persons were directors of Amcor Limited during the whole of the half-year and up to the date of this report:

Name	**Period of directorship**
Non-executive	
C I (Chris) Roberts – Chairman	Director since 1999 – appointed Chairman 2000
R K (Keith) Barton	Director since 1999
G J (John) Pizzey	Director since 2003
E J J (Ern) Pope	Director since 2005
J G (John) Thorn	Director since 2004
G A (Geoff) Tomlinson	Director since 1999
Executive	
K N (Ken) MacKenzie	Director since 2005

Review of operations

A review of the operations of the consolidated entity during the half-year, and the results of those operations is contained in Amcor's Statement to Stock Exchanges and Media dated 20 February 2008.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act* 2001 is set out on page 3.

Rounding of amounts

The consolidated entity is of a kind referred to in the Australian Securities and Investments Commission Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and directors' report have been rounded off to the nearest $100,000 unless otherwise stated.

Signed in accordance with a resolution of the directors, dated at Melbourne, this 20th day of February 2008.

C Roberts

C I Roberts
Chairman

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Auditor's Independence Declaration

As lead auditor for the review of Amcor Limited for the half year ended 31 December 2007, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Amcor Limited and the entities it controlled during the period.

Dale McKee
Partner
PricewaterhouseCoopers

Melbourne
20 February 2008

Amcor Limited and its controlled entities

Consolidated income statement
For the six months ended 31 December 2007

$ million	Note	2007	2006 Restated*
Sales revenue from continuing operations	3	**4,656.7**	4,910.1
Cost of sales		**(3,895.7)**	(4,150.7)
Gross profit		**761.0**	759.4
Other income	3	**47.8**	18.1
Sales and marketing expenses		**(164.6)**	(158.1)
General and administration expenses		**(375.2)**	(401.0)
Research costs		**(17.3)**	(16.1)
Share of net profit of equity accounted investments	3	**13.7**	10.4
Profit from operations before finance costs		**265.4**	212.7
Financial income		**19.3**	10.5
Financial expenses		**(111.1)**	(111.7)
Net finance costs	3	**(91.8)**	(101.2)
Profit before related income tax expense	3	**173.6**	111.5
Income tax expense		**(30.5)**	(11.6)
Profit from continuing operations		**143.1**	99.9
Profit from discontinued operations, net of tax	6	**16.3**	26.0
Profit for the financial period		**159.4**	125.9
Profit attributable to:			
Members of Amcor Limited		**154.0**	117.7
Minority interest		**5.4**	8.2
		159.4	125.9

Earnings per share for profit from continuing operations attributable to the ordinary equity holders of Amcor Limited	**Cents**	Cents
Basic earnings per share	**15.8**	10.2
Diluted earnings per share	**15.6**	10.2
Earnings per share for profit attributable to the ordinary equity holders of Amcor Limited		
Basic earnings per share	**17.5**	13.1
Diluted earnings per share	**17.3**	13.1

*See discontinued operations – note 6.

The above consolidated income statement should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report set out on pages 9 to 19.

Amcor Limited and its controlled entities

Consolidated balance sheet
As at 31 December 2007

$ million	Note	2007	June 2007
Current assets			
Cash and cash equivalents		**136.0**	114.7
Trade and other receivables		**1,332.4**	2,087.3
Inventories		**1,183.9**	1,189.1
Other financial assets		**3.4**	3.4
Total current assets		**2,655.7**	3,394.5
Non-current assets			
Investments accounted for using the equity method		**292.6**	279.3
Other financial assets		**24.9**	43.0
Property, plant and equipment		**3,713.1**	3,835.4
Deferred tax assets		**136.2**	56.7
Intangible assets		**1,437.9**	1,458.7
Other non-current assets		**95.7**	74.7
Total non-current assets		**5,700.4**	5,747.8
Total assets		**8,356.1**	9,142.3
Current liabilities			
Trade and other payables		**1,708.4**	1,853.5
Interest-bearing liabilities		**619.2**	1,378.6
Other financial liabilities		**7.5**	11.6
Current tax liabilities		**46.6**	36.1
Provisions		**304.9**	241.8
Total current liabilities		**2,686.6**	3,521.6
Non-current liabilities			
Trade and other payables		**29.3**	27.9
Interest-bearing liabilities		**1,749.3**	1,620.5
Other financial liabilities		**0.1**	0.4
Deferred tax liabilities		**270.5**	196.5
Provisions		**95.3**	92.7
Retirement benefit obligations		**96.1**	101.4
Total non-current liabilities		**2,240.6**	2,039.4
Total liabilities		**4,927.2**	5,561.0
NET ASSETS		**3,428.9**	3,581.3
Equity			
Contributed equity		**2,580.6**	2,742.8
Reserves		**(317.2)**	(313.5)
Retained profits		**1,107.6**	1,099.8
Total equity attributable to equity holders of Amcor Limited		**3,371.0**	3,529.1
Minority interest		**57.9**	52.2
TOTAL EQUITY	8	**3,428.9**	3,581.3

The above consolidated balance sheet should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report set out on pages 9 to 19.

Amcor Limited and its controlled entities

Consolidated statement of recognised income and expense
For the six months ended 31 December 2007

$ million	Note	2007	2006 Restated*
Net change in fair value of available-for-sale financial assets		**(4.7)**	4.5
Effective portion of changes in fair value of cash flows hedges		**12.4**	(0.8)
Net change in fair value of cash flow hedges transferred to profit or loss		**(6.9)**	3.0
Net change in fair value of cash flow hedges transferred to non-financial assets		**(2.4)**	(1.2)
Exchange differences on translation of foreign operations		**1.9**	(86.9)
Actuarial gains and (losses) on defined benefit plans		**0.4**	(35.7)
Income tax on income and expense recognised directly in equity		**(4.8)**	(3.6)
Income and expense recognised directly in equity		**(4.1)**	(120.7)
Profit for the financial period		**159.4**	125.9
Total recognised income and expense for the financial period		**155.3**	5.2
Total recognised income and expense for the financial period is attributable to:			
Members of Amcor Limited		**149.0**	(2.9)
Minority interest		**6.3**	8.1
		155.3	5.2
Effects of corrections of errors, net of tax:			
Attributable to members of Amcor Limited			
- increase in retained earnings at the beginning of the period	2	**-**	34.0
Attributable to minority interest		**-**	-
		-	34.0

Other movements in equity arising from transactions with owners as owners are set out in note 8.

*See correction of prior period error – note 2.

The above consolidated statement of recognised income and expense should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report set out on pages 9 to 19.

Amcor Limited and its controlled entities

Consolidated cash flow statement
For the six months ended 31 December 2007

$ million	Note	2007	2006
Cash flows from operating activities			
Profit for the financial period		**159.4**	125.9
Depreciation		**193.9**	216.5
Amortisation of intangible assets		**9.8**	13.5
Impairment losses on property, plant and equipment		**5.0**	-
Reversal of impairment losses on property, plant and equipment		**(3.0)**	-
Non-cash retirement benefit expense		**(2.1)**	20.1
Net finance costs		**91.7**	104.5
Grant income recognised		**(1.1)**	(1.0)
Net (gain)/loss on disposal of non-current assets		**(24.2)**	0.5
Net gain on disposal of businesses/controlled entities		-	(0.9)
Net gain on disposal of equity accounted investment		**-**	(0.5)
Fair value (gains)/losses on other financial assets at fair value through income statement		**(0.4)**	1.5
Share of net profits of associates		**(13.7)**	(10.4)
Net foreign exchange (gain)/loss		**22.8**	0.9
Dividends from controlled and other entities		**(0.4)**	(0.5)
Non cash significant item		**(16.1)**	18.9
Other sundry items		**7.7**	(0.1)
Income tax expense		**33.6**	22.2
Operating profit before changes in working capital and provisions		**462.9**	511.1
- (Increase) in prepayments and other operating assets		**(29.4)**	(5.8)
- (Decrease) in employee benefits and other operating liabilities		**(4.1)**	(39.7)
- Increase in provisions		**28.7**	8.9
- (Increase)/decrease in trade and other receivables		**(40.3)**	55.3
- (Increase)/decrease in inventories		**(54.1)**	0.6
- (Decrease) in trade and other payables		**(59.7)**	(122.8)
		304.0	407.6
Dividends received		**3.7**	0.8
Interest paid		**(88.4)**	(94.1)
Income tax paid		**(27.4)**	(34.5)
Net cash from operating activities		**191.9**	279.8
Cash flows from investing activities			
Repayment of loans relating to associated companies and other persons		**0.7**	0.3
Payments for controlled entities, businesses and associates, net of cash		**(15.7)**	(20.3)
Payments for property, plant and equipment and intangible assets		**(258.5)**	(251.4)
Proceeds on disposal of associates, controlled entities and businesses		**1.7**	34.6
Proceeds on disposal of controlled entities and business treated as discontinued operations	6	**968.8**	18.5
Proceeds on disposal of property, plant and equipment		**96.0**	43.9
Net cash from investing activities		**793.0**	(174.4)

The above consolidated cash flow statement should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report set out on pages 9 to 19.

Amcor Limited and its controlled entities

Consolidated cash flow statement
For the six months ended 31 December 2007

$ million	Note	2007	2006
Cash flows from financing activities			
Proceeds from share issues and calls on partly-paid shares		**7.5**	11.0
Payments for shares bought back		**(169.7)**	(134.3)
Net proceeds of capital contribution from minority interest		**3.7**	-
Proceeds from borrowings		**3,213.4**	2,595.4
Repayment of borrowings		**(3,732.6)**	(2,364.8)
Principal lease repayments		**(44.0)**	(2.8)
Dividends and other equity distributions paid		**(154.8)**	(156.6)
Net cash from financing activities		**(876.5)**	(52.1)
Net increase in cash held		**108.4**	53.3
Cash and cash equivalents at the beginning of the financial period		**(69.8)**	65.0
Effects of exchange rate changes on cash and cash equivalents		**(10.5)**	(0.7)
Cash and cash equivalents at the end of the financial period[(1)]		**28.1**	117.6

(1) Reconciliation of cash and cash equivalents

For purposes of the consolidated cash flow statement, cash and cash equivalents includes cash on hand and at bank and short-term money market investments, net of outstanding bank overdrafts. Cash and cash equivalents as at the end of the financial period as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	2007	2006
Cash assets and cash equivalents	**136.0**	166.3
Bank overdrafts	**(107.9)**	(48.7)
	28.1	117.6

The above consolidated cash flow statement should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report set out on pages 9 to 19.

Condensed notes to the consolidated interim financial report
For the six months ended 31 December 2007

1. Summary of significant accounting policies

Amcor Limited (the "company") is a company domiciled in Australia. The consolidated interim financial report of the company as at and for the six months ended 31 December 2007 comprises the company and its subsidiaries (together referred to as the "consolidated entity") and the consolidated entity's interests in associates and jointly controlled entities.

The consolidated full year financial report of the consolidated entity as at and for the year ended 30 June 2007 is available upon request from the company's registered office at 679 Victoria Street, Abbotsford 3067, Victoria, Australia or at www.amcor.com.au.

Basis of preparation of the condensed consolidated interim financial report

The condensed consolidated interim financial report is a general purpose financial report which has been prepared in accordance with the requirements of Accounting Standard AASB 134 *Interim Financial Reporting*, the recognition and measurement requirements of applicable Australian Accounting Standards ('AASBs'), adopted by the Australian Accounting Standards Board ('AASB'), and other authoritative pronouncements of the AASB and the *Corporations Act 2001.* Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting.*

The condensed consolidated interim financial report does not include all of the information required for a full financial report, and should be read in conjunction with the full year financial report of the consolidated entity as at and for the year ended 30 June 2007 and any public announcements made by Amcor Limited and its controlled entities during the half-year in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*.

This condensed consolidated interim financial report was approved by the Directors on 20 February 2008.

The consolidated entity is of a kind referred to in ASIC Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the condensed consolidated interim financial report have been rounded off to the nearest $100,000 or, where the amount is $50,000 or less, zero, unless specifically otherwise stated.

The accounting policies applied by the consolidated entity in this condensed consolidated interim financial report are the same as those applied by the consolidated entity in its full year financial report as at and for the year ended 30 June 2007.

Historical cost convention
The condensed consolidated interim financial report has been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, derivative financial instruments, and financial assets and liabilities measured at fair value.

Critical accounting estimates
The preparation of the interim financial report, in conformity with Australian Accounting Standards, requires management to make judgements, assumptions and estimates that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These critical estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

A regular review is made of these estimates and underlying assumptions with any movements resulting from a change in the estimates being recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Except as described below, in preparing this consolidated interim financial report, the significant judgements made by management in applying the consolidated entity's accounting policies and key sources of estimation uncertainty were the same as those applied to the consolidated entity's full year financial report as at and for the year ended 30 June 2007.

Investments accounted for using the equity method
Due to the timing of the reporting process of a particular associate investment, management were unable to obtain certain financial information for the six months to 31 December 2007 for recognition in this interim financial report. To ensure that the investment has been appropriately accounted for in accordance with the consolidated entity's accounting policies management recognised an estimate of the consolidated entity's share of profits of the associate. This estimate has been based on management's assessment of all publicly available information released by the associate as at 31 December 2007.

It is not anticipated that management will be required to re-perform such an estimate for the full year reporting period as the timing of the reporting process and release of information from the associate investment is expected to be such that the relevant financial information will be available for recognition in the full year reports of the consolidated entity.

2. Correction of prior period error

Recognition of deferred tax balances on transition to Australian Equivalents to International Financial Reporting Standards

Due to a misinterpretation of the facts surrounding the tax values of certain items of property, plant and equipment within the consolidated entity on transition to Australian Equivalents to International Financial Reporting Standards at 1 July 2004, the consolidated deferred tax liabilities were overstated by $34.0 million and the consolidated retained earnings and consolidated equity understated by $34.0 million.

The error has been corrected by restating each of the affected financial statement line items for the prior period, as described above.

3. Segment information

Business segments are the primary reporting segments as they reflect the consolidated entity's management reporting system. The consolidated entity is organised on a global basis into the following business segments by product type:

Amcor PET
Polyethylene Terephthalate (PET) packaging for a broad range of predominantly beverage and food products, including carbonated soft drinks, water, juices, sports drinks, milk-based beverages, spirits and beer, sauces, dressings, spreads and personal care items and plastic caps for a wide variety of applications.

Amcor Australasia
Corrugated boxes, cartons; folding cartons, beverages and household products; flexible packaging; plastic and metal closures; glass wine bottles; multi-wall sacks; cartonboard; paper and paper recycling.

Amcor Flexibles
Flexible and film packaging in the food and beverage and pharmaceutical sectors, including confectionery, coffee, fresh food and dairy, as well as high value-added medical applications. Specialty folding cartons for tobacco, confectionery and cosmetics.

Amcor Sunclipse
The distribution unit purchases, warehouses, sells and delivers a wide variety of products. The business also manufactures corrugated and other, mostly fibre based, specialty product packaging including 'point of sale' displays.

Amcor Asia
Tobacco carton packaging; flexible plastic packaging for the food and industrial markets.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment result is profit before unallocated finance costs and income tax. Unallocated items mainly comprise interest-bearing loans and borrowings. Segment revenues, expenses and results include transfers between segments. Such transfers are generally priced on an "arm's length" basis and are eliminated on consolidation.

Amcor Limited and its controlled entities

Condensed notes to the consolidated interim financial report
For the six months ended 31 December 2007

3. **Segment information** (continued)

	Amcor PET*		Amcor Australasia*		Amcor Flexibles		Amcor Sunclipse		Amcor Asia		Other		Consolidated continuing operations		Discontinued operations*		Consolidated	
$ million	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
Segment revenue																		
Revenue from external customers	1,456.0	1,530.5	1,133.8	1,171.6	1,437.8	1,494.9	571.5	650.7	57.6	62.4	-	-	4,656.7	4,910.1	82.5	562.0	4,739.2	5,472.1
Inter-segment revenue	-	-	-	0.3	3.1	3.1	0.8	0.9	0.8	0.5	-	-	4.7	4.8	13.7	10.9	18.4	15.7
Total sales revenue	1,456.0	1,530.5	1,133.8	1,171.9	1,440.9	1,498.0	572.3	651.6	58.4	62.9	-	-	4,661.4	4,914.9	96.2	572.9	4,757.6	5,487.8
Share of net profits of associates	-	-	-	-	-	-	-	-	13.7	10.4	-	-	13.7	10.4	-	-	13.7	10.4
Other income	7.0	4.1	13.9	5.8	8.5	6.1	13.7	0.2	2.5	0.6	2.2	1.3	47.8	18.1	0.3	4.6	48.1	22.7
Total segment revenue	1,463.0	1,534.6	1,147.7	1,177.7	1,449.4	1,504.1	586.0	651.8	74.6	73.9	2.2	1.3	4,722.9	4,943.4	96.5	577.5	4,819.4	5,520.9
Intersegment elimination													(4.7)	(4.8)	(13.7)	(10.9)	(18.4)	(15.7)
Total external segment revenue													4,718.2	4,938.6	82.8	566.6	4,801.0	5,505.2
Segment result																		
Profit/(loss) before interest, related income tax expense and significant items	99.3	95.4	112.9	108.5	83.1	85.1	36.3	36.3	19.4	16.6	(24.9)	(27.1)	326.1	314.8	7.7	35.8	333.8	350.6
Net finance (costs)/income													(91.8)	(101.2)	0.1	(3.3)	(91.7)	(104.5)
Profit from ordinary activities before related income tax expense and significant items													234.3	213.6	7.8	32.5	242.1	246.1
Significant items before related income tax expense	-	(3.4)	(4.1)	(67.4)	(59.1)	(31.3)	-	-	2.2	-	0.3	-	(60.7)	(102.1)	11.7	4.1	(49.0)	(98.0)
Profit before related income tax expense													173.6	111.5	19.5	36.6	193.1	148.1

*Discontinued operations include the PET European business (previously reported in the Amcor PET segment) that was sold on 29 June 2007, and the Australasian Food Can and Aerosols business (previously reported in the Australasia segment) that were announced as sold on 31 August 2007- refer note 6.

Condensed notes to the consolidated interim financial report
For the six months ended 31 December 2007

4. Significant items

$ million	2007	2006
Significant items before related income tax expense		
Income		
White Cap Metal Closures business gain on disposal and impairment (loss)	**-**	6.8
Gains arising from associate's equity issue - AMVIG (1)	**2.2**	-
Gain arising from disposal of Australasia Food Can & Aerosols business	**11.7**	-
	13.9	6.8
Expense		
PET business integrations and restructure	**-**	(6.1)
Flexibles market sector rationalisation	**(58.8)**	(31.3)
Fibre Packaging Australasia restructuring	**(4.1)**	(67.4)
	(62.9)	(104.8)
Significant items before related income tax (expense)/benefit	**(49.0)**	(98.0)
Related income tax (expense)/benefit on significant items (where applicable)		
Income tax benefit on PET business integrations and restructure	**-**	1.0
Income tax expense on gain arising from disposal of Australasia Food Can & Aerosols business	**(0.5)**	-
Income tax benefit on Flexibles market sector rationalisation	**12.5**	7.3
Income tax benefit on Fibre Packaging Australasia restructuring	**6.0**	22.4
Income tax benefit on significant items	**18.0**	30.7
Significant items after related tax income expense	**(31.0)**	(67.3)
Significant items attributable to:		
Members of Amcor Limited	**(31.0)**	(67.3)
Minority interest	**-**	-
Significant items after related tax income expense	**(31.0)**	(67.3)
Significant items before related income tax expense:		
Continuing operations	**(60.7)**	(102.1)
Discontinued operations	**11.7**	4.1
	(49.0)	(98.0)
Related income tax (expense)/benefit on significant items:		
Continuing operations	**18.5**	30.6
Discontinued operations	**(0.5)**	0.1
	18.0	30.7
Significant items after related income tax (expense)/benefit attributed to:		
Continuing operations	**(42.2)**	(71.5)
Discontinued operations	**11.2**	4.2
Significant items after related tax income expense	**(31.0)**	(67.3)

(1) The amount represents the increase in Amcor's share of the associate's net worth, as a result of an equity issue by the associate.

5. Acquisitions

During September 2007 Amcor Fibre Packaging Asia Pte Ltd, a controlled entity of the company, acquired an extra 0.74% of the shares of AMVIG on market for $9.9 million. As a result of this acquisition, combined with share buy backs undertaken by AMVIG since June 2007 and the acquisition of Brilliant Circle by the issue of shares announced by AMVIG on 20 June 2007, Amcor's shareholding in AMVIG is 33.5% at 31 December 2007.

6. Discontinued Operations

(a) Description of Events

On 31 August 2007, the consolidated entity announced the sale of its Australasian Food Can and Aerosols business to Impress Group BV for $154.5 million with effect from 31 October 2007. This business has been presented as a discontinued operation in this financial report.

On 2 July 2007, the consolidated entity announced the sale of its PET European operations to La Seda de Barcelona S.A. for $711.6 million (euro 427.8 million) with effect from 29 June 2007. This business has been presented as a discontinued operation in this financial report. The difference between this amount and the $823.1 million disclosed below in the cash flow section relates to the repayment of outstanding loans to Amcor and adjustments to the final settlement price.

The financial information related to these discontinued operations for the period to the date of disposal is set out below. Further information is also provided in note 3.

	Half-Year Discontinued operations	
$ million	**2007**	2006
(b) Financial performance information		
Profits attributable to the discontinued operations were as follows:		
Revenue (refer note 3) (1)	**82.9**	568.1
Expenses	**(75.1)**	(538.3)
Operating profit before related income tax expense	**7.8**	29.8
Income tax expense	**(2.7)**	(10.6)
Operating profit after related income tax expense of discontinued operations	**5.1**	19.2
Profit on sale of discontinued operations before related income tax expense	**11.7**	6.8
Income tax expense	**(0.5)**	-
Profit on sale of discontinued operations after related income tax expense	**11.2**	6.8
Profit from discontinued operations	**16.3**	26.0
Profit attributable to:		
Members of Amcor Limited	**15.3**	25.9
Minority Interest	**1.0**	0.1
	16.3	26.0
cents		
Basic earnings profit/(loss) per share	**1.7**	2.9
Diluted earnings profit/(loss) per share	**1.7**	2.9

(1) As inter-segment revenue is eliminated for the consolidated results, revenue from discontinued operations shown above is inclusive of revenue from external customers and other revenue only.

6. Discontinued Operations (continued)

$ million	Half-Year Discontinued operations 2007	2006
(c) Cash flows from discontinued operations		
Net cash from operating activities	**(21.7)**	76.9
Net cash from investing activities	**957.3**	16.2
Net cash from financing activities	**(103.4)**	(26.9)
Net cash from discontinued operations	**832.2**	66.2
(d) Carrying amounts of assets and liabilities		
Trade and other receivables	**34.5**	-
Inventories	**57.4**	-
Property, plant and equipment	**91.4**	-
Deferred tax assets	**4.6**	-
Intangible assets	**0.1**	-
Other	**0.8**	-
Total assets	**188.8**	-
Trade and other payables	**26.4**	-
Deferred tax liabilities	**10.0**	-
Provisions	**7.8**	-
Total liabilities	**44.2**	-
Net assets	**144.6**	-
(e) Details of the sale of operations		
Consideration received or receivable:		
Cash and short-term deposits	**145.7**	-
Present value of deferred sales proceeds, net of transaction costs	**8.8**	-
Total disposal consideration	**154.5**	-
Less carrying amounts of net assets disposed of	**(144.6)**	-
Plus share of exchange fluctuation reserve and foreign exchange translation	**1.8**	-
Profit on sale before related income tax expense	**11.7**	-
Income tax expense	**(0.5)**	-
Profit on sale after related income tax expense of disposed operations	**11.2**	-
Settlement adjustments on prior year disposal, net of tax	**-**	6.8
Profit on sale of discontinued operations after related income tax expense	**11.2**	6.8
Net cash inflow on disposal		
Cash and cash equivalents consideration	**145.7**	-
Cash received from prior period disposals	**823.1**	18.5
Reported in the cash flow statement	**968.8**	18.5

7. Issuances, repurchases and repayments of securities

Subordinated Convertible Securities

At June 2007 there were no Subordinated Convertible Securities left on the Amcor Balance Sheet. For the six months to 31 December 2006, 3,379,303 notes were converted to 32,925,676 ordinary shares increasing share capital by $221.8 million.

Employee options and performance rights

During the six months to 31 December 2007 514,300 (2006: 1,248,300) ordinary shares were issued for various prices as a result of the exercise of 514,300 (2006: 1,248,300) options. The issue of these options and repayment of loans under the Employee Share/Option Plan increased share capital by $6.1 million (2006: $10.2 million). In addition, 205,000 (2006: 160,000) partly paid shares were called increasing share capital by $1.4 million (2006: $0.8 million).

The company granted 40,000 shares to an employee under the Senior Executive Retention Share Plan ('SERSP') at a cost of nil (2006: nil).

The company has also granted 1,476,890 (2006: 5,139,150) options over ordinary shares during the period at an exercise price of $7.07 (2006: $6.78) resulting in the recognition of an employee share option expense of $0.1 million (2006: $2.2 million). In addition, performance rights of 708,410 (2006: 1,717,475) were granted with an employee share option expense of $0.1 million (2006: $0.9 million) being recognised.

Options totalling 929,315 (2006: 1,079,680) over ordinary shares and 183,200 (2006: 8,350) performance rights were cancelled during the period.

Share buy-back

For the six months to 31 December 2007, the company completed the on market buy-back of 23,935,229 (2006: 18,806,024) fully paid ordinary shares. The total consideration of shares bought back on market was $169.7 million (2006: $134.3 million) being an average, including incidental costs, of $7.09 (2006: $7.22) per share.

8. Total equity reconciliation

Consolidated

$ million	Contributed equity	Available-for-sale revaluation reserve	Cash flow hedge reserve	Share-based payments reserve	Exchange fluctuation reserve	Retained profits	Total Attributable to Members of Amcor	Minority interest	Total equity
Balance at 1 July 2007	**2,742.8**	**5.7**	**(24.2)**	**14.2**	**(309.2)**	**1,099.8**	**3,529.1**	**52.2**	**3,581.3**
Total recognised income and expense	**-**	**(4.7)**	**1.5**	**-**	**(5.8)**	**158.0**	**149.0**	**6.3**	**155.3**
Contributions of equity, net of transaction costs	**7.5**	**-**	**-**	**-**	**-**	**-**	**7.5**	**-**	**7.5**
Share-based payments option expense	**-**	**-**	**-**	**5.3**	**-**	**-**	**5.3**	**-**	**5.3**
Share buy-back	**(169.7)**	**-**	**-**	**-**	**-**	**-**	**(169.7)**	**-**	**(169.7)**
Dividends paid	**-**	**-**	**-**	**-**	**-**	**(150.2)**	**(150.2)**	**-**	**(150.2)**
Dividends paid to minority interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4.4)**	**(4.4)**
Return of capital to minority interest partner	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3.5)**	**(3.5)**
Capital contribution received from minority interest partner	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7.3**	**7.3**
Balance at 31 December 2007	**2,580.6**	**1.0**	**(22.7)**	**19.5**	**(315.0)**	**1,107.6**	**3,371.0**	**57.9**	**3,428.9**
Balance at 1 July 2006	2,810.3	(1.8)	(19.0)	7.8	(71.5)	794.6	3,520.4	51.6	3,572.0
Correction of error (refer note 2)	-	-	-	-	-	34.0	34.0	-	34.0
Balance at 1 July 2006 restated	2,810.3	(1.8)	(19.0)	7.8	(71.5)	828.6	3,554.4	51.6	3,606.0
Total recognised income and expense	-	4.5	1.2	-	(101.2)	92.6	(2.9)	8.1	5.2
Contributions of equity, net of transaction costs	232.8	-	-	-	-	-	232.8	-	232.8
Share-based payments option expense	-	-	-	3.1	-	-	3.1	-	3.1
Share buy-back	(134.3)	-	-	-	-	-	(134.3)	-	(134.3)
Dividends paid	-	-	-	-	-	(153.4)	(153.4)	-	(153.4)
Dividends paid to minority interests in subsidiaries	-	-	-	-	-	-	-	(3.2)	(3.2)
Disposals of controlled entities and businesses	-	-	-	-	-	-	-	(1.1)	(1.1)
Balance at 31 December 2006	2,908.8	2.7	(17.8)	10.9	(172.7)	767.8	3,499.7	55.4	3,555.1

9. Dividends

	2007		2006	
	Cents per share	**Total $m**	Cents per share	Total $m
(a) Dividends provided for or paid during the period				
Final dividend paid on 5 October 2007 unfranked on tax paid at 30% (2006: 29 September 2006 franked at 15% based on tax paid at 30%)	**17.0**	**150.2**	17.0	153.4
(b) Dividends not recognised at period end				
The directors have recommended the payment of an interim dividend, expected to be paid on 31 March 2008 unfranked on tax paid at 30% (2006: 30 March 2007 unfranked on tax paid at 30%) of which 75% is sourced from the Conduit Foreign Income Account (2006: 75%).	**17.0**	**140.0**	17.0	152.5

10. Contingencies

Other than set out below, there were no material changes in contingent liabilities or contingent assets since 30 June 2007.

Competition Law Investigations

Leniency Application – Australia

On 21 December 2005, the Australian Competition and Consumer Commission ('ACCC') commenced legal proceedings in the Federal Court of Australia against certain Visy Group companies and executives. The proceedings are in respect of alleged cartel conduct in the Australian corrugated packaging industry. The ACCC alleges that the Visy Group companies (being Amcor's competitors) and executives engaged in conduct in the corrugated fibreboard container industry with certain former Amcor executives that was anti-competitive, including engaging in price fixing and market sharing, in contravention of section 45 of the Australian *Trade Practices Act* 1974.

The ACCC also announced on 21 December 2005, that Amcor and its former senior executives have been granted unconditional immunity from legal proceedings by the ACCC in respect of that alleged conduct. The immunity was granted in accordance with the terms of the ACCC's Leniency Policy for Cartel Conduct (June 2003): see http://www.accc.gov.au/content/index.phtml/itemId/459479. Accordingly, although the ACCC asserts that Amcor Group companies were involved in the relevant conduct, those companies are not the subject of any proceedings by the ACCC for a pecuniary penalty or otherwise for any alleged cartel conduct. The immunity is conditional upon continuing full cooperation from Amcor and its former senior executives in providing information to the ACCC about the alleged cartel. As a result of this grant of immunity, Amcor does not expect to incur any pecuniary penalties arising out of the ACCC investigations.

The operation immunity granted to Amcor and its former executives under the ACCC's Leniency Policy for Cartel Conduct does not exclude or limit claims by third parties who allege to have suffered loss or damage as a result of any cartel conduct.

In October 2007, the ACCC settled its prosecution of the Visy companies and their relevant officers on the basis of an Agreed Statement of Facts in which the Visy parties agreed to certain of the alleged conduct. On 2 November 2007, the Federal Court imposed substantial fines on Visy and certain of its officers.

10. Contingencies (continued)

Leniency Application – New Zealand
On 29 November 2004 Amcor notified the New Zealand Commerce Commission (‘NZCC’) that the Company may have been involved in cartel conduct in New Zealand. The NZCC is the regulatory agency responsible for enforcing New Zealand’s anti-trust laws, the *Commerce Act* 1986 (‘Commerce Act’). Amcor applied for leniency pursuant to the NZCC’s Leniency Policy for Cartel Conduct (“NZ Leniency Policy”).

The NZ Leniency Policy allows for immunity from NZCC initiated proceedings to the first person involved in a cartel to come forward with information about the cartel and co-operate fully with the NZCC in its investigation and prosecution of the cartel.

Amcor was granted conditional immunity on 1 December 2004. Pursuant to the NZ Leniency Policy, Amcor entered into an agreement with the NZCC under which Amcor is obliged to comply with specified conditions including full cooperation with the NZCC. The NZCC’s investigation is continuing and Amcor continues to provide full cooperation. In November 2007 the NZCC issued a proceeding in the High Court at Auckland, alleging cartel conduct by another New Zealand company, its Australian parent, and four former executives. Amcor will assist in the proceeding to the extent required by the NZCC.

The operation of the NZ Leniency Policy does not exclude or limit claims by third parties who claim to have suffered loss or damage as a result of any cartel conduct. Under the Commerce Act, third parties may pursue private claims for compensatory or exemplary damages

Estimated Damages – New Zealand
As a result of the grant of conditional immunity, Amcor does not expect to incur any pecuniary penalties arising out of the NZCC investigation. It is not possible at present to provide either a reasonable estimate, or a reasonable estimate range of any amounts which might become payable by way of damages to any third parties who believe they may have suffered loss as a result of any cartel conduct in New Zealand.

Although it is not possible at present to establish a reasonable estimated range of damages, there can be no assurance that any damages ultimately incurred will not be material to the results of operations or financial condition of Amcor.

Third Party Claims Australia

Jarra Creek Central Packaging Shed Pty Ltd
Jarra Creek Central Packaging Shed Pty Ltd (‘Jarra Creek’) filed a class action claim in the Federal Court of Australia on 11 April 2006 against Amcor Ltd, Amcor Packaging (Australia) Pty Ltd and Fibre Containers (Queensland) Pty Ltd alleging cartel behaviour and seeking declarations, injunctions and unspecified damages. The proceeding is expressed to have been brought on behalf of all persons or entities that purchased more than $100,000 of corrugated fibreboard packaging products between 1 May 2000 and 5 May 2005.

The allegations made in the class action are broadly similar to the allegations made in the ACCC’s proceedings against the Visy Group. In November 2007, Jarra Creek amended the allegations made on the proceedings to conform more closely with the Agreed Statement of Facts reached between the ACCC and Visy parties as defendants to the claim. In broad terms, it is alleged that certain Amcor Group and Visy Group companies engaged in anti-competitive conduct in the corrugated fibreboard container industry, including engaging in price fixing and market sharing, in breach of section 45 of the Australian *Trade Practices Act* 1974. The class members seek, amongst other things, compensation in respect of the alleged effect that the alleged behaviour had on the prices they paid for corrugated fibreboard products during the relevant period.

Amcor is defending the claims made in the class action. Against the possibility that it is not wholly successful in defending these claims, Amcor has cross claimed against certain Visy Group companies (being the corporate respondents to the ACCC’s proceeding), claiming contribution for any damages which may be awarded against Amcor in the class action.

It is too early for Amcor to provide any reliable assessment of its prospects of defending the class action, of the likely quantum of any damages that may become payable if its defence is unsuccessful in whole or in part or of the extent to which it may obtain contribution from the Visy Group companies in respect of any damages awarded.

Solicitors for Jarra Creek have asserted in statements in the media that the total damages against both Amcor and Visy if liability is established could be in the vicinity of $300 million. Those assertions have not been made in the litigation and no particulars have been provided to support them. Amcor is not aware of the basis upon which those estimates are made.

Although it is not possible at present to establish a reasonable estimated range of damages, there can be no assurance that any damages ultimately incurred will not be material to the results of operations or financial condition of Amcor.

10. Contingencies (continued)

Cadbury Schweppes

Cadbury Schweppes filed a proceeding in the Federal Court of Australia on 15 December 2006 against Amcor Limited and Amcor Packaging (Australia) Pty Ltd alleging cartel behaviour between Amcor and Visy (and related contract claims). Cadbury Schweppes claims damages and rectification of certain supply contracts. Although the amount claimed totals approximately $120.0 million, certain of the claims overlap.

The proceeding contains allegations of cartel conduct in the corrugated fibreboard container industry that are broadly similar to the allegations made in the Jarra Creek proceeding (see above). However, it also contains allegations that the cartel conduct extended beyond the corrugated business and affected other product lines.

Against the possibility that Amcor is not wholly successful in defending the proceeding, Amcor has cross-claimed against those Visy Group companies which are cross-respondents to the Jarra Creek proceeding, claiming contribution for any damages which may be awarded against Amcor.

It is too early for Amcor to provide any reliable assessment as to the prospects of success or the quantum of damages, if any, that may be awarded in either these proceedings or any other proceedings which may be instituted by third parties.

11. Events subsequent to balance date

The following subsequent event has occurred since the half-year ended 31 December 2007:

Increase in associate shareholding

On 7 February 2008 the consolidated entity acquired 18.756 million shares in the associate investment in AMVIG Holdings Limited for consideration of $25 million increasing the consolidated entity's holding in the entity to 35.4%.

Directors' declaration

For the half-year ended 31 December 2007, in the directors' opinion:

1. the financial statements and notes set out on pages 4 to 19, are in accordance with the *Corporations Act 2001* including:
    a. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
    b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and

2. there are reasonable grounds to believe that Amcor Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors, dated at Melbourne, this 20th day of February 2008.

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C I Roberts
Chairman

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INDEPENDENT AUDITOR'S REVIEW REPORT
to the members of Amcor Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Amcor Limited, which comprises the balance sheet as at 31 December 2007, and the income statement, statement of recognised income and expense and cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Amcor Limited Group (the consolidated entity). The consolidated entity comprises both Amcor Limited (the company) and the entities it controlled during that half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Amcor Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

For further explanation of a review, visit our website http:/www.pwc.com/au/financialstatementaudit.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.
Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Amcor Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

PricewaterhouseCoopers

PricewaterhouseCoopers

Dale McKee
Partner

Melbourne
20 February 2008