

Amcor 2017 Full Year Results

22 August 2017

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Disclaimer

Forward looking statements

This presentation contains forward-looking statements that involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to Amcor. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "seeks", "estimate", "anticipate", "believe", "continue", or similar words.

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In particular, we caution you that these forward looking statements are based on management's current economic predictions and assumptions and business and financial projections. Amcor's business is subject to uncertainties, risks and changes that may cause its actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. The factors that may affect Amcor's future performance include, among others:

- Changes in the legal and regulatory regimes in which Amcor operates;
- 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.

These forward looking statements speak only as of the date of this presentation. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rule, Amcor disclaims any obligation or undertaking to publicly update or revise any of the forward looking statements in this presentation, whether as a result of new information, or any change in events conditions or circumstances on which any statement is based.

Non-IFRS information

Results shown refer to underlying results unless otherwise indicated. Underlying earnings is defined and reconciled on slide 22.

Certain non-IFRS financial information has been presented within this presentation. This information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. Amcor

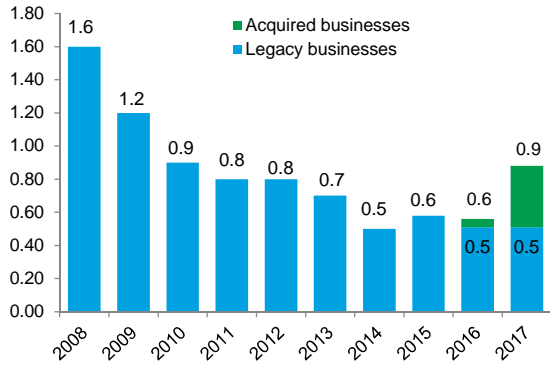
uses these measures to assess the performance of the business and believes that the information is useful to investors. Non-IFRS information, including underlying earnings and average funds employed have not been audited but have been extracted from Amcor's annual financial report.

Full year results available information

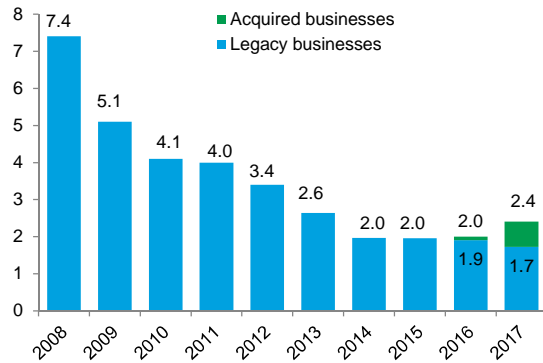
Amcor has today released a package of information relating to its financial results for the full year ended 30 June 2017. Information contained in this presentation should be read in conjunction with information contained in the associated News Release and Webcast, available at www.amcor.com

Safety

Lost time frequency rate



Recordable case frequency rate



2008 to 2012 data includes the demerged Orora business. 2008 to 2012 are shown inclusive of Orora. Total rates for 2015 and onwards includes acquired businesses from the first day of ownership

Committed to our goal of 'no injuries'



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Highlights

Underlying earnings unless otherwise indicated⁽¹⁾

- Strong full year result
 - PBIT up 9% and EPS up 10%
 - Strong cash flow and balance sheet
 - Annual dividend increased to 43.0 US cents
- Continued progress on strategic priorities and investments
 - Underpins >\$100 million of PBIT growth over the next three years, in addition to organic growth and further M&A
- Substantial growth opportunities across all business groups
- Expecting another strong year in 2017/18

Strong full year result reflects solid progress against strategic priorities and benefits achieved from a range of growth levers in multiple regions

1. Throughout this document, references are to underlying earnings unless otherwise indicated. Earnings growth presented on a comparable basis. Refer to slide 22 for further information, including a reconciliation of statutory earnings to underlying earnings.

Full year results⁽¹⁾

US\$ million	Jun 16	Jun 17	Δ %	Constant currency Δ %	Constant currency ongoing operations Δ %
Sales revenue	9,421.3	9,101.0	(3.4)	(2.0)	4.4
PBIT	1,055.3	1,088.2	3.1	4.8	8.6
PBIT margin (%)	11.2	12.0	0.8		
PAT	671.1	701.2	4.5	6.6	9.6
EPS (US cents)	57.7	60.6	5.0	7.1	10.1
Free cash flow	311.2	245.3			
Return on funds employed (%)	21.6	20.4			
Annual dividend (US cents)	41.0	43.0			

- Strong PAT growth of 9.6%
- Continued margin expansion
- Strong returns of 20.4%
- Strong cash flow and balance sheet
 - Net debt / PBITDA 2.7 times
 - EBITDA interest cover of 7.8 times
- Annual dividend of 43.0 cents per share

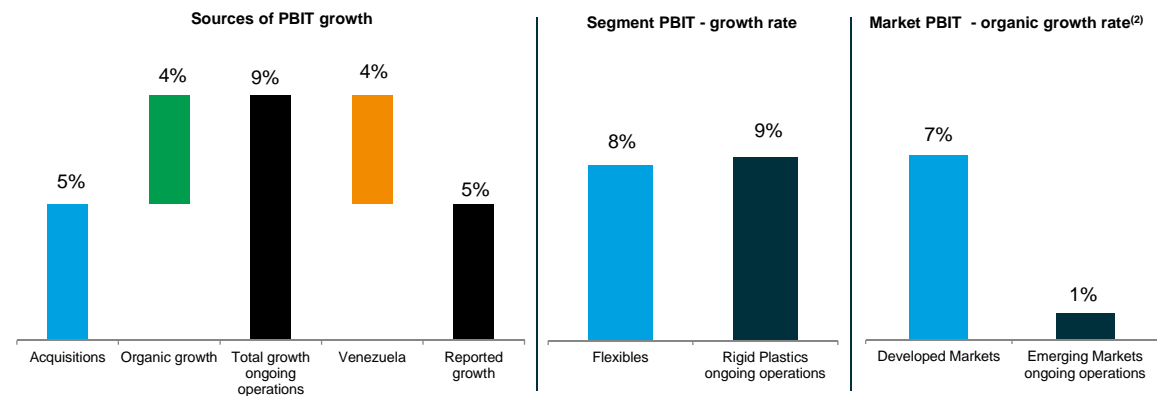
Solid financial and operating performance

1. References are to underlying earnings unless otherwise indicated. Earnings growth presented on a comparable basis. Refer to slide 22 for further information, including a reconciliation of statutory earnings to underlying earnings.



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Balanced growth across multiple dimensions⁽¹⁾



Multiple sources of growth by type, segment and market

(1) Constant currency underlying earnings growth. Growth for the Rigid Plastics segment and Emerging Markets presented on a comparable basis and have been adjusted to exclude US\$40 million related to elimination of Amcor's exposure to Venezuela.
 (2) Excludes AMVIG and Corporate costs.



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Flexibles segment

- Strong constant currency PBIT growth
- Alusa acquisition contributed €30 million (US\$32 million) to earnings growth
- Organic growth
 - Restructuring benefits of US\$15 million (€14 million) at upper end of expected range
 - Total benefits increased to US\$50 to US\$60 million
 - Flexibles sales growth in Asia, North America and Europe
 - Tobacco Packaging customer destocking in Europe and weak market conditions in Asia

Euro million	Jun 16	Jun 17	Reported Δ %	Constant currency Δ %
Sales revenue	5,466	5,716	4.6	4.4
PBIT ⁽¹⁾	681.2	738.8	8.5	8.2
PBIT margin %	12.5	12.9		
Average funds employed	2,643	3,029		
Return on funds employed % ⁽¹⁾	25.8	24.4		
Operating cash flow	758.9	792.4		

Strong PBIT growth benefiting from both acquisitions and organic growth

1. References are to underlying PBIT. Refer to slide 22 for further information, including a reconciliation of statutory earnings to underlying earnings.



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Flexibles full year outlook for 2017/18

In constant currency terms, the Flexibles segment is expected to deliver another year of strong PBIT growth in the 2017/18 financial year, compared with PBIT of €738.8 million achieved in the 2016/17 year. This outlook takes into account:

- incremental restructuring benefits of approximately US\$25 million to US\$30 million (approximately €23 million to €28 million)
- incremental net synergy benefits of US\$10 million to US\$15 million related to the Alusa acquisition. This amount is net of integration costs; and
- modest organic growth across the Flexibles segment

In the first half of 2017/18, earnings will be impacted by integration costs of approximately US\$5 million related to the Alusa and Hebei Qite businesses, and will also be dependent on raw material cost development, including the timing of recovering higher raw material costs experienced in the fourth quarter of 2016/17



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Rigid Plastics segment⁽¹⁾

- Strong performance
- Sonoco acquisition contributed approximately US\$12 million to earnings growth
- Organic growth
 - North America
 - volume growth of 2.6%, favourable mix and strong cost management
 - June 2017 quarter volumes lower than last year, with Amcor customers experiencing a weak start to the summer
 - Latin America volume decline of 6.8%, partially offset by excellent cost management and favourable mix
 - Good growth in Specialty Containers and Bericap
- New closures site in Mexico

US\$ million	Jun 16	Jun 17	Reported Δ %	Ongoing operations Δ %
Sales revenue	3,357	2,877	(14.3)	3.8
Underlying PBIT	352.5	342.7	(2.8)	8.6
Average funds employed	1,512	1,690		
Return on funds employed %	23.3	20.3		
Operating cash flow	301.0	373.4		

Strong result with over 8% PBIT growth

1. References are to underlying PBIT from ongoing operations. Refer to slide 22 for further information, including a reconciliation of statutory earnings to underlying earnings.



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Rigid Plastics full year outlook for 2017/18

The Rigid Plastics segment is expected to deliver solid PBIT growth in the 2017/18 financial year, compared with PBIT of US\$342.7 million achieved in the 2016/17 year. This outlook takes into account:

- modest organic growth in the businesses in North America;
- growth in Latin America, dependent on general economic conditions in the region which are expected to remain challenging; and
- an additional 5 months of acquired earnings from the Sonoco blow molding business. For the 2017/18 year, synergy benefits are expected to be offset by integration costs.
 - in the first half of the year, the net impact is expected to be an expense of approximately US\$10 million
 - in the second half of the year, the net impact is expected to be a benefit of approximately US\$10 million

In the first half of 2017/18, earnings will be impacted by integration costs related to the Sonoco acquisition and will be dependent on beverage volumes in the North American market through the balance of the summer



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Cash flow

US\$ million	Jun 16	Jun 17
PBITDA	1,409.3	1,447.0
Interest	(153.4)	(176.7)
Tax	(170.3)	(160.2)
Capital expenditure	(348.9)	(379.2)
Working capital	37.2	159.0
Flexibles segment restructuring	-	(98.1)
Other	17.6	(57.4)
Operating cash flow ⁽¹⁾	791.5	734.4
Dividends and other equity distributions	(480.3)	(489.1)
Free cash flow	311.2	245.3

- Strong cash flow at the upper end of expectations for the year
- Stronger than expected working capital performance
- Capital expenditure and Flexibles restructuring investments to drive future earnings growth

2017/18 free cash flow expected to be US\$150 to US\$250 million after taking into account remaining Flexibles segment cash restructuring costs

1. Operating cash flow for the June 2017 full year is net of US\$22 million of restructuring, integration and transaction payments.



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Balance sheet and debt profile

Balance sheet	Jun 16	Jun 17
Net debt (US\$ million)	3,829	4,050
Net finance costs (US\$ million)	166.8	187.0
PBITDA interest cover (x)	8.4	7.8
Net debt / PBITDA (x)	2.6	2.7

Debt profile	Jun 17
Fixed / floating interest rate ratio	42% fixed
Bank debt / total debt	28% bank
Undrawn committed facilities (US\$ million)	US\$996
Non current debt maturity (years)	3.5

Strong balance sheet

- Leverage at 2.7 x
- Interest cover strong at 7.8 x
- FY18 net finance cost guidance US\$185 - 195 million in constant currency terms

Liquidity

- Diverse mix
- Balanced maturity profile
- US\$100m facility due to mature in December 2017

Balance sheet provides capacity to invest for future growth



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Where to from here....



Amcor Strategy

1. Focused portfolio



2. Differentiated capabilities



3. Shareholder value creation



Current operating priorities advance the strategy

Strong foundation

- Values, starting with safety
 - The Amcor Way
- Execution and delivery of results
- Cash focus and disciplined capital allocation

Opportunities

- Generating our own growth
- Increasing agility and pace of adapting operations
- Strengthening and engaging our team

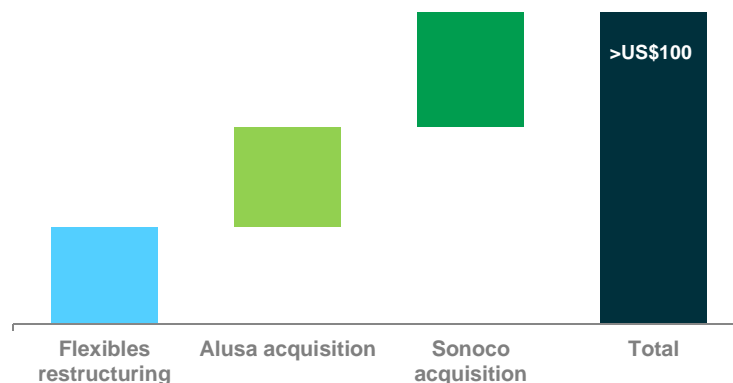
Build on



Accelerate

Mid-term growth: delivering on recent investments

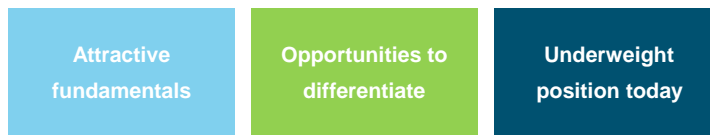
contribution to earnings growth by 2019/20



Investments underpin further PBIT growth of >US\$100 million over the next three years, **in addition to** organic growth and continued M&A

Longer-term growth: accelerating in focus segments

	Flexible Packaging Americas	Flexible Packaging Asia	Rigid Plastics specialty containers	Closures
Amcor sales ⁽¹⁾	US\$1 billion	US\$1 billion	US\$750 million	US\$400 million
Estimated total market ⁽²⁾	US\$25 billion	US\$20 billion	US\$15 billion	US\$25 billion
Estimated Market growth ⁽³⁾	3%	5%	3%	6%



Attractive segments where Amcor has substantial growth potential

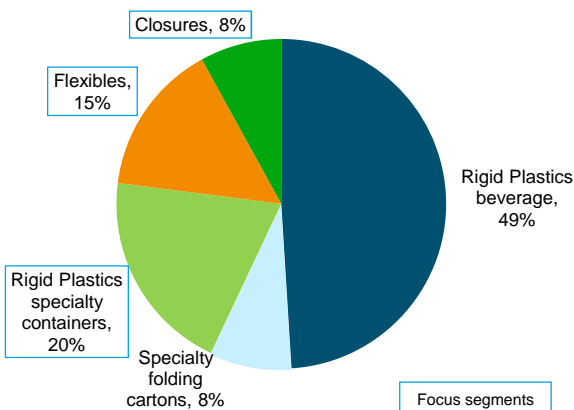


(1) Annualised sales inclusive of recently acquired businesses
 (2) Source: PIRA and Amcor estimates
 (3) Source: PIRA

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North America: recent investor tour highlights

North America sales – ~US\$3 billion



- Three of our four focus segments participate in North America
- Strong management teams
- Investing in capabilities to support growth
- Wide range of acquisition and organic growth opportunities

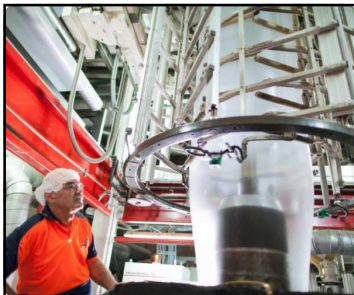
Recent investor tour highlighted Amcor's business in North America – a geography that offers a wide range of growth opportunities



Note: Presentation material was lodged with the ASX and can be found on www.amcor.com in the Investors section.

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Amcor shareholder value creation model



Summary

- Strong financial performance
- Progress against strategic priorities
- Broad range of growth opportunities
- 2017/18 expected to be another strong year with after tax earnings growth and strong cash generation⁽¹⁾

Strong result and 2017/18 expected to be another strong year

1. In constant currency terms.

Amcor 2017 Full Year Results

Appendix slides

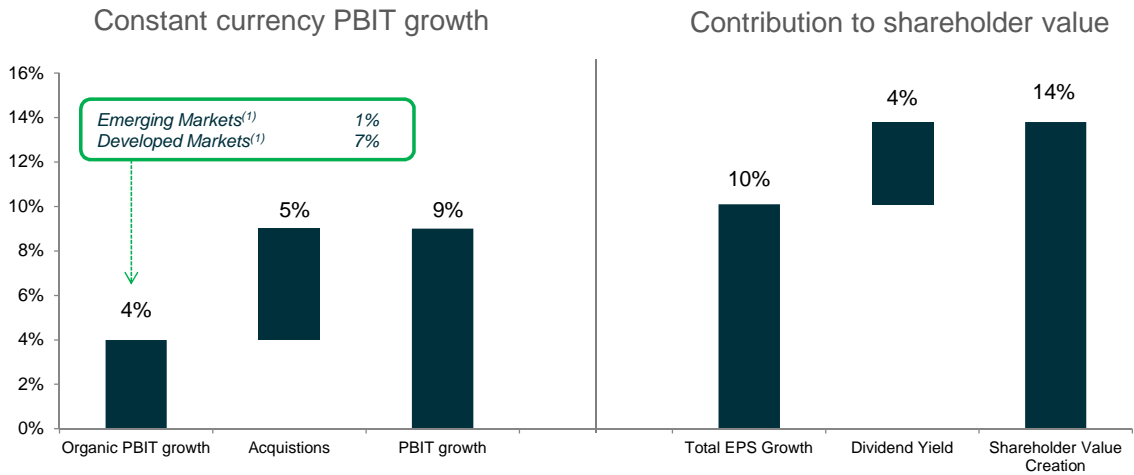


Results

US\$ million	Statutory result		Adjustments ⁽¹⁾		Underlying result	
	2016	2017	2016	2017	2016	2017
Sales revenue	9,421.3	9,101.0	-	-	9,421.3	9,101.0
PBITDA	929.7	1,311.5	(479.6)	(135.5)	1,409.3	1,447.0
- Depreciation and amortisation	(354.0)	(358.8)	-	-	(354.0)	(358.8)
PBIT	575.7	952.7	(479.6)	(135.5)	1,055.3	1,088.2
- Net finance costs	(166.8)	(187.0)	-	-	(166.8)	(187.0)
Profit before tax	408.9	765.7	(479.6)	(135.5)	888.5	901.2
- Income tax expense	(135.3)	(151.7)	52.6	31.3	(187.9)	(183.0)
- Non-controlling interest	(29.5)	(17.0)	-	-	(29.5)	(17.0)
Profit after tax	244.1	597.0	(427.0)	(104.2)	671.1	701.2
Key ratios						
PBIT margin (%)					11.2	12.0
Return on funds employed (%)					21.6	20.4
EPS (US cents)					57.7	60.6
Operating cash flow (US\$ million)					311.2	245.3

1. Refer to slides 41-44 for further details.

Shareholder value creation of 14%



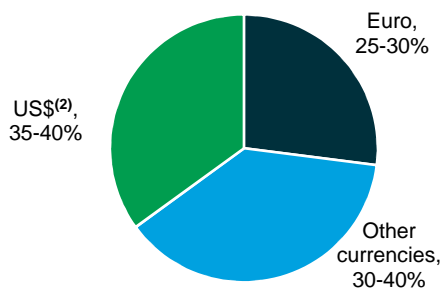
Dividend yield is based on an annualised dividend of 43.0 US cents per share (Australian dollar equivalent of 55.45 cents per share), divided by share price of A\$14.93 on 1 July 2016.
⁽¹⁾ Excludes AMVIG and Corporate costs.



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FX Translation impact

PAT currency exposures⁽¹⁾



Total currency impact	US\$ million
PBIT	(18)
PAT	(14)

1. Approximate range.
2. Includes all businesses effectively managed as US\$ functional currency businesses.
3. Includes all currencies other than US\$ and Euro.

Euro:US\$		
Increase in average US\$ to Euro rate FY17 0.9180 vs FY16 0.9011	US\$ million impact on PAT for FY17	Decrease in Jul 17 average US\$ to Euro rate 0.8684 vs FY17 average rate of 0.9180
2%	4	(5)%

Other currencies ⁽³⁾ :US\$		
Weighted average increase in average US\$ to other currencies rates FY17 vs FY16	US\$ million impact on PAT for FY17	Weighted average decrease in Jul 17 US\$ to other currencies rates vs FY17 weighted average
4%	10	(3)%



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Finance and cash expectations – 2017/18

Net financing costs US\$185 - US\$195 million
in constant currency terms

- Cash costs in line with P&L charge

Effective tax rate between 21% and 23%

- Cash tax 85-95% of P&L charge

Corporate costs US\$75 – US\$85 million in
constant currency terms

Free cash flow US\$150 - US\$250 million



Cash flow

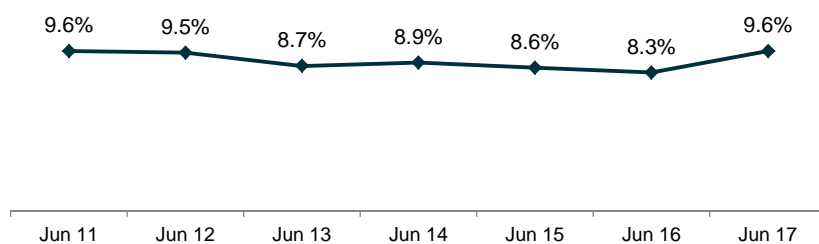
US\$ million	Jun 16	Jun 17
Underlying PBITDA	1,409.3	1,447.0
Interest	(153.4)	(176.7)
Tax	(170.3)	(160.2)
Capital expenditure	(348.9)	(379.2)
Movements in working capital	37.2	159.0
Flexibles segment restructuring ⁽¹⁾	-	(98.1)
Other	17.6	(57.4)
Operating cash flow	791.5	734.4
Dividends and other equity distributions	(480.3)	(489.1)
Free cash flow	311.2	245.3
Acquisitions (net of divestments)	(496.6)	(336.2)
Venezuela adjustment ⁽²⁾	(184.2)	-
Movements in share capital, foreign exchange rate changes and other	(480.1)	(79.5)
Cash increase in net debt	(849.7)	(170.4)

(1) Refer to slides 41 and 42 for further information.

(2) Related to Cash Balance at 30 June 2016.

Working capital performance

Amcor average working capital to sales ⁽¹⁾ (%)



Solid working capital performance

(1) Working capital to sales from June 2013 onwards exclude the demerged Orora business. Prior periods are presented inclusive of Orora.

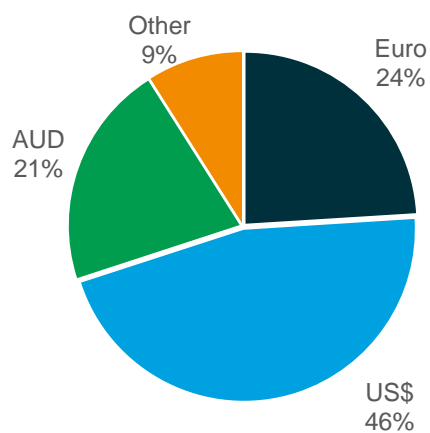


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Debt profile

US\$ million	Facility	Drawn at 30 June 2017 ⁽¹⁾
Overdrafts/Leases	-	44
Commercial paper ⁽²⁾	-	776
CY2017	100	100
CY2018	1,310	1,303
CY2019	1,378	788
CY2020	679	252
CY2021	1,134	386
CY2022	-	-
CY2023	367	367
CY2024	-	-
CY2025	-	-
CY2026	595	595

Debt currency profile



(1) Gross debt excluding cash and cash equivalents.

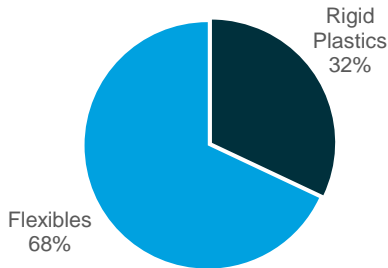
(2) Commercial paper backed up by bank facilities maturing in CY2019 and CY2020.



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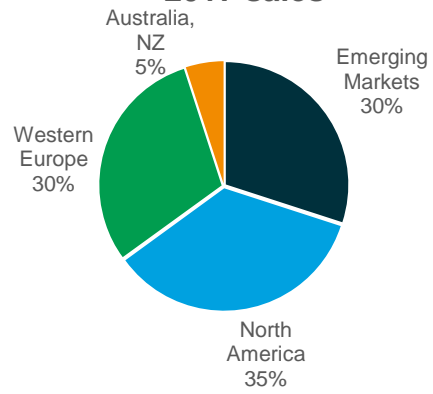
Focused portfolio and balanced global footprint

2017 sales



Focused portfolio

2017 sales

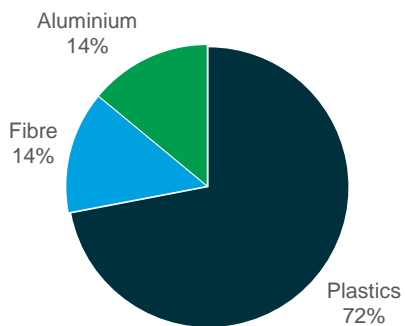


Balanced global footprint



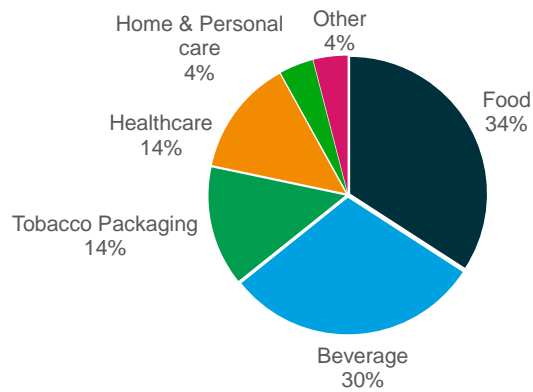
Focused portfolio by substrate and end market

2017 sales by substrate



Common substrates

2017 sales by end market



Defensive end markets



Historic performance – half yearly sales revenue

million		Dec 12	Jun 13	Dec 13	Jun 14	Dec 14	Jun 15	Dec 15	Jun 16	Dec 16	Jun 17
Flexibles	€	2,534	2,553	2,467	2,529	2,521	2,711	2,706	2,760	2,818	2,898
Rigid Plastics	US\$	1,497	1,682	1,490	1,702	1,563	1,754	1,562	1,795	1,377 ⁽¹⁾	1,500 ⁽¹⁾
Total	US\$	4,719	5,025	4,796	5,168	4,809	4,803	4,548	4,873	4,467	4,634

(1) December 2016 and June 2017 sales in Rigid Plastics have been negatively impacted by measures taken to eliminate Amcor's financial exposure to Venezuela as at 30 June 2016. The negative impact comparing June 2017 with June 2016 is approximately US\$400 million and is approximately US\$200 million when comparing December 2016 with December 2015.



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Historic performance – underlying half yearly PBIT

million		Dec 12	Jun 13	Dec 13	Jun 14	Dec 14	Jun 15	Dec 15	Jun 16	Dec 16	Jun 17
Flexibles	€	280	308	289	317	308	344	321	360	340	399
Rigid Plastics	US\$	128	159	128	170	139	182	154	199	144 ⁽¹⁾	199 ⁽¹⁾
Investments/Other	US\$	(22)	(16)	(24)	(15)	(17)	(25)	(19)	(34)	(21)	(38)
Total⁽¹⁾	US\$	463	547	492	590	519	546	489	566	496	592

(1) June 2017 and December 2016 PBIT have been negatively impacted by measures taken to eliminate Amcor's financial exposure to Venezuela as at 30 June 2016. The negative impact comparing June 2017 with June 2016 is approximately US\$15 million and is approximately US\$25 million when comparing December 2016 with December 2015.



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Historic performance – average funds employed

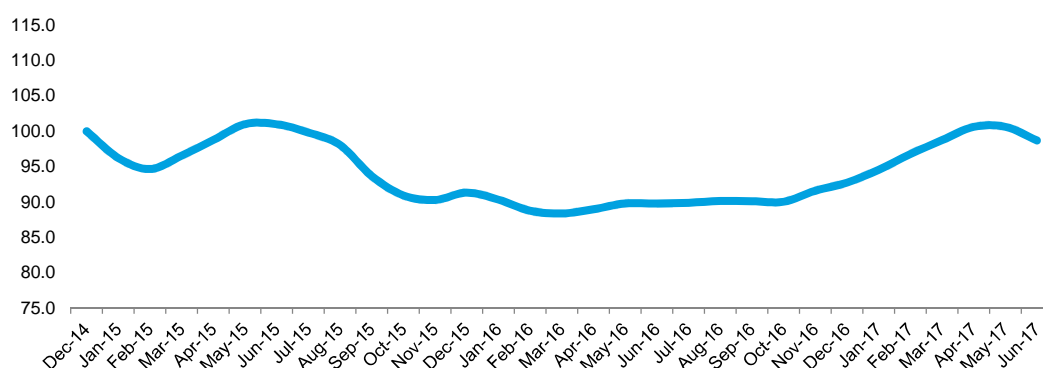
million		Dec 12	Jun 13	Dec 13	Jun 14	Dec 14	Jun 15	Dec 15	Jun 16	Dec 16	Jun 17
Flexibles	€	2,447	2,457	2,515	2,498	2,529	2,560	2,611	2,643	2,996	3,029
Rigid Plastics	US\$	1,738	1,699	1,649	1,630	1,599	1,582	1,513	1,512	1,567	1,690
Investments/Other	US\$	498	542	602	561	539	527	437	449	314	339
Total	US\$	5,355	5,421	5,628	5,581	5,394	5,189	4,831	4,894	5,166	5,328

Flexibles – historic performance half yearly sales

Sales € million	Dec 12	Jun 13	Dec 13	Jun 14	Dec 14	Jun 15	Dec 15	Jun 16	Dec 16	Jun 17
Europe, Middle East and Africa ⁽¹⁾	1,503	1,563	1,475	1,556	1,231	1,341	1,386	1,399	1,340	1,422
Americas ⁽¹⁾					266	290	202	263	366	402
Tobacco Packaging	537	565	551	541	534	587	610	621	595	559
Asia Pacific	507	439	455	446	503	506	544	509	552	552
Eliminations	(13)	(14)	(14)	(14)	(13)	(13)	(36)	(32)	(35)	(37)
Total	2,534	2,553	2,467	2,529	2,521	2,711	2,706	2,760	2,818	2,898

(1) Sales for Dec 2012 through to June 2014 are based on the legacy Flexibles Europe and Americas business group. Effective 1 July 2015 the Flexibles Europe and Americas business group was separated into two separate businesses – Flexibles Europe, Middle East and Africa and Flexibles Americas. Comparative information for Dec 14 and Jun 15 was restated at the time of the announced separation.

Flexibles – raw material input costs



Weighted average index for a basket of raw materials - including films, resins, papers, liquids and foils - consumed by Amcor's business. Reflects pricing in the European market.



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Rigid Plastics – historic performance half yearly sales

Sales US\$ million	Dec 12	Jun 13	Dec 13	Jun 14	Dec 14	Jun 15	Dec 15	Jun 16	Dec 16	Jun 17
North America	998	1,172	963	1,150	965	1,113	988	1,071	1,033	1,163
Latin America	443	443	465	467	520	557	497	643	269 ⁽¹⁾	248 ⁽¹⁾
Bericap	61	69	64	86	79	84	77	81	75	89
BG/India	(5)	(2)	(2)	(1)	(1)	-	-	-	-	-
Total	1,497	1,682	1,490	1,702	1,563	1,754	1,562	1,795	1,377	1,500

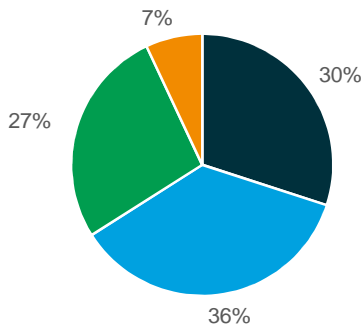
(1) December 2016 and June 2017 sales in Latin America have been negatively impacted by measures taken to eliminate Amcor's financial exposure to Venezuela as at 30 June 2016. The negative impact comparing June 2017 with June 2016 is approximately US\$400 million and is approximately US\$200 million when comparing December 2016 with December 2015.



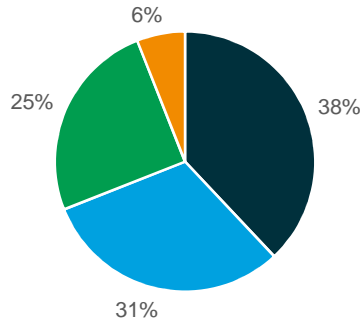
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Rigid Plastics – product mix

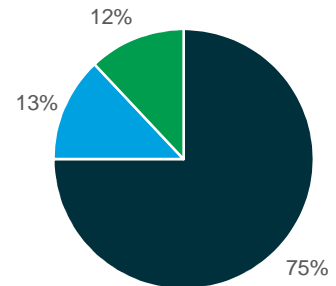
North America sales revenue ⁽¹⁾
US\$ 2,360 million



Total sales revenue ⁽¹⁾
US\$ 2,877 million



Latin America sales revenue ⁽¹⁾
US\$ 517 million



(1) Sales for the full year ended 30 June 2017.

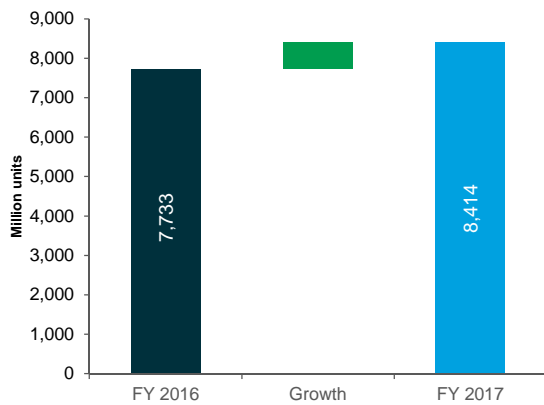
- CSDW
- Custom
- Specialty Containers
- Bericap closures



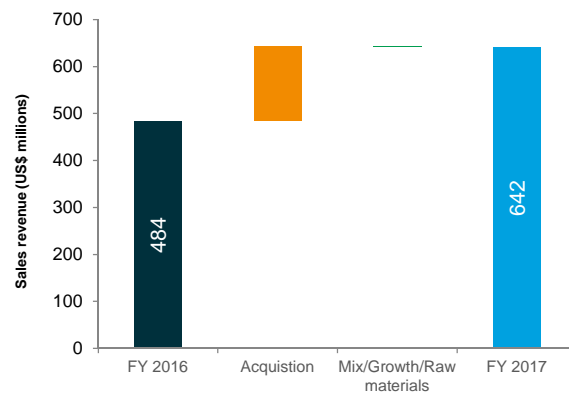
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Rigid Plastics – North America

Custom Containers

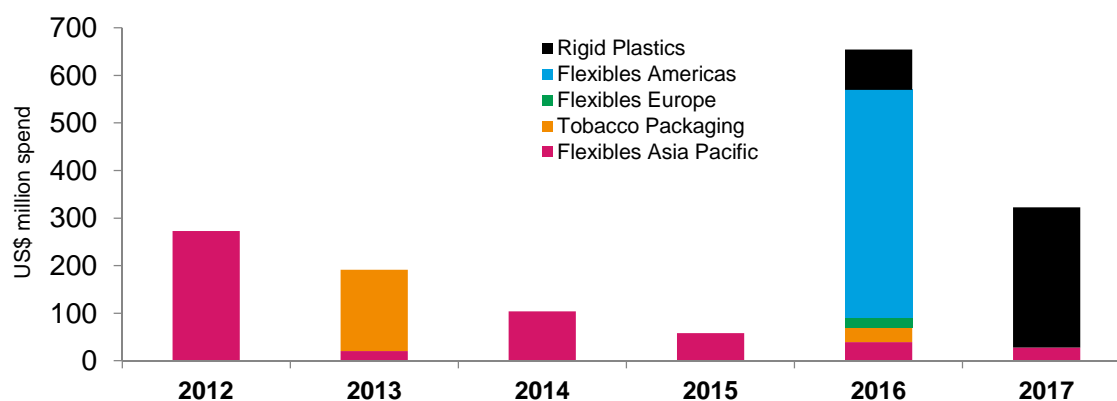


Specialty Containers



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Track record of growth by acquisition



	2012	2013	2014	2015	2016	2017
Total spend (US\$m) ⁽¹⁾	273	191	104	58	655	323
Number of acquisitions	3	4	3	2	8	3

(1) Spend based on announced cost



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Historical acquisitions

	Business group	Country	Completion date	Currency	Acquisition price (Local currency millions)	EBITDA Multiple	Acquired sales (Local currency millions)
Jiangsu Shenda Group	Flexibles Asia Pacific	China	H1 2014	RMB	350	8.0	440
Parry Enterprises India	Flexibles Asia Pacific	India	H1 2014	AUD			
Detmold	Flexibles Asia Pacific	Australia	H1 2014	AUD	50	6.6	55
Bella Prima	Flexibles Asia Pacific	Indonesia	H1 2015	AUD	27	7.0	29
Zhongshan TianCai	Flexibles Asia Pacific	China	H2 2015	RMB	211	7.1	280
Nampak Flexibles	Flexibles Europe, Middle East & Africa	South Africa	H1 2016	ZAR	250	5.0	1,100
Souza Cruz in-house packaging	Tobacco Packaging	Brazil	H1 2016	BRL	98		200
Packaging India Private Limited	Flexibles Asia Pacific	India	H1 2016	INR	1,650		2,500
Encon	Rigid Plastics	USA	H1 2016	USD	55		110
Deluxe Packages	Flexibles Americas	USA	H1 2016	USD	45		42
BPI China	Flexibles Asia Pacific	China	H2 2016	USD	13		
Alusa	Flexibles Americas	South America	H2 2016	USD	435	8.5	375
Plastic Moulders Ltd	Rigid Plastics	Canada	H2 2016	CAD	36		35
Sonoco Blow Molding operations	Rigid Plastics	North America	H1 2017	USD	280	8.0	210
Hebei Qite Packaging	Flexibles Asia Pacific	China	H2 2017	RMB	185		180
Plásticos Team	Rigid Plastics	Colombia	H2 2017	USD			13

Industry provides numerous acquisition opportunities of varying scale



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Details of adjustments

	US\$ million									
	Flexibles € million		Flexibles		Rigid Plastics		Investments / Other		Consolidated	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Income statement										
Flexibles segment restructuring	(85.5)	(124.4)	(94.9)	(135.5)	-	-	-	-	(94.9)	(135.5)
Change of accounting treatment Venezuela	-	-	-	-	(384.7)	-	-	-	(384.7)	-
Total PBIT adjustments	(85.5)	(124.4)	(94.9)	(135.5)	(384.7)	-	-	-	(479.6)	(135.5)
Tax on adjustments	15.1	28.8	16.8	31.3	35.8	-	-	-	52.6	31.3
Total PAT adjustments	(70.4)	(95.6)	(78.1)	(104.2)	(348.9)	-	-	-	(427.0)	(104.2)

Details of adjustments *continued*

Flexibles segment restructuring

1. Main initiatives announced

Date	Announcement
14 June 2016	Closure of the Flexibles packaging plant in Halen (Belgium)
14 June 2016	Closure of the Tobacco packaging plant in Bristol (England)
14 June 2016	A restructure of the Flexibles packaging plant in Cumbria (England)
21 June 2016	A new organisation structure for Flexibles, Europe, Middle East & Africa business
17 July 2016	Closure of the Flexibles packaging plant in Nunawading (Australia)
22 August 2016	Closure of the Flexibles packaging plant in Christchurch (New Zealand)
29 November 2016	Closure of the Tobacco packaging plant in Singapore
29 November 2016	Closure of the Tobacco packaging plant in Lachine (Canada)
9 February 2017	Closure of the Flexibles packaging plant in Argentan (France)

2. Expected phasing of restructuring costs and benefits

(US\$ million)	Total post-tax costs ⁽¹⁾	Cash costs	Pre-tax benefits ⁽²⁾
Recognised in FY16	78	-	-
Recognised in FY17	104	98	15
Expected to be recognised in FY18	-	62	25-30
Expected to be recognised in FY19	-	-	10-15
Cumulative costs and benefits	182	160	50-60

(1) Total costs on a pre-tax basis of US\$230 million. There are no further costs expected to be recognised in profit and loss in relation to these restructuring initiatives.

(2) Benefits to be recognised in earnings for the Flexibles segment in the period indicated.

Constant currency growth

Growth in underlying earnings represents growth for ongoing operations. This has been adjusted to reflect the elimination of financial exposure to Amcor's business in Venezuela. As announced to the ASX on 9 June 2016, and detailed in Amcor's 2016 full year earnings release on 25 August 2016, a number of measures were taken at 30 June 2016 to eliminate Amcor's financial exposure to Venezuela, following a deterioration in economic conditions. As outlined in those documents, the full year negative impact for the 2016/17 financial year on PBIT is approximately US\$40 million (unfavourable PAT impact of US\$20 million) compared with 2015/16. The full year negative impact for the 2016/17 financial year on Sales is approximately US\$600 million. Growth has been adjusted to exclude Venezuela impact as above.

	Total Sales			Total PBITDA			Total PBIT		
	FY16 US\$ million	FY17 US\$ million	Δ %	FY16 US\$ million	FY17 US\$ million	Δ %	FY16 US\$ million	FY17 US\$ million	Δ %
Underlying	9,421.3	9,101.0	(3.4)	1,409.3	1,447.0	2.7	1,055.3	1,088.2	3.1
Constant currency		9,232.4	(2.0)		1,468.3	4.2		1,106.2	4.8
Constant currency ongoing operations			4.4			7.2			8.6

	Total PAT			EPS			Rigid Plastics Sales			Rigid Plastics PBIT		
	FY16 US\$ million	FY17 US\$ million	Δ %	FY16 US cents	FY17 US cents	Δ %	FY16 US\$ million	FY17 US\$ million	Δ %	FY16 US million	FY17 US million	Δ %
Underlying	671.1	701.2	4.5	57.7	60.6	5.0	3,357	2,877	(14.3)	352.5	342.7	(2.8)
Constant currency		715.4	6.6		61.8	7.1		2,877	(14.3)		342.7	(2.8)
Constant currency ongoing operations			9.6			10.1			3.8			8.6



Non-IFRS information

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

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

	2016 (US\$ million)	2017 (US\$ million)
Operating cash flow	791.5	734.4
Capital expenditure	348.9	379.2
Proceeds on disposal of PP&E	(30.4)	(82.8)
Other items	(10.6)	(3.4)
Cash flow from operating activities	1,099.4	1,027.4

Free cash flow is operating cash flow (refer above) less dividends and other equity distributions paid during the period calculated in accordance with IFRS and extracted from Amcor's financial statements.

Movement in net debt is reconciled to the net increase in cash held calculated in accordance with IFRS and extracted from Amcor's financial statements as follows:

	2016 (US\$ million)	2017 (US\$ million)
Proceeds from borrowings	(5,701.2)	(3,959.5)
Repayment of borrowings	5,036.2	3,745.1
Net increase in cash held	(24.5)	57.8
Effects of exchange rate changes on cash and cash equivalents	(159.6)	(13.5)
Other items	(0.6)	(0.3)
Cash increase in net debt	(849.7)	(170.4)

