

## Half year report

**AMCOR LIMITED**  
**ABN 62 000 017 372**

### 1. Details of the reporting period and the previous corresponding period

Reporting Period: Half-Year Ended 31 December 2017  
Previous Corresponding Period: Half-Year Ended 31 December 2016

### 2. Results for announcement to the market

					<i>USD million</i>
2.1	Revenues from ordinary activities	up	0.8%	to	4,502.2
2.2	Profit from ordinary activities after tax but before significant items, attributable to members	up	6.8%	to	329.7
2.3	Net profit for the period, attributable to members	up	15.0%	to	329.7

<b>Dividends</b>	<b>Amount per security (US cents)</b>	<b>Franked amount per security</b>
<i>Current period</i>		
2.4 Interim dividend payable 28 March 2018	21.0 cents	Nil
2.4 Final dividend (in respect of prior year) paid 28 September 2017	23.5 cents	Nil
<i>Previous corresponding period</i>		
2.4 Interim dividend	19.5 cents	Nil
2.5 Record date for determining entitlements to the dividend	Interim dividend – 28 February 2018	

#### 2.6 Brief explanation of figures in 2.1 to 2.4 –:

- i) Refer to page 10 of attached press release for further comments specifically related to 2.2.
- ii) Dividends in the current period and previous corresponding period are unfranked. Dividends to non-residents are sourced from the parent entity's Conduit Foreign Income Account. As a result, 100% of the dividend paid to a non-resident will not be subject to Australian withholding tax.
- iii) Refer to attached press release for further details relating to 2.1 to 2.4.

### 3. Net tangible assets

	31 December 2017	30 June 2017	31 December 2016
Net tangible asset backing per ordinary security	USD (1.39)	USD (1.43)	USD (1.33)

**4. Control gained or lost over entities during the period having a material effect**

Refer to the attached Interim Financial Report, Note 3 Businesses acquired, no businesses were disposed of during the period.

**5. Details of individual dividends and payment dates**

Refer to the attached Interim Financial Report, Note 5 Dividends.

**6. Details of dividend reinvestment plan**

The Dividend Reinvestment Plan (DRP) is in operation. No discount is available under the DRP. Issue price will be calculated on the arithmetic average of the weighted average price for the nine ASX Trading Days from 5 to 15 March 2018 inclusive. The last date for receipt of election notices for the DRP is 1 March 2018. Shares allotted under the DRP rank equally with existing fully paid ordinary shares of Amcor Limited.

**7. Details of associates and joint venture entities**

At 31 December 2017, the group held a 47.6% interest in AMVIG Holdings Ltd ('AMVIG') a tobacco packaging company listed on the Hong Kong Stock Exchange. In the six months to 31 December 2017 the group recognised a share of associates profit of USD 7.1 million (six months to 31 December 2016: USD 6.1 million profit) relating to this associate investment.

**8. For foreign entities, which set of accounting standards is used in compiling the report**

International Financial Reporting Standards.

**9. The Interim Financial Report is not subject to a review report that is subject to a modified opinion, emphasis of matter or other matter paragraph (a copy of the review report is included in the half-year accounts attached).**

**The Interim Financial Report should be read in conjunction with the most recent annual financial report.**



Julie McPherson  
Company Secretary

Date: 12 February 2018

**A M C O R   L I M I T E D**  
**A.B.N. 62 000 017 372**

**INTERIM FINANCIAL REPORT**

**31 DECEMBER 2017**

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This Interim financial report was approved by the Directors on 12 February 2018. The Directors have the power to amend and reissue the Interim financial report.

# Amcor Limited and its controlled entities

## Directors' report

The Directors present their report on the consolidated entity consisting of Amcor Limited and its controlled entities at the end of, or during, the half-year ended 31 December 2017.

### Directors

The following persons were Directors of Amcor Limited during or since the end of the half-year:

Name	Period of directorship
<b>Non-executive</b>	
G R (Graeme) Liebelt - Chairman	Director since 2012 – appointed Chairman 17 December 2013
J G (John) Thorn	Director since 2004 – resigned as Director effective 1 November 2017
J L (Jeremy) Sutcliffe	Director since 2009
K J (Karen) Guerra	Director since 2010
A (Armin) Meyer	Director since 2010
P V (Paul) Brasher	Director since 2014
E (Eva) Cheng	Director since 2014
N T (Tom) Long	Director since 2017
<b>Executive</b>	
R S (Ron) Delia	Director since 2015

### 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 the Australian Securities Exchange and Media Release dated 12 February 2018.

### Dividend

Since 31 December 2017 the Directors have determined an interim dividend on ordinary shares, expected to be paid on 28 March 2018, of approximately USD 243.2 million. This represents a dividend of 21.0 US cents per share unfranked, of which 100% is to be sourced from the Conduit Foreign Income Account. The financial effect of this dividend has not been brought to account in the consolidated financial statements for the six months ended 31 December 2017 and will be recognised in subsequent financial reports.

### 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 off

The consolidated entity is of a kind referred to in Instrument 2016/191 dated 24 March 2016 issued by the Australian Securities and Investments Commission. In accordance with that instrument, amounts in the financial report and Directors' report have been rounded off to the nearest USD 100,000 or, where the amount is USD 50,000 or less, zero, unless specifically otherwise stated.

Signed in accordance with a resolution of the Directors, dated at Melbourne, Victoria, this 12th day of February 2018.



G R Liebelt  
Chairman



## Auditor's independence declaration

As lead auditor for the review of Amcor Limited for the half-year ended 31 December 2017, 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.

A handwritten signature in black ink, appearing to read 'John Yeoman', written in a cursive style.

John Yeoman

Partner  
PricewaterhouseCoopers

Melbourne

12 February 2018

## Amcor Limited and its controlled entities

### Income statement

For the six months ended 31 December 2017

USD million	Note	2017	2016
<b>Revenue from sale of goods</b>	2	<b>4,502.2</b>	4,467.3
Cost of sales		<b>(3,607.3)</b>	(3,537.6)
<b>Gross profit</b>		<b>894.9</b>	929.7
Other income		<b>47.7</b>	51.5
Sales and marketing expenses		<b>(105.2)</b>	(107.8)
General and administration expenses		<b>(294.8)</b>	(376.7)
Research costs		<b>(35.9)</b>	(33.3)
Share of net profit of equity accounted investments		<b>7.1</b>	4.9
<b>Profit from operations</b>	2	<b>513.8</b>	468.3
Finance income		<b>5.2</b>	7.0
Finance expenses		<b>(106.9)</b>	(100.8)
<b>Net finance costs</b>		<b>(101.7)</b>	(93.8)
<b>Profit before related income tax expense</b>		<b>412.1</b>	374.5
Income tax expense		<b>(78.2)</b>	(80.6)
<b>Profit for the financial period</b>		<b>333.9</b>	293.9
<b>Profit attributable to:</b>			
Owners of Amcor Limited		<b>329.7</b>	286.6
Non-controlling interest		<b>4.2</b>	7.3
<b>Profit for the financial period</b>		<b>333.9</b>	293.9
		<b>US Cents</b>	US Cents
<b>Earnings per share for profit attributable to the ordinary equity holders of Amcor Limited</b>			
Basic earnings per share		<b>28.5</b>	24.8
Diluted earnings per share		<b>28.3</b>	24.5

The above income statement should be read in conjunction with the accompanying notes to the Interim financial report.

## Amcor Limited and its controlled entities

### Statement of comprehensive income For the six months ended 31 December 2017

USD million	2017	2016
<b>Profit for the financial period</b>	<b>333.9</b>	293.9
<b>Other comprehensive income/(loss)</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
<i>Cash flow hedges</i>		
Changes in fair value of cash flow hedges	0.3	2.6
Tax on cash flow hedges	(0.1)	0.2
<i>Exchange differences on translating foreign operations</i>		
Exchange differences on translation of foreign operations	24.2	(70.9)
Net investment hedge of foreign operations	(12.6)	12.5
Share of equity accounted investees exchange fluctuation reserve	7.7	(7.5)
Tax on exchange differences on translating foreign operations	(4.5)	15.4
<b>Items that will not be reclassified to profit or loss:</b>		
<i>Retained earnings</i>		
Actuarial gains/(losses) on defined benefit plans	0.1	(1.4)
Tax on actuarial gains/losses on defined benefit plans	(1.1)	2.6
<b>Other comprehensive income/(loss) for the financial period, net of tax</b>	<b>14.0</b>	(46.5)
<b>Total comprehensive income for the financial period</b>	<b>347.9</b>	247.4
<b>Total comprehensive income attributable to:</b>		
Owners of Amcor Limited	343.1	241.4
Non-controlling interest	4.8	6.0
	<b>347.9</b>	247.4

The above statement of comprehensive income should be read in conjunction with the accompanying notes to the Interim financial report.



## Amcor Limited and its controlled entities

### Statement of financial position As at 31 December 2017

USD million	Note	December 2017	June 2017
<b>Current assets</b>			
Cash and cash equivalents		419.9	561.5
Trade and other receivables		1,375.0	1,405.2
Inventories		1,380.6	1,305.5
Other financial assets		13.7	8.7
Other current assets		12.6	5.6
<b>Total current assets</b>		<b>3,201.8</b>	<b>3,286.5</b>
<b>Non-current assets</b>			
Equity accounted investments		427.2	411.9
Other financial assets		24.2	26.8
Property, plant and equipment		2,780.2	2,765.3
Deferred tax assets		72.7	66.7
Intangible assets		2,434.1	2,409.3
Retirement benefit assets		20.8	24.5
Other non-current assets		99.0	92.3
<b>Total non-current assets</b>		<b>5,858.2</b>	<b>5,796.8</b>
<b>Total assets</b>		<b>9,060.0</b>	<b>9,083.3</b>
<b>Current liabilities</b>			
Trade and other payables		2,377.6	2,578.3
Interest-bearing liabilities		2,314.8	1,124.6
Other financial liabilities		7.8	44.3
Current tax liabilities		149.0	94.3
Provisions		132.7	170.9
<b>Total current liabilities</b>		<b>4,981.9</b>	<b>4,012.4</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities		2,458.4	3,486.4
Deferred tax liabilities		185.8	215.4
Provisions		118.1	111.4
Retirement benefit obligations		347.3	355.7
Other non-current liabilities		10.6	10.5
<b>Total non-current liabilities</b>		<b>3,120.2</b>	<b>4,179.4</b>
<b>Total liabilities</b>		<b>8,102.1</b>	<b>8,191.8</b>
<b>NET ASSETS</b>		<b>957.9</b>	<b>891.5</b>
<b>Equity</b>			
Contributed equity	4	1,431.7	1,416.9
Reserves		(881.3)	(881.7)
Retained earnings		343.0	286.7
<b>Total equity attributable to the owners of Amcor Limited</b>		<b>893.4</b>	<b>821.9</b>
Non-controlling interest		64.5	69.6
<b>TOTAL EQUITY</b>		<b>957.9</b>	<b>891.5</b>

The above statement of financial position should be read in conjunction with the accompanying notes to the Interim financial report.

## Amcor Limited and its controlled entities

### Statement of changes in equity

For the six months ended 31 December 2017

USD million	Attributable to owners of Amcor Limited					
	Contributed equity	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
<b>Balance at 1 July 2017</b>	1,416.9	(881.7)	286.7	821.9	69.6	891.5
Profit for the financial period	-	-	329.7	329.7	4.2	333.9
Total other comprehensive income/(loss)	-	14.4	(1.0)	13.4	0.6	14.0
<b>Total comprehensive income/(loss) for the financial period</b>	-	14.4	328.7	343.1	4.8	347.9
<b>Transactions with owners in their capacity as owners:</b>						
Contributions of equity, net of transaction costs and related tax	26.4	-	-	26.4	-	26.4
Purchase of treasury shares	(32.0)	-	-	(32.0)	-	(32.0)
Dividends paid	-	-	(272.5)	(272.5)	(9.7)	(282.2)
Settlement of options and performance rights	20.4	(20.4)	-	-	-	-
Share-based payments expense	-	6.4	-	6.4	-	6.4
Non-controlling interest buy-out	-	-	-	-	(0.2)	(0.2)
<b>Balance at 31 December 2017</b>	1,431.7	(881.3)	343.0	893.4	64.5	957.9

USD million	Attributable to owners of Amcor Limited					
	Contributed equity	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
<b>Balance at 1 July 2016</b>	1,445.1	(800.2)	139.0	783.9	61.6	845.5
Profit for the financial period	-	-	286.6	286.6	7.3	293.9
Total other comprehensive income/(loss)	-	(46.3)	1.1	(45.2)	(1.3)	(46.5)
<b>Total comprehensive income/(loss) for the financial period</b>	-	(46.3)	287.7	241.4	6.0	247.4
<b>Transactions with owners in their capacity as owners:</b>						
Contributions of equity, net of transaction costs and related tax	15.9	-	-	15.9	-	15.9
Purchase of treasury shares	(22.0)	-	-	(22.0)	-	(22.0)
Dividends paid	-	-	(254.9)	(254.9)	(3.1)	(258.0)
Settlement of options and performance rights	26.1	(26.1)	-	-	-	-
Share-based payments expense	-	13.8	-	13.8	-	13.8
Non-controlling interest buy-out	-	-	-	-	(0.5)	(0.5)
<b>Balance at 31 December 2016</b>	1,465.1	(858.8)	171.8	778.1	64.0	842.1

The above statement of changes in equity should be read in conjunction with the accompanying notes to the Interim financial report.

## Amcor Limited and its controlled entities

### Cash flow statement

For the six months ended 31 December 2017

USD million	2017	2016
<b>Cash flows from operating activities</b>		
Profit from continuing operations	333.9	293.8
Depreciation, amortisation and net impairment losses	183.1	185.3
Non-cash retirement benefit expense/(gain)	(0.4)	(18.1)
Net finance costs	101.7	93.8
Net gain on disposal of non-current assets	(30.4)	(7.1)
Share of net profits of equity accounted investments	(7.1)	(4.9)
Net foreign exchange loss/(gain)	-	0.9
Share-based payments expense	6.4	13.8
Other sundry items	(7.7)	2.7
Income tax expense	78.2	80.6
<b>Operating cash flows before changes in working capital and provisions</b>	<b>657.7</b>	<b>640.8</b>
(Increase)/Decrease in trade and other receivables	1.7	1.7
(Increase)/Decrease in inventories	(58.8)	(47.4)
(Increase)/Decrease in other operating assets	(14.1)	(4.1)
Increase/(Decrease) in trade and other payables	(218.6)	(149.2)
Increase/(Decrease) in provisions	(35.9)	(25.3)
Increase/(Decrease) in employee benefits and other operating liabilities	(11.1)	(43.1)
<b>Total changes in working capital and provisions</b>	<b>(336.8)</b>	<b>(267.4)</b>
Dividends received	4.5	5.1
Interest received	3.6	5.9
Interest expense	(84.3)	(83.4)
Income tax paid	(66.6)	(86.1)
<b>Net cash flows from operating activities</b>	<b>178.1</b>	<b>214.9</b>
<b>Cash flows from investing activities</b>		
(Granting)/Repayment of loans to associated companies and other persons	(1.3)	(1.1)
Payments for acquisition of controlled entities, businesses and associates, net of cash acquired	(12.2)	(299.8)
Payments for property, plant and equipment and intangible assets	(187.1)	(203.8)
Proceeds on disposal of property, plant and equipment	107.0	45.8
<b>Net cash flows from investing activities</b>	<b>(93.6)</b>	<b>(458.9)</b>

The above cash flow statement should be read in conjunction with the accompanying notes to the Interim financial report.

## Amcor Limited and its controlled entities

### Cash flow statement (continued)

For the six months ended 31 December 2017

USD million	2017	2016
<b>Cash flows from financing activities</b>		
Proceeds from share issues	26.4	17.3
Shares purchased on-market and settlement of forward contracts	(39.0)	(43.6)
Payments for treasury shares	(32.0)	(22.1)
Proceeds on capital contribution from non-controlling interest	(0.2)	(0.5)
Proceeds from borrowings	2,328.4	3,701.5
Repayment of borrowings	(2,276.5)	(3,254.4)
Principal lease repayments	(0.6)	(0.8)
Dividends and other equity distributions	(282.2)	(258.0)
<b>Net cash flows from financing activities</b>	<b>(275.7)</b>	<b>139.4</b>
<b>Net decrease in cash held</b>	<b>(191.2)</b>	<b>(104.6)</b>
Cash and cash equivalents at the beginning of the financial period	557.7	513.4
Effects of exchange rate changes on cash and cash equivalents	(4.8)	(30.6)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>361.7</b>	<b>378.2</b>
<b>Reconciliation of cash and cash equivalents</b>		
For purposes of the 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 statement of financial position as follows:		
Cash and cash equivalents	419.9	386.6
Bank overdrafts	(58.2)	(8.4)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>361.7</b>	<b>378.2</b>

The above cash flow statement should be read in conjunction with the accompanying notes to the Interim financial report.

# Amcor Limited and its controlled entities

## Notes to the Interim financial report For the six months ended 31 December 2017

### 1. Summary of significant accounting policies

Amcor Limited (the 'Company') is a company domiciled in Australia. This Interim financial report includes the financial statements of the Company and its subsidiaries (together referred to as 'the Group') and the Group's interest in equity accounted investments, as at and for the half-year ended 31 December 2017.

The Annual Report of the Group as at and for the year ended 30 June 2017 is available upon request from the Company's registered office at Level 11, 60 City Road, Southbank, Victoria 3006, Australia or at [www.amcor.com](http://www.amcor.com).

#### (a) Basis of preparation of the condensed consolidated Interim financial report

The 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* and the *Corporations Act 2001*.

The Interim financial report does not include all of the information required for a full financial report, and should be read in conjunction with the Annual Report of the Group as at and for the year ended 30 June 2017 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*.

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016, amounts in the financial report and Directors' report have been rounded off to the nearest USD 100,000 or, where the amount is USD 50,000 or less, zero, unless specifically otherwise stated.

The accounting policies applied by the Group in this Interim financial report are the same as those applied by the Group in its Annual Report as at and for the year ended 30 June 2017 and the corresponding interim reporting period.

Since 30 June 2017 the Group has not adopted new or amended Australian Accounting Standards.

### 2. Segment information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

Segment disclosures are consistent with the information reviewed by Amcor's chief operating decision makers, the Group Management Team (GMT). The GMT consists of the Managing Director and Chief Executive Officer and his direct reports and provides strategic direction and management oversight of the day to day activities of the Group in terms of monitoring results, approving capital expenditure decisions and the strategic plans for the business.

Segment performance is evaluated based on operating profit before interest and tax and is measured consistently with profit and loss in the consolidated financial report. Group financing (including finance income and costs) and income tax are managed on a group basis and are not allocated to operating segments.

#### (a) Description of reporting segments

The Group is organised on a global basis into the following reporting segments:

##### *Rigid Plastics*

This segment manufactures rigid plastic containers 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.

##### *Flexibles*

This reporting segment represents the aggregation of four operating segments each of which manufactures flexible and film packaging for their respective industries. The operating segments are:

- Flexibles Europe, Middle East & Africa which provides packaging for the food and beverage industry including confectionery, coffee, fresh food and dairy, pet food packaging.
- Flexibles Americas business produces flexible packaging for customers in the medical and pharmaceutical, fresh produce and snack food segments.
- Specialty Cartons which manufactures flexible packaging for specialty folding cartons for tobacco packaging and other industries.
- Flexibles Asia Pacific which provides packaging for the food and beverage industry including confectionery, coffee, fresh food and dairy and packaging for the pharmaceutical sector and home and personal care.

## Amcor Limited and its controlled entities

### Notes to the Interim financial report For the six months ended 31 December 2017

#### 2. Segment information (continued)

These operating segments share similar characteristics as they are engaged in the printing and packaging of fast moving consumer products. Management believe that it is appropriate to aggregate these four operating segments as one reporting segment due to the similarities in the nature and operations of each operating segment.

##### *Other/Investments*

This segment holds the Group's equity accounted investment in the associate AMVIG Holdings Limited (AMVIG) and the Corporate function of the Group. AMVIG is principally involved in the manufacture of tobacco packaging.

#### **(b) Notes to and forming part of the segment information**

The segment information is prepared in conformity with the accounting policies of the Group and the accounting standard AASB 8 *Operating Segments*.

Segment revenues, expenses and results include transfers between segments. Such transfers between segments are generally priced on an 'arm's length' basis and are eliminated on consolidation.

The segment profit measure reported to the GMT for the purposes of resource allocation and assessment is profit before interest, related income tax expense and significant items and therefore excludes the effects of non-recurring income and expenditure from the operating segments.

Furthermore, the profit measure includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis but excludes interest income and expenditure and other finance costs, as this type of activity is driven by the central Amcor Group Treasury function, which manages the cash position of the Group.

Comparative information has been presented in conformity with the identified reporting segments of the Group as at the reporting date in accordance with AASB 8.

## Amcor Limited and its controlled entities

### Notes to the Interim financial report For the six months ended 31 December 2017

#### 2. Segment information (continued)

##### (c) Segment information provided to the GMT

The following segment information was provided to the GMT for the reportable segments for the six months ended 31 December 2017. The comparative for profit and loss items and for average funds employed is the six months ended 31 December 2016 whilst for balance sheet items it is 30 June 2017:

USD million	Rigid Plastics		Flexibles		Other/Investments		Total Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016
<b>Reportable segment revenue</b>								
Revenue from sale of goods	1,335.8	1,376.9	3,166.4	3,090.4	-	-	4,502.2	4,467.3
Inter-segment revenue	-	-	2.1	1.1	-	-	2.1	1.1
<b>Total reportable segment revenue</b>	<b>1,335.8</b>	<b>1,376.9</b>	<b>3,168.5</b>	<b>3,091.5</b>	<b>-</b>	<b>-</b>	<b>4,504.3</b>	<b>4,468.4</b>
<b>Reportable segment profit/(loss)</b>								
Profit/(loss) before depreciation, amortisation, interest, related income tax expense	205.7	209.0	513.1	484.6	(23.6)	(15.9)	695.2	677.7
Depreciation and amortisation	(62.0)	(65.5)	(116.3)	(111.6)	(3.1)	(4.9)	(181.4)	(182.0)
Significant items before related income tax expense (Flexibles restructuring program)	-	-	-	(27.4)	-	-	-	(27.4)
<b>Profit/(loss) before interest and related income tax expense</b>	<b>143.7</b>	<b>143.5</b>	<b>396.8</b>	<b>345.6</b>	<b>(26.7)</b>	<b>(20.8)</b>	<b>513.8</b>	<b>468.3</b>
<b>Other</b>								
Share of net profits of equity accounted investments	-	-	-	-	7.1	4.9	7.1	4.9
Net impairment losses on property, plant and equipment and other non-current assets	(0.6)	-	(0.5)	(8.9)	-	-	(1.1)	(8.9)
Acquisition of property, plant and equipment and intangibles	73.0	97.8	112.0	105.4	2.1	0.6	187.1	203.8
<b>Average funds employed</b>	<b>1,846.4</b>	<b>1,567.0</b>	<b>3,441.9</b>	<b>3,285.6</b>	<b>408.5</b>	<b>313.6</b>	<b>5,696.8</b>	<b>5,166.2</b>
USD million	<b>December 2017</b>	<b>June 2017</b>	<b>December 2017</b>	<b>June 2017</b>	<b>December 2017</b>	<b>June 2017</b>	<b>December 2017</b>	<b>June 2017</b>
Receivables	338.6	304.0	1,007.2	1,004.8	33.6	54.9	1,379.4	1,363.7
Inventory	429.3	436.0	951.3	869.5	-	-	1,380.6	1,305.5
Payables	(689.4)	(811.7)	(1,493.4)	(1,545.1)	(82.8)	(106.0)	(2,265.6)	(2,462.8)
Management working capital	78.5	(71.7)	465.1	329.2	(49.2)	(51.1)	494.5	206.4
Equity accounted investments	-	-	-	-	427.2	411.9	427.2	411.9

# Amcor Limited and its controlled entities

## Notes to the Interim financial report For the six months ended 31 December 2017

### 3. Businesses acquired

In the six months ended 31 December 2017, the Group has not acquired any new businesses.

The purchase accounting for the blow molding operations of Sonoco Products Company has been completed during the period. Adjustments made to previous acquisitions did not result in material changes to goodwill.

### 4. Contributed equity

#### Ordinary shares

Ordinary shares issued are classified as equity and are fully paid, have no par value and carry one vote per share and the right to dividends. Incremental costs directly attributable to the issue of new shares or the exercise of options are recognised as a deduction from equity, net of any related income tax benefit.

#### Treasury shares

Treasury shares are shares in the Company that are held by the Amcor Employee Share Trust for the purpose of issuing shares to employees under the Group's employee share plans. Treasury shares are recognised at cost and deducted from equity, net of any income tax effects. When the treasury shares are subsequently sold or re-issued any consideration received, net of any directly attributable costs and income tax effects, is recognised as an increase in equity.

#### Repurchase of share capital

Where the Group purchases the Company's own equity instruments, as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. The amount of the consideration paid, including directly attributable costs, is recognised as a deduction from contributed equity, net of any related income tax effects.

	Six months 31 December 2017		Twelve months 30 June 2017	
	No. '000	USD million	No. '000	USD million
<b>Ordinary shares</b>				
<b>Balance at beginning of period</b>	<b>1,158,141</b>	<b>1,425.0</b>	1,158,141	1,466.6
Exercise of options	3,738	31.7	5,153	28.2
Exercise of performance shares / rights	393	0.7	1,729	3.5
Exercise of share rights	1,362	13.4	1,385	17.0
Exercise under the Senior Executive Retention Share Plan	150	1.0	356	1.3
Net forward contract settled/(entered into) to satisfy exercise of options and rights under employee share plans	-	39.0	-	5.5
Treasury shares used to satisfy exercise of options and rights under employee share plans	(5,643)	(71.8)	(8,623)	(97.2)
<b>Balance at end of period</b>	<b>1,158,141</b>	<b>1,439.0</b>	1,158,141	1,425.0
<b>Treasury shares</b>				
<b>Balance at beginning of period</b>	<b>(691)</b>	<b>(8.1)</b>	(2,391)	(21.5)
Acquisition of shares by the Amcor Employee Share Trust	(2,550)	(32.0)	(3,323)	(40.2)
Forward contract settled	(3,000)	(39.0)	(3,600)	(43.6)
Employee Share Plan issue	5,643	71.8	8,623	97.2
<b>Balance at end of period</b>	<b>(598)</b>	<b>(7.3)</b>	(691)	(8.1)
<b>Total contributed equity</b>	<b>1,157,543</b>	<b>1,431.7</b>	1,157,450	1,416.9



## Amcor Limited and its controlled entities

### Notes to the Interim financial report For the six months ended 31 December 2017

#### 5. Dividends

USD million	2017		2016	
	US Cents per share	Total amount	US Cents per share	Total amount
<b>(i) Dividends provided for or paid during the period</b>				
Final unfranked dividend of which 100% was sourced from the Conduit Foreign Income Account (2016: 100%).	23.5	272.5	22.0	254.9
<b>(ii) Dividends not recognised at period end</b>				
The directors have determined an unfranked interim dividend of which 100% is to be sourced from the Conduit Foreign Income Account (2016: 100%).	21.0	243.2	19.5	225.8

#### 6. Taxation

On 22 December 2017, the US enacted tax reform legislation (Tax Cuts and Jobs Act), which among other provisions, reduced the US Federal corporate tax rate from 35% to 21%, effective 1 January 2018.

This required a revaluation of the deferred tax assets and liabilities to the newly enacted tax rates at the date of enactment and the recognition of additional current tax payables to reflect the impact from other provisions such as the transition tax on unrepatriated foreign earnings.

Based on management's current interpretation and judgement applied to the new legislation, the related one-time impact is an estimated net benefit of USD 5.0 million which has been included in the income tax expense for the period ended 31 December 2017.

Management will continue to monitor evolving interpretations of the legislation and resulting impacts, and where necessary will revise their estimates.

#### 7. Fair value of financial instruments

The Group has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values approximate their carrying amounts. Differences between carrying amount and fair value were identified for the following instruments at 31 December 2017.

USD million	31 December 2017		30 June 2017	
	Total carrying value	Total fair value	Total carrying value	Total fair value
<b>Financial liabilities</b>				
US Dollar notes	574.2	619.4	675.9	735.8
144A	595.6	591.5	595.3	599.6
Euro notes	119.5	135.6	114.4	132.3
Eurobond	1,037.1	1,090.3	994.1	1,053.0
Swiss bond	153.2	154.2	156.6	159.8

The financial assets and liabilities which are measured at fair value in the balance sheet were not significant at 31 December 2017.

# Amcor Limited and its controlled entities

## Notes to the Interim financial report For the six months ended 31 December 2017

### 8. Borrowings

#### Financing arrangements

On 4 November 2017, the Group exercised the first option to extend the EUR 750 million Multicurrency Revolving Credit facility in full for a further 12 months to November 2022.

#### Contractual maturities

The US Private Placement 5.95% USD 100 million notes issued by Amcor Limited in December 2002 matured on 17 December 2017. The notes were refinanced through operating cash flow.

#### Current & non-current debt classification

USD 776.6 million of committed global syndicated multicurrency facility that is due on 31 October 2018 and USD 300 million of US Private Placement Notes due 15 December 2018 were moved from non-current to current interest-bearing liabilities. The process of refinancing the global syndicated multicurrency bank facility with a new maturity tranche date of February 2021 is close to completion.

### 9. Contingencies

Details of the contingent liabilities of the Group are set out below.

- ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 relieves certain wholly-owned subsidiaries from the requirement to prepare audited financial statements. In order to meet the requirements of that Instrument, Amcor Limited has in place a Deed of Cross Guarantee with certain wholly-owned subsidiaries (as identified in note 6.4 of the 2017 Annual Report). No liabilities subject to the Deed of Cross Guarantee at 31 December 2017 are expected to arise to Amcor Limited and subsidiaries, as all such subsidiaries were financially sound and solvent at that date. There have been no changes to the entities forming part of the Deed of Cross Guarantee during the six months ended 31 December 2017.
- The Group operates in many territories around the globe under different direct and indirect tax regimes. From time to time the Group receives assessments for additional tax from revenue authorities which, having consulted with experts including external counsel, it believes are unfounded. Nonetheless, at any point in time matters will be under discussion and review with revenue authorities for which a theoretical exposure may exist.

Specifically, the Brazil operations have received a series of excise and income tax claims from the local tax authorities which are being challenged via a court process. In the opinion of outside counsel these claims have a remote likelihood of being upheld, however as these cases progress through the court system in Brazil, Amcor is required to pledge assets, provide letters of credit and/or deposit cash with the courts to continue to defend the cases. The Group will continue to provide such pledges in the future as the matters are being vigorously defended by Amcor. At this stage, it is not possible to make a reasonable estimate of the amount or range of expense that could result from an unfavourable outcome in respect of these or any additional assessments that may be issued in the future as penalties and interest may be applied should the entity be unsuccessful in defending the cases. Management continue to monitor with the support of external counsel and all means are being examined in order to minimise any exposure.

The Directors are of the opinion that provisions are not required in respect of these matters, as it is either not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

## Amcor Limited and its controlled entities

### Directors' declaration

For the half-year ended 31 December 2017, in the opinion of the Directors of Amcor Limited (the 'Company'):

1. the financial statements and notes are in accordance with the *Corporations Act 2001* including:
  - a. complying with Australian 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 2017 and its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that the Company 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, Victoria, this 12<sup>th</sup> day of February 2018.



G R Liebelt  
**Chairman**



## Independent auditor's review report to the members of Amcor Limited

### Report on the Interim financial report

We have reviewed the accompanying Interim financial report of Amcor Limited (the Company), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration for Amcor Limited Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that half-year.

### Directors' responsibility for the Interim financial report

The directors of the company are responsible for the preparation of the Interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the Interim financial report that is free from material misstatement whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express a conclusion on the Interim financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a 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 Interim 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 2017 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 Interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. 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.

### 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 Interim 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 2017 and of its performance for the half-year ended on that date;
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

John Yeoman  
Partner

12 February 2018

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