



Amcor Half Year Results
Investor Presentation



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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- 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.

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Continuing operations results

Unless otherwise stated, financial information within this presentation has been presented on a continuing operations basis. Effective 31 December 2013, the Australasia and Packaging Distribution business (AAPD) was demerger from the Amcor Group. As a result of the demerger, the AAPD business was renamed Orora Limited and listed on the Australian Securities Exchange Refer slide 32 for more detailed information relating to statutory profit including discontinued items

Comparative period information

Throughout this presentation, unless otherwise stated, comparative information has been restated as a result of a change in accounting policy. Refer slides 30 & 31 for further information.

Non-IFRS information

Throughout this presentation, Amcor has included certain non-IFRS financial information. 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 measures including average funds employed have not been extracted from Amcor's interim financial report and have not been subject to review by the auditors.

Half year results available information

Amcor has today released a package of information relating to its financial results for the half year ended 31 December 2013. 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.



Half year results – continuing operations

- **Strong earnings growth**
 - EPS up 21.5% and PAT up 21.2%
 - Constant currency EPS up 3.4%
 - Constant currency PBIT growth 3.0%
- **Key drivers**
 - Emerging markets constant currency PBIT growth 9%
 - Acquisitions delivering expected benefits
 - Ongoing operational and cost improvements
 - Subdued volumes in developed markets
- **Improved shareholder returns**
 - Returns increased to 17.5%
 - Interim dividend of 19.5 cps
- **Demerger successfully completed**

A\$ million	Dec 12	Dec 13	Δ%
Sales revenue	4,543.8	5,203.8	14.5
PBIT	445.9	533.4	19.6
PBIT / Sales margin (%)	9.8	10.3	
PAT	269.4	326.6	21.2
EPS (cents)	22.3	27.1	21.5
Operating cash flow	111.2	72.0	(35.3)
PBIT/AFE (%)	17.3	17.5	

Continued improvement in margins and returns



Cash flow

A\$ million	Dec 12	Dec 13
PBITDA	624.4	735.8
Interest	(75.3)	(86.7)
Tax	(82.6)	(77.2)
Net capital expenditure	(130.9)	(179.9)
Synergy and restructuring costs	(31.2)	(7.7)
Movements in working capital	(234.7)	(265.3)
AMVIG special dividend	60.0	0.0
Other	(18.5)	(47.0)
Operating cash flow – continuing operations	111.2	72.0

A\$ million	Dec 12	Dec 13
Dividends	(240.9)	(262.2)
Acquisitions	(76.3)	(76.1)

• Operating cash flow

- AMVIG special dividend of A\$60m in the prior year
- Working capital to sales ratio of 9.5%
- Net capex and restructuring costs remains at ~90% of depreciation

• Cash used to generate shareholder value

- Increased dividends
- Fund acquisitions
- Reinvest in the business



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Balance sheet and debt profile

Balance Sheet	Jun 13	Dec 13
Net debt (A\$ million)	3,271	3,817
Net finance costs (A\$ million)	85.9	105.7
PBITDA interest cover (x)	7.3	7.0
Net debt / PBITDA (x)	2.4	2.6

Debt profile	Dec 13
Fixed / floating interest rate ratio	51% fixed
Bank debt / total debt	19% bank
Committed facilities	A\$4,994
Undrawn committed facilities	A\$1,392
Non current debt maturity profile (years)	4.5

Balance sheet remains strong

- Leverage at 2.6x within target range
- Interest cover strong at 7.0x

Full year interest expense \$205–\$210⁽¹⁾ million

Liquidity

- Diverse mix and appropriate tenor
- Next refinancing in December 2014
- Intention to reduce committed facilities

(1) Expectation based on current exchange rates. Refer slide 17 for further information.



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Flexibles

Euro million	Dec 12	Dec 13	Δ%
Sales revenue	2,534	2,467	(2.6)
PBIT	280.2	288.9	3.1
Return on sales %	11.1	11.7	
AFE	2,447	2,515	2.8
PBIT/AFE %	22.9	23.0	
Operating cash flow	229.0	223.7	

- **PBIT up 7.2% in constant currency terms**
 - Reported earnings adversely impact by strong Euro
- **Operating margin increased from 11.1% to 11.7%**
- **Europe & Americas**
 - Stable volumes
 - Cost improvements and operating efficiencies
- **Tobacco Packaging**
 - Growth in emerging markets
 - Lower volumes in developed markets
 - Delivery of acquisition benefits
- **Asia Pacific**
 - Strong growth in Asia, especially China
 - Lower volumes in Thailand
 - Flat volumes in Australia & New Zealand
 - Delivery of acquisition benefits



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Flexibles PBIT growth

PBIT growth	%
PBIT increase in Euro (as reported)	3.1
Constant currency PBIT increase	7.2
<i>Comprising:</i>	
Acquisitions – acquired earnings plus synergies ⁽¹⁾	5.0
Raw material price movements	(2.5)
Organic growth	4.7

9% growth in Emerging Markets

2% growth in Developed Markets

(1) There were minimal costs to achieve synergy benefits included in PBIT in H1 14

Strong underlying growth in emerging markets and GDP growth in developed markets



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Flexibles outlook unchanged

Outlook for 2013/14 is for higher earnings*

- Growth in emerging markets
- Benefits from acquisitions
- Ongoing operational improvement

* Refer page 6 of the press release for full Outlook details



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Rigid Plastics

USD million	Dec 12	Dec 13	Δ%
Sales revenue	1,497	1,490	(0.5)
PBIT	127.7	128.3	0.5
AFE	1,738	1,649	(5.1)
PBIT/AFE %	14.7	15.6	
Operating cash flow	(22.2)	(54.3)	

Outlook for 2013/14 is unchanged with the business expecting higher earnings

* Refer page 8 of the press release for full Outlook details

• Solid earnings performance

- Return on funds employed increased to 15.6%

• North America beverage

- Difficult comparative period due to hot summer in 2012 and a cool and wet summer in 2013
- Volumes up 3.3% due to market share gains
- Earnings marginally lower with an adverse mix shift across the business
 - The custom segment had increased isotonic volumes but lower volumes in speciality hot-fill containers
 - In the CSDW segment :
 - Lower industry volumes
 - Market share gains in lower margin preforms

• Diversified products

- Solid result due to improved product mix and lower operating costs

• Latin America

- Strong result in South & Central America
- Mexico significantly impacted by severe hurricane activity



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The Amcor Journey

Phase One The Way Forward 2005 - 2008

- Focussed the portfolio
- Built core competencies
- Improved operating performance

Phase Two Industry consolidation 2009 - 2012

- Improved industry structures
- Created global leadership positions
- Step change in margins and returns
- Substantial increase in cash generation

Strong Cash Flow

The Amcor Way Operating Model

Strong Market Positions

- Unique scale
- Industry structure
- Global footprint

Established solid platform



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The Amcor Journey

Phase Three Focused on disciplined growth 2013+

Accelerate top-line organic growth

- Customer focus
- "Step change" in innovation capabilities
- Emerging Markets growth

Focus on acquisitions

- Increase number of potential opportunities
- Expand internal strategy and M&A team

Leverage scale across business units

- Procurement
- Manufacturing best practice
- IT platforms / Shared services

Strong Cash Flow

The Amcor Way Operating Model

Strong Market Positions

- Unique scale
- Industry structure
- Global footprint

Superior shareholder returns with low volatility



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Key first half messages

- Continued strong earnings growth in emerging markets of 9%
- Acquisitions delivering to expectations
- Good cost management and operational improvements
- Improved margins and returns
- Earnings outlook unchanged for the full year



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Half Year Results
31 December 2013

Appendix slides



Results

A\$ million	Dec 12	Dec 13
Sales revenue	4,543.8	5,203.8
PBITDA	624.4	735.8
Depreciation and amortisation	(178.5)	(202.4)
PBIT	445.9	533.4
Net finance costs	(85.9)	(105.7)
Profit before tax	360.0	427.7
Income tax expense	(78.9)	(87.3)
Non-controlling interest	(11.7)	(13.8)
Profit after tax	269.4	326.6

	Dec 11	Jun 12	Dec 12	Jun 13	Dec 13
USD	1.0312	1.0318	1.0385	1.0272	0.9217
Euro	0.7468	0.7705	0.8149	0.7942	0.6862

Currency impact

- Positive PBIT impact of \$74 million from currency translation
- Positive PAT impact of \$49 million from currency translation

Currency sensitivities

- \$5m PAT for every 1 cent movement against the EUR
- \$3m PAT for every 1 cent movement against the USD



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Cash flow

Continuing operations

A\$ million	Dec 12	Dec 13
PBITDA	624.4	735.8
Interest	(75.3)	(86.7)
Tax	(82.6)	(77.2)
Net capital expenditure	(130.9)	(179.9)
Cash restructuring costs	(31.2)	(7.7)
Movements in working capital	(234.7)	(265.3)
Other	41.5	(47.0)
Operating cash flow from continuing operations	111.2	72.0

Including discontinued operations

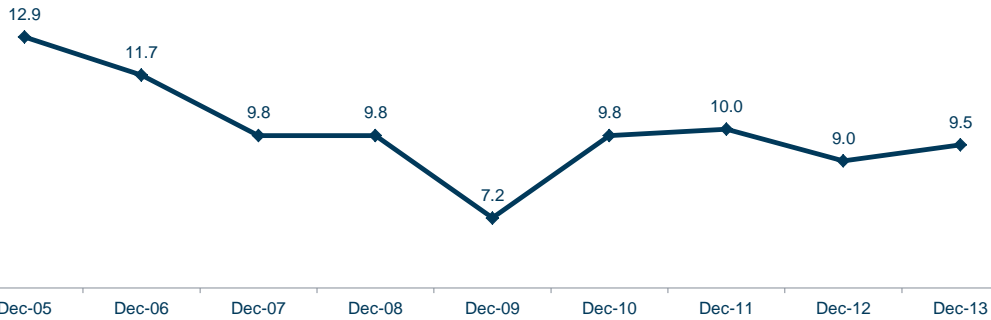
A\$ million	Dec 12	Dec 13
Operating cash flow from continuing operations	111.2	72.0
Operating cash flow from discontinued operations	125.5	9.4
Operating cash flow including discontinued operations	236.7	81.4
Dividends	(240.9)	(262.2)
Free cash flow	(4.2)	(180.8)
Acquisitions & growth capex (net of divestments)	(188.2)	(89.2)
Movements in share capital / other	(25.7)	(13.3)
Increase in net debt	(218.1)	(283.3)



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Working capital performance

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



Improvement in working capital to sales

(1) Working capital to sales for December 2012 and December 2013 represent continuing operations only. Prior periods are presented inclusive of the demerged AAPD business.



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Net finance costs

Comparative period

	A\$ million
Reported net finance costs H1 13	100.4
Change in accounting policy	6.6
Restated H1 13 net finance costs	107.0
<i>Made up of:</i>	
Discontinued operations	21.1
Continuing operations	85.9

Net finance costs for H1 14 in line with full year guidance of \$205 to \$210 million

Continued operations net finance costs

	A\$ million
Net finance costs H1 13	85.9
Capitalised interest in H1 13 not repeated	14.0
Movement in exchange rates	10.7
Other movements	(4.9)
Net finance costs H1 14	105.7

FY 2014 net finance costs

	A\$ million
Guidance at FY13 full year results	245.0
Deduct AAPD allocation ⁽¹⁾	(40.0)
Continuing operations	205.0 – 210.0

(1) Represents \$725 million of gross debt expected to be drawn down as disclosed in the scheme booklet distributed to shareholders in November 2013 at Amcor's average interest cost for FY13 of 5.5%



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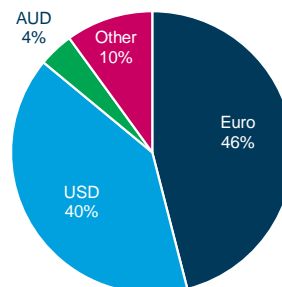
Proforma debt profile

Maturity	Facility	Drawn at 30 Dec 2013 ⁽¹⁾
Overdrafts/Leases		138
Commercial paper ⁽²⁾		447
CY2014	818	563
CY2015	642	78
CY2016	1,139	572
CY2017	112	112
CY2018	524	524
CY2019	847	847
CY2020	155	155
CY2021	308	308
CY2022	-	-
CY2023	449	449

(1) Gross debt excluding cash and cash equivalents.

(2) Commercial paper backed up bank facilities maturing in CY 2015

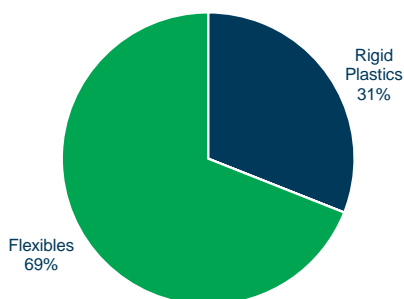
Net debt currency profile



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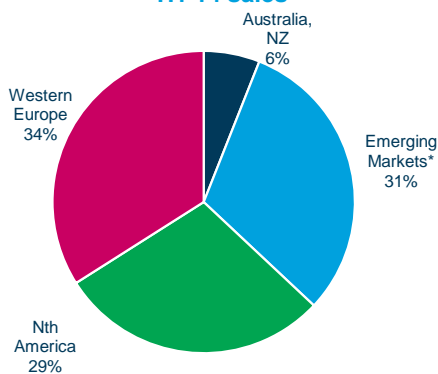
Focused portfolio – by business and geography

H1 14 sales



Focused portfolio

H1 14 sales



Global footprint

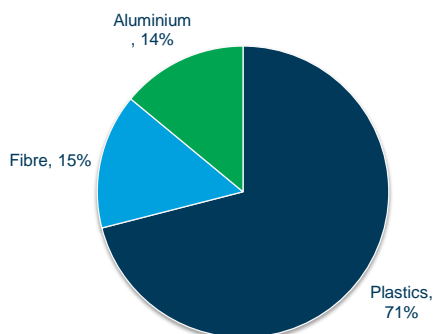


* Including AMVIG

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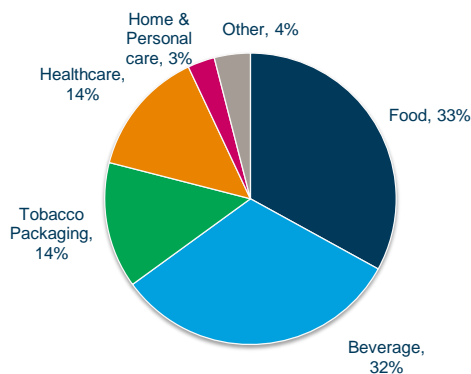
Focused portfolio – by substrate and end market

FY13 sales by substrate



Common substrates

FY13 sales by end market



Defensive end markets



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Historic performance – Half year sales revenue

(million)		Dec 08	Jun 09	Dec 09	Jun 10	Dec 10	Jun 11	Dec 11	Jun 12	Dec 12	Jun 13	Dec 13
Flexibles	EUR	935	869	869	1,940	2,248	2,329	2,272	2,411	2,534	2,553	2,467
Rigid Plastics	USD	1,272	1,203	1,064	1,194	1,417	1,693	1,625	1,740	1,497	1,682	1,490
AAPD	AUD	1,564	1,421	1,398	1,402	1,470	1,366	1,479	1,393			
Investments/ Other	AUD	-	-	-	78	75	49	-	-	-	-	-
Total⁽¹⁾	AUD	4,835	4,700	4,082	5,767	6,175	6,237	6,085	6,108	4,544	4,949	5,204

(1) Total sales revenue from Dec 08 to Jun 12 includes the AAPD business which was demerged with effect from 31 December 2013. Dec 12 onwards is presented on a continuing operations basis.



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Historic performance – Half year PBIT

(million)		Dec 08	Jun 09	Dec 09	Jun 10	Dec 10	Jun 11	Dec 11	Jun 12	Dec 12	Jun 13	Dec 13
Flexibles	EUR	69	80	81	171	198	252	246	281	281	308	289
Rigid Plastics	USD	82	103	82	104	101	139	117	156	128	159	128
AAPD	AUD	91	50	82	78	100	60	90	63			
Investments /Other	AUD	-	(9)	(12)	-	(6)	(14)	(16)	(23)	(21)	(14)	(27)
Total⁽¹⁾	AUD	317	330	301	458	478	525	516	545	446	538	533

(1) Total PBIT from Dec 08 to Jun 12 includes the AAPD business which was demerged with effect from 31 December 2013. Dec 12 onwards is presented on a continuing operations basis.



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Historic performance – Average funds employed

(million)		Dec 08	Jun 09	Dec 09	Jun 10	Dec 10	Jun 11	Dec 11	Jun 12	Dec 12	Jun 13	Dec 13
Flexibles	EUR	1,033	1,009	981	1,463	2,195	2,209	2,195	2,199	2,447	2,459	2,515
Rigid Plastics	USD	1,655	1,601	1,453	1,460	1,786	1,804	1,798	1,753	1,738	1,699	1,649
AAPD	AUD	1,732	1,713	1,575	1,605	1,679	1,592	1,638	1,632			
Investments/ Other	AUD	473	521	448	556	663	637	490	509	480	528	653
Total⁽¹⁾	AUD	6,135	6,183	5,349	6,129	7,300	7,097	6,811	6,694	5,156	5,588	6,107

(1) Total AFE from Dec 08 to Jun 12 includes the AAPD business which was demerged with effect from 31 December 2013. Dec 12 onwards is presented on a continuing operations basis.



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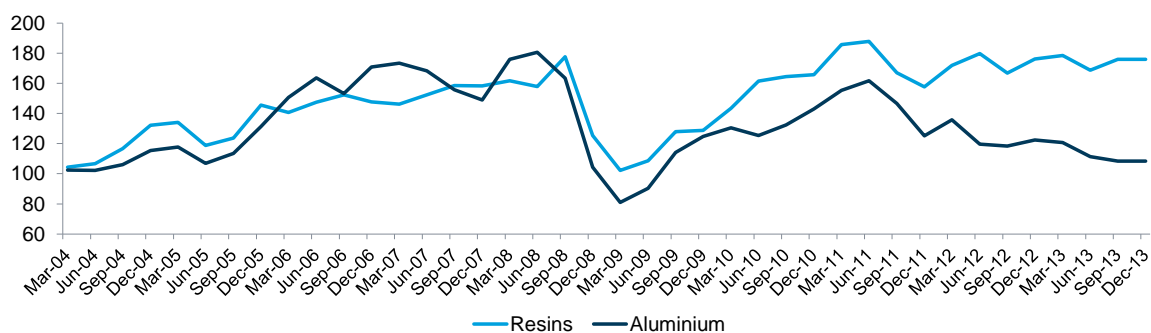
Flexibles – Historic performance half year

Sales revenue € million	Dec 08	Jun 09	Dec 09	Jun 10	Dec 10	Jun 11	Dec 11	Jun 12	Dec 12	Jun 13	Dec 13
Europe and Americas	654	620	589	1,360	1,552	1,604	1,492	1,558	1,503	1,563	1,475
Tobacco Packaging	180	162	175	362	428	452	479	498	537	565	551
Asia Pacific	104	89	105	223	274	283	312	369	507	439	455
Eliminations	(3)	(2)	-	(5)	(6)	(10)	(11)	(14)	(13)	(14)	(14)
Total	935	869	869	1,940	2,248	2,329	2,272	2,411	2,534	2,553	2,467



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Flexibles – raw material input costs



Quarterly weighted average index for Western European Polyethylene & Polypropylene resins and film, and PET film
 Quarterly average index for LME aluminium prices

Raw materials resulted in a modest negative this half compared with a modest positive last year



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Rigid Plastics – Historic performance half year

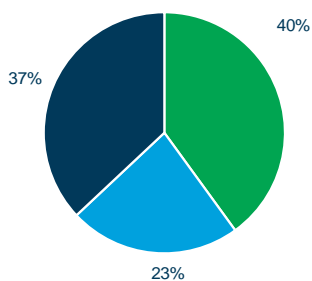
Sales revenue USD million	Dec 08	Jun 09	Dec 09	Jun 10	Dec 10	Jun 11	Dec 11	Jun 12	Dec 12	Jun 13	Dec 13
North America	845	834	647	815	982	1,203	1,104	1,245	998	1,172	963
Latin America	385	322	373	322	380	419	460	432	443	443	465
Bericap	40	43	42	53	52	64	58	66	61	69	64
BG/India	2	4	2	4	3	7	3	(3)	(5)	(2)	(2)
Total	1,272	1,203	1,064	1,194	1,417	1,693	1,625	1,740	1,497	1,682	1,490



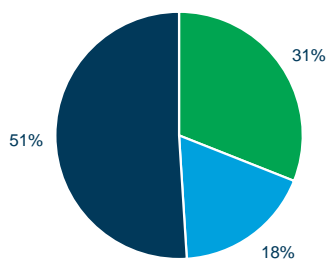
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Rigid Plastics - Product mix

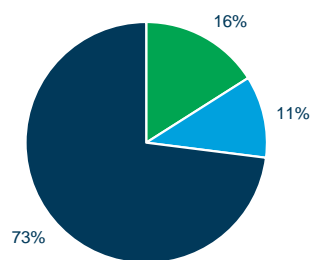
North America Sales revenue⁽¹⁾
USD 963 million



Total Sales revenue⁽¹⁾
USD 1,490 million



Latin America Sales revenue⁽¹⁾
USD 465 million

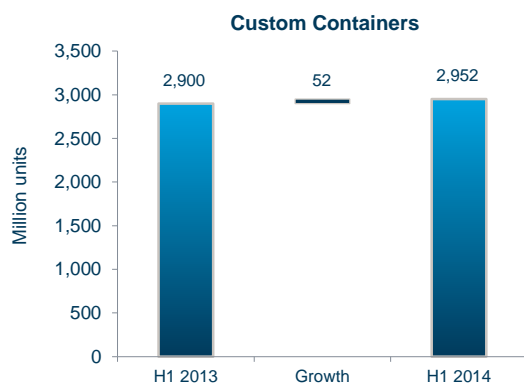


- CSDW
- Custom
- Diversified Products

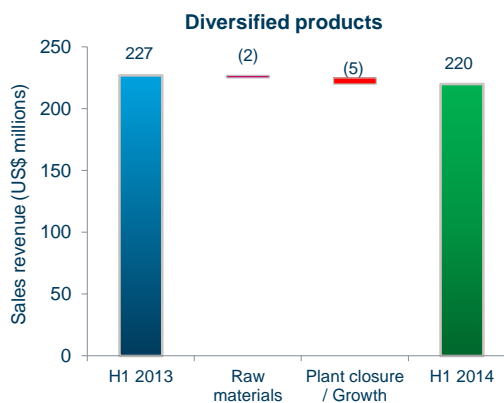
(1) Sales for the half year ended 31 December 2013.

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Rigid Plastics – North America



Custom volumes 1.8% higher



Exit of lower margin volumes improved mix



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Investments / Other

PBIT (million)	Currency	Jun 11	Jun 12	Jun 13	Dec 12	Dec 13
AMVIG	AUD	34.0	32.9	25.5	12.3	9.0
Glass Tubing	AUD	18.4	-	-	-	-
Corporate costs	AUD	(72.2)	(71.4)	(58.9)	(33.0)	(35.8)
Total	AUD	(19.8)	(38.5)	(33.4)	(20.7)	(26.8)

Corporate costs tracking in line with guidance for FY14 of approximately \$70 million



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Restatement of comparative period data

Amcor has changed its accounting policy with respect to the basis for determining the income or expense related to defined benefits on adoption of the revised standard AASB119 *Employee Benefits*. As the revised standard is required to be adopted retrospectively, adjustments to the retirement benefit obligations have been recognised at the beginning of comparative period. Further information regarding the change in accounting policy has been disclosed in Note 1(b) of Amcor's interim financial report.

The table below provides a reconciliation of proforma profit information for the Amcor Group presented in the demerger booklet circulated to shareholders in November 2013, with the profit result presented within this news release restated to reflect the change in accounting policy.

In addition to the change in accounting policy, an adjustment has been made to reverse the expected net reduction in proforma corporate costs included in the demerger booklet results, in order to present comparative results on the same basis as the current period. The reduction in corporate costs is expected to be realised progressively following the effective date of the demerger.

A\$ million	FY 2013				1H13	2H13
	Proforma profit disclosed in the demerger booklet page 70	Change in accounting policy	Demerger adjustments	Restated continuing operations		
PBITDA	1,348	(4.1)	(3.0)	1,341.2	624.4	716.8
PBIT	991	(4.1)	(3.0)	983.4	445.9	537.5
- Net finance costs	(180)	(11.1)	-	(191.1)	(85.9)	(105.2)
Profit before tax	811	(15.2)	(3.0)	792.3	360.0	432.3
- Income tax expense	(176)	3.0	-	(173.0)	(78.9)	(94.1)
- Non-controlling interest	(28)	-	-	(27.8)	(11.7)	(16.1)
Profit after tax	607	(12.2)	(3.0)	591.5	269.4	322.1



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Restatement of comparative period data cont

The table below provides a reconciliation of proforma balance sheet information for the Amcor Group presented in the demerger booklet circulated to shareholders in November 2013, with the restated balance sheet presented within this news release. The restated balance sheet presented within this news release differs from the balance sheet included in Amcor's interim financial report as the latter includes balances related to discontinued operations.

Consolidated Balance Sheet A\$m	30/06/13				
	As disclosed in the demerger booklet page 77	Change in accounting policy	Page 3 of this release	Orora Limited & other demerger adjustments ⁽¹⁾	Amcor interim financial report
Current Assets	3,364	-	3,363.6	833.9	4,197.5
Property plant & equipment	3,153	-	3,153.1	1,729.9	4,883.0
Intangible assets	2,053	-	2,052.9	247.8	2,300.7
Investments and other assets	710	2.8	712.7	328.3	1,041.0
Total assets	9,280	2.8	9,282.3	3,139.9	12,422.2
Current interest-bearing liabilities	620	-	619.8	565.0	1,184.8
Non-current interest bearing liabilities	3,022	-	3,022.0	155.6	3,177.6
Payables and provisions	3,525	4.0	3,529.2	826.7	4,355.9
Total equity	2,113	(1.2)	2,111.3	1,592.6	3,703.9
Total liabilities and equity	9,280	2.8	9,282.3	3,139.9	12,422.2



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Results – including discontinued operations

Income statement A\$ million	Dec 12	Dec 13	Cash flow A\$ million	Dec 12	Dec 13
Sales revenue ⁽¹⁾	6,034.8	6,813.6	PBITDA ⁽²⁾	760.8	892.7
PBITDA	760.8	892.7	Interest paid	(87.7)	(100.5)
Depreciation and amortisation ⁽¹⁾	(237.0)	(263.8)	Income tax paid ⁽¹⁾	(88.1)	(77.2)
PBIT ⁽²⁾	523.8	628.9	Net capital expenditure	(96.0)	(211.5)
Net finance costs ⁽¹⁾	(107.0)	(124.3)	Movement in working capital	(203.8)	(298.6)
Profit before tax	416.8	504.6	Cash restructuring costs	(41.8)	(62.8)
Income tax expense	(93.5)	(111.0)	Other	(6.7)	(60.7)
Non-controlling interest ⁽¹⁾	(11.7)	(13.8)	Operating cash flow⁽⁴⁾	236.7	81.4
Profit after tax before significant items⁽²⁾	311.6	379.8			
Significant items after tax ⁽³⁾	(83.7)	(220.5)			
Profit for the financial period⁽¹⁾	227.9	159.3			



1. IFRS compliant information extracted from Amcor's interim financial report. Amcor's interim financial report is subject to review by the external auditors.
2. Certain non-IFRS financial information has been presented in the table above. 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. PBIT, PBITDA and PAT before significant items have not been audited but have been extracted from Amcor's interim financial report. Average funds employed and all other non-IFRS measures have not been extracted from Amcor's interim financial report and have not been subject to audit review.
3. All significant items for the current and comparative periods are attributable to Discontinued Operations. Refer to Amcor's interim financial report for further information.
4. Refer slide 33 for further information.

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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 annual financial statements, adjusted to take into account net capital expenditure and other items. This measure is reconciled to cash flow from operating activities as follows:

	H1 13	H1 14
Operating cash flow	236.7	81.4
Net capital expenditure	96.0	211.5
Other items	1.2	8.6
Cash flow from operating activities	333.9	301.5

Free cash flow is Operating cash flow (refer above) less dividends paid during the period calculated in accordance with IFRS and extracted from Amcor's annual 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 annual financial statements as follows:

Increase in net debt	(281.1)	(283.3)
Proceeds from borrowings	3,249.9	7,120.4
Repayment of borrowings	(3,052.5)	(6,854.9)
Foreign exchange rate changes	(15.5)	(50.0)
Other items	(1.6)	8.3
Net increase in cash on hand	(37.8)	(59.5)



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