

# 2020 First Quarter Results

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7 November 2019 US

8 November 2019 Australia



# Disclaimers

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## Cautionary Statement Regarding Forward-Looking Statements

This presentation contains certain statements that are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended. Amcor plc (“Amcor or the “Company”) has identified some of these forward-looking statements with words like “believe,” “may,” “could,” “would,” “might,” “possible,” “will,” “should,” “expect,” “intend,” “plan,” “anticipate,” “estimate,” “potential,” “outlook” or “continue,” the negative of these words, other terms of similar meaning or the use of future dates. Such statements are based on the current expectations of the management of Amcor, as applicable, are qualified by the inherent risks and uncertainties surrounding future expectations generally, and actual results could differ materially from those currently anticipated due to a number of risks and uncertainties. None of Amcor or any of its respective directors, executive officers or advisors, provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements will actually occur. Risks and uncertainties that could cause results and projections made herein to differ from expectations include, but are not limited to: failure to realize the anticipated benefits of the acquisition of Bemis Company, Inc. (“Bemis”), and the cost synergies related thereto; failure to successfully integrate Bemis’ business and operations in the expected time frame or at all; integration costs related to the acquisition of Bemis; the loss of key customers or a reduction in production requirements of key customers; fluctuations in consumer demand patterns; significant competition in the industries and regions in which Amcor operates; Amcor’s inability to expand its business; the potential loss of intellectual property rights; price fluctuations or shortages in the availability of raw materials, energy and other inputs; disruptions to production and supply; costs and liabilities related to current and future environmental, health and safety regulations; the possibility of labor disputes; uncertainties related to future dividend payments and share buy-backs; fluctuations in our credit ratings; other risks related to the business, including the effects of industry, economic or political conditions, legal and regulatory proceedings, interest rates, exchange rates and international operations; disruptions to the financial or capital markets; and other risks and uncertainties identified from time to time in Amcor’s filings with the U.S. Securities and Exchange Commission (the “SEC”), including without limitation, those described under Item 1A. “Risk Factors” of Amcor’s annual report on Form 10-K for the fiscal year ended June 30, 2019. You can obtain copies of Amcor’s filings with the SEC for free at the SEC’s website ([www.sec.gov](http://www.sec.gov)). Forward-looking statements included herein are made only as of the date hereof and Amcor does not undertake any obligation to update any forward-looking statements, or any other information in this communication, as a result of new information, future developments or otherwise, or to correct any inaccuracies or omissions in them which become apparent, except as expressly required by law. All forward-looking statements in this communication are qualified in their entirety by this cautionary statement.

## Presentation of non-GAAP financial information and prior year financial information

Included in this presentation are measures of financial performance that are not calculated in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). These measures include EBITDA and adjusted EBITDA (calculated as earnings before interest, tax, depreciation and amortization), EBIT and adjusted EBIT (calculated as earnings before interest and tax), net income and adjusted net income, earnings per share and adjusted earnings per share, free cash flow and adjusted free cash flow, adjusted cash flow after dividends, net debt, and any ratios related thereto. Amcor believes that these non-GAAP financial measures are useful to enable investors to perform comparisons of current and historical performance of the Company. These non-GAAP financial measures should not be considered as an alternative to results determined in accordance with U.S. GAAP. For each of these non-GAAP financial measures, a reconciliation to the most directly comparable U.S. GAAP financial measure has been provided in the Appendix. Additional important information regarding non-GAAP financial measures is included in Amcor’s earnings press release, also issued today.

On 11 June 2019, the all-stock acquisition of Bemis Company, Inc. was completed. Amcor was determined to be the acquirer for accounting purposes and as a result, financial information prepared under U.S. GAAP for periods prior to the completion date reflect the historical financial information for the legacy Amcor business only. Financial information included in this release and described as “Combined” represent the addition of Amcor and Bemis individual results for the quarter ended 30 September 2018, after adjusting for (1) accounting policy alignment, (2) elimination of the effect of events that are directly attributable to the combination (e.g., one-time transaction costs), (3) elimination of the effect of consummated and identifiable divestitures agreed to with certain regulatory agencies as a condition of approval for the transaction, and (4) items which management considers are not representative of ongoing operations.

# Safety

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## Everything we do starts and ends with Safety



- 53% of Amcor sites injury free for >12 months<sup>(1)</sup>
- Recordable Case Frequency Rate at 3.6<sup>(2)</sup>
- Focus on aligning Bemis sites with Amcor practices



(1) As of 30 September 2019  
(2) Recordable cases per 1,000,000 hours worked. Based on Q1 Fiscal 2020

# Key messages for today

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1. Solid start to the fiscal year
2. Bemis integration on track
3. Momentum on sustainability
4. Reaffirmed fiscal 2020 outlook



# First quarter results<sup>(1)</sup>

\$335m



**+10%**

EBIT

10.7%



**+110 bps**

EBIT  
margin

13.4c



**+15%**

EPS

Cashflow  
improved in  
line with  
expectations

Quarterly  
dividend  
11.5 cps

Repurchased  
5.8m shares

Growth vs prior year (constant currency)

## Organic growth and synergies

# First quarter segment results<sup>(1)</sup>

## Flexibles

\$291m

12.0%



- Higher sales and volumes in North America and Western Europe
- Synergy benefits
- Strong cost management

**+9%** **+110 bps**

EBIT

EBIT  
margin

## Rigid Packaging

\$71m

9.9%



- Volume growth in North America and favourable mix
- Volumes in line in Latin America with unfavourable mix
- Strong cost management

**+3%** **+50 bps**

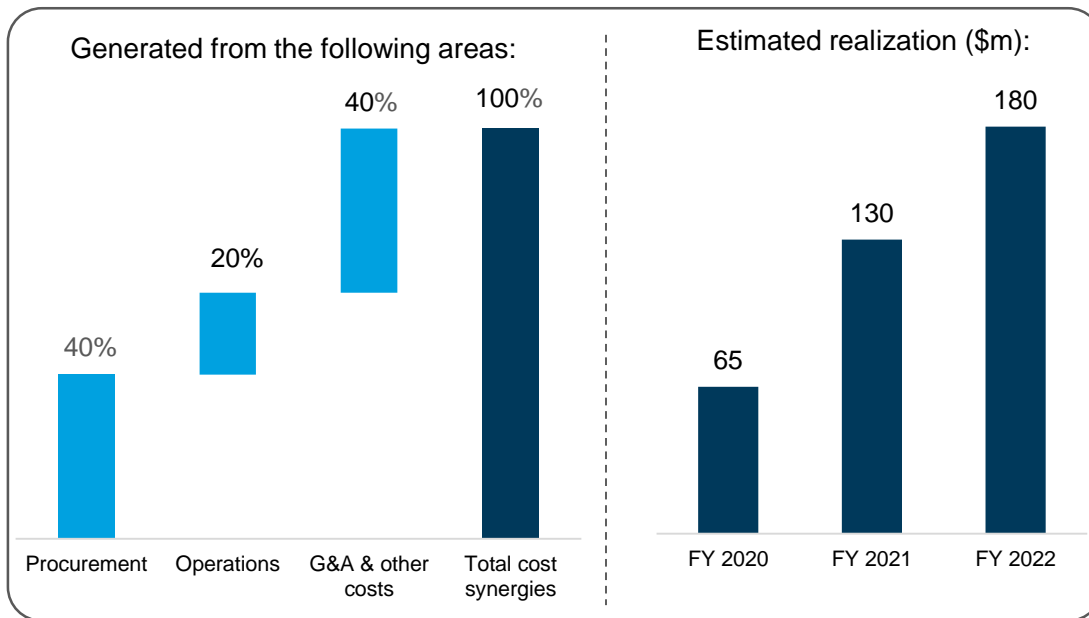
EBIT

EBIT  
margin

Organic growth in both Flexibles and Rigid Packaging

# Bemis acquisition: Cost synergies of ~\$10m in the first quarter

On track to deliver \$180 million<sup>(1)</sup> by end of year three



Synergy momentum and EBIT contribution expected to build through fiscal 2020

# Guidance for 2020 fiscal year reaffirmed

	FY19 combined <sup>(1)</sup>	FY20	Estimated constant currency $\Delta\%$
Adjusted EPS (cps) in constant currency terms	58.2 cents	61.0 - 64.0 cents <sup>(2)</sup>	<b>5 - 10%</b>
Pre-tax synergy benefits		\$65 million	
Cash flow after dividends (before cash integration costs) (Cash flow will vary materially quarter to quarter and compared with combined prior year)		\$300 - \$400 million	
Cash integration costs		~\$100 million	

Additional guidance metrics for the 2020 fiscal year	FY20
General corporate expenses in constant currency terms	\$160 - \$170 million
Net interest costs in constant currency terms	\$230 - \$250 million
Adjusted effective tax rate	21 - 23%

In Rigid Packaging, Q2 FY2019 results benefited from exceptionally strong volume and mix during what is typically the seasonally low quarter for the year. As a result, the company expects Rigid Packaging's earnings in Q2 FY2020 to be lower than the prior year as trading resumes a more normal seasonal pattern. These expectations had been incorporated into Amcor's FY 2020 Outlook, which remains unchanged.

Note: Reconciliations of the 2020 projected non-GAAP measures are not included herein because the individual components are not known with certainty as individual financial statements for FY2020 have not been completed.

(1) Unaudited combined Amcor and Bemis result. Excludes (1) results from flexible packaging plants in Europe and the United States which were required to be sold in order to secure anti-trust approval for the Bemis acquisition and (2) preliminary purchase accounting impact which will be finalised within one year.

(2) Implied constant currency EPS range calculated using average FY2019 exchange rates.



# Amcor Strategy

**Our businesses**  
FOCUSED PORTFOLIO:



Flexible Packaging



Rigid Packaging



Specialty Cartons



Closures

**Our differentiated capabilities**  
THE AMCOR WAY:



Talent



Commercial Excellence



Operational Leadership



Innovation



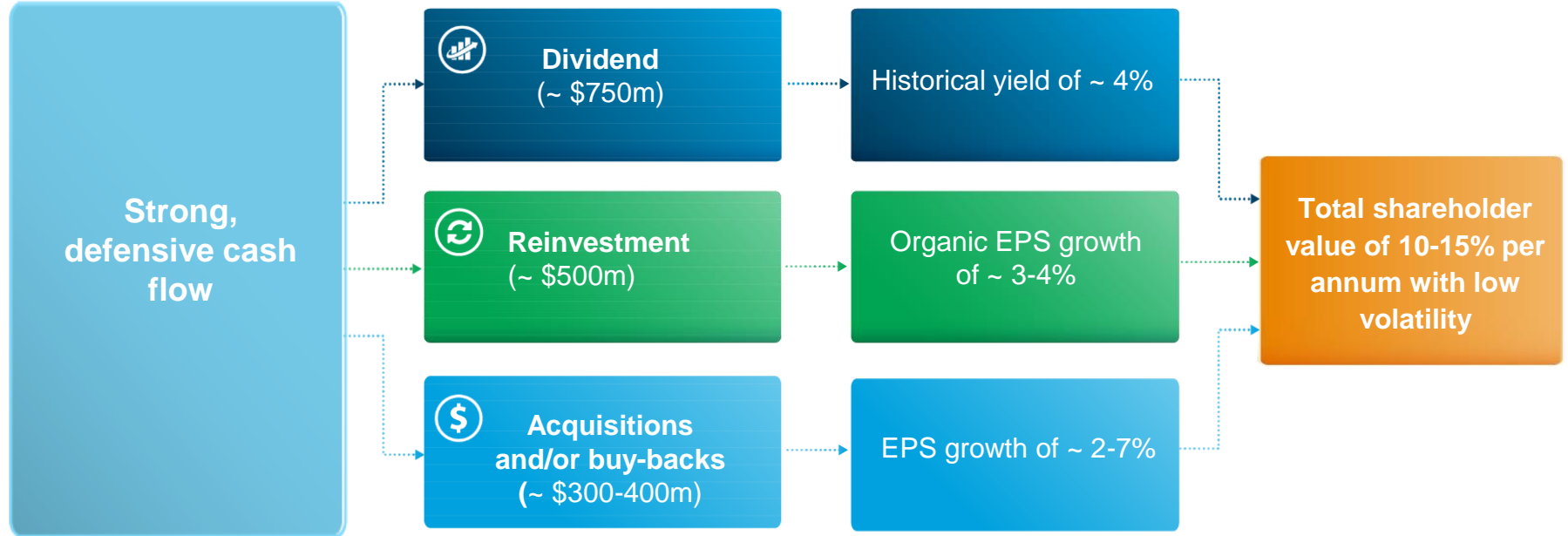
Cash and Capital Discipline

**Our winning aspiration**  
WINNING FOR CUSTOMERS, EMPLOYEES, INVESTORS AND THE ENVIRONMENT:

**THE leading global packaging company**

# Capital allocation framework

## Amcor Shareholder Value Creation Model



Controllable levers in uncertain times:

Organic growth, \$180m synergies, \$500m buy-back, compelling dividend

# Our Sustainability “Point of View”



There will always be a role for packaging



Requirements of packaging are increasing: end of life solutions / waste reduction are critical



Responsible packaging is the answer



Amcor is uniquely positioned to lead the way

**To Preserve** food and healthcare products

**To Protect** consumers

**To Promote** brands

**Consumers want packaging to be:**

- Cost effective
- Convenient
- Easy to use
- Great looking

**AND**

Sustainable, leading to LESS WASTE

**Achieving less waste takes:**

- Packaging Design
- Waste Management Infrastructure
- Consumer Participation

**To innovate** and develop new products

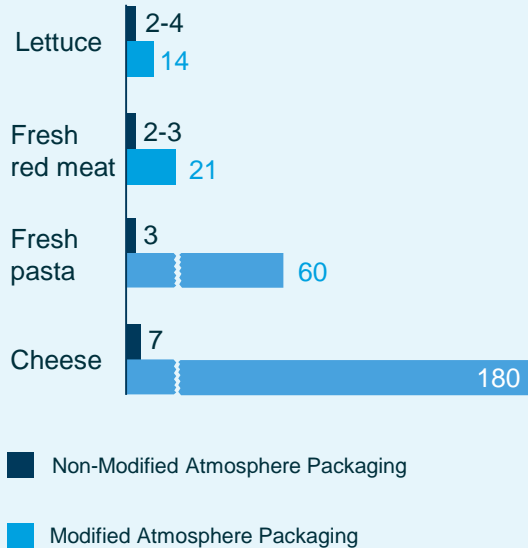
**To collaborate** with stakeholders

**To inform** the debate

# There will always be a role for packaging

## Extending shelf life

Refrigerated Shelf Life in days



## Reducing food waste

**30%** of food is wasted globally

	Alternative pkg, % product waste	Plastic pkg, % product waste	Grams of CO <sub>2</sub> Saved
<b>Steak</b>	34%	18%	2,100
<b>Cheese</b>	5%	0.1%	41
<b>Bread</b>	11%	1%	148
<b>Cress</b>	42%	3%	186

## Protecting the environment

Food waste accounts for

**8%**

of global GHG emissions



If it were a country, food waste would be ranked

**3rd**

for highest GHG emissions

# Requirements are increasing: end of life solutions are critical

## Consumers buying more environmentally friendly products



**66%** of global consumers  
(76% of millennials)  
**Are willing to pay more**  
for sustainable goods

## Small price to pay



**<1 cent**
















US cents per bottle  
or 0.45% retail price



**~1 cent**

US cents per container  
or 0.25% retail price

# Responsible packaging is the answer

		Greenhouse gas emissions (Kg-CO <sub>2</sub> equivalent) '000	Recycling rate (%)
Flexible packaging		 5	 0
PET bottle		 7	 30
Composite carton		 6	 10
Aluminium can		 27	 66
Glass bottle		 26	 33

“A hysterical move to glass may be trendy but would have a dreadful impact on the carbon footprint of packaging.”

*-CEO Major Food and Personal Care Company*

“Glass and cans have much higher carbon footprints than recycled plastic so actually the sweet spot of the waste crisis and the climate crisis is actually recycled plastic.”

*-CEO Major Beverage Company*

“Making packaging more recyclable is just as important as moving to new materials.”

*-Head of Sustainable Packaging  
Major Food and Beverage Company*

# Amcor is uniquely positioned to lead the way

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**Collaborating** with stakeholders...Packaging Design, Waste Management, Consumer Participation



# Amcor is uniquely positioned to lead the way

Innovating and developing new products

## Recycled content

100%  
PCR



## Lighter Weight



The Packaging  
Innovation Awards  
brought to you by 



21gr  
↓  
18gr



## Recyclable



200,000 tons reduction in virgin plastic by 2025



# Summary

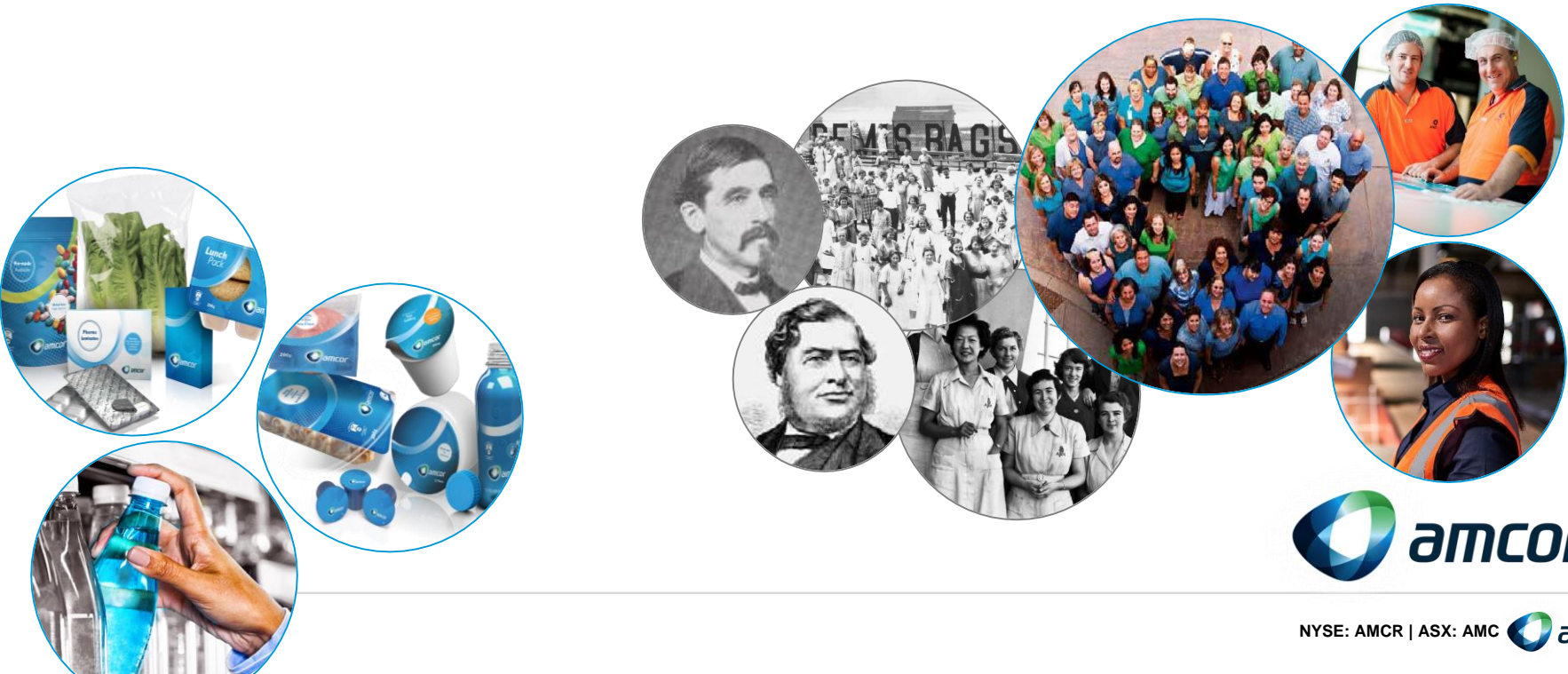
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Reaffirmed fiscal 2020 expectations; On track to deliver strong shareholder returns

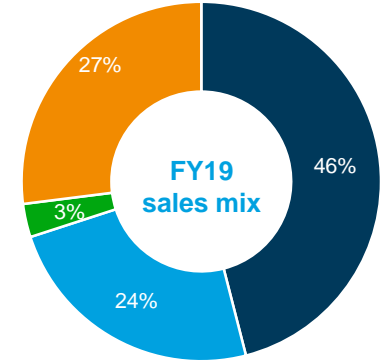
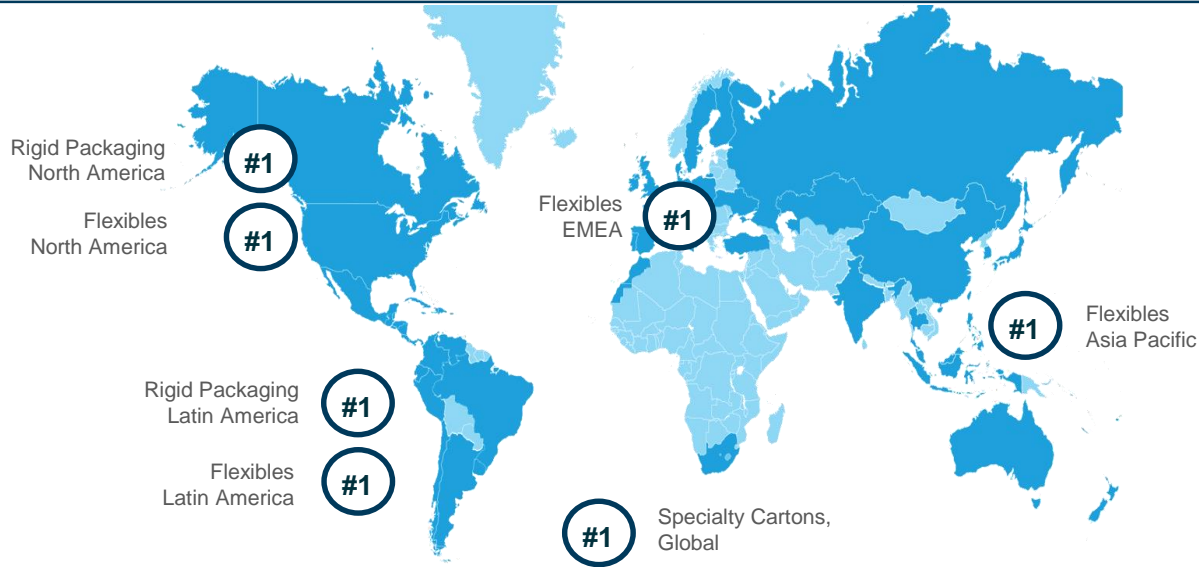
- Continued progress against our priorities
- Bemis integration and synergy capture on track
- Capitalising on the increasing need to develop packaging that best protects the environment



# Supplementary information



# Amcor: Global leader in consumer packaging



■ North America    ■ Western Europe  
 ■ ANZ    ■ Emerging Markets

**~\$13B**

Sales



**~\$1.9B<sup>1</sup>**

EBITDA



**>\$1.4B<sup>2</sup>**

Cash Flow



**~50,000**

People



**~250**

Sites



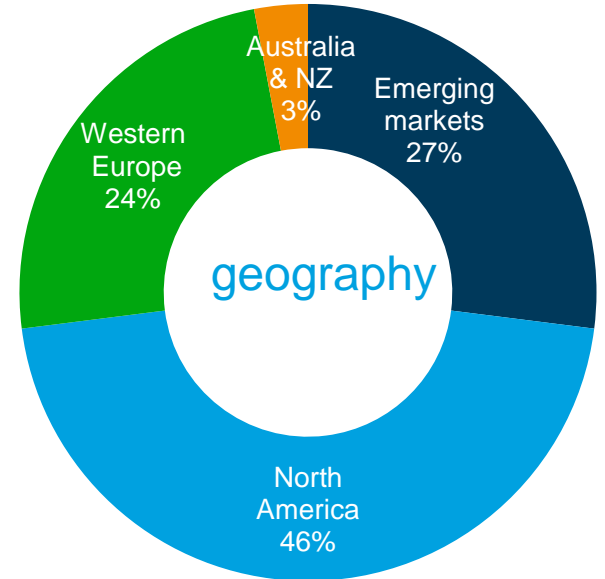
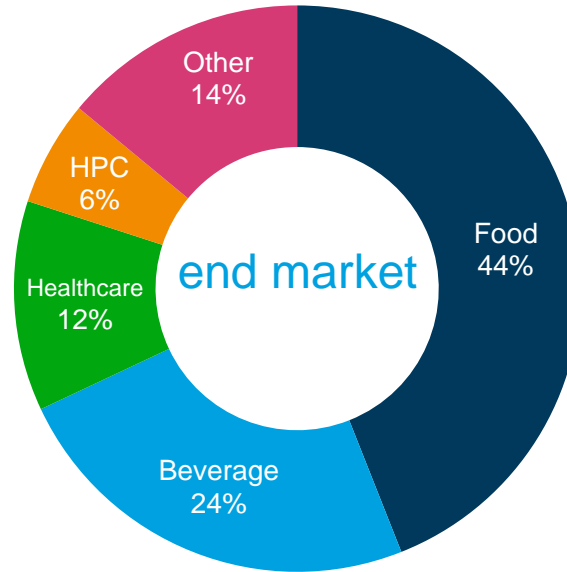
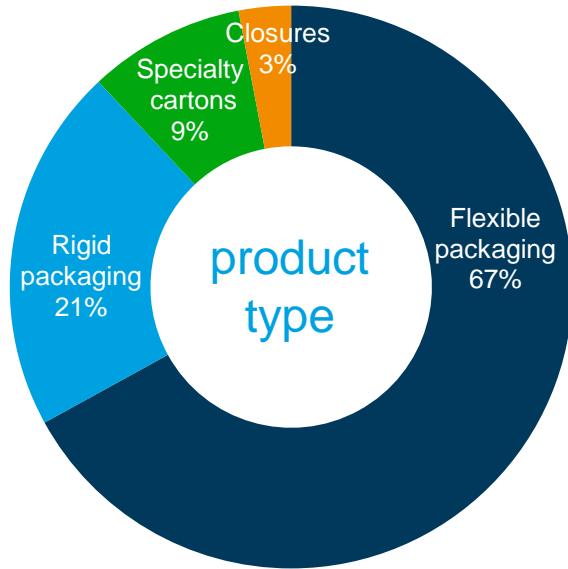
Note: Sales, EBITDA, cash flow, people and site information presented on a combined basis.

(1) Excludes estimated synergy benefits of \$180 million expected to be realized by the end of the 2022 fiscal year.

(2) Adjusted combined cashflows before capital expenditure, dividends and transaction costs for FY19.

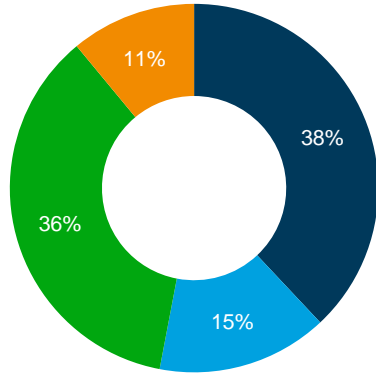
# Focused global portfolio

USD 13bn combined sales by product type, end market and geography



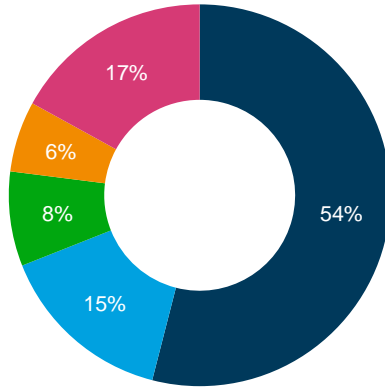
# Amcor Flexibles overview

## Combined sales by region



- Europe, Middle East and Africa
- Asia Pacific
- North America
- Latin America

## Combined sales by end market



- Food
- Healthcare
- Beverage
- Home & Personal care
- Other

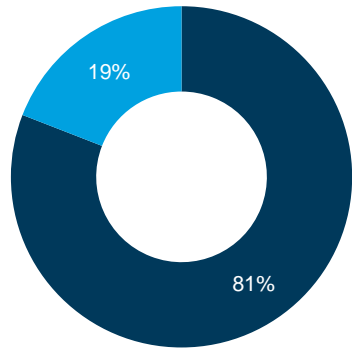


2019 combined sales	2019 combined Adjusted EBIT	Plants	Countries	Employees
USD 10.1bn	USD 1,239m	~190	38	~43,000

Notes: Reflects FY19 combined sales revenue which excludes results from flexible packaging plants in Europe and the United States which were required to be sold in order to secure anti-trust approval for the Bemis acquisition  
 Non-GAAP measures exclude items which management considers are not representative of ongoing operations. Further details related to non-GAAP measures and reconciliations to U.S. GAAP measures can be found in the appendix section

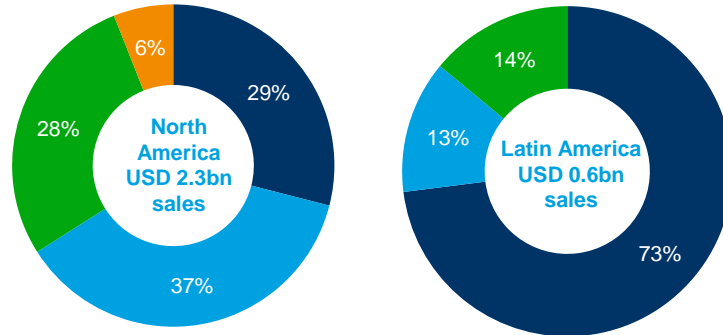
# Amcor Rigid Packaging overview

## Sales by geography



■ North America ■ Latin America

## Sales by product category



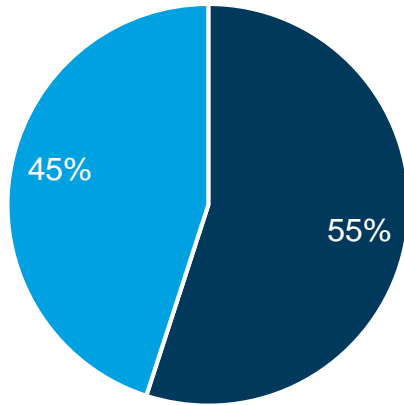
■ Cold fill beverage ■ Hot fill beverage ■ Specialty containers ■ Closures



2019 Sales	2019 Adjusted EBIT	Plants	Countries	Employees
USD 2.9bn	USD 308m	~60	12	~6,000

# North America beverage

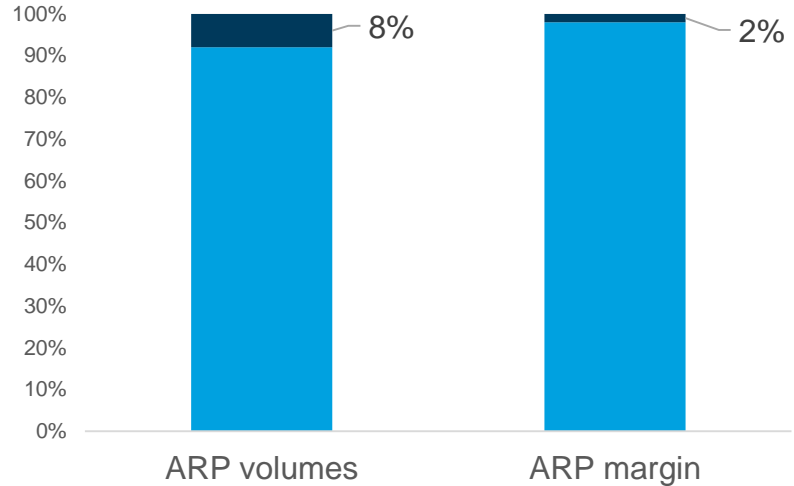
North America beverage market volume mix – FY19



Source: IRI

■ Still water ■ All other

Amcor Rigid Packaging – FY19



■ All Other ■ NA Still water

# 2020 First Quarter Results Appendix

7 November 2019 US

8 November 2019 Australia





# FX translation impact

## Q120 currency impact

Total currency impact	\$ million
Adjusted EBIT	(4)
Adjusted net income	(3)

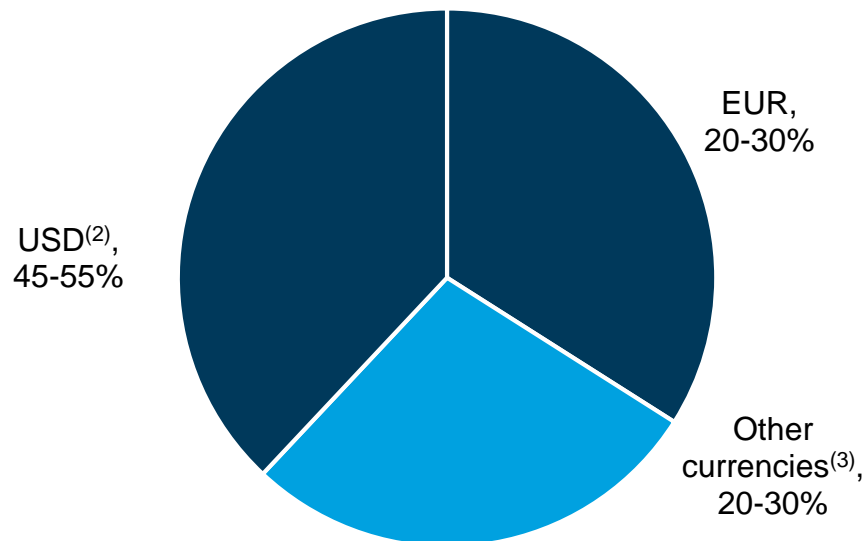
### EUR:USD

Euro weakened vs USD. Average USD to EUR rate 1Q20 0.8599 vs 1Q19 0.8991	\$ million impact on adjusted net income for 1Q20
(4%)	(3)

### Other currencies<sup>(3)</sup>:USD

Other currencies weighted average vs USD weakened for 1Q20 vs 1Q20 average rates	\$ million impact on adjusted net income for 1Q20
(0%)	(0)

## Combined net income currency exposures<sup>(1)</sup>



(1) Approximate range based on FY19 estimated combined adjusted net income by currency.

(2) Includes all businesses effectively managed as USD functional currency businesses.

(3) Includes all currencies other than USD and EUR.

# Reconciliations of non-GAAP financial measures

## Reconciliation of adjusted Earnings before interest and tax (EBIT), Net income and Earnings per share (EPS)

(\$ million)	Three months ended 30 September 2018			Three months ended 30 September 2019		
	EBIT	Net income	EPS (diluted US cents)	EBIT	Net income	EPS (diluted US cents)
<b>Net income attributable to Amcor</b>	<b>98.4</b>	<b>98.4</b>	<b>8.5</b>	<b>66.0</b>	<b>66.0</b>	<b>4.1</b>
Net income attributable to non controlling interests	3.1			2.0		
(Income) / loss from discontinued operations	-			7.7	7.7	0.4
Tax expense	21.7			21.8		
Interest expense, net	53.4			53.0		
<b>EBIT, Net income and EPS</b>	<b>176.6</b>	<b>98.4</b>	<b>8.5</b>	<b>150.5</b>	<b>73.7</b>	<b>4.5</b>
Material restructuring and related costs	10.1	10.1	0.9	17.3	17.3	1.1
Impairment in equity method investments	2.5	2.5	0.2	-	-	-
Net investment hedge not qualifying for hedge accounting	2.7	2.7	0.2	-	-	-
Material transaction and other costs <sup>(1)</sup>	5.3	5.3	0.5	83.6	83.6	5.2
Material impact of hyperinflation	9.4	9.4	0.8	15.4	15.4	0.9
Amortisation of acquired intangibles	4.8	4.8	0.4	68.3	68.3	4.2
Tax effect of above items		(5.2)	(0.4)		(40.2)	(2.5)
<b>Adjusted EBIT, Net income and EPS</b>	<b>211.4</b>	<b>128.0</b>	<b>11.1</b>	<b>335.1</b>	<b>218.1</b>	<b>13.4</b>
Combined Adjustments <sup>(2)</sup>	98.5	64.2	0.7	-	-	-
<b>Combined Adjusted EBIT, Net Income EPS</b>	<b>309.9</b>	<b>192.2</b>	<b>11.8</b>	<b>335.1</b>	<b>218.1</b>	<b>13.4</b>

(1) Includes costs associated with the Bemis acquisition.

(2) Includes Bemis and remedy adjustments. EPS also adjusts for new shares issued to complete the Bemis combination.

# Reconciliations of non-GAAP financial measures

## Reconciliation of adjusted EBIT by reporting segment

(\$ million)	Three months ended 30 September 2018				Three months ended 30 September 2019			
	Combined Flexibles	Rigid Packaging	Combined Other <sup>(1)</sup>	Total Combined	Flexibles	Rigid Packaging	Other <sup>(1)</sup>	Total
<b>Net income attributable to Amcor</b>				<b>98.4</b>				<b>66.0</b>
Net income attributable to non controlling interests				3.1				2.0
(Income) / loss from discontinued operations				-				7.7
Tax expense				21.7				21.8
Interest expense, net				53.4				53.0
<b>EBIT</b>	<b>151.6</b>	<b>49.9</b>	<b>(24.9)</b>	<b>176.6</b>	<b>142.7</b>	<b>49.8</b>	<b>(42.0)</b>	<b>150.5</b>
Material restructuring and related costs	-	10.1	-	10.1	13.7	3.3	0.3	17.3
Impairment in equity method investments	-	-	2.5	2.5	-	-	-	-
Net investment hedge not qualifying for hedge accounting	-	-	2.7	2.7	-	-	-	-
Material transaction and other costs	-	-	5.3	5.3	67.1	0.7	15.8	83.6
Material impact of hyperinflation	2.5	6.9	-	9.4	-	15.4	-	15.4
Amortisation of acquired intangibles	3.4	1.4	-	4.8	67.0	1.3	-	68.3
<b>Adjusted EBIT</b>	<b>157.5</b>	<b>68.3</b>	<b>(14.4)</b>	<b>211.4</b>	<b>290.5</b>	<b>70.5</b>	<b>(25.9)</b>	<b>335.1</b>
Combined Adjustments <sup>(2)</sup>	114.1	-	(15.6)	98.5	-	-	-	-
<b>Combined Adjusted EBIT</b>	<b>271.6</b>	<b>68.3</b>	<b>(30.0)</b>	<b>309.9</b>	<b>290.5</b>	<b>70.5</b>	<b>(25.9)</b>	<b>335.1</b>
<b>Adjusted EBIT / sales %</b>	<b>10.9</b>	<b>9.4</b>	<b>-</b>	<b>9.6</b>	<b>12.0</b>	<b>9.9</b>	<b>-</b>	<b>10.7</b>
Average funds employed <sup>(3)</sup>					8,641	1,765	(91)	10,315
<b>Adjusted EBIT / average funds employed %</b>					<b>14.4</b>	<b>17.7</b>	<b>-</b>	<b>14.1</b>

(1) Other includes equity in income (loss) of affiliated companies, net of tax and general corporate expenses.

(2) Includes Bemis and remedy adjustments.

(3) Average funds employed includes shareholders equity and net debt, calculated using a 4 quarter average and LTM adjusted EBIT.

# Reconciliations of non-GAAP financial measures

## Reconciliation of adjusted free cash flow and cash flow after dividends

(\$ million)	Three months ended 30 September 2018 <sup>(1)</sup>	Three months ended 30 September 2019
Net cash provided from operating activities	(305.8)	(89.4)
Net capital expenditure	(112.8)	(115.4)
Material transaction related costs <sup>(2)</sup>	-	61.9
<b>Adjusted free cash flow (before dividends)<sup>(3)</sup></b>	<b>(418.6)</b>	<b>(142.9)</b>
Dividends	(2.1)	(0.5)
<b>Adjusted cash flow after dividends</b>	<b>(420.7)</b>	<b>(143.4)</b>

(1) Adjusted financial result of the legacy Amcor business from 1 July 2018 to 30 September 2018.

(2) Transaction costs related to the Bemis acquisition.

(3) Adjusted free cash flow excludes material transaction related costs because these cash flows are not considered to be directly related to the underlying business.

## Reconciliation of net debt

(\$ million)	30 June 2019	30 September 2019
Cash and cash equivalents	(601.6)	(480.2)
Short term debt	788.8	312.8
Current portion of long term debt	5.4	5.0
Long term debt excluding current portion of long term debt	5,309.0	5,454.8
<b>Net debt</b>	<b>5,501.6</b>	<b>5,292.4</b>