News Release

1 November 2017

AMCOR LIMITED, ANNUAL GENERAL MEETING WEDNESDAY, NOVEMBER 1, 2017

CHAIRMAN'S ADDRESS

Now I would like to make some comments about the 2017 financial year.

Safety

And as we do with all our internal meetings at Amcor, I would like to start with safety performance.

Safety is always Amcor's top priority and achieving 'No Injuries' is our goal.

In the last 12 months, our lost time injury frequency rate was 0.88 and our recordable case frequency rate was 2.41. These are the two key performance indicators which measure the number of incidents per million hours worked. And, at the end of June 58% of our sites had been recordable injury free for a period of 12 months or more.

Compared to industry benchmarks these are outstanding safety results, and our legacy plants continue to make good progress. However, the sites we've acquired recently have a much higher number of injuries, therefore improving their safety is at the top of the agenda for the integration of those businesses.

Tragically, against the backdrop of our improving safety performance, we experienced a deeply saddening event in July 2017, when a contractor suffered a fatal accident in Spain. Investigations commenced immediately and we will, of course, learn all we can from this accident to help prevent similar incidents in future.

This is a stark reminder of the importance of safety across the company and why it must always be our top priority. There is always more we can do on our journey to zero injuries.

Full Year Results – Strong Financial and Operating Performance

Moving now to our financial results, let me firstly remind you that I will be referring to constant currency earnings, which we believe is the best way to understand the operating performance of the company.

During the year the US dollar appreciated, and had a negative impact on reported results. This arises because we generate more than half of our earnings in currencies other than the US dollar, and translate those earnings into US dollars for reporting purposes.

Excluding the impact of currency translation, I am pleased to report profit after tax improved by 10% compared with last year, and has exceeded US$700 million for the first time in Amcor's history.

Operating margins expanded by 80 basis points to 12% during the year, and return on funds employed remained strong at 20.4%.

This was a strong performance, with balanced earnings from both business segments, and a mix of acquisition and organic growth, demonstrating the resilience of Amcor's business, despite challenging conditions in several countries.

Higher earnings and strong cash generation enabled the Company to increase the annual dividend to 43 US cents per share, 4.9% higher than last year. Although declared in US dollars, dividends are paid to shareholders in Australian dollars. In Australian dollar terms, the annual dividend was 55.45 cents per share.

Flexibles

The Flexibles segment had a strong year with profit before interest & tax of Euro 739 million, growing 8.2% in constant currency terms. Operating margins continued to expand to 12.9% and returns remained strong at 24.4%.

The growth in earnings reflects benefits from both acquisitions and organic growth.

The key driver from the acquisition side was the net contribution from Alusa of US$32 million. Alusa was acquired in June 2016 and establishes Amcor as the largest flexible packaging business in South America.

Organically, we saw modest growth across the flexibles segment, with good performances from the businesses across Europe and North America.

The Tobacco Packaging business performed as expected with demand in Western Europe adversely impacted by new regulations imposed in May 2017.

Earnings growth in Flexibles also reflected excellent cost performance and benefits from restructuring initiatives.

Last year I talked about these restructuring initiatives in the context of the low growth environment in developed markets. We have made excellent progress in this program, and in 2017 the earnings benefit from this restructuring was US$15 million.

Rigid Plastics

In the Rigid Plastics business underlying earnings were up by 8.6% compared with last year. This was a strong result given economic conditions in Latin America remained challenging through the year.

The North American beverage business had a strong year with organic volume growth, improved product mix and impressive cost performance.

In Latin America, volumes across the region were down by 6.8% through the year, reflecting difficult economic conditions. This was partially offset by favourable product mix and excellent cost management.

Growth in our Specialty Containers business continued. Sonoco's rigid plastics operations, which were acquired in November 2016, contributed approximately US$12 million. Sonoco significantly enhances Amcor's product offering, expertise and scale in the specialty container business.

And finally, the Bericap closures joint venture had another solid year. It has also started construction of a new manufacturing facility in Mexico, which is one of the largest beverage markets in the world.

Strong balance sheet and free cash flow

Moving now to our balance sheet and cash flow.

Free cash flow for the year of US$245 million was at the top of our guidance range of US$150 million to US$250 million.

Our primary objective for the balance sheet is to maintain an investment grade credit rating. This has been the case for many years and has not changed. Leverage, measured as net debt over profit before interest, tax, depreciation & amortisation was 2.7 times, and interest cover was 7.8 times. In terms of the debt profile, we continue to be in a very comfortable position with access to a diverse range of funding sources. We have an appropriate mix of fixed and floating debt, from a mix of currencies, and there is no material refinancing required in the next 12 months.

Balance sheet strength, coupled with consistent and strong cash generation, leave Amcor very well positioned, with the flexibility to continue to invest in future growth, as well as pay attractive dividends.

Strong returns for shareholders

Over the last decade, Amcor has established global leadership positions in chosen end markets and remained focused on the disciplined application and development of core capabilities. As a consequence, the Company has delivered strong growth in earnings and returns for shareholders. This has been reflected in Amcor's share price performance. This slide shows the Amcor share price against the broader Australian market performance, over about the last 5 years.

The light blue line is Amcor and the black line is the Australian market index.

Since the start of July 2012, the Amcor share price has increased 151 per cent from $6.36 to $15.97, as of the close on the 26th of October.

Dividends paid over that time have added another 61 per cent to returns, meaning Amcor shareholders have received 212 per cent return on their investment over the past five years.

Corporate Governance

Amcor recently released its latest Corporate Governance Statement which highlights the Board's commitment to achieving and demonstrating the highest standards of corporate governance.

Details of our key Corporate Governance policies are published on the Amcor website.

As mentioned earlier we have strengthened the Board with the appointment of Tom Long as a new non-executive director. Tom is based in the US and brings with him broad international corporate expertise, including extensive experience with global beverage businesses. Tom is a valuable addition to the skillset and experience of the Board and we look forward to his contribution to the continuing success of the Company.

Chairman holding slide

In summary, 2017 has been another successful year for Amcor. The Company continues to employ the expertise of its people and leverage its scale, quality products and services, in ways that serve customers, grow the company, and generate superior returns. We are confident that this business strategy will continue to drive consistent benefits for all stakeholders.

I'd like to thank my colleagues on the Board for their continued support and wise counsel. And on behalf of myself and the other Directors, I would like to close by publicly thanking Amcor co-workers worldwide for their commitment, effort and performance over the past twelve months. Our appreciation extends also to all of our shareholders and other stakeholders, for your continued confidence and support.

And now I will hand over to your Managing Director and CEO, Ron Delia.

Graeme Liebelt
Chairman

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