

creating  
leaders



passionately & relentlessly



Amcor 2014 Asia analyst trip  
Singapore Monday 19 May 2014

Tobacco Packaging Presentation

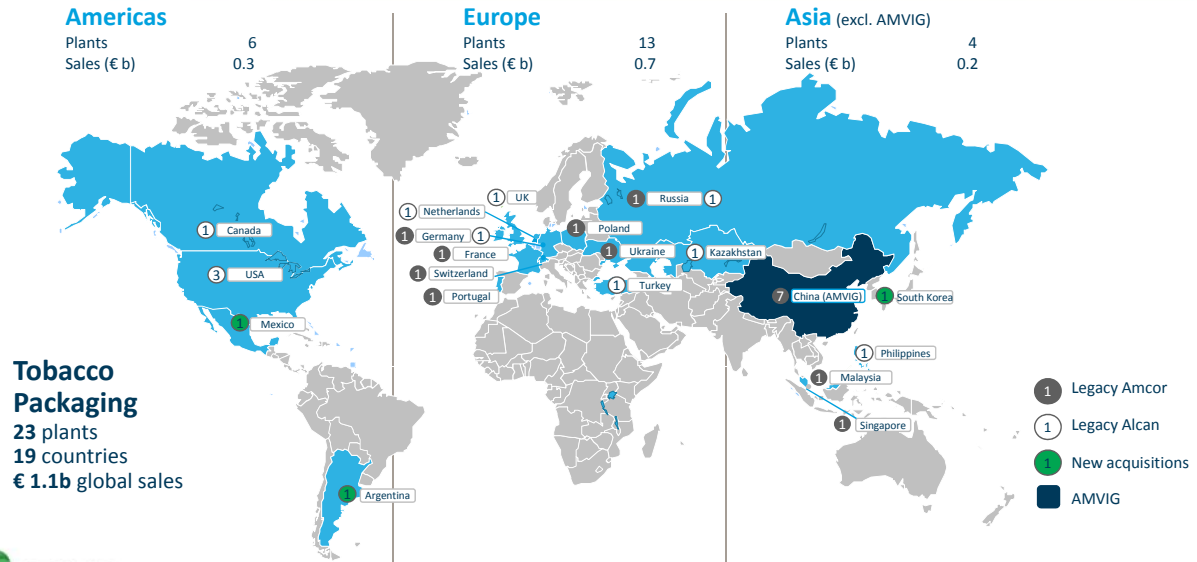
## Key messages

- 1. Excellent Safety Performance**
  - No recordable case in Asia since July, 2012
- 2. Substantial improvement in earnings and returns over the past 3 years**
  - Legacy business has grown significantly due to increased market share
- 3. Successful integration of the Shorewood acquisition**
  - Added new capabilities and expanded geographic footprint
- 4. Grown share with regional customers**
  - Sales to regional customers have grown 5X over the last 3 years
  - Regional customers are evolving away from having predominately in-house printers
- 5. Exciting growth opportunities**
  - Indonesia is a large market dominated by in-house printers

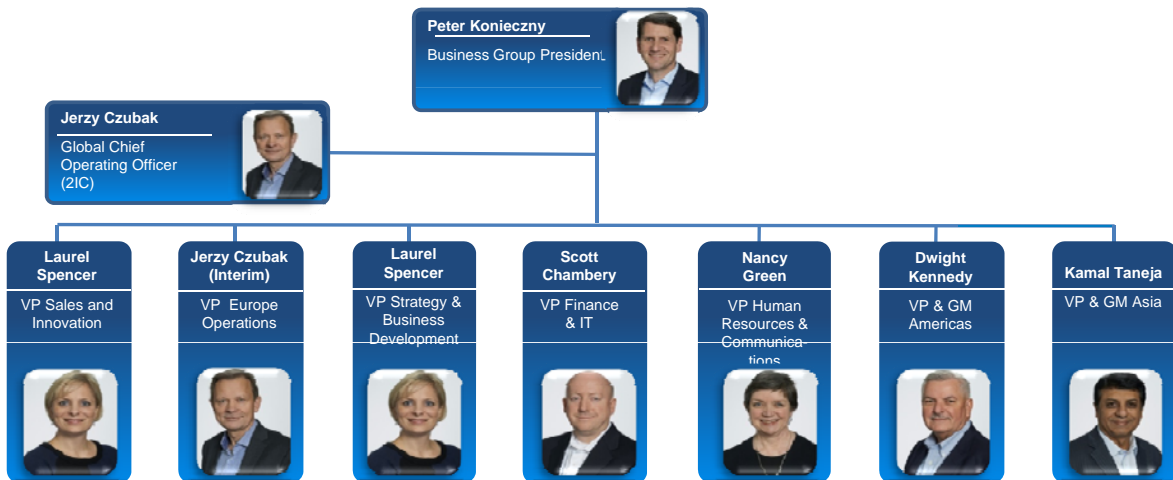
Substantial growth opportunities in the region driven by in-house  
production moving to third party supply



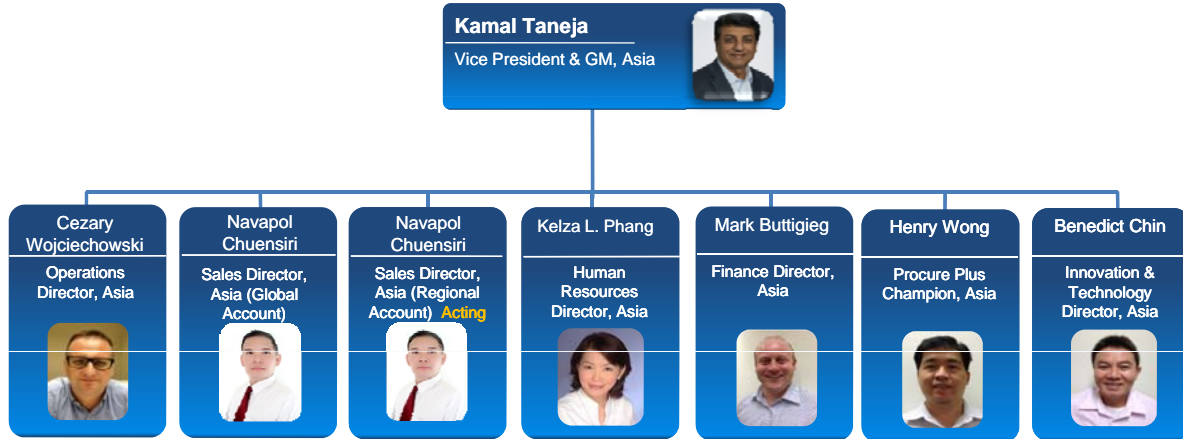
# Global footprint



# Tobacco Packaging Executive Management Team

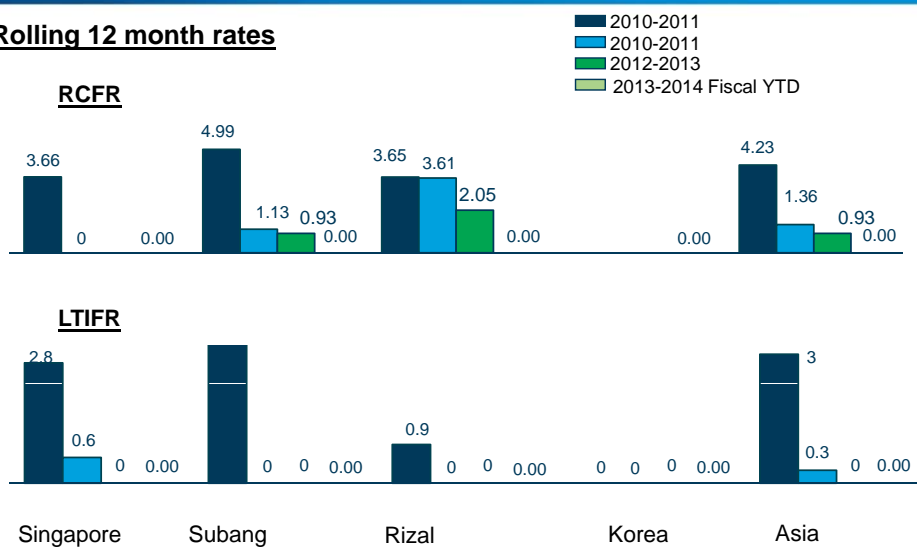


# Tobacco Packaging Asia Management Team



# Safety Performance: April 2014

## Rolling 12 month rates



## Top 5 Safety Priorities

- Zero Ignitions
- Contractors Management
- Process Standardization
- Organization Development
- Pedestrian Interface



# Tobacco Packaging Asia Product Portfolio

We are a leader in tobacco packaging with strong relationships with major customers across Asia and globally...

- **Hinge-lid cartons (HL)**

(variants include square boxes, round corners & bevelled edge boxes)



- **Shells and slides**



- **Display cartons (DCs)**



- **Soft labels (paper)**



- **Inner frames**



- **Bundle wraps (paper and film)**



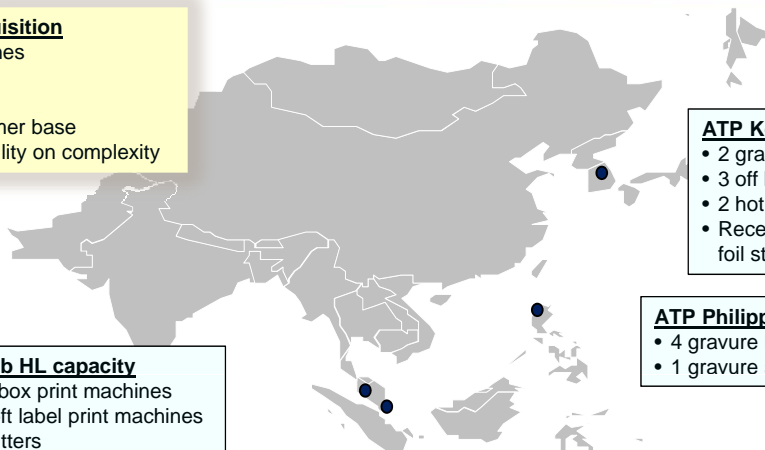
- **Promotional inserts and labels**



## Shorewood Acquisition has added further capacity and contingency

**Shorewood Acquisition**

- +3 gravure machines
- +1 bolt on plant
- +5b HL capacity
- +Additional customer base
- +Additional capability on complexity



**ATP Subang - 2b HL capacity**

- 3 gravure hard box print machines
- 2 innerframe/soft label print machines
- 2 offlines die cutters
- 2 hot foil stamping machines

**ATP Singapore - 3b HL capacity**

- 2 gravure hard box print machines
- 1 offset print machine
- 2 off line die cutters
- 2 hot foil stamping machines
- Regional innovation center

**ATP Korea - 2.6b HL capacity**

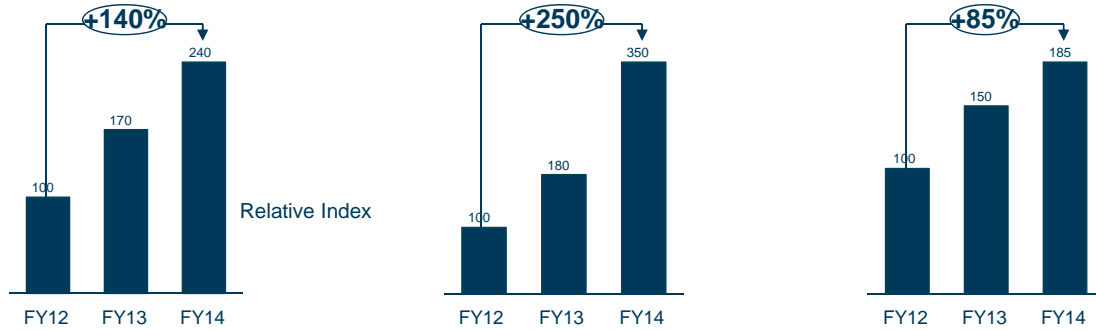
- 2 gravure hard box print machines
- 3 off line die cutters
- 2 hot foil stamping machines
- Recently commissioned specialty hot foil stamping machine

**ATP Philippines - 5b HL capacity**

- 4 gravure hard box print machines
- 1 gravure soft label print machine



## Establishing a solid base to grow further in future....



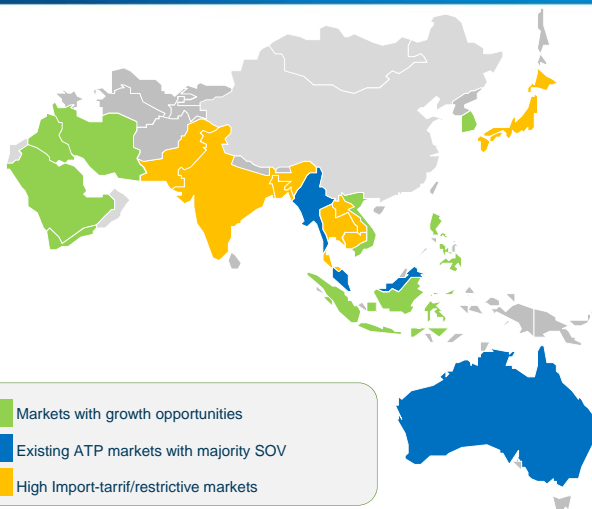
**Revenue**

**PBIT**

**ROAFE**



## Asia Market Heat Map... a growing market



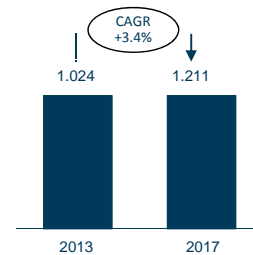
- Markets with growth opportunities
- Existing ATP markets with majority SOV
- High Import-tariff/restrictive markets

Source: Euromonitor International, 2013  
Internal Asia market assessment



**Asia Top Five Markets (bn sticks)**

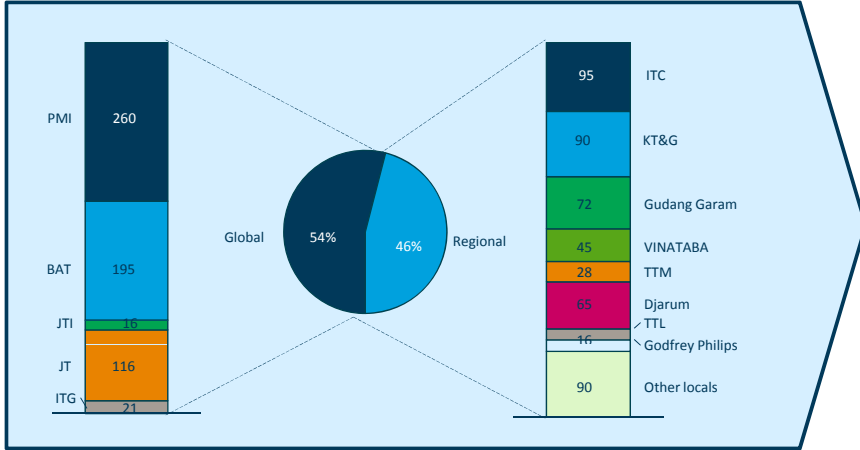
	Total	Global	Regional	SOV%	
Indonesia	313	136	177	10%	✓
Korea	138	95	43	31%	
Philippines	110	80	30	37%	✓
Middle East	86	21	65	12%	✓
Vietnam	70	27	43	4%	
Australia	30	30	-	4%	



Asia ex China

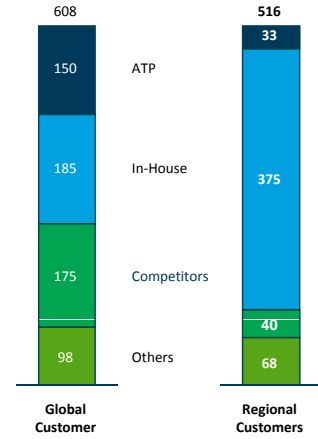
# Large regional customer base with in house printing....offering future growth opportunities..

2013 volume, bn sticks



Source: Euromonitor International, 2013

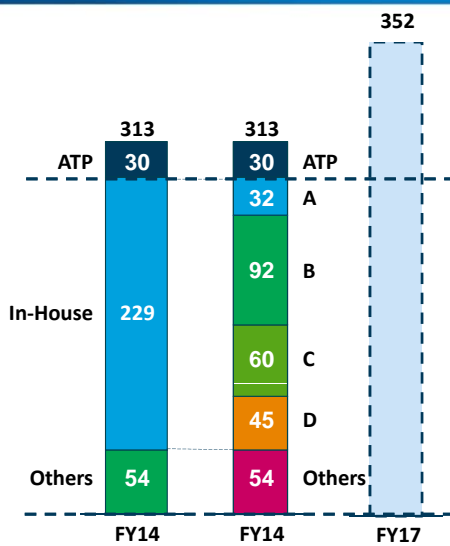
ATP SOV



ATP currently supplies ~17% of Asia's volume (excl China)



# Indonesia represents an exciting opportunity



Indonesia is an attractive market. Represents 30% of Asia volumes excluding China

- Pop. ~250 M; ~5% CAGR next 5 years.
- Local tobacco players are vertically integrated, e.g. paper/board production, tipping paper, in-house printing
- Vertical integration driven by:
  - Lack of global suppliers with local footprint
  - Legacy family business models which historically favoured in-sourcing



## Summary

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ATP Asia is establishing a strong base from which to grow further in the future

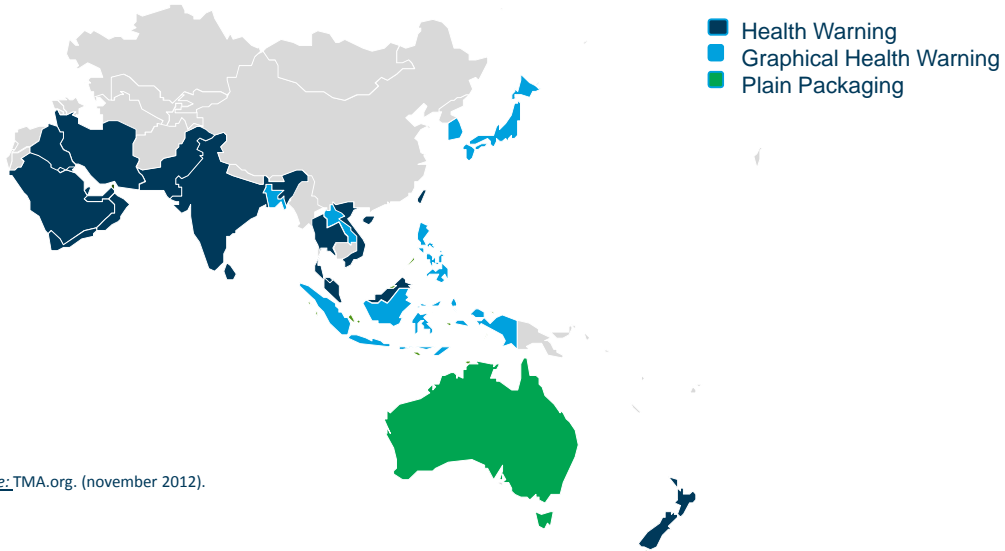


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## Appendix slides



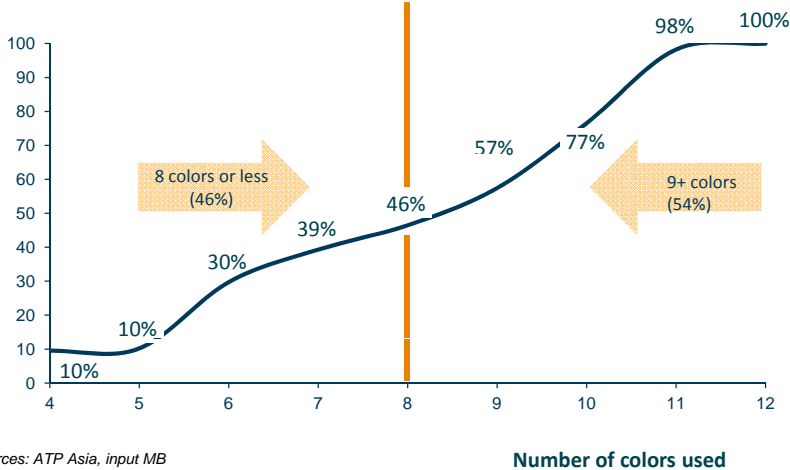
# Evolution of Health Warning Regulations increases pack complexity



# Impact of GP in Australia on inline manufacturing is small

Illustrative

Production of HL in Asia %



- Generic packaging in Australia will require 8 colors, in-line machinery
- 46% of Asia's portfolio requires less than 8 colors, 54% more
- Impact on inline manufacturing is partially offset by full ink coverage
- Impact on offline equipment (not shown here) is small given the low level of complexity in current portfolio

Sources: ATP Asia, input MB

(1) Data excludes SL, DC and IF; Colour numbers include varnish; GP Australia can be 7 or 8 colours depending on customer design or finish – matt or gloss. ATP Asia expects GP Aus to move to 7 clr in future. Sample includes 2.8bn HL,

