



ASX Announcement

15 October 2015

**ORORA LIMITED – ANNUAL GENERAL MEETING
10.30AM, THURSDAY 15 OCTOBER 2015**

CHAIRMAN'S ADDRESS

Ladies and Gentlemen, before moving onto the formal items of business as outlined in the Notice of Meeting, I will present a review of the 2015 financial year results and an overview of certain governance matters.

The CEO, Nigel Garrard, will then take you through the operational performance of the business divisions, an overview of the company strategy, and an update on the trading performance for the first quarter of the 2016 financial year.

While this is Orora's second Annual General Meeting, it is the first that covers a full financial year of operations as an independent listed company. I am pleased to report that 2015 was a successful year for the Company having delivered on its objectives, generated strong earnings growth and increased financial returns.

Orora increased net profit after tax and earnings per share by 25.9%. Net profit after tax increased to AUD 131.4 million and earnings per share increased to 10.9 cents. Sales revenue increased to AUD 3.4 billion, an increase of 7.3% on the previous corresponding period. This strong result was driven by the steadily improved performance of the Botany Recycled Paper Mill, delivery of the remaining cost reduction programs that commenced three years ago, increased market share in the Australasian Glass division, higher corrugated volumes in the fruit, produce and meat sectors in New Zealand, and finally strong growth in the North American business.

These results were achieved despite subdued economic conditions in both Australasia and North America, and second half headwinds from the rebuild of a glass furnace in South Australia and higher gas costs impacting the Glass division.

Through continued financial discipline and improved management of working capital, the Company converted earnings growth into underlying cash flow, which improved by 19.1% to AUD 260.8 million. This strong cash result enabled a reduction in leverage to 1.9 times, down



from 2.2 in the prior year and 2.9 at the time of the demerger. This is well within internal targets and ensures that the company is well-positioned to capitalise on future growth opportunities.

The Company recently announced a final ordinary dividend of 4.0 cents per share partially franked to 30%, taking the total dividend for the year to 7.5 cents. This is an increase of 25% on the prior corresponding period and represents a payout ratio of 69%, which is at the top end of Orora's indicated payout range and reflects the Board's continued confidence in the business.

In July this year, Orora successfully raised USD 250 million in debt in the US Private Placement market, adding diversity to its funding sources and increasing the average debt maturity profile. This is an excellent outcome achieved within the first 18 months of becoming a listed company and demonstrates the confidence that the market has in the Company's customer-led growth strategy.

During the year, partially funded by the sale of the discontinued mill site in Petrie, Queensland, the Board approved an initial investment of AUD 45 million to establish the Orora Global Innovation Fund. This elevated focus on innovation will enable the Company's leaders to invest directly in innovation, modernisation and productivity improvements over the next three years that will deliver customer benefits and increased financial returns for the future.

In line with Orora's stated growth strategy, the Company has also successfully completed a number of strategic bolt-on acquisitions in Australia and North America. Nigel will describe these acquisitions in more detail.

Before I hand over to Nigel, it is important that I address Orora's approach to corporate citizenship and corporate governance.

The Board is committed to the highest standards of corporate governance and promoting these standards rigorously throughout the Group. The Board also strives to ensure that the Company is a positive contributor to the communities in which it operates, and adheres to all relevant regulations and industry standards.

The Board regularly reviews the Company's corporate governance framework and practices to ensure that they continue to meet the interests of all stakeholders. The Company's Corporate Governance Statement is published on the Company's website, and as an active shareholder, I urge you to look at this if you have not already done so.



Ladies and Gentlemen, in 2015, Orora has delivered on its objectives, generated strong earnings growth and increased financial returns. These results reflect a strong, talented, senior executive team and the passion of more than 5,600 Orora team members.

Your Directors look forward to continuing that journey in the years ahead with you, our valued shareholders.

I will now hand over to Nigel who will take you through the operational highlights for the year. He will also provide an overview of the Company strategy, as well as an update on how the business is performing in the first quarter of the new financial year.

Thank you.

ENDS