



## Amcor Australasia - Corrugated

Rick Woods, Vice President & General Manager  
Fibre Packaging

Aspiring to  
new heights

## Evacuation procedure

- Safety is our #1 Priority – Everyday  
(Today is no different to any other day)

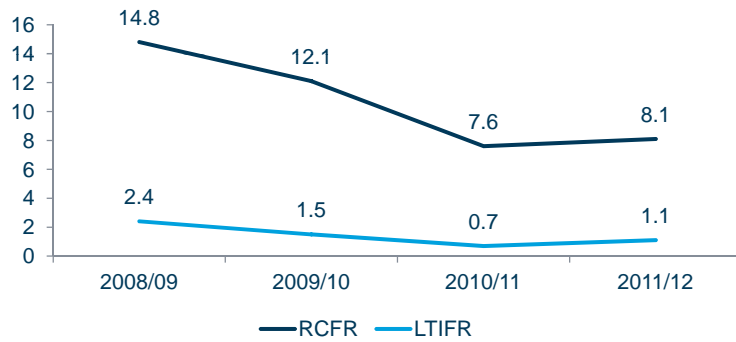
### Evacuation alarms

- In the event of an evacuation, you will be escorted to a “Safe Zone” by Amcor personnel
- Listen to instructions and follow them accordingly



## Safety is our #1 priority

### Fibre Packaging safety performance



- 40% reduction in RCFR in 3 years

Safety management has improved in recent years



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## Key messages

- Extensive footprint across key markets
- Strong position and stable market share
- Stable volumes
- Sound cost management capability
- Benefits from improved recycled paper quality
- Development of new distribution channel
- Well positioned for earnings growth
- Innovation is key to delivering value



Business well positioned for growth



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## Corrugated business overview



### Corrugated

|                  |    |
|------------------|----|
| Main plants      | 12 |
| Specialty plants | 5  |
| Depots           | 10 |

Footprint driven by need for market responsiveness and distribution efficiencies



### Key Facts and Figures (FY 2012)

|                   |       |
|-------------------|-------|
| Sales A\$ million | ~750  |
| Co-Workers        | ~2100 |
| Customers         | ~3000 |

### Key Markets

|                 |                     |
|-----------------|---------------------|
| Fruit & Produce | Meat                |
| Beverage        | Dry goods           |
| Wine            | Industrial products |

### Key competitors

|      |             |                    |
|------|-------------|--------------------|
| Visy | Abbe/Auscor | Carter Holt Harvey |
|------|-------------|--------------------|

### Capabilities and Technologies

|   |
|---|
| Plants located in key markets   |
| Significant improvement in recycled paper quality from Botany               |
| Substantial improvement in customer service and innovation being recognised |

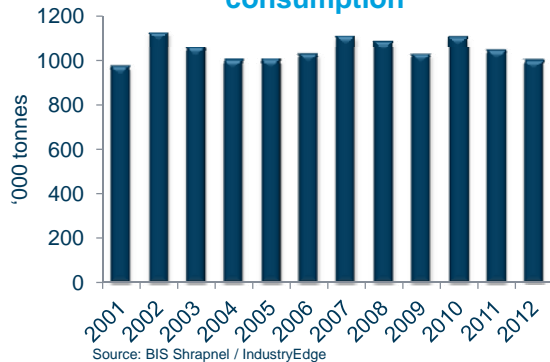
### Capital Investments

|  |
|--|
| High Quality Printing (HQP), High Quality Die Cutting, I-Flute |
| Distribution strategy – acquisition of WRS                     |

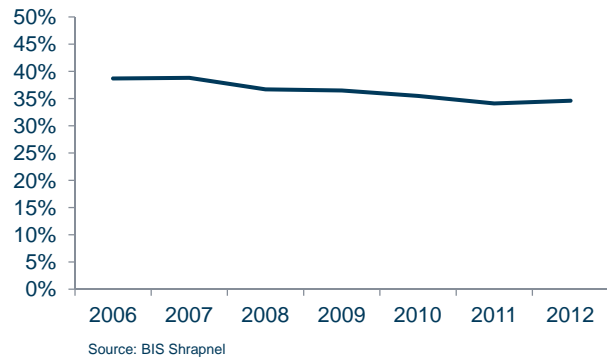
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## Australian corrugated market

### Domestic corrugated consumption



### Amcor Australian market share



Corrugated market flat; Amcor share stabilised over last three years



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## Track record of excellent cost management

- Necessary to remain agile, efficient and competitive
  - The Amcor way capabilities
    - Value Plus
    - Procure Plus
  - 2 plant closures since 2006
  - Continuous plant efficiency improvements
  - Smithfield transformed from converting to distribution site


Continued operating improvement has offset cost inflation

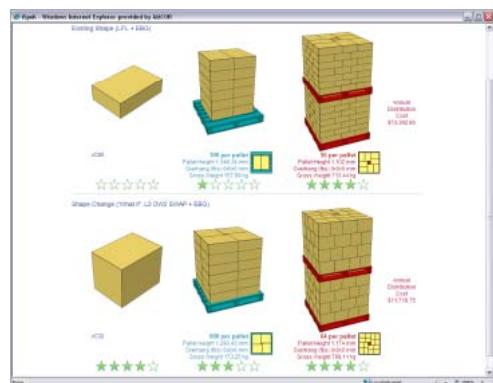


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## Value Plus

Continued and ongoing focus on profitability improvements utilising Amcor's range of Value Plus tools

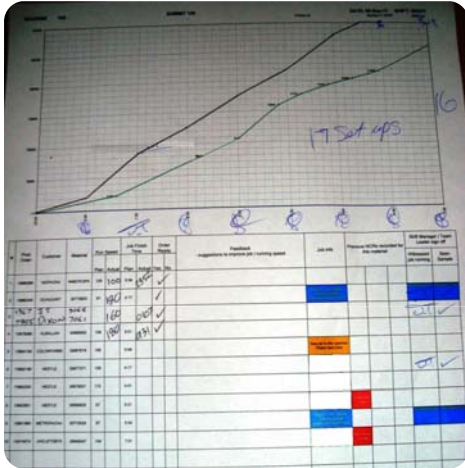
- Example: "iXplore" 
  - Assists in designing an 'end to end' optimal box
  - Dynamic 3D visual marketing tool
  - Explore optimisation opportunities
  - Automatically run and display 'what if' scenarios
  - Provide quotes and efficiency reports in 3D



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# Continuous Improvement

## Hourly machine performance



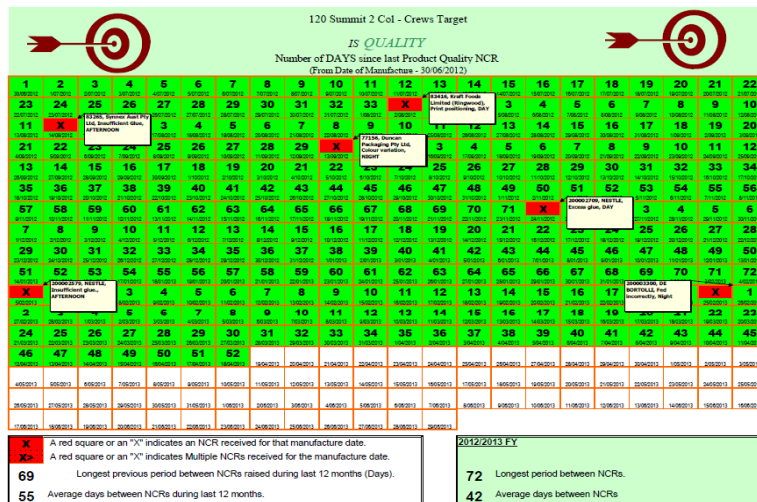
## Visual management



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# Continuous Improvement

## Tracking quality



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## Improving value proposition

- Innovation
- Distribution
- New markets for higher quality recycled paper including substitution of virgin kraft



Innovation capability and Botany recycled paper creates differentiated value proposition



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## Innovate for competitive advantage



### Amcor nursery pallet box

- Awarded Gold in the Industrial category at 2012 Packaging Council of Australia Packaging Design Awards
- Delivers up to 30% in cost savings due to increased efficiency of transport and handling
- Converts to a retail display unit by removing body component to use base tray for display



### New generation linerless frozen meat carton

- Initiated in response to poly bag entrapment issues
- Poly-entrapment leads to raw material claims/rejection and even finished product rejection



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## Innovate for competitive advantage



### Photo SureFresh™

- Improved resistance to moisture, scuff, tear and base sag for enhanced supply chain performance and distribution
- High gloss surface finish for premium product appearance and tailored product branding in store
- 'One Touch' distribution and retail ready presentation for minimal handling



### Banana packaging

- One-piece "GEN3" corrugated box
- Open top box that ensures superior stacking and product ventilation performance to achieve optimum product presentation at the retailer
- Design supports banana ripening process in cool room storage for superior presentation



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## Australian distribution strategy – new growth opportunity

- Customers want a more efficient supply chain model that delivers a lower "total cost to serve"
- Developing a new distribution channel leveraging Packaging Distribution's experience and expertise to offer:
  - A broader range of products and services from a single supplier and simplified supply chain
  - Total packaging solutions including self-manufacture and third-party sourcing
- Wayne Richardson Sales (WRS) acquired in June 2012
  - Industrial and packaging consumables distribution
  - Well-established SME customer base



Leverage Amcor's extensive footprint and experience to meet an evolving market need



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## Substantial recycled paper quality improvement

- New Botany mill creates differentiated position
  - Substantial product quality improvements
    - Surface finish and printability
    - Improved shelf presence
  - Lightweight papers
    - Environmental, innovation and cost benefits
  - Innovation
    - Shelf ready packaging
      - Enhanced visual appearance
      - Ongoing investment in high quality printing and die-cutting



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## Plant tour

- Wear a high visibility vest, safety glasses and ear protection within the factory
- Stay with your group
- Stay within defined walkways where indicated/possible
- Do not touch any objects (dies, board, etc)
- Follow the instructions of your guide
- In the event of an evacuation, you will be escorted to a "Safe Zone"

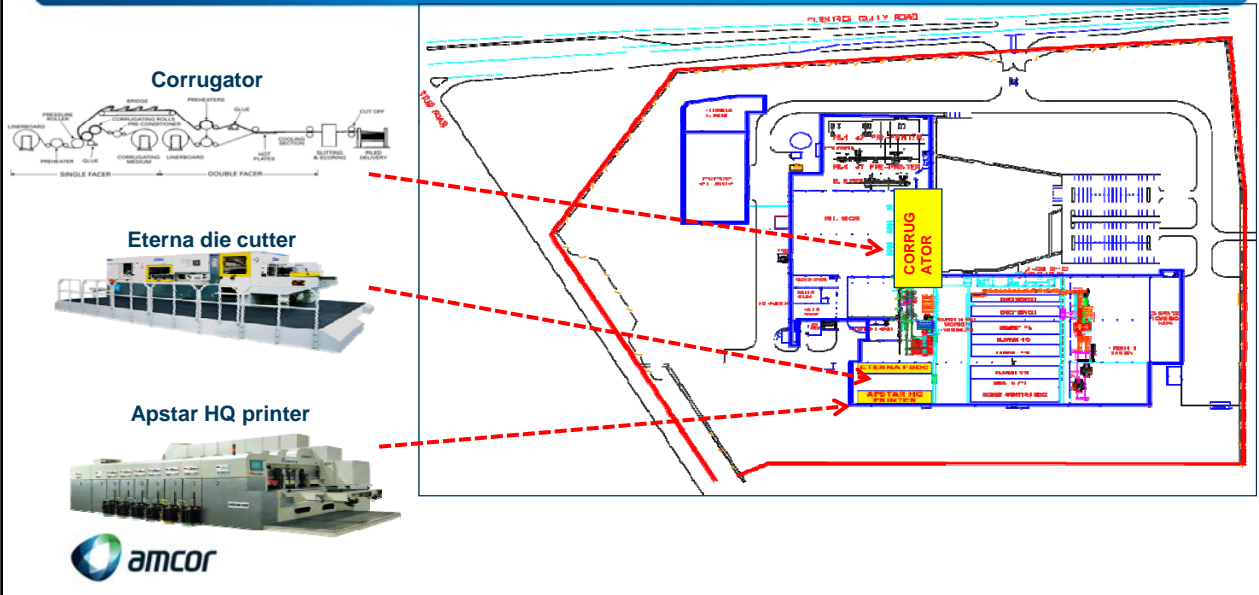


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## Scoresby Site layout...



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