Half year results

Half year ending December 2019

12 February 2020

Presentation by
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Stuart Hutton – CFO

Orora Limited ABN 55 004 275 165
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• Changes in the legal and regulatory regimes in which Orora operates;
• Changes in behaviour of Orora’s major customers;
• Changes in behaviour of Orora’s major competitors;
• The impact of foreign currency exchange rates; and
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Non-IFRS information
Throughout this presentation, Orora has included certain non-IFRS financial information. This information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. Orora uses these measures to assess the performance of the business and believes that the information is useful to investors. All non-IFRS information unless otherwise stated has not been extracted from Orora’s financial statements.

Minor Reclassification of Prior Year Numbers
Certain prior year amounts have been reclassified for consistency with the current period presentation.

Discontinued Operations
The financial results and position of the Fibre business are presented as held for sale and a discontinued operation within the consolidated Interim Financial Report and this presentation. Accordingly, this presentation has been presented in the following manner:

• The consolidated income statement presents the Fibre business as a discontinued operation. As a consequence the financial results of the Fibre business have been excluded from this presentation. The comparative period has been restated to reflect the current period presentation; and
• The consolidated balance sheet presents the Fibre business as a disposal group held for sale. As a result all the assets and liabilities of the disposal group, for the current period, are presented separately in the balance sheet as a current asset and current liability, respectively. The comparative period has not been restated to reflect current period presentation.

Segment Reporting Changes
Orora will now report two business segments, Australasia and North America. Corporate costs have been allocated to these segments and comparative information has been restated to reflect this change.

AASB16 Leases
Orora has initially applied AASB 16 Leases using the modified retrospective approach. Under this method, the comparative information has not been restated. To assist the reader with a consistent year on year analysis, “underlying” refers to figures excluding AASB16 Leases. The new lease accounting standard (AASB16 Leases) has been applied from 1 July 2019. The impact is outlined in Appendix 1.
### 1H20 financial summary – continuing operations

<table>
<thead>
<tr>
<th>Financial Category</th>
<th>Description</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1,835.2m</td>
<td></td>
<td>13.3% INCREASE</td>
</tr>
<tr>
<td><strong>NET PROFIT AFTER TAX (NPAT)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$76.6m</td>
<td></td>
<td>13.3% DECREASE</td>
</tr>
<tr>
<td><strong>EARNINGS BEFORE INTEREST AND TAX (EBIT)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$133.1m</td>
<td></td>
<td>4.1% DECREASE</td>
</tr>
<tr>
<td><strong>EARNINGS PER SHARE (EPS)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.4¢</td>
<td></td>
<td>11.1% DECREASE</td>
</tr>
<tr>
<td><strong>RoAFE %</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.2%</td>
<td></td>
<td>270 bps DECREASE</td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$127.2m</td>
<td></td>
<td>8.9% DECREASE</td>
</tr>
<tr>
<td><strong>FY20 Interim Dividend (per share)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.5 cps</td>
<td></td>
<td>IN-LINE</td>
</tr>
<tr>
<td><strong>Leverage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.3x</td>
<td></td>
<td>0.5x INCREASE</td>
</tr>
<tr>
<td><strong>CAPEX Invested in the Business</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$61.3m</td>
<td></td>
<td>157% OF UNDERLYING DEPRECIATION</td>
</tr>
</tbody>
</table>

- Earnings up in Australasia
- North America – improvement program in progress
- Tough operating environments
- Strong cash conversion and balance sheet
- Dividend in-line with prior corresponding period
Orora safety performance

Continuing Operations

<table>
<thead>
<tr>
<th></th>
<th>June 2019</th>
<th>Dec 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCFR</td>
<td>8.0</td>
<td>6.7</td>
</tr>
<tr>
<td>LTIFR</td>
<td>1.5</td>
<td>1.6</td>
</tr>
</tbody>
</table>

RCFR = (Number of recordable safety incidents / Total number of hours worked for employees and contractors) x 1,000,000
LTIFR = (Number of lost time injuries / Total number of hours worked for employees and contractors) x 1,000,000

Safety is a priority

- RCFR recorded a tangible improvement but LTIFR slightly increased – while positive progress, there is room for improvement
  - Global independent review was completed during the half
  - Review highlighted many areas of good safety practice
  - Opportunities identified to better prioritise and harmonise safety improvement actions
  - Implementation of recommendations is underway – engagement in the businesses is positive

- Continued rollout of improvement plans from risk profiling reviews
- Focus remains on ensuring best practice tools and processes are available to all team members

Goal is zero harm – all injuries are avoidable
• Underlying sales revenue increased approximately 5.2% driven by higher Can volumes while Glass volumes were flat.

• Earnings were higher than pcp driven by the increased revenues partially offset by product mix in Glass and increased insurance and other input costs.

• RoAFE was marginally below the pcp at 31.4%, with increased earnings offset by recent capital upgrades and higher inventories to support G2 rebuild and Cans volume growth.

• Investment in the business continues with on time/budget completion of the ~$35m warehouse at Gawler to enable Orora to hold inventory onsite and further reduce offsite pallet storage and transport costs.

• Work has commenced at Gawler for the rebuild of G2, which is scheduled to complete in April 2020. The total cost of the rebuild is ~$50.0M with approximately half spent by 31 December 2019 with the remainder to be spent in 2H20.

• As part of the rebuild, the second forming line off G2 will also be upgraded for ~$10m. This will add a further ~10m bottles of annual capacity.

• Investment of 250% of underlying depreciation in FY20 to further strengthen the base business and grow earnings into the future.
Organic earnings benefits delivered through growth in Cans which more than offset cost headwinds and stable glass volumes
1H20 North American financial summary

**USD SALES REVENUE**

$974.1m

10.5% INCREASE

**OPERATING CASH FLOW (AUD)**

$46.2m

10.3% INCREASE

**USD EBIT**

$34.6m

17.2% DECREASE

**EBIT MARGIN %**

3.6%

110bps DECREASE

**CAPEX INVESTED IN THE BUSINESS (USD)**

$7.3m

57% of UNDERLYING DEPRECIATION

North American Group

- Lower local currency earnings in tough market conditions.
- Cash flow increased by 10.3% to $46.2M while cash conversion increased to ~74.0% (~58.0% in pcp).
- RoAFE declined by 360bps to 11.7% with lower earnings and the initial dilutionary impact of the Pollock acquisitions.

**OPS**

- OPS delivered constant currency revenue growth of approximately 14.5% from the Pollock acquisition, with underlying revenues stable.
- EBIT was higher in 1H20 than 2H19.
- Underlying EBIT margins declined to 3.5% from 5.1% in the pcp (which was a stronger comparative period), but were up from 3.1% in 2H19.
- In response to the margin reset, OPS has developed a comprehensive improvement program which is to focus across all facets of the business including volume growth, margin recovery and efficiency / cost reduction.

**OV**

- Orora Visual financial results in 1H20 were impacted by subdued trading in the packaging and entertainment segments, the deferral / removal of several large customer summer campaigns and the loss of key sales representatives after the harmonisation of compensation structures at the start of the financial year.
- While a number of improvement initiatives are already underway and performance improved in Q2, there are further opportunities to drive profit growth and deliver higher returns – the focus going forward will be on building management capability and execution.
OPS margins have continued to steadily improve since the reset encountered in the second half of FY19.

- Underlying EBIT margins have improved from 3.1% in 2H19 to 3.5% in 1H20.
- OPS has developed a comprehensive improvement program.
- This is across all facets of the business with a focus on volume growth, margin recovery and efficiency / cost reduction.
- A number of initiatives have already or are being implemented including:
  - Approximately 100 roles were removed from the business in Q1 of FY20;
  - An OPS wide price increase (mainly cost recovery in nature) was introduced in late Q2 / early Q3;
  - Gross margin improvement initiatives, enabled by the ongoing optimisation of the ERP implementation;
  - Further opportunities exist to leverage the integrated data solution;
  - Insourcing more corrugated volumes from the Manufacturing division; and
  - Improved customer service levels providing sales representatives further capacity to target new business, with several new accounts already on-boarded.

"Underlying EBIT margins trending upwards after a reset in Q3 of FY19"
North American EBIT

Local currency earnings lower; impacted by margin pressures in tough market conditions and a reset in OV

(A$'M)

1H19 | Net Contraction | AASB16 Leases Impact | FX | 1H20

57.7 | 18.7 | 8.7 | 2.8 | 50.5

(12.5%) EBIT contraction (17.2%) in constant currency

(27.6%) underlying EBIT contraction (31.0%) in constant currency
Corporate costs have been allocated to the continuing business segments, with prior years figures restated for comparison

- Corporate costs are largely in-line with previous years.
- Corporate costs are expected to reduce post the completion of the sale of Australasian Fibre from FY21.
- Petrie decommissioning project is progressing as planned.

Chairman and Board succession

- The inaugural Chairman, Mr Chris Roberts, has retired from the Board, effective today.
- Mr Roberts will be succeeded as Chairman by Mr Rob Sindel, who joined the Board in March 2019, following an extensive career in executive management, most recently as Managing Director and CEO of CSR Limited.
- As part of continual Board renewal, which included the appointment of Mr Tom Gorman in September 2019, Mr John Pizzey, who has been a director since Orora first listed in December 2013, has announced he will be retiring at 31 May 2020.
Operating cash flow in line with expectation

<table>
<thead>
<tr>
<th>A$ Million</th>
<th>1H19</th>
<th>1H20</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>176.1</td>
<td>194.8</td>
</tr>
<tr>
<td>Leases (1)</td>
<td>-</td>
<td>(31.8)</td>
</tr>
<tr>
<td>Non Cash Items</td>
<td>10.1</td>
<td>13.5</td>
</tr>
<tr>
<td><strong>Cash EBITDA</strong></td>
<td><strong>186.2</strong></td>
<td><strong>176.5</strong></td>
</tr>
<tr>
<td>Movement in Working Capital</td>
<td>(25.5)</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Capex</td>
<td>21.8</td>
<td>(50.0)</td>
</tr>
<tr>
<td>Proceeds from disposals</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td><strong>139.7</strong></td>
<td><strong>127.2</strong></td>
</tr>
<tr>
<td>Cash Significant Items</td>
<td>(13.7)</td>
<td>(14.8)</td>
</tr>
<tr>
<td><strong>Operating Free Cash Flow</strong></td>
<td><strong>126.0</strong></td>
<td><strong>112.4</strong></td>
</tr>
<tr>
<td>Interest – Group (2)</td>
<td>(19.3)</td>
<td>(20.7)</td>
</tr>
<tr>
<td>Tax - Group</td>
<td>(36.1)</td>
<td>(35.6)</td>
</tr>
<tr>
<td>Growth Capex</td>
<td>(10.3)</td>
<td>(11.3)</td>
</tr>
<tr>
<td><strong>Free Cash Flow available to shareholders</strong></td>
<td><strong>60.2</strong></td>
<td><strong>44.7</strong></td>
</tr>
<tr>
<td><strong>Cash Conversion (3)</strong></td>
<td><strong>75.0%</strong></td>
<td><strong>72.0%</strong></td>
</tr>
<tr>
<td><strong>Average Working Capital to Sales (4) (%)</strong></td>
<td><strong>7.4%</strong></td>
<td><strong>8.5%</strong></td>
</tr>
</tbody>
</table>

**Operating cash flow**(5) decreased 8.9% to $127.2M
- Decrease in cash EBITDA from lower earnings
- Cash conversion was 72.0%, down from 75.0% in the pcp, largely driven by capital expenditure on the G2 rebuild.

**Working capital movement**
- In Glass there was an inventory build ahead of the second furnace (G2) rebuild at Gawler, to ensure continuity of supply to customers, while working capital levels for Cans increased to support the growth in volume. These were largely offset by the final benefit from extended terms on aluminium imports.

**Capex spend above depreciation and includes investment in key projects**
- Gross capex (base and growth) was approximately 160% of underlying depreciation. With the G2 rebuild to be completed in 2H20, gross capex is expected to remain at ~150% of underlying depreciation in FY20.

**Average total working capital to sales**
- Average total working capital to sales was 8.5% (7.4% in pcp), with the increase largely attributable to higher inventories being held and OPS taking advantage of settlement discounts.
- Some seasonal impacts also contributed as well as capital investment related timing issues.

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(1) Cash impact of AASB16 Leases has been included in operating cash to provide a like-for-like cash EBITDA
(2) Group includes values pertaining to continuing and discontinuing operations
(3) Cash conversion measured as operating cash flow divided by cash EBITDA
(4) Average net working capital for the period/annualised sales
(5) Underlying operating cash flow excludes cash flow from discontinued operations
## Balance Sheet

<table>
<thead>
<tr>
<th>A$ Million</th>
<th>June 19</th>
<th>Dec 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds Employed (period end)</td>
<td>1,283</td>
<td>1,254</td>
</tr>
<tr>
<td>Net Debt</td>
<td>890</td>
<td>996</td>
</tr>
<tr>
<td>Equity</td>
<td>1,645</td>
<td>1,584</td>
</tr>
<tr>
<td>Leverage (x)(^{(1)})</td>
<td>1.9x</td>
<td>2.3x</td>
</tr>
<tr>
<td>RoAFE (%)(^{(2)})</td>
<td>21.9%</td>
<td>19.2%</td>
</tr>
<tr>
<td>Undrawn bank debt capacity</td>
<td>370</td>
<td>251</td>
</tr>
</tbody>
</table>

### Strong balance sheet to enable further growth investment
- Increased leverage with recent acquisitions, heightened capital investment and working capital build
  - Leverage of 2.3x – up from 1.9x in June 2019
  - Negligible impact of FX
- Committed to sensible debt levels and investment grade credit metrics
  - Average tenor of facilities is 3.5 years
    - Australian Bilateral facility of $50M refinanced in July 2019, with a maturity of January 2022
  - Significant capacity and headroom in facilities and covenants
  - Debt / capital structure will be strengthened and revisited as appropriate post the completion of the sale of Fibre
  - Maintaining a disciplined approach to expenditure and acquisitions
  - RoAFE was 19.2%, down from 21.9% at pcp reflecting lower earnings in North America and the dilutionary impact of the acquisition of Pollock.

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(1) Calculated as Net Debt (excluding AAS816) / trailing 12 month underlying EBITDA including discontinued operations
(2) Calculated as annualised EBIT (including AAS8116) / average 6 month average funds employed (including AAS8116)
Fibre divestment, strategy and perspectives for remainder of FY20
On 10 October 2019, Orora announced the sale of its Australasian Fibre business for A$1,720 million to Nippon Paper Industries Co., Limited

### Gross and net proceeds
- **Net gain on disposal**
  - Enterprise value - A$1,720 million
  - Net proceeds after tax and costs ~ A$1,550 million
  - Estimated net gain on sale (to be recognised as a significant item) after tax and transaction related costs of ~A$225.0 million

### EV / FY19 multiples
- ~11.5x adjusted EBITDA
- ~18.9x adjusted EBIT

### Other Key Points
- The transaction includes Orora's Fibre Packaging, Paper & Recycling, Cartons, Bags, Functional Coatings and Orora WRS Packaging Distribution businesses in Australia and New Zealand
- Completion of the sale is expected to occur during the first quarter of calendar 2020, subject to customary conditions, including regulatory approvals
- As previously announced, following completion of the sale, Orora intends to return approximately $1,200.0M to shareholders
- Orora is currently working with the relevant tax body to ensure capital management options that will deliver an efficient return of funds to shareholders. Options include a cash return, comprising part capital return and a partially franked special dividend, and an on-market share buyback
- Further details in relation to the timing and nature of the capital management initiatives will be provided in due course
Future Outperformance at Orora

RESET

- Shape strategy and culture to support next generation Orora
- Right size cost base to match market conditions
- Secure foundations in NA and return to profit growth
- Integrate US acquisitions/deliver synergies
- Invest to drive product and process innovation
- Unwavering focus on operational efficiency

NOW

OPTIMISE AND GROW

- Embed and leverage next generation culture
- Invest to boost digital capability
- Leverage competitive positions and point of difference in targeted markets and segments
- Build-out total solutions customer value proposition
- Enhance sustainability credentials
- Innovate to drive operational efficiency and deliver packaging/product solutions
- M&A – right markets and segments
- Deliver sustainable profit and returns

NEXT

PROFITABLE, SUSTAINABLE GROWTH

- Culture drives competitive advantage
- Competitive positions in chosen markets and segments
- Best sustainable packaging choice
- Established total solutions value proposition
- Packaging, product and process innovation leader
- Continue to assess and leverage opportunities to grow organically
- Disciplined approach to growth investments/M&A
- Deliver sustainable value

FUTURE ORORA

Safety first  Talent driven  Customer focussed  Innovative core  Sustainable  Financial discipline
Orora’s sustainability program

• By the end of 2019, Orora met all of its initial 5 year EcoTargets on CO2 Emissions, Waste to Landfill and Water use.

• Orora has commenced work to implement the recommendations of the Taskforce on Climate Related Financial Disclosure (TCFD). The outcomes of this analysis will be used as a key input into the formulation of Orora’s new EcoTarget regime, which will be announced during the course of 2020.

• Orora maintained the Sustainable Forestry Initiative Certification for several of its North American sites.

• Orora continued to expand its Supplier Assurance Framework Program (SAF), designed to identify and mitigate human rights issues within its supply chain. Assessing human rights risks is now a standard procurement component of on-boarding a new supplier. Orora’s SAF program is positioned to address Orora’s obligations as a signatory to the United Nations Global Compact (UNGC) and the requirements of the Australian Federal Government’s legislation on Modern Slavery.

• Orora continued its focus on renewable energy through the implementation of small scale rooftop solar systems at three Beverage sites. This is in addition to the two Power Purchase Agreements (PPAs) signed by Orora in 2019 to supply wind generated, renewable energy for volumes equivalent to 80% of Orora’s total electricity requirements in Australia.

• Following completion of the sale of the Fibre businesses, Orora will retain the South Australian PPA to supply renewable energy to its remaining manufacturing operations on the eastern seaboard.
Orora’s sustainability point of difference is a competitive advantage

Glass
- Glass is working to increase the amount of used glass it recycles into new glass packaging.
- Glass is infinitely recyclable. It can be collected, beneficiated to create cullet (colour sorted, crushed, furnace ready used glass) and recycled into new glass packaging over and over again.
- Orora currently recycles ~80% of the used glass collected under the well established South Australian Container Deposit Scheme (CDS) and is seeking to source more cullet from other States at competitive prices.

Cans
- Orora sources coils of aluminium that contain around 70% recycled aluminium to make cans.
- During can production, leftover aluminium is collected and sold back to aluminium manufacturers for recycling.

North America
- The OPS manufacturing business has achieved 70% recycled content in its manufacture of corrugated board.
- OPS and OV continue to invest to improve energy efficiency across it operations.
Committed to creating shareholder value

What we said we would do

1. Organic sales growth, profitable market share gain & improved efficiency/cost control.
2. Increasing profitability (return on sales).
3. Bolt on M&A – primarily focused on NA footprint expansion and/or increase product capability.
4. Invest in innovation to enhance customer value proposition.
5. Customer driven growth investments.
7. Disciplined expenditure approach.

What we have done in 1H20

1. ANZ – delivered 5.2% underlying sales growth. OPS has developed a comprehensive improvement program. Same principles apply to OV.
2. ANZ margin steady. US EBIT margins declined on the pcp, however OPS improved margins by 50bps on 2H19.
3. The integration and performance of the Texas based Pollock acquisition is on track.
4. Continued investment in growth capital and innovation across the Group. ~160% of underlying depreciation invested in 1H19.
6. Declared dividends in-line with pcp – higher than indicated payout range.
7. Operating cash flow $129.1M. Cash conversion 72% - in line with pcp.

Shareholder value creation

- 6.5 cent dividend – higher than indicated payout range.
- RoAFE declined to 19.2% from 21.9% in December 2018 (margin pressures in OPS and dilutionary impact of Pollock integration).
- Announced sale of Fibre provides compelling shareholder value.
- A detailed review of Orora’s strategy has commenced, with a primary focus on the continuing businesses including growth options, review of investment hurdle rates and capital management.
- The current near term focus is on implementing improvement programs in North America and integrating Pollock.
- While not the current priority - M&A opportunities will be assessed and executed as appropriate subject to them meeting investment hurdle rates and being strategically compelling.
Perspectives for remainder of 2020

Current top priorities
• The clear priorities for the remainder of FY20 are to:
  • continue to implement the improvement programs in North America;
  • complete the rebuild of the G2 furnace; and
  • complete the sale of Fibre including capital management return to shareholders.

Market conditions
• Expecting ongoing challenging conditions in all markets in which Orora operates. The uncertainty in Australia has heightened with the severity of the ongoing drought and recent fires. The potential impact of the emerging coronavirus across both Australasia and North America only adds to the uncertainty.

Capital expenditure to be ~150% of underlying depreciation (100% of depreciation including AASB16)
• Gross total capex (base and growth) is expected to be approximately 150% of tangible asset depreciation for FY20. This is driven by investing in the completion of the new warehouse expansion at Gawler and the G2 glass furnace rebuild.
• There will be an adverse earnings impact of ~$8.0M (second half of FY20) from the rebuild of G2.
• The North American businesses are both investing in digital platforms to enable improved interaction, efficiency and engagement with customers.

Australasia
• As it has done consistently over recent years, in addition to pursuing organic growth and to offset ongoing input cost headwinds, the Australasian business will continue to identify and implement cost reduction opportunities, invest in asset upgrades, new capacity, new sites and utilise the Orora Global Innovation Initiative.

• The Australasian restructuring initiative announced in August 2019 almost exclusively related to the discontinued operations of the Fibre business. As such, no benefits are expected to be delivered by the enduring Australasia business.

• Input costs:
  • Orora has successfully secured new gas supply arrangements with multiple parties for two years. The anticipated net cost headwind from gas price increases in 2H20 will be ~$1.5M with a further ~$1.5M impact in 1H21.
  • Insurance costs have increased sharply - the estimated impact in 2H20 is a further ~$1.0M.

North America
• The focus for the North American businesses is to consolidate and deliver on the restructuring programs – this is to drive sales growth, margin improvement and improve cost efficiency.
• OPS to continue the integration of Pollock with the focus on delivering synergies as soon as practical.

Outlook
• Consistent with the outlook previously provided at the AGM in October 2019, Orora expects challenging market conditions to persist for the remainder of FY20. These factors, coupled with the financial impact of the G2 rebuild in H2 and time for the North American improvement initiatives to be fully realised, are expected to result in reported operating EBIT for the continuing operations being lower in FY20. Orora will continue to invest in efficiency, growth and innovation, as well as integrate recent acquisitions and finalise the sale of the Fibre business.
Appendix 1 – Like for like earnings

Orora has initially applied AASB 16 Leases using the modified retrospective approach. Under this method, the comparative information has not been restated. To assist the reader with a consistent year on year analysis, “like for like” or “underlying” refers to figures excluding AASB16 Leases.

**Group**

- Underlying net profit after tax (NPAT) was $75.2M down 15.0% on the prior corresponding period (pcp). Earnings per share (EPS) was 6.2 cents per share (cps), down 13.9% on the pcp.
- EBIT was $124.2M, down 10.5% on pcp.
- Leverage was 2.3 times, up from 1.9 times at June 2019 and 1.8 times at December 2018.
- RoAFE was 17.3%, down from 21.9% at pcp.

<table>
<thead>
<tr>
<th>A$ Million</th>
<th>1H19</th>
<th>1H20</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>1,620.2</td>
<td>1,835.2</td>
<td>13.3%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>176.1</td>
<td>163.0</td>
<td>(7.4%)</td>
</tr>
<tr>
<td>EBIT</td>
<td>138.8</td>
<td>124.2</td>
<td>(10.5%)</td>
</tr>
<tr>
<td>NPAT</td>
<td>88.4</td>
<td>75.2</td>
<td>(15.0%)</td>
</tr>
<tr>
<td>EPS (cents)</td>
<td>7.2</td>
<td>6.2</td>
<td>(13.9%)</td>
</tr>
<tr>
<td>Return on sales</td>
<td>8.6%</td>
<td>6.2%</td>
<td></td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>139.7</td>
<td>127.2</td>
<td>(9.0%)</td>
</tr>
<tr>
<td>Cash conversion</td>
<td>75%</td>
<td>72%</td>
<td></td>
</tr>
<tr>
<td>Dividend per share (cents)</td>
<td>6.5</td>
<td>6.5</td>
<td>-</td>
</tr>
<tr>
<td>Net debt</td>
<td>872</td>
<td>996</td>
<td></td>
</tr>
<tr>
<td>Leverage</td>
<td>1.8x</td>
<td>2.3x</td>
<td></td>
</tr>
<tr>
<td>Gearing</td>
<td>34%</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>RoAFE</td>
<td>21.9%</td>
<td>17.3%</td>
<td></td>
</tr>
</tbody>
</table>
### Australasia - Continuing business – Lease adjusted

<table>
<thead>
<tr>
<th></th>
<th>1H19</th>
<th>1H20</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Revenue</td>
<td>402.6</td>
<td>412.2</td>
<td>2.4%</td>
</tr>
<tr>
<td>EBIT</td>
<td>81.1</td>
<td>82.1</td>
<td>1.2%</td>
</tr>
<tr>
<td>EBIT Margin %</td>
<td>20.1%</td>
<td>19.9%</td>
<td></td>
</tr>
<tr>
<td>RoAFE</td>
<td>31.6%</td>
<td>31.0%</td>
<td></td>
</tr>
</tbody>
</table>

**Australasia**

- EBIT was $82.1M, up 1.2% on pcp.
- EBIT Margin was 19.9%, down 0.2% on the pcp.
- RoAFE was 31.0%, down from 31.6% at pcp.

### North America – Lease adjusted

**Australasia**

- Australia dollar EBIT was $41.9M, down 27.4% on pcp.
- EBIT Margin was 3.0%, down 1.7% on the pcp.
- RoAFE was 9.3%, down from 15.3% at pcp.
- US dollar EBIT was $28.8M, down 31.0% on pcp.

**North America (AUD) – Lease adjusted**

<table>
<thead>
<tr>
<th></th>
<th>1H19</th>
<th>1H20</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Revenue</td>
<td>1,217.6</td>
<td>1,423.0</td>
<td>16.9%</td>
</tr>
<tr>
<td>EBIT</td>
<td>57.7</td>
<td>41.9</td>
<td>(27.4%)</td>
</tr>
<tr>
<td>EBIT Margin %</td>
<td>4.7%</td>
<td>3.0%</td>
<td></td>
</tr>
<tr>
<td>RoAFE</td>
<td>15.3%</td>
<td>9.3%</td>
<td></td>
</tr>
</tbody>
</table>

**North America (USD) – Lease adjusted**

<table>
<thead>
<tr>
<th></th>
<th>1H19</th>
<th>1H20</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Revenue</td>
<td>881.5</td>
<td>974.1</td>
<td>10.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>41.8</td>
<td>28.8</td>
<td>(31.0%)</td>
</tr>
</tbody>
</table>