Orora Half Year Results

Half Year Ended 31 December 2014

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24 February 2015

Disclaimer

Forward Looking Statements
This presentation contains forward-looking statements that involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to Orora. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “seeks”, “estimate”, “anticipate”, “believe”. “continue”, or similar words.
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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
- General changes in the economic conditions of the major markets in which Orora operates.

These forward looking statements speak only as of the date of this presentation. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rule, Orora disclaims any obligation or undertaking to publicly update or revise any of the forward looking statements in this presentation, whether as a result of new information, or any change in events conditions or circumstances on which any statement is based.

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. EBIT and EBITDA before Significant Items and Significant items have not been audited but have been extracted form Orora’s audited financial statements. All other non-IFRS information unless otherwise stated, have 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.

Comparative financial information
Effective 17 December 2013, Orora Limited (the Company) and its controlled entities (collectively referred to as the Orora Group) demerged from Amcor Limited. The Company was listed as a separate standalone entity on the Australian Securities Exchange on 18 December 2013 and the demerger was implemented on 31 December 2013.

Prior to the demerger, the Company and Amcor Limited were required to undertake an internal corporate restructure (Corporate Restructure). The Corporate Restructure took place as at 31 October 2013 and as a result the statutory financial information for the comparative period does not give a relevant view of the performance of the Orora Group as it is currently structured.

As Orora Group has been operating as a standalone entity for the entire six month period ended 31 December 2014, there has been no need for the Company to provide pro forma financial information in respect of the current period. However, unless otherwise indicated, the comparative financial information contained in this presentation for the six month period ended 31 December 2013 has been presented on a pro forma basis.

The pro forma comparative financial information has been prepared to assist stakeholders’ understanding of Orora Group’s business as it is now structured and as an independent company listed on the Australian Securities Exchange. The pro forma comparative financial information has not been audited. Commentary throughout this presentation primarily refers to the pro forma comparative financial information unless otherwise stated. A reconciliation between the pro forma financial information and Orora Group’s Appendix 4D Half Year Report is in the Investor Results Release, released by the Company to the market today.

Orora Business Highlights

Earnings Summary

A$ Million	Pro Forma 1H14	1H15	Δ%
NPAT	56.2	69.1	23.0
EPS[1] (cents)	4.7[1]	5.7	23.0
Segment EBIT			
Australasia	91.2[2]	101.0	10.7
North America	27.9	33.6	20.4
Corporate	(15.8)[3]	(16.2)	(2.5)
TOTAL EBIT	**103.3**	**118.4**	**14.6**

1) Calculated as pro forma NPAT divided by number of shares on issue at 31 December 2014
2) Pro forma adjustments include $10.5M for half a year of the depreciation reduction from the demerger related asset impairment ($21M annualised) and $4.0M to account for half a year of the losses taken at June 2014 for onerous recycling contracts. At December 2013, the losses for onerous recycling contracts were reported within EBIT
3) Pro forma adjustment includes $8.5M for half a year of the additional corporate costs ($17M annualised)
4) Rebranded from Landsberg Distribution in December 2014

Strong half year result – meeting expectations

- Strong earnings growth – NPAT up 23.0%
- B9 production ramp up on track and translating into earnings benefits
- On target delivery of remaining “self help” cost reduction programs
- Underlying sales growth in Australia was 2.1%
- Sales growth in North America of 5.2%; Landsberg Packaging Solutions[4] sales up 7.0%
- Double digit earnings growth in Australasia and North America - despite subdued market conditions
- Conversion of earnings growth into strong operating cash flow
- Interim ordinary dividend of 3.5 cents per share unfranked – up 16.7% on pcp. Payout ratio of approx 61% of NPAT – within indicated range
- Leverage reduced to 2.1x

Positioning Orora for future success

- Key business projects & integration of recent acquisition on track
- Proprietary Orora Way operating model continues to be successfully embedded

Orora safety performance

	Jun-2013	Jun-2014	Dec-2014
RCFR	8.5	6.6	6.2
LTIFR	1.9	1.8	2.3

Safety improvement remains a continued priority

- Solid progress in RCFR in last 18 months
- Slight increase in LTIFR in last 18 months - this is an area of ongoing focus

Emphasis on implementing best practice & processes

- Benchmarking review and overhaul of Orora HSE Management System underway
- HSE leadership development focus

The safety of our employees is a key priority – one injury is too many

Note: Safety calculations based on a rolling 12 month performance

Half year results

Half Year Financial Highlights

A$ million	Pro Forma 1H14	1H15	Δ%
Sales	1,611.5	1,666.6	3.4
EBITDA	154.1	166.7	8.2
EBIT	103.3	118.4	14.6
NPAT	56.2	69.1	23.0
ETR (%)	30.8	30.1	
EPS (cents)	4.7[1]	5.7	23.0
Operating Cash Flow[2]	108.5	117.6	8.4
RoAFE (%)	9.8[3]	11.2	
Dividend (cents)	3.0	3.5	

Solid performance in line with expectations

Increased sales and earnings growth

- Higher Beverage volumes aided by Glass market share gains. Increased Landsberg Packaging Solutions sales. Volumes stable in remaining divisions.
- Increasing earnings despite muted economic conditions in Australia and North America
- On target delivery of B9 recycled paper mill benefits – cost reduction and innovation/sales starting to materialise
- Remaining cost reduction programs delivering as anticipated
- Higher margins - solid overall operating cost control and improved manufacturing efficiencies
- EPS up 23.0% to 5.7 cents
- Favourable FX impact – sales $23.8M, EBIT $1.2M
- Increased earnings drove RoAFE up 1.4% to 11.2%

Continued conversion of earnings growth into cash flow

- Strong operating cash flow despite spend on major capex projects
- Dividend of 3.5 cents declared representing payout of approximately 61% - within indicated payout range of 60-70%

(1) Calculated as pro forma NPAT divided by number of shares on issue at 31 December 2014
(2) Operating cash flow excludes significant items that are considered outside the ordinary course of operations and non-recurring in nature. Includes Net Capital Expenditure
(3) Calculated as pro forma EBIT/average funds employed. Average funds employed for pro forma RoAFE 1H14 is inclusive of the Fibre Division impairment ($209M) booked in December 2013 as though it were part of average funds employed from the beginning of FY14

Orora Australasia

Earnings Summary (EBIT)

A$ Million	Pro Forma 1H14	1H15	Δ
Sales Revenue	983.4	982.1[1]	(0.1%)
EBIT	91.2	101.0	10.7%
EBIT Margin %	9.3	10.3	
Operating Cash Flow	105.5	104.5	($1.0M)

Improved Beverage volumes and cost reduction/B9 benefits driving higher earnings

Operating results in line with expectations despite flat market conditions

- Underlying sales growth[1] of 2.1%, in line with GDP
  - Higher Beverage volume – Glass market share gains offsetting slight underlying volume decline. Can volumes steady
  - Fibre volumes generally stable
- Improved earnings in Fibre and Beverage divisions – manufacturing efficiency & cost reduction benefits
- On track B9 ramp up translating into earnings growth – cost reduction & innovation/sales synergy benefits starting to materialise
- On target delivery of cost reduction benefits
  - Representing $14.2M of incremental cost reduction benefits in 1H15 over pcp
- Strong operating cash flow despite elevated capex spend due to scheduled glass furnace rebuild

(1) Underlying sales up 2.1% after adjusting for the impact of previous footprint rationalisation (Petrie & Thomastown), lower recycling sales due to the progressive exit of surplus tonnes, B9 paper previously sold externally now sold internally to Orora North America, partially offset by impact of higher aluminium prices.

Realisation of targeted B9 'self help' benefits remain a focus

	A$ Million
Total targeted B9 'self help' benefit[1]	50.0
Cumulative B9 'self help' achieved in FY14[2]	3.0
Incremental/cumulative B9 'self help' achieved in 1H15	**9.1**

On target delivery of B9 cost reduction and innovation/sales synergy benefits have started to impact

Ramp up progressing in line with expectations

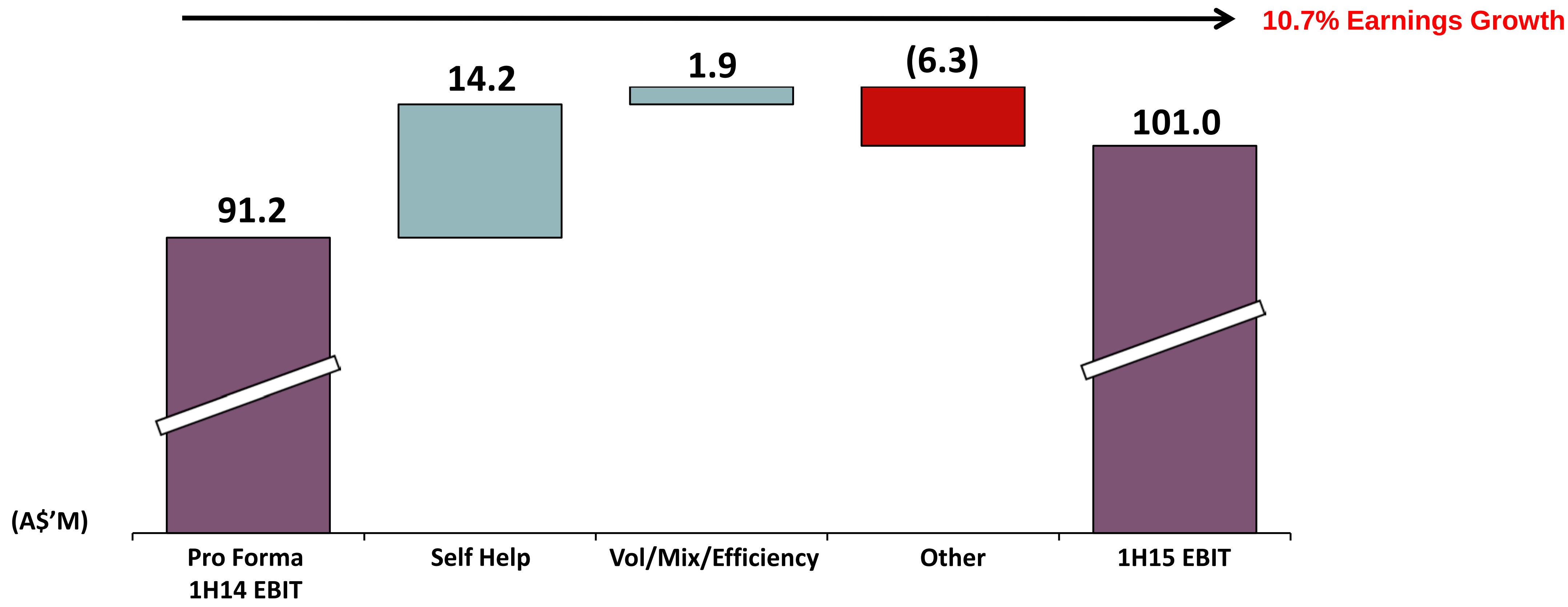
- On-going production stability maintained at FY14 exit levels
- Produced 185k tonnes during the half (vs. 167k tonnes in pcp)
- Exported 19k tonnes to Orora North America
- Anticipate export to North America to continue to increase during 2H15
- Improved quality characteristics of B9 paper continue to be well received by internal and now third party customers

On target delivery of B9 'self help' earnings benefits

- On target delivery of $9.1M of incremental (and cumulative)[2] benefits
  - Representing $8.1M of cost reduction and $1.0M of innovation/sales synergy benefits
- Guidance unchanged – expecting approximately $20.0M of cumulative B9 benefits to be delivered in FY15, with the remainder over the next 2 – 3 years

(1) Extent of increased earnings from potential cost reduction benefits is a function of a number of factors; including general market conditions, competitor pricing strategies and ability of Orora to pass on or offset any cost increases
(2) The $3.0M of B9 paper mill cost reduction benefits delivered during the 12 months in FY14 were realised in the second half

Australasia EBIT growth



On target delivery of cost reduction & B9 benefits and positive vol/mix/efficiency driving higher earnings

Solid result despite headwinds faced by the business during the half (e.g. Carbon Tax repeal)

Orora North America

ORORA

Earnings Summary (EBIT)

A$ Million	Pro Forma 1H14	1H15	Δ
Sales Revenue	628.1	684.5	9.0%
EBIT	27.9	33.6	20.4%
EBIT Margin %	4.5	4.9	
Operating Cash Flow	20.9	14.5	($6.4M)

US$ Million	Pro Forma 1H14	1H15	Δ%
Sales Revenue	578.9	608.9	5.2
EBIT	25.7	29.9	16.3

Solid distribution sales growth & improved operating cost control delivering higher earnings & margins

Top line performance led by Landsberg Packaging Solutions sales growth of 7.0%

- Increased organic sales, market share gains in most regions and benefits from previous bolt on acquisition
- Continued focus on securing large corporate accounts within preferred markets of food, pharma/health, IT and automotive
- Benefits from on-going transition to a provider of customised packaging solutions vs. distributor of commodity product
  - Associated rebranding to Landsberg Packaging Solutions (formerly Landsberg Distribution)
- Change in operating cash flow reflects spend on the new ERP system and working capital impact of the recent acquisition/strategic account revenue growth
- Integration of the small bolt on acquisition made in July 2014 is on track

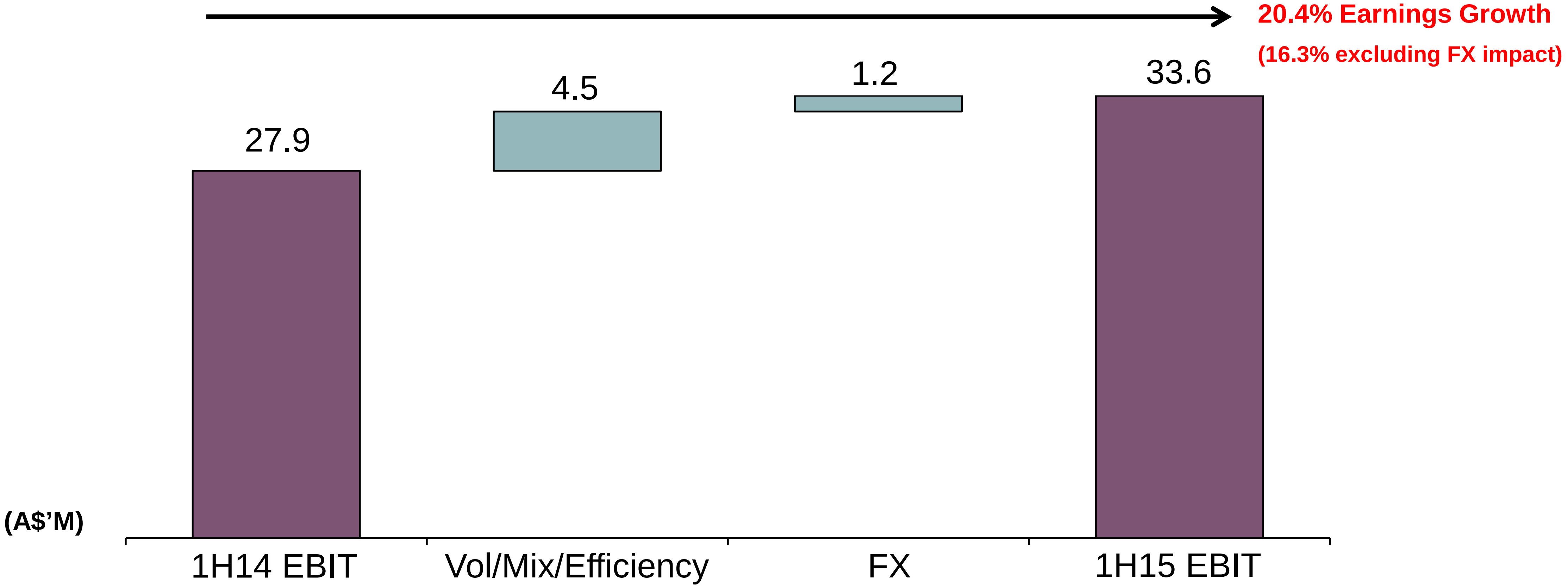
Earnings growth driven by higher sales and margin improvement initiatives

- Increased Landsberg Packaging Solutions sales contributing to earnings growth
- EBIT margin improvement from increased efficiency, operating cost control and better procurement capability

FX benefit

- Translational benefit on North America sales and earnings $23.8M and $1.2M on pcp, respectively

North America EBIT growth



Organic growth, market share gain & margin improvement initiatives delivering higher earnings
Favourable FX benefit

Orora Corporate

Earnings Summary (EBIT)

A$ Million	Pro Forma 1H14	1H15	Δ%
Corporate	(15.8)	(16.2)	(2.5)

Corporate costs in line with pro forma prior year

- Corporate costs of $16.2M, in line with pcp
- Included in Corporate are costs associated with the New Zealand Cartons reorganisation partially offset by the net profit result related to sale of surplus land and legacy building issues at Botany, New South Wales
- Reiterate guidance that Corporate costs for FY15 are expected to be in line with pro forma FY14

Strong underlying operating cash flow

A$ Million	Pro Forma 1H14	1H15
EBITDA	154.1	166.7
Non Cash Items	1.0	11.0
Movement in Working Capital	(14.9)	(21.6)
Net Capex	(31.7)	(38.5)
Underlying Operating Cash Flow	**108.5**	**117.6**
Cash Significant Items	(46.8)	(10.8)
Operating Free Cash Flow	61.7	106.8
Average Working Capital to Sales[1] (%)	10.8	10.7

Continued conversion of increased earnings into cash

Strong conversion of earnings growth into cash

- Underlying operating cash flow up $9.1M (8.4%) despite planned above average capex spend
- Cash conversion[2] of 66% (target is approximately 70%)

Average working capital to sales ratio improved to 10.7%

- Well managed despite inventory impact of key Beverage projects (glass furnace rebuild & transition to an imported aluminium sourcing model)
- Remains a focus across the business

Base capex within FY15 guidance range of 90-100% of depreciation

- Higher than the medium term average (80-90% of depreciation) due to spend on the G1 glass furnace rebuild and new ERP system in North America

Cash significant item projects remain on target

- Spend this half relates to the final phases of cost reduction and footprint rationalisation initiatives and the onerous recycling contracts
- Remaining spend of approximately $3.0M in FY15 for cost reduction projects. Approximately $12.0M of spend remaining on the onerous recycling contracts which are expected to run down over the next 3-4 years

(1) Average net working capital for the period/annualised sales
(2) Cash conversion measured as underlying operating cash flow divided by cash EBITDA

Balance sheet and Debt

Balance Sheet

A$ Million	June 14	Dec 14
Funds Employed (period end)	2,018	2,074
Net Debt	636	645
Equity	1,382	1,429
Leverage (x)[1]	2.2	2.1
RoAFE (%)[2]	9.3[3]	11.2

Healthy balance sheet provides future growth optionality

Strong balance sheet providing platform for future growth

- Reduced leverage through conversion of earnings into cash
- Leverage of 2.1x is within Management target of <2.5x. Leverage at December 2013 was 2.4x
- Gearing is 31% - down from 33% in pcp
- EBITDA interest cover is 7.9x – up from 6.3x in pcp
- Substantial capacity and headroom in covenants
- Maintain disciplined approach to expenditure and acquisitions
- Improved earnings and disciplined financial management driving increased returns

(1) Calculated as Net Debt / trailing 12 month EBITDA
(2) RoAFE is calculated as annualised 6 month EBIT / average funds employed
(3) 1HFY2014 RoAFE is calculated on a pro forma basis. Average funds employed for pro forma RoAFE is inclusive of the impact of the Fibre Division impairment ($209M) booked in December 2013 as though it were part of average funds employed from the beginning of FY14

Returns focused capital management

Total Debt Facility	$1,000 million
Net debt	$645 million
Cash on hand	$26 million
Drawn Debt	$673 million
Undrawn Capacity	$327 million
Leverage(1)	2.1x EBITDA

Balance sheet strength driven by conversion of increasing earnings into cash

- Leverage 2.1x EBITDA – down from 2.4x at December 2013

Committed to maintaining sensible debt levels

- Targeting investment grade credit metrics
- Currently assessing options to diversify funding sources
- Given deleveraging and available headroom, the debt facility was reduced by $100k to manage undrawn line fees - substantial headroom remains

Disciplined use of free cash flow to provide capacity for future growth

- Declared dividend in line with stated 60 – 70% payout policy
- Targeted bolt on M&A opportunities focused on enhancing core operations and/or improving industry structure are being pursued
- Investment of growth capital to further develop current operations will be considered if substantially underpinned by a customer contract
- Committed to investment hurdle rate - 20% ROI by year 3 for bolt on acquisitions
- Capital management opportunities in absence of suitable growth investments to be considered in time

(1) Equal to Net Debt / trailing 12 months EBITDA

Our Orora – culture of driving outperformance

WHAT WE BELIEVE

At Orora we believe packaging touches lives.
Together we deliver on the promise of what's inside.

WHAT WE VALUE

TEAMWORK

We are one Orora, without silos.
We keep each other safe.
We are in it together – or not at all.

PASSION

Be courageous.
Be curious and innovate.
Be responsible and deliver.

RESPECT

For each other.
For the community.
For our customers.

INTEGRITY

Do what is right.
Be true to what we stand for.
Be true to the promise we make.

WHAT WE DELIVER

Outperformance: through customer focus, safety, financial discipline and our people.

Customer led culture to drive sustainable outperformance

Continued commitment to a proven strategy

Focused portfolio

- Multi-year transformation journey - ongoing
- Divest non-core businesses
- Footprint relative to market
- From 9 segments to 4

Well invested businesses

- Investment for growth & cost improvement
- Organic growth – Beverage & Orora North America
- World-class recycled paper mill
- Strategic acquisitions
- Investment in innovation

Significant "self help" earnings opportunity

- B9 benefits
- Footprint rationalisation
- Cost improvement initiatives
- $93m of cumulative cost reduction benefits targeted over next 2-3 years

Strong operating cash flow

- Stable earnings streams
- Strong balance sheet
- Significant capital already invested
- Dividend payout ratio 60 – 70%
- Disciplined expenditure approach

Returns focused capital management

- Sustainable dividend payouts
- Dividends to be franked to the extent practicable
- M&A to enhance value – "close to the core"
- ROI hurdle for "bolt-ons" - 20%[1]
- Capital management options in absence of growth investment

Shareholder Value Creation

Underpinned by a disciplined operating framework & culture of Outperformance

[1] Measured as EBIT to Funds Employed, achieved by the third full year

Committed to creating shareholder value

What we said we would do

- Ongoing delivery of cost reduction programs
- Progressive realisation of B9 'self help' benefits over the next 2-3 years
- Organic growth – Orora North America & Beverage
- Invest in innovation to enhance customer value proposition
- Customer led growth investments
- Sustainable dividend payouts
- Disciplined expenditure approach

What we have done in 1H15

- Delivered $14.2M of incremental cost reduction benefits in 1H15 over pcp
- $9.1M of B9 benefits delivered in 1H15 – cost reduction & innovation/sales synergy benefits starting to materialise
- 7% sales growth in Landsberg Packaging Solutions, underlying sales growth of 2.1% in Australasia - benefits from additional market share in Glass
- Exclusive distribution licence for XO™ resealable can closure
- Approved investing $20M in a new dairy sack line to service growing global demand for powdered dairy products
- Declared interim FY15 dividend up 16.7% on pcp & within 60-70% payout policy
- 1H15 capex within 90-100% of depreciation, in line with FY15 guidance

Shareholder value creation

- Total shareholder return in excess of 15% in the six months since 30 June 2014[1]
- Declared 3.5 cent interim FY15 dividend – approximately 61% payout
- Pro forma RoAFE improved to 11.2% from 9.8% in pcp
- **Orora remains committed to generating further shareholder value through delivery on identified cost reduction initiatives and the sensible allocation of free cash flow**

(1) Dividends reinvested in security. Reflecting period 1 Jul 2014 to 31 Dec 2014

Investing in innovation & growth for future success

Australasia

Customer led growth investments

E.g. Proposing to invest approximately $20M in a new state of the art dairy sack line to service growing global powered milk demand (if approved, expected production late calendar 2016)

Innovation

Signed an exclusive distribution licence for XO™ re-sealable beverage can closure

Realise benefits from the improved strength and printability of B9 paper

Named in the 2014 BRW 50 Most Innovative Companies

Bolt on M&A

Pursue bolt on M&A to improve industry structures and/or strengthen position in existing market segments/channels to market

North America

Organic growth

Continue to target large corporate accounts and increase share of wallet with current customers

Bolt on M&A

Targets servicing preferred markets of food, pharma/health, IT & automotive

Actively pursuing investments to enhance geographic footprint and/or extend product offering/value proposition

Integrated fibre offering

Sell the improved performance characteristics of B9 paper

Australasia: Customer led growth investments, innovation and bolt on M&A to augment competitive position

North America: Organic growth, bolt on M&A and integrated fibre offering to drive regional growth

Orora M&A and Integration Blue Print

Origination → Initial Assessment → Due Diligence → Integration

Efficiently find & develop opportunities that align with Orora's strategy

Balance earnings & returns, chosen segments, profit execution pipeline, in-house M&A specialists (Australia & North America)

Conduct thorough due diligence which results in most effective acquisitions

In-house subject matter experts & financial due diligence

Quickly & successfully integrate businesses into Orora for maximum value creation

100 day plans, clarity of roles & accountability, the Orora Way operating model, in-house integration specialists

Key to Orora's growth strategy will be to successfully execute a proven & repeatable Merger, Acquisition and Integration process that maximises value in the shortest possible time

Perspectives for 2015

Orora Australasia

- Ongoing ramp up of B9 and delivery of an expected $20M of cumulative cost reduction and innovation benefits
- Increased Glass market share in beer commencing July 2015
- Glass furnace rebuild (G1) commenced January 2015 – rebuild "on track", out of operation for three months, estimated cost $30M
- Reorganisation of the New Zealand Cartons operations during FY15 & FY16
- The Glass division has started paying higher gas prices from January 2015 – gas price pass through on approximately 50% of existing customer contracts with recovery expected to commence in FY16 due to contractual lags and the remainder expected to be recovered from the market over time
- Proposed investment of approximately $20M to be made in a new dairy sack line to service increasing global demand for powdered dairy products. If approved, expected to be in production by late calendar 2016

Orora North America

- Continue to push for market share and cost efficiencies
- Complete integration of the small bolt on acquisition made on 1 July 2014
- Continuing successful progress on the new ERP system – cost approximately A$22M spread evenly over FY15 & FY16
- Actively pursuing further bolt on M&A

Outlook

- Orora expects to continue to drive organic growth and deliver on the cost reduction initiatives in 2015 with earnings to be higher than that reported (on a pro forma basis) in 2014, subject to global economic conditions

Appendix slides

Comparative year pro forma reconciliation

Appendix 1

Comparative year: reconciliation for 1H14 pro forma NPAT

(A$M)	1H14 (previously reported)	Significant Item[1]	Adjustments[2]	1H14 (restated)
Sales	1,611.5	-	-	1,611.5
EBITDA	158.6	4.0	(8.5)	154.1
EBIT	**97.3**	**4.0**	**2.0**	**103.3**
Interest (as per Scheme Booklet assumptions)	(22.0)	-	-	(22.0)
Pro forma profit before tax	**75.3**	**4.0**	**2.0**	**81.3**
Tax (as per Scheme Booklet assumptions)	(23.2)	(1.2)	(0.7)	(25.1)
Pro forma profit after tax	**52.1**	**2.8**	**1.3**	**56.2**
Dividend – cps	3.0			3.0
Dividend - $	36.2			36.2
Payout ratio	70%			64%

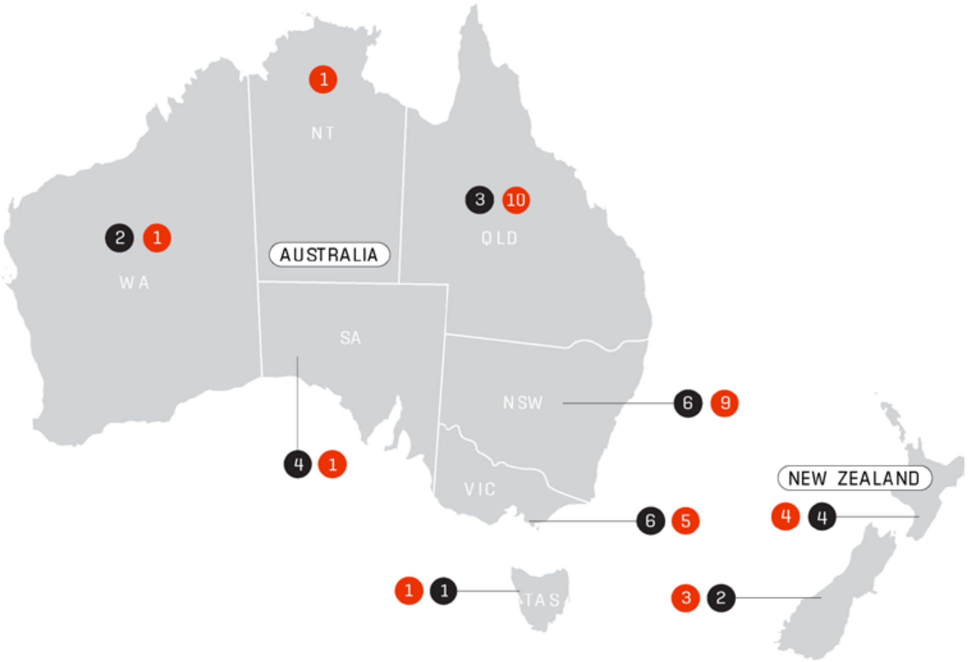
1) Includes a $4M significant item to account for six months of the onerous recycling contracts assessed as a significant item at 30 June 2014. Previously, these losses were reported in EBIT at 31 December 2013.
2) Pro forma adjustments to remain consistent with the method of reporting at 30 June 2014.

- Reduction in depreciation charge of $10.5M and an increase in corporate costs of $8.5M from accounting for six months of the asset impairment and six months of additional standalone costs from 1 July 2013, respectively. As stated in the Demerger Scheme Booklet. These pro forma adjustments were previously not included at 31 December 2013.

General business information

Appendix 2

Regional Strength



Orora

$3.2 BILLION FY14 Revenue

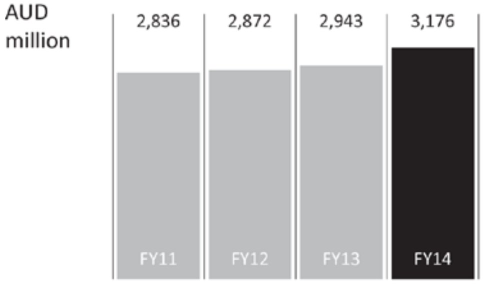
122 Sites, **7** Countries

39 Manufacturing Plants

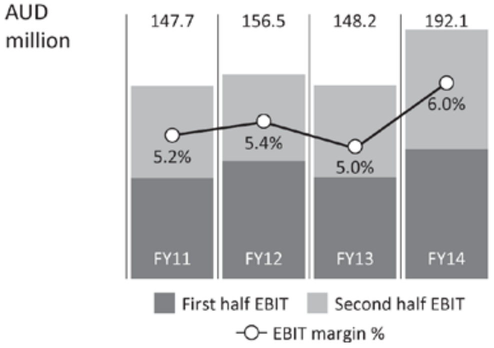
83 Distribution Centres

5,500 Employees

Pro forma sales revenue



Pro forma EBIT



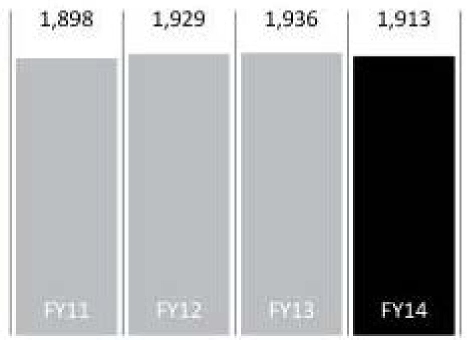
Orora Australasia

Overview

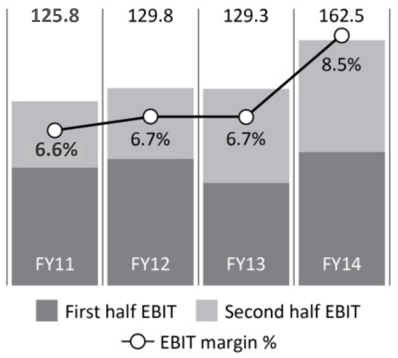
- A portfolio of scale businesses with leading positions in their respective markets
- Predominantly services the defensive food and beverage segments
- 3,500 employees across 28 manufacturing plants and 35 distribution centres
- Focused on fibre (recycled paper, corrugated boxes, cartons and sacks and distribution of packaging materials) and beverage (glass bottles, beverage cans and wine closures) packaging within Australia and New Zealand

Sales & Earnings History

Pro forma sales revenue
AUD million



Pro forma EBIT
AUD million



Fibre business

- The Fibre operating division produces corrugated boxes, cartons and sacks and manufactures recycled paper
- The business has the number one position in cartons and sacks, and the number two position in corrugated and recycled paper in Australia
- Integrated operations with recycled paper (annual capacity of 400,000 tonnes) manufactured for use in the corrugated box operations and for export to the Orora North America business
- Predominantly supplies products to the Australian and New Zealand markets with more than 65% of sales to the defensive food and beverage segments

Beverage business

- The Beverage operating division produces aluminium beverage cans, glass bottles and wine closures
- The business has the number one position in beverage cans, number one position in glass wine bottles, number 2 position in glass beer bottles and number 2 position in wine closures in Australia
- Six beverage can plants with a manufacturing footprint covering Eastern Australia, Western Australia and New Zealand
- Three glass furnaces and wine closure operations in South Australia









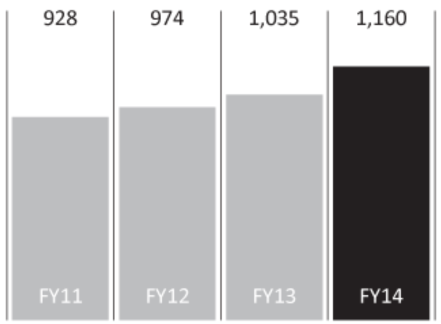

Orora North America

Overview

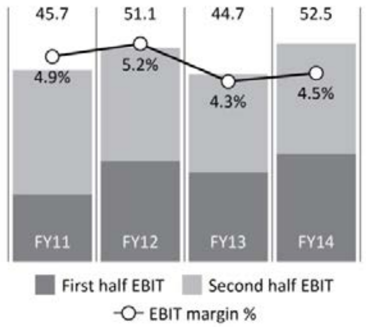
- Orora North America is a total packaging solutions provider in the USA, Canada and Mexico. It also has integrated corrugated sheet and box manufacturing and equipment sales capabilities.
- Comprises 11 manufacturing plants and 48 distribution sites and 2,000 employees across five countries
- Orora North America has two operating divisions – Landsberg Packaging Solutions and Manufacturing (under the Manufactured Packaging Products (MPP) and Corru-Kraft (CK) brands)

Sales & Earnings History

Pro forma sales revenue
USD million



Pro forma EBIT
USD million



Landsberg Packaging Solutions

- Large distributor of corrugated boxes, shipping materials, label supplies, janitorial products and packaging equipment predominantly in North America
- Purchases, warehouses, sells and delivers over 7,000 packaging products and other related materials sourced from a variety of manufacturers
- The Landsberg Engineered Packaging Solutions group specializes in flexible packaging capabilities, packaging equipment, full-line automation and technical expertise
- Total solutions approach to service also includes vendor managed inventory, just-in-time inventory logistics, fulfilment services, strategic account services and electronic ordering capabilities
- Sales are generated by both a commission-based sales force comprising approximately 300 sales representatives and a focus on servicing large strategic corporate accounts
- In December 2014, Landsberg Packaging Solutions was rebranded from Landsberg Distribution to better reflect the growing shift to providing customised packaging solutions rather than being a distributor of commodity product

Manufacturing (MPP and CK)

- Manufacturing operating division provides the Packaging Solutions business group with an integrated value chain in corrugated products
- Corru-Kraft (CK) produces corrugated sheets that are sold to external customers and Manufactured Packaging Products (MPP)
- Manufactured Packaging Products is a converter of corrugated sheets, producing custom and stock corrugated boxes, point-of-purchase displays, merchandising packaging, die cuts and other specialty packaging products for sale to a range of distributors and brokers, including Landsberg Packaging Solutions

Historical pro forma financial information – FY11 to FY14

Appendix 3

Orora Limited

Pro Forma Historical Earnings Before Interest and Tax

(A$'m)	FY11	FY12	FY13	FY14
Australasia	125.8	129.8	129.3	162.5
Orora North America	46.2	49.5	43.5	57.1
Corporate	(24.3)	(22.8)	(24.6)	(27.5)
Group	**147.7**	**156.5**	**148.2**	**192.1**

Orora Limited
Pro Forma Historical Financials

(A$'m)	FY11	FY12	FY13	FY14
Sales	2,836.1	2,872.2	2,942.7	3,176.1
PBITDA	247.3	262.1	245.6	290.8
PBIT	147.7	156.5	148.2	192.1
PBITDA margin (%)	8.7	9.1	8.3	9.2
PBIT margin (%)	5.2	5.4	5.0	6.0
AFE[1]	1,447.3	1,487.8	2,071.1	2,071.7
RoAFE (%)	10.2	10.5	7.2	9.3
Cash Flow				
EBITDA	247.3	262.1	245.6	290.8
Non cash items	25.5	3.1	14.0	19.5
Cash PBITDA	272.8	265.2	259.6	310.3
Movement in working capital	(37.4)	(36.5)	(37.2)	(4.7)
Net capex[2]	(95.4)	(79.3)	(53.5)	(81.5)
Underlying operating cash flow	**140.0**	**149.4**	**168.9**	**224.1**
Cash SI	(4.2)	(38.2)	(55.6)	(57.3)
Operating Free Cash flow	**135.8**	**111.2**	**113.3**	**166.8**
Cash Conversion[3]	*51%*	*56%*	*65%*	*72%*

(1) Average Funds Employed includes the B9 recycled paper mill from FY13

(2) Excludes the B9 recycled paper mill

(3) Calculated as underlying operating cash flow divided by cash EBITDA

Orora Australasia
Pro Forma Historical Financials

(A$'m)	FY11	FY12	FY13	FY14
Sales	1,898.2	1,928.5	1,935.6	1,912.9
PBITDA	206.0	216.7	212.8	245.4
PBIT	125.8	129.8	129.3	162.5
PBITDA margin (%)	10.9	11.2	11.0	12.8
PBIT margin (%)	6.6	6.7	6.7	8.5
AFE[1]	1,280.1	1,313.9	1,887.2	1,822.9
RoAFE (%)	9.8	9.9	6.9	8.9
Cash Flow				
EBITDA	206.0	216.7	212.8	245.4
Non cash items	26.1	9.7	16.4	19.8
Cash PBITDA	232.1	226.4	229.2	265.2
Movement in working capital	(51.1)	(22.5)	(28.5)	10.5
Net capex[2]	(67.6)	(58.1)	(43.5)	(69.2)
Underlying operating cash flow	**113.4**	**145.8**	**157.2**	**206.5**
Cash SI	(4.1)	(36.9)	(28.4)	(33.6)
Operating Free Cash flow	**109.3**	**108.9**	**128.8**	**172.9**
Cash Conversion[3]	*49%*	*64%*	*69%*	*78%*

(1) Average Funds Employed includes the B9 recycled paper mill from FY13
(2) Excludes the B9 recycled paper mill
(3) Calculated as underlying operating cash flow divided by cash EBITDA

Orora North America
Pro Forma Historical Financials

AUD

(A$'m)	FY11	FY12	FY13	FY14
Sales	938.0	943.8	1,007.1	1,263.2
PBITDA	56.5	59.3	51.3	67.5
PBIT[1]	46.2	49.5	43.5	57.1
PBITDA margin (%)	6.0	6.3	5.1	5.3
PBIT margin (%)	4.9	5.2	4.3	4.5
AFE	204.2	196.5	203.1	263.8
RoAFE (%)	22.6	25.2	21.4	21.6
Cash Flow				
EBITDA	56.5	59.3	51.3	67.5
Non cash items	(1.4)	0.2	1.4	1.9
Cash PBITDA	55.1	59.5	52.7	69.4
Movement in working capital	5.1	1.2	(5.9)	(9.8)
Net capex	(4.9)	(8.5)	(8.5)	(13.9)
Underlying operating cash flow	**55.3**	**52.2**	**38.3**	**45.7**
Cash SI	0.0	0.0	0.0	0.0
Operating Free Cash flow	**55.3**	**52.2**	**38.3**	**45.7**
Cash Conversion[2]	*100%*	*88%*	*73%*	*66%*

USD

Local Currency (USD'm)				
Sales	928.4	973.8	1,034.5	1,159.7
PBITDA	55.9	61.2	52.7	62.0
PBIT[1]	45.7	51.1	44.7	52.5
PBITDA margin (%)	6.0	6.3	5.1	5.3
PBIT margin (%)	4.9	5.2	4.3	4.5
AFE	202.1	202.7	208.6	242.2
RoAFE (%)	22.6	25.2	21.4	21.6

(1) FY11 excludes A$7M sale and lease back
(2) Calculated as underlying operating cash flow divided by cash EBITDA