

# News Release

19 August 2013

## **AMCOR ANNOUNCES PROFIT RESULT FOR YEAR ENDED 30 JUNE 2013**

**Statutory net profit after tax for the year ended 30 June 2013 was \$600.6 million. Statutory net profit after tax for the year ended 30 June 2012 was \$412.6 million.**

### **Highlights**

- Profit after tax and before significant items of \$689.5 million, up 8.6%;
- The translation impact from the higher Australian dollar on profit after tax and before significant items was negative \$13.8 million. On a constant currency basis, profit after tax and before significant items was \$703.3 million, up 10.8%;
- Earnings per share before significant items were 57.2 cents, up 9.4%;
- Annual dividend of 40.0 cents per share, up 8.1%;
- Returns, measured as profit before interest, tax and significant items to average funds employed, of 16.4%;
- Operating cash flow after net capital expenditure was \$739.5 million; and
- Cash flow from operating activities was \$1,046.5 million.

In announcing the result, Amcor's Managing Director and CEO, Mr Ken MacKenzie said: "The full year result represents another period of higher profits and returns.

"Earnings per share before significant items increased 9.4% to 57.2 cents per share and the dividend increased 8.1% to 40.0 cents per share.

"The high Australian dollar during the 2013 financial year meant that the translation of overseas earnings into Australian dollars for reporting purposes, had an adverse impact on profit after tax of \$13.8 million. On a constant currency basis, earnings per share increased by 11.5%. The key drivers of higher earnings were the benefits from recent acquisitions, ongoing growth from our businesses in emerging markets and continued improvement in operating performance."

### **Business Group Performance**

Commenting on business segment performance, Mr MacKenzie said: "The Flexible Packaging segment had a strong year with profit up 11.9% and record returns of 24.0%. The operating sales margin increased from 11.2% to 11.6% which is an outstanding achievement and reflects the benefits from recent acquisitions and strong growth in emerging markets.

"The Rigid Plastics group had a solid year with earnings up 5.2% and returns of 16.9%. The business secured substantial new volumes in both the beverage and diversified products segments that will contribute to future earnings growth.

"The Australasian and Packaging Distribution business achieved a solid result. The fibre operations had higher earnings driven by improved operating performance and the benefits from recent cost reduction initiatives.

“The new recycled paper mill at Botany in NSW commenced commissioning in October 2012 and the start up is proceeding well. This is a world-class machine that will deliver \$50 million in cost benefits over the next few years.”

#### **Growth**

“Amcor is well positioned to deliver continued earnings growth.

“The business has a comprehensive footprint in emerging markets that has consistently delivered solid growth in both sales and earnings. We have expanded our exposure to these markets over the past 12 months through new capital projects and acquisitions. These investments underpin the commitment to continually improve value for our customers and will also deliver benefits for Amcor shareholders.

“In Australasia, the business has had over \$1 billion of new investment over the past four years, creating low cost positions in our chosen product segments. The benefits from this capital expenditure combined with a number of new cost reduction initiatives underpin the opportunity for future growth.

#### **Outlook**

“This is an exciting time for Amcor. Each of the business segments is expecting to deliver increased earnings in the current year and the strong cash flow generation will ensure there is the opportunity to deliver further growth in shareholder value.”

**ENDS**

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