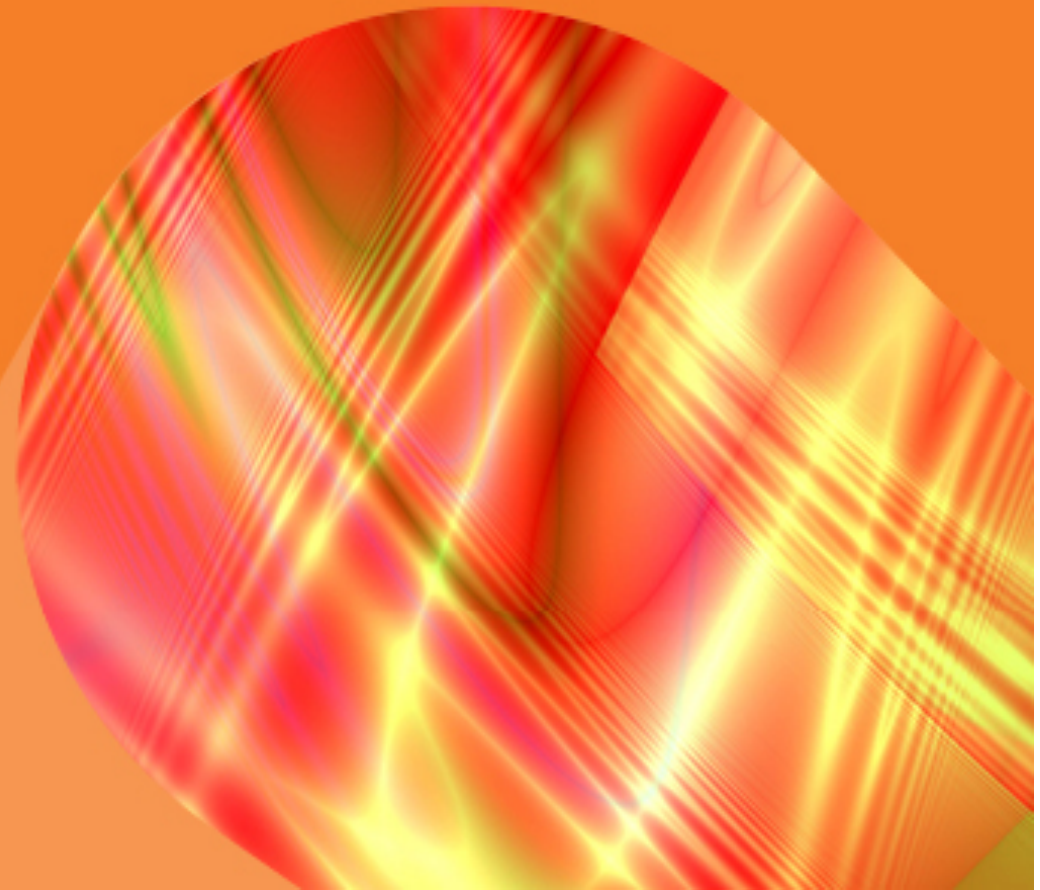




Innovation at Orora and Australasia update

Nigel Garrard, Managing Director and CEO





Nigel Garrard (BEC, CA, MAICD)

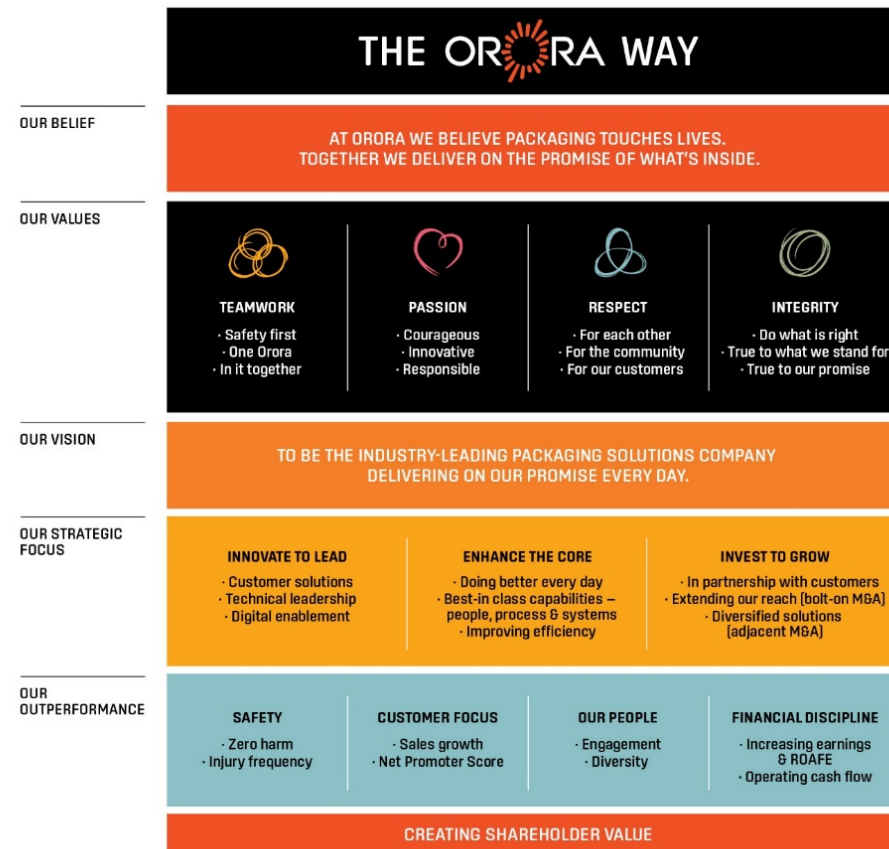
Managing Director and Chief Executive Officer

Nigel Garrard is a qualified chartered accountant with an extensive career in the consumer goods industry. In 2009, Nigel joined Amcor as President of the Australasia and Packaging Distribution business group. Prior to Amcor, Nigel was Managing Director of Coca-Cola Amatil's Food and Services Division (2007–2009), Managing Director of the publicly listed SPC Ardmona (2000–2009) and held a range of positions in Australia and New Zealand with US-based Chiquita Brands International, including as Managing Director of Chiquita Brands South Pacific Limited. A former Chairman of National Food Industry Strategy Limited and former Director of Australian Food & Grocery Council and Victorian Relief Foodbank Limited, Nigel has been involved with a wide range of industry associations. He is currently a Director of the Hudson Institute of Medical Research.

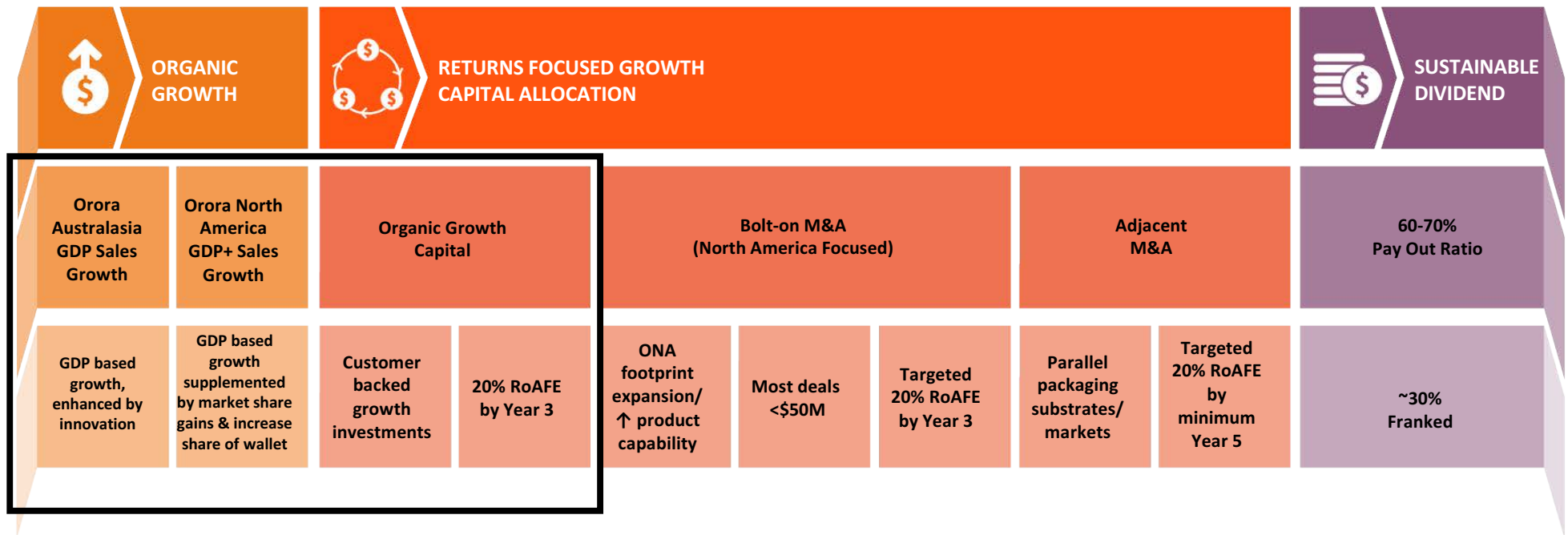
Invest Innovate Grow

The Orora Way articulates the Group’s purpose, strategy and guiding vision. This framework provides a practical set of guidelines to unite team members and embed a shared belief in what they do and how they can deliver for customers in every market that Orora operates in around the world.

Focus of today is on innovation



Orora's blueprint for creating shareholder value



Organic Australasian growth

Showcasing some of the recent investments in innovation and organic growth initiatives

Defining innovation



Innovation is about creating value:

- Stimulates growth
- Increases productivity
- Reduces cost
- Delivers better products and services



At Orora we define innovation as:

the implementation of new ideas that create value for our customers, and our company.

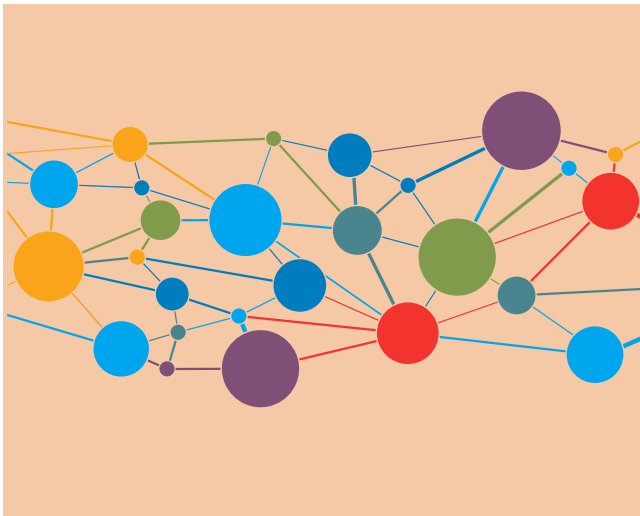
The need to harness innovation

Australian industry is undergoing a transformation led by:

Automation



Connectivity



Globalisation



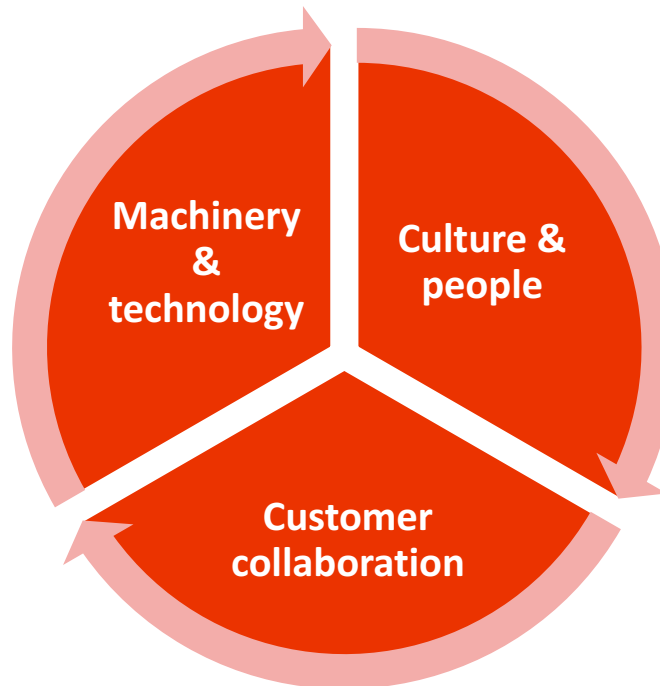
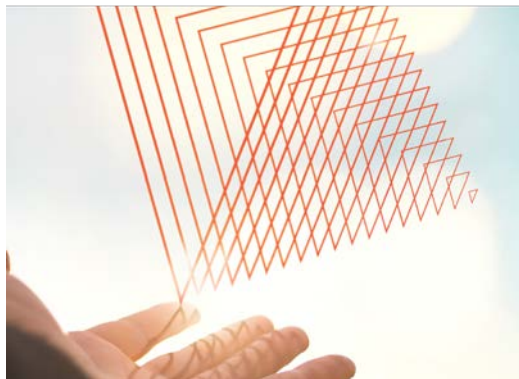
Transformation
=
opportunity



How innovation is shaping Orora



At Orora, we see innovation through a three way lense:



Investing in our business



**FY15
Launched
\$45m
Innovation
Initiative**



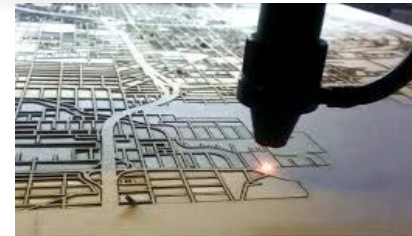
**FY16
\$20 million
committed**



**FY17
\$9 million
committed**



**1H18
\$16 million
committed -
\$45 million
cumulative**



Global Innovation Initiative increased by \$30 million to \$75 million

Investing in our business



Introducing the
new EFI Nozomi
C18000 digital
printers

Investing in our people



Innovation is ingrained in Orora's corporate culture and channelled through formal programs:

Internal crowd sourcing



Innovation Ambassadors



Industry 4.0 cadets



Investing with our customers



Innovation is always conducted from the customer perspective
Orora's specialist teams offer market-leading expertise:

Innovation & Design



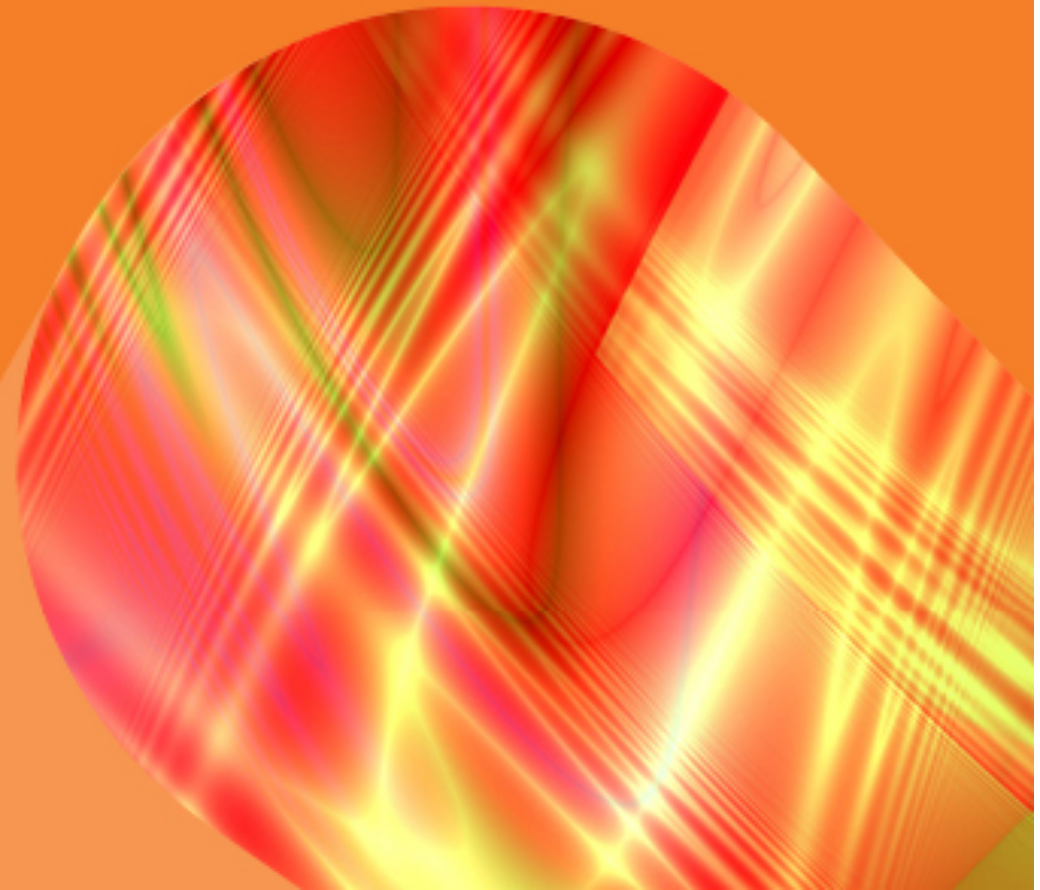
Research & Technology





Key projects update

Nigel Garrard, Managing Director and CEO



Sustainability and renewable energy



- New renewables agreement - effective 1 May 2018 Orora has entered into a second long term power purchase agreement (PPA), this time for electricity requirements for NSW and VIC
- Orora is the foundation customer for a new wind farm in Victoria
- PPA is fixed price
- Significantly reduces Orora's exposure to volatile electricity prices in NSW and VIC
- Previously estimated annual energy headwind of A\$12-16m reduced to ~A\$7m
- Combined with the existing renewable energy PPA for South Australia, ~80% of Orora's electricity requirements in Australia will be generated from renewable sources

Orora is one of Australia's leading glass/cardboard recyclers and growing user of renewable energy

Investment in new warehouse at Glass



- Orora is announcing today a further investment of ~\$35m to build a new warehouse on the Gawler site to enable Orora to hold the vast majority of finished product stock on site
- This is in addition to the purchase of the adjacent existing warehouses at Glass in December 2017
- Further reduction in off site pallet storage and transport costs
- Includes investment in automated guidance vehicles to further reduce ongoing operating costs
- Target 15%+ return on investment
- Estimated to be completed by end of CY19

Orora continues to look for organic opportunities to increase returns for shareholders



Fibre Business Group

Brian Lowe, Group General Manager



Brian Lowe (MBA)
Group General Manager, Fibre

Prior to taking on his current role, Brian Lowe was the Group General Manager of Orora's Beverage business. This followed two years in the same role with Amcor's Australasia and Packaging Distribution business. Before joining Amcor in 2011, Brian spent eight years as Managing Director of Delphi Automotive Systems, including four years as Managing Director for Asia Pacific Powertrain in Shanghai. This followed a 10-year career at General Electric (GE), where his last role was Managing Director of GE Plastics, Australia from 2001 to 2003.

Contents

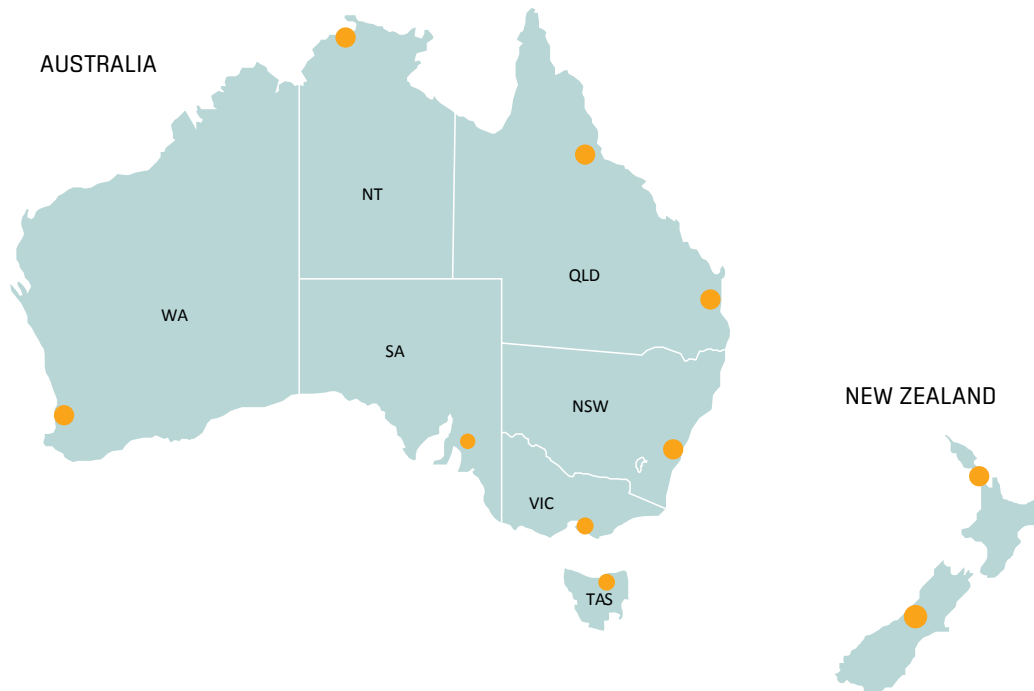


-
- Who we are
 - Fibre Packaging sales overview
 - Key end market trends
 - The Orora 'Fibre Packaging' Way
 - Innovate to lead
 - Enhance the core
 - Invest to grow
 - Sustainability
 - Q&A



Who we are

Fibre Packaging overview



Key markets

- Fruit & Produce
- Beverage
- Wine
- Meat
- Dry Goods
- SME

Capabilities and technologies

- National footprint
- Strong design capability and innovation
- Integrated with B9 with highest quality recycled paper in Australasia



MANUFACTURING PLANTS



DEPOT FACILITIES



TEAM MEMBERS



CUSTOMERS

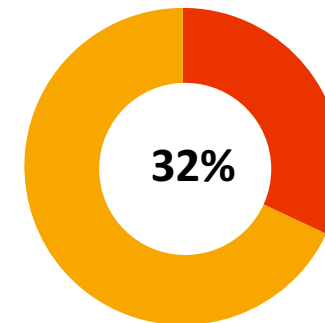
Fibre value proposition



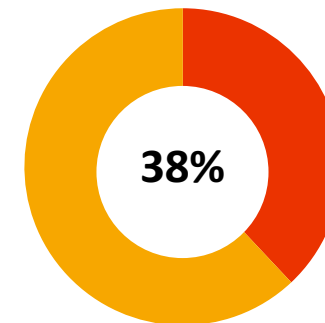
Why our customers choose us

- Superior quality products
- Superior customer service
- Responsiveness
- Product innovation and technology
- Fibre manufacturing footprint (all states including Tasmania and FNQ)
- Breadth of the Orora Group's packaging formats and accessories
- Design and testing capability (R&T)

Market share Fibre Packaging Aus



Market share Fibre Packaging NZ



Market Share Source : Orora management estimates

● Orora ● Competitors



Market fundamentals

- Good industry structure
- Industry moving to shelf ready packaging
- Shorter runs and more print individualisation

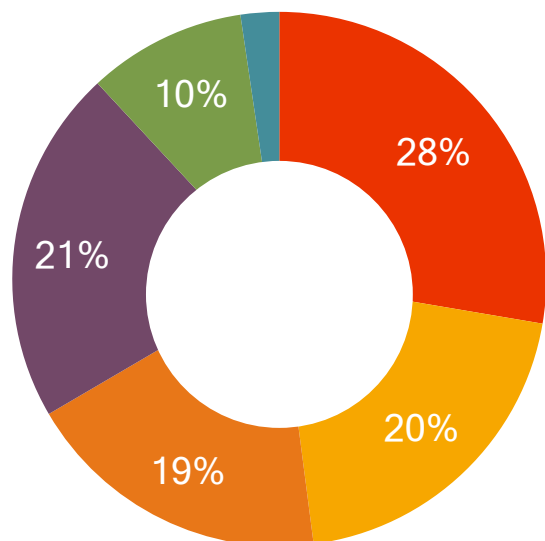
Orora

- Extensive footprint across key markets
- Competitive cost position and stable market share
- Benefits from improved recycled paper quality and refreshed asset base
- Innovation is key to delivering value
- Higher print quality
- Kraft supplied by third party vendor
 - Contract recently extended for 10 years



Sales overview

Fibre Packaging sales breakdown



■ F&P ■ Meat ■ Dry Goods ■ Industrial ■ Dairy ■ Other

- Focus on partnering with customers to deliver customised solutions where quality of paper is valued through
 - Product design
 - Engineering of product through light weighting
- Targeting end markets that will grow stronger for longer
 - Selected fresh produce segments growing ahead of GDP
 - Packaged meat
- Innovation and design teams to re-engineer and design packaging for SME market

Selected produce markets growing strong



3 year CAGR
in **Kiwifruit**
5.3%⁽¹⁾



3 year CAGR
in **Avocados**
8.4%⁽²⁾



3 year CAGR
in **Bananas**
2.4%⁽²⁾



3 year CAGR
in **Mango's**
1.4%⁽²⁾



Key end market trends

Market driven capability



Orora's investment in digital ensures we provide best in class product offering

Fibre Packaging trends



Trend

Light weight paper

Improved converting capability

High quality print

Smaller flute sizes

Shelf ready packaging

Randomisation and individualisation

Short run (promotional and SME)

Speed to market

Orora capability

B9 competitive advantage

Refresh program

Digital Print

R&D and product simulation, B9 Paper

I&D team

Asset refresh program, Nozomi Digital Printer, laser cutter

Asset refresh program, Nozomi Digital Printer, laser cutter

Asset refresh program, Nozomi Digital Printer, laser cutter



Strategic focus areas

The Orora 'Fibre Packaging' Way



Vision

Expanding & growing our value add market segments such as fruit & produce, meat, small and medium enterprises and specialty while we defend & maintain our long run, low cost brown box business

Our strategic focus

Innovate to Lead

- Early adoption of digital print & laser cutting technologies
- Enhanced technical product solutions

Enhance the Core

- Invest in our people
- Invest in customer oriented IT systems

Invest to Grow

- Capital re-investment to deliver capacity and efficiency.
- Optimise manufacturing footprint

Continuous focus on safety and keeping each other safe



Innovate to Lead

Investing in Innovation



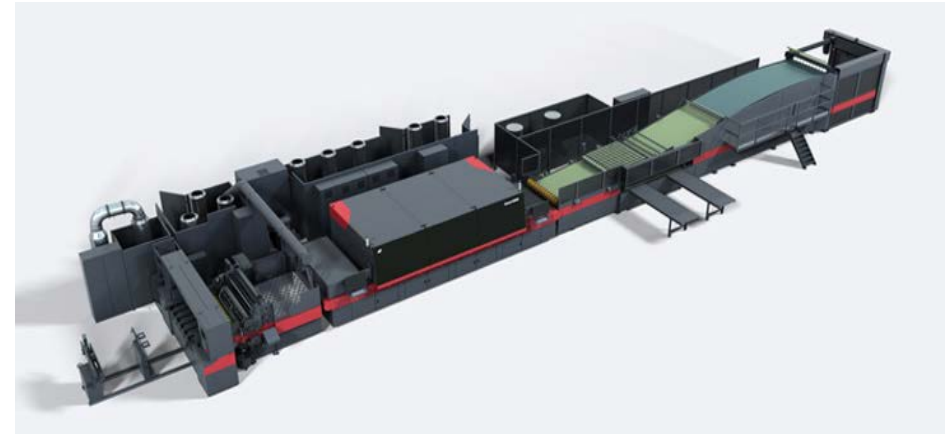
- Orora is investing in the latest digital printing and laser cutting innovation
- Our aim is to give Orora and our customers a sustainable, competitive edge



Digital printer - efi Nozomi C18000

Key features

- Ultra high speed
- Delivers magazine quality imagery directly onto corrugated board
- First of its kind in Australia



Key benefits

- Cost-effective and on-demand print jobs
- High-quality, full-color graphics
- Digital interface accommodates last minute edits

Laser cutter - Highcon Euclid III

Key features

- Third generation laser cutting and creasing
- Replaces expensive and slow die-making process
- Offers design flexibility and enhanced efficiency



Customer benefits

- Design creativity and last minute corrections
- Savings by replacing multiple hand-made dies
- Short runs at an affordable price





No Crush box

- Lighter weight & added strength
- Superior presentation & stackability
- Improved ventilation to support ripening
- Orora patented Xitex® corrugated board



The Xsense® System

- Proactively monitors, analyses and disseminates temperature and relative humidity data
- Optimises quality of perishable products throughout the cold chain
- Complements Orora's solution portfolio for the fresh produce, meat, cold chain products
- Orora is the exclusive Australian distributor

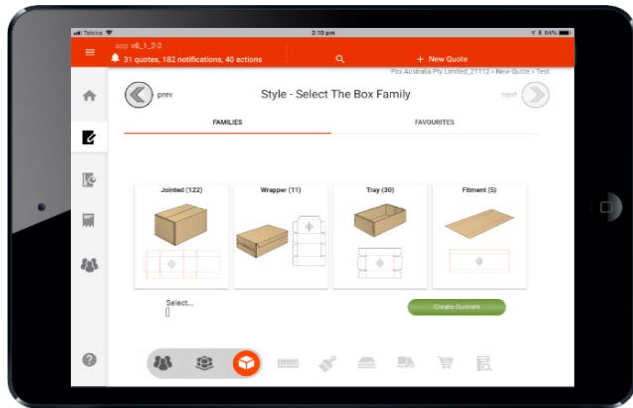
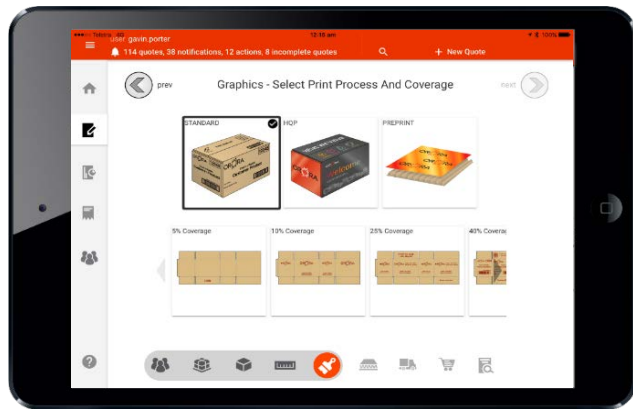


Enhance the Core

Enhance the Core – iCollect – quotation system



Ensuring that we create value added, fit for purpose, sustainable solutions for our customers every time we quote



TIME SAVING BENEFITS

10%

saving in sales people's time

80%

of solutions automated online

2 minutes

to set up a new customer

ONLINE ACCESS TO



Mobile quoting

Speed to market, in the field, at the source



Dashboards

Overview of all activities, designs and order history



Status updates

Live activity updates and notifications



Auto-optimized quoting

80% of quotes to be produced in real-time using the online style library



Artwork creation, copy jobs and commercial visibility

Empowering our people to improve speed to market



Conversion metrics

Download detailed reports showing percentage of quote conversion

Enhance the Core – myOrora – customer portal



myOrora PROVIDES EASY ONLINE ACCESS TO

 Place orders Customise and repeat orders	 Order history View past, current and pending orders – up to 3 years
 Check order status Real-time delivery schedules	 Review inventory View current stock levels
 View product catalogue Material specifications and artwork online	 Profile and Settings Manage your online account details

Almost 17,000 sessions on myOrora since launch

The screenshot shows the myOrora customer portal interface. At the top, there is a navigation bar with the ORORA logo, the location 'Avon Brookvale (NSW)', and menu items for PRODUCTS, INVENTORY, ORDERS, and DASHBOARD. On the right side of the navigation bar, there are icons for a shopping cart (0 items) and a user profile. The main content area features a personalized greeting: 'Hi Brian Lowe, welcome to myOrora.' Below the greeting is a grid of six tiles, each with an icon and a label: PRODUCTS (shopping cart icon), INVENTORY (bar chart icon), ORDERS (calendar icon), CART (shopping cart icon), SETTINGS (gear icon), and HELP (person with speech bubble icon). Each tile has a right-pointing arrow.



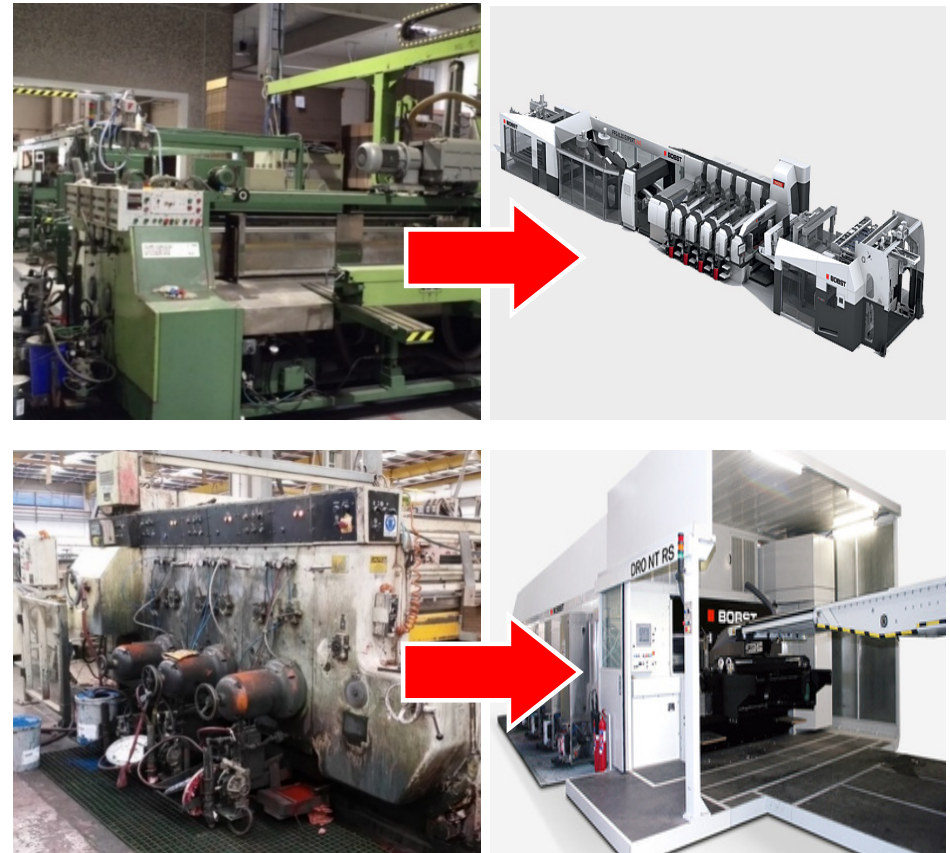
Invest to Grow

\$100m invested to improve manufacturing capability



In excess of \$70M committed for investment in the ANZ converting assets over the past 3 years

- Improving quality and output capacity
- Upgrading printing and converting assets
- Investment in state-of-the-art large format digital printer
- Improving productivity and safety with automated material handling
- Investment at majority of ANZ sites



\$100m invested to improve manufacturing capability



Additional \$30m in corrugator upgrades required to keep pace with converting upgrades

- Flute flexibility
- Reliability
- Technology upgrades
- Scoresby corrugator will be widened to 2.8m to match the optimal width of B9 paper
- Capacity and quality



Fibre refresh program site summary



Manufacturing Site	Conversion upgrade	Corrugator upgrade
Revesby – NSW	✓ ✓	
Scoresby- VIC	✓ ✓ ✓ ✓	✓
Brooklyn- VIC	✓ ✓	✓
Athol Park- SA	✓	✓
Townsville- QLD		
Rocklea- QLD		
Spearwood- WA		
Launceston- TAS		
Wiri- NZ	✓	✓
Christchurch- NZ		✓
Hastings- NZ	✓	✓

Over \$100M committed to improving Fibre Packaging manufacturing capability

Benefits

- Improving product quality, efficiency and capacity
- Strengthening cost curve competitiveness
- Enhancing customer value proposition
- Improving safety
- ~15% return on investments by year 3 – organic, low risk investments
 - Expect some benefits will be shared with market



Sustainability

Sustainability



- Primarily recycled paper used in our operations which forms part of the closed loop with B9
- All products manufactured by Fibre are recyclable
- Orora recognises the significant and detrimental impact of illegal logging and deforestation on the global economy, society and the environment
- In response, responsible Fibre Sourcing Policy in Australasia, where fibre, from traceable, and socially and environmentally responsible sources is used in the manufacture of Orora's fibre products
- Orora is deploying a forestry certification chain of custody program for its fibre-based businesses in Australia and New Zealand
- Energy efficiency improving – targeting 10% reduction across all sites by 2020
- Making good progress in our water reduction and emissions targets across our sites
- Majority of electricity requirements sourced from renewable wind farm generation

In summary



**Extensive footprint
across key markets**

**Volumes growing
ahead of GDP**

**Investing for
growth and
efficiency**

**Strong position
and stable market
share**

**Benefits from
improved recycled
paper quality**

**Innovation is key
to delivering value**



Q&A



Beverage Business Group

Simon Bromell, Group General Manager

Simon Bromell



Simon Bromell (BSc, GDip Agribus, GAICD)
Group General Manager, Beverage

Simon Bromell joined Orora in 2014 bringing 25 years' experience in leadership roles across the national food supply chain in consumer goods and agribusiness. Prior to Orora, Simon was General Manager of Gold Coin Asia, and also spent four years as Managing Director of Fonterra's Australian Ingredients business. Before this, he held senior management roles across a range of businesses and functions at Mars from 1996 to 2009.

Contents

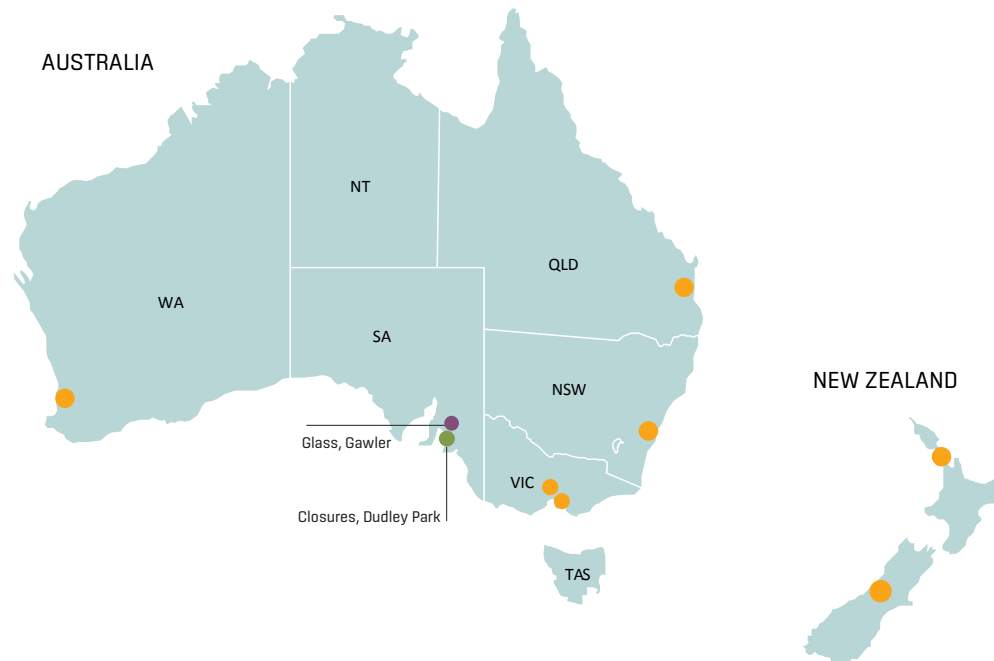


- Who we are
- Beverage market overview
- The Orora 'Beverage' Way
 - Innovate to lead
 - Enhance the core
 - Invest to grow
- Sustainability
- Q&A



Who we are

Beverage group overview



Why our customers choose us

- We create value through product innovation and supply chain solutions
- We deliver quality through reliable and consistent supply
- We have world class products that are trusted to perform
- We have well invested and maintained assets
- We are responsive and customer focused
- We have strong values and do what we say we will

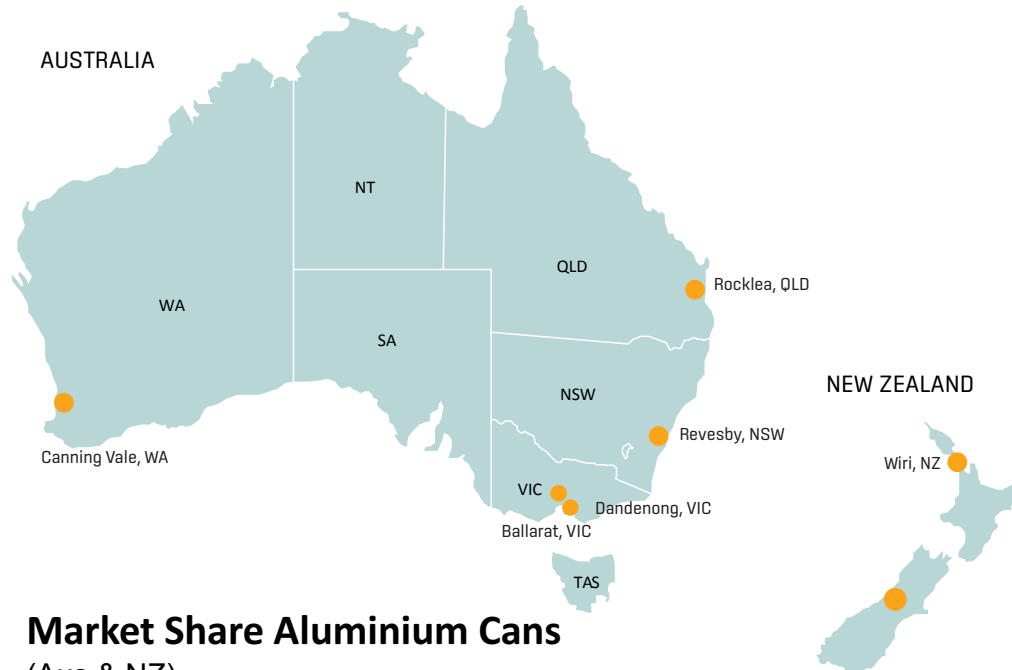


MANUFACTURING PLANTS



TEAM MEMBERS

Beverage cans overview



Key Markets

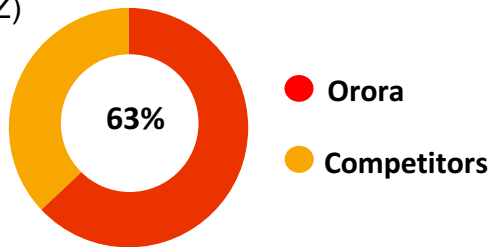
- Carbonated Soft Drink
- Beer
- Non alcoholic beverages
- Ready To Drink (RTD)
- Energy Drinks

Capabilities and Technologies

- Diverse range of metal packaging formats for beverages including classic, slims and sleek cans
- Leading decoration capability (Decoration Centre of Excellence)
- Specialised customer engineering service division
- Technology partnership with Ball Corp (USA)

Market Share Aluminium Cans

(Aus & NZ)



Source : Orora management estimates



MANUFACTURING PLANTS



TEAM MEMBERS

Beverage Cans industry



Market Fundamentals

- Good industry structure
- Capital intensive
- Deep customer relationships
- Low FX exposure
- Full pass through on aluminium

Orora

- Strong market position
- Extensive footprint
- Well capitalised assets
- Long term customer contracts
- Leader in can format range and decoration

Glass overview



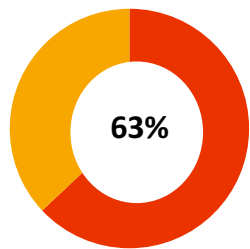
Key Markets

- Wine
- Beer
- CSD & Non alcoholic beverages
- Ready To Drink (RTD)

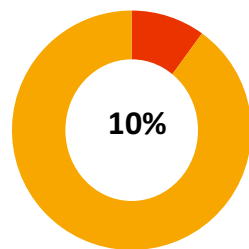
Capabilities and Technologies

- Scale plant – 3 furnaces, 6 forming lines
- Diverse range of bottle shapes and colours
- Proprietary and light weight bottles
- Import / Distribution service / contingency

Market Share Wine (Aus only)



Market Share Beer (Aus only)



- Orora
- Competitors



FURNACES ON ONE SITE



TEAM MEMBERS

Source : Orora management estimates



Market fundamentals

- Good industry structure
- Capital intensive
- Deep customer relationships

Orora

- Strong market position
- Well capitalised assets
- Competitive cost producer
- Long term customer contracts
 - A long-term customer agreement was recently renewed and extended for a further four years
- ~ 50% of contracts have cost basket pass through

Metal Closures overview



Key Markets

Wine

Beer

Capabilities and Technologies

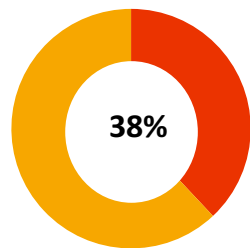
Orora has licence to use Stelvin brand in Australasian region on exclusive arrangement from Amcor currently until Dec 2018

Full service solution (Closures, capping equipment & technical expertise)

Metal decoration with UV capability

Full range of wine closures

Market Share Wine Closures (Aus & NZ)



- Orora
- Competitors

Source : Orora management estimates



LINES ON ONE SITE



TEAM MEMBERS

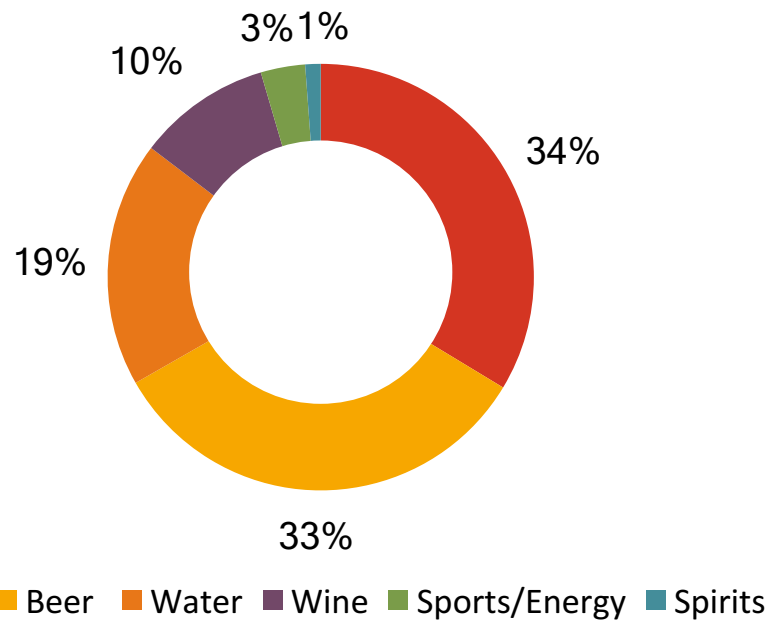


Market overview

Australasian beverage market overview



Litre share

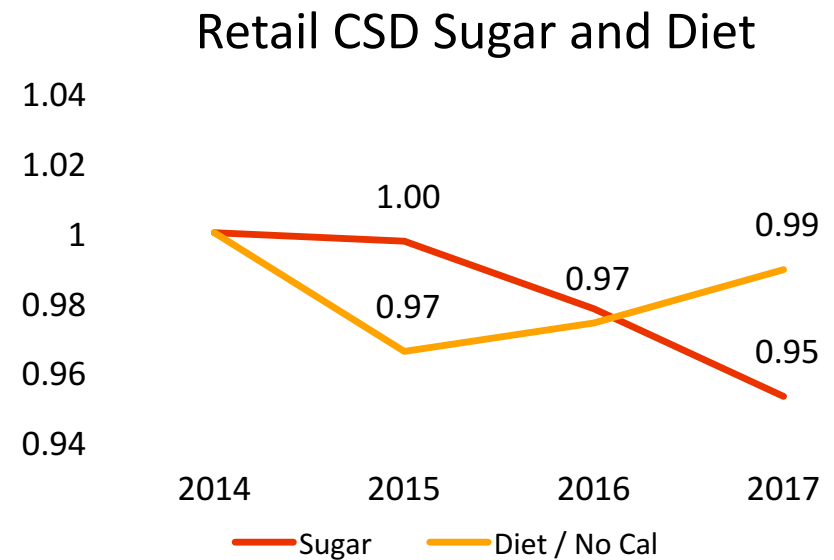
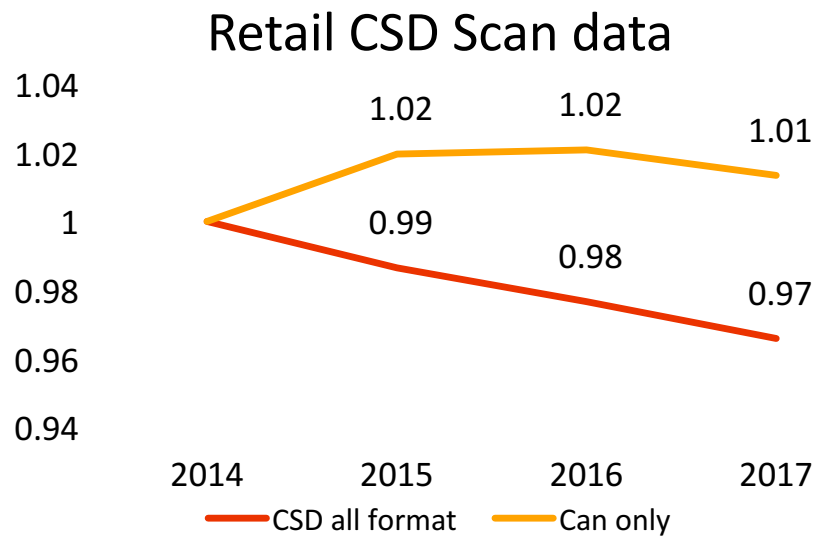


- CSD total volume is contracting, with growth in zero sugar and small format containers
- Mainstream beer volumes are flat, with growth in craft beer
- Energy and sports drinks still showing growth

Retail scan data trends in CSD and sugar



Overall CSD volumes are in decline, with can as a format holding up



Source : IRIworldwide Retail Scan data

Market trends: consumer & customer



Packaging innovation can play a strong role in meeting the needs of emerging trends and help create increased value

Macro Trends

Beer, cider & wine

- Beer consumption trend toward **Craft and Premium**
- Growth in both can and bottle formats
- Cider growth continues
- Female consumption opportunity

CSD

- Trend away from CSD to healthier offers
- Sugar changing consumer sentiment towards CSD
- Some preference change toward smaller formats

Energy

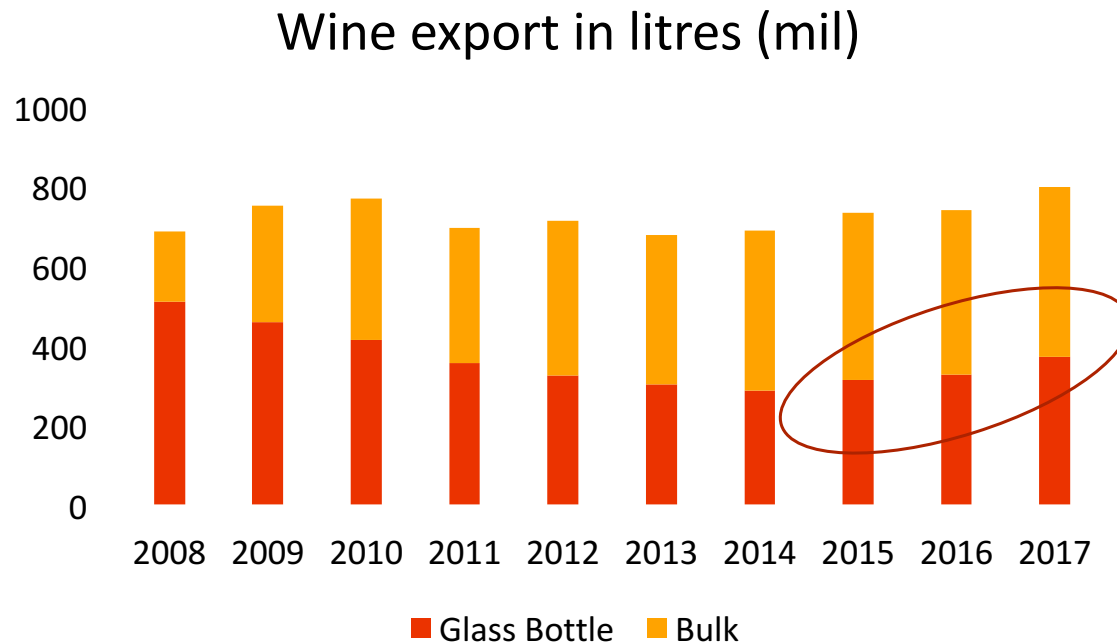
- Energy category still in growth
- Innovation in “better for you” alternatives and packaging decoration
- Evolution of category likely to include “healthier” caffeinated drinks

New occasions (mainly can format)

- Targeted innovation focus toward new niche growth segments – for eg.
 - Sparkling Water, Milk, Coffee, Wine

Packaging innovation can provide solutions for new beverage occasions and changing consumer preferences

Wine export volumes have been increasing since 2014



Source : Wine Australia 2018

3 year CAGR
in Bulk
2.1%

3 year CAGR
in Bottled
8.8%

- 2017 was a record breaking year for exported Australian wine
- China total sales grew by 63% and is now the largest export market by value
- Orora is positioned well to continue to grow with our customers who have strong international brand recognition and export focus



Strategic focus areas

The Orora 'Beverage' Way



Vision

To be the market leading provider of Beverage primary packaging solutions in Australia and New Zealand

Our strategic focus

Innovate to Lead

- Enhanced decoration
- Product differentiation
- Customer portfolio solutions
- Advance manufacturing through digital analytics robotics and automation

Enhance the Core

- Enhance core assets
- Drive value through productivity and efficiency
- Supply chain optimisation
- Develop leadership capability- people, processes, systems

Invest to Grow

- Glass full potential through capacity expansion
- Cans in new beverages, leadership in small format

Continuous focus on safety and keeping each other safe



Innovate to Lead

Enhancing our customers brands



Enhanced decoration

Creating stand-out on shelf for our customers

Enhancing brand presence and customer engagement enabling promotion opportunities



Product differentiation

Emphasising brand equity through primary pack differentiation

Proprietary bottles and unique closures with individualised print options on a short run basis



Customer portfolio solutions

Enabling our customers to innovate and extend their brands into new consumer occasions

Working alongside customers to develop new brands in existing and new categories



Advancing manufacturing



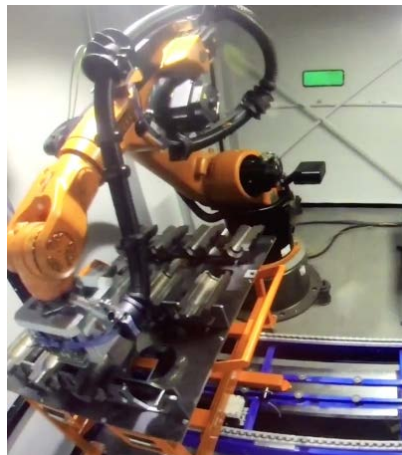
Robotic auto-swabbing in Glass

Automated in line swabbing to improve safety and focus of operators on quality within glass operations. The robotic spray system applies swab lubricant 'on the fly' not interrupting the section cycles or operating temperatures. The process is unique in Australia and a first for wine bottles



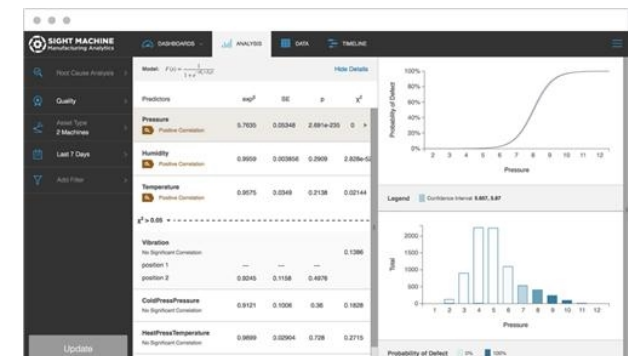
Robotic laser mould cleaning in Glass

Laser cleaning to remove the carbon/swab coating build-up on the bottle blank to reduce manual handling, and improved product quality and life of moulds



Industry 4.0 Data analytics

Partnering with Sight Machine(USA) to implement a platform for advanced data analytics as a key enabler to unlocking further process optimisation and efficiency





Enhance the Core

Enhancing our core assets and processes



Enhance core assets – G2 rebuild FY20

Gawler has 3 furnaces that have a 12-15 year life before a re-lining of furnace is required

Furnace loses energy efficiency over time as refractory wears

Furnaces were commissioned approx. 5 years apart ensuring separation of the rebuild

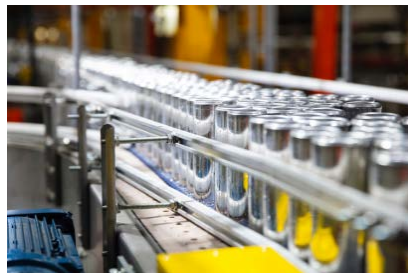
Investment is spread out and require 3 month downtime to rebuild furnace

Customers will not be impacted through a managed process of inventory prebuild and imported bottles during rebuild and commissioning

Investigating the potential to extend remaining G2 forming line to add a further approx. 20 million bottle capacity

Drive productivity

Improve process control and asset care to increase productivity and decrease use of resources per unit of production



Supply chain optimisation

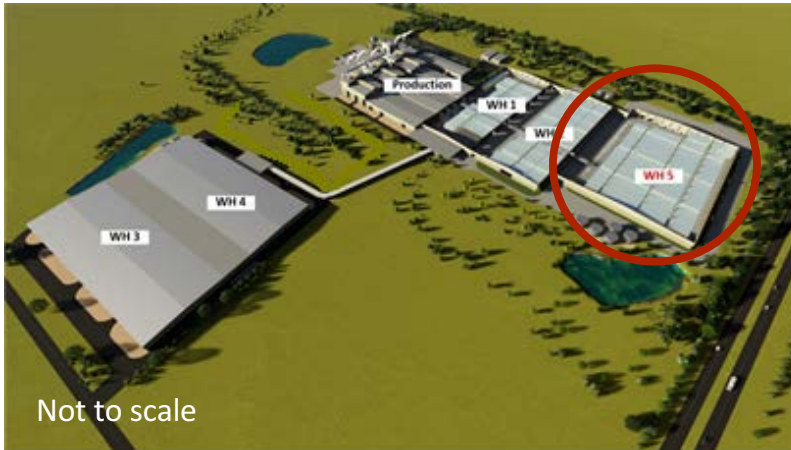
Driving excellence in our Sales & Operations planning processes

Ensuring we deliver on customer needs while optimising working capital and fixed asset capacity

On-site warehousing at Gawler



Warehouse expansion and automation



- The glass business requires significant inventory at any time to ensure;
 - Customer requirements are met in peak bottling periods
 - Enable site to best optimise production mix and balance colour job changes
- In December 2017, Orora purchased two warehouses (previously leased) adjacent to facility (WH3 and WH4) to further optimise on site inventory capacity and control of inventory flow
- Today announced investment of ~\$35 million to build a new warehouse to enable Orora to hold majority of stock onsite
 - Further reduction in off site pallet storage and transport costs
 - Automated guidance vehicle investment as part of spend to further reduce ongoing costs
 - Target 15% return on investment
 - Completed by end of CY19





Invest to Grow

Invest to Grow - Glass capacity expansion



- Bottled wine growth (mainly export) continues to grow at levels above GDP, Orora will continue to invest to support its customers growth aspirations
- The \$42m Glass capacity expansion investment completed in FY17, will deliver approx. 60 million bottles in FY18, and investment is delivering PBIT benefits at hurdle rates
- 3 of 6 lines extended on G1 and G2, with further opportunity to expand capacity on remaining lines subject to demand growth
- Operational optimisation provides further opportunities to increase production without investment
- Imported bottles will continue to supplement demand and production (provide cover during furnace rebuilds), supporting customer growth prior to new investment decisions

Sleek can investment in NZ



Orora continues to invest in capacity to have the widest range of can formats in the ANZ market

Sleek



Sleek 330mL	Sleek 355mL
▲ 330mL	▲ 355mL
∅ 58mm	∅ 58mm
H 146mm	H 155mm
⊙ 50/52mm	⊙ 50/52mm

Customer need:

- Changing consumer preferences – volumes & aesthetics
- Sleek can viewed as premium and differentiated
- Amatil PNG market decision to move to Sleek cans required Orora support and investment

Orora investment and benefit:

- ~\$7M AUD investment
- Commissioning at Wiri NZ is expected to be completed by June 2018
- Provides Orora greater geographic flexibility with Classic, Slim and Sleek production in both Australia and New Zealand



Sustainability

Raw Materials

- Orora uses approximately 80% of the glass collected through South Australia's container deposit scheme.
- Combined with internal recycled glass, this represents a significant proportion of input material
- Orora is interested in using the recycled glass from other states
 - Current contamination levels not suitable as feedstock for glass facility

Electricity

- Renewable energy represents a competitively priced sustainable energy source for the business
- Entered into a long term power purchase agreement with renewable energy provider Pacific Hydro to supply wind-generated electricity to Orora's SA operations, effective 1 January 2018
- Reduced business exposure to fluctuating wholesale prices
- Initiative is delivering to expectations (albeit only 4 months of experience)
- Investing in energy efficiency to reduce energy demand



In summary



**Located where our
customers are**

**Well capitalised
assets**

**Investing for
growth**

**Competitive cost
producer**

**Long term stable
customer contracts**

**Innovation is key
to delivering value**



Q&A



Paper and Recycling Business Group

Chris Rosser, Group General Manager



Chris Rosser (BSc (Hons) FCA)
Group General Manager, Paper and Recycling

Chris Rosser joined Orora in 2017, bringing 20 years experience in leadership roles in the European paper and packaging industries. Immediately prior to Orora, Chris was the Senior Operations Director for the Flint Group across Europe and previously had a 20-year career with DS Smith Plc. Initially, this was in financial and operational roles prior to becoming Managing Director (MD) for their UK Paper business and then MD of the Paper Supply Company across Europe. Before this, he qualified as a chartered accountant with Ernst and Young.

Contents



- Who we are
- Recycled and OCC market overview
- The Orora 'Paper and Recycling' Way
 - Innovate to lead
 - Enhance the core
 - Invest to grow
- Sustainability
- Q&A



Who we are

Paper and recycled market



Market Fundamentals

- Integrated paper producers in ANZ all exporting
- Capital intensive
- Low FX exposure
- Attractive market structure
- Changing competitive landscape for OCC in ANZ plus global volatility

Orora

- Very well invested asset base – market leading technology
- High quality product offering developing in line with customer / market needs
- Competitive cost base with opportunities to reduce further
- Broad sourcing strategy for OCC to avoid over-reliance on any one sector

B9 Facts and figures



Key Metrics

Width (deckle)	5.6m
Maximum Speed	1600 metres per minute
Products	Recycled testliner and fluting medium
Grammage Range	100 – 210 gsm
Output Range	45 – 70 gross tonnes per hour
Design Capacity:	
Machine Output	400k tonnes
Recovered Paper Processed	450k tonnes

Largest and most sophisticated paper production line in Australasia; comparable benchmark only in Europe

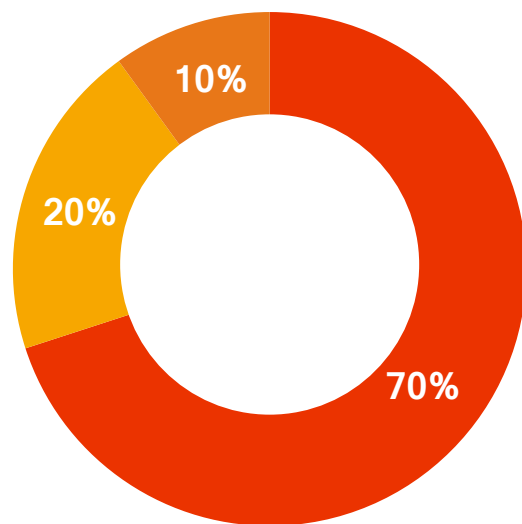
Investment in excess of \$700m in state-of-the-art equipment, replaced 3 out-dated machines in 2012

End market sales breakdown



B9 Customer profile

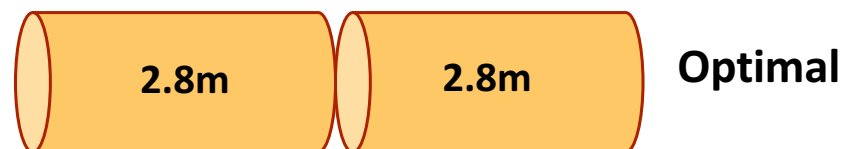
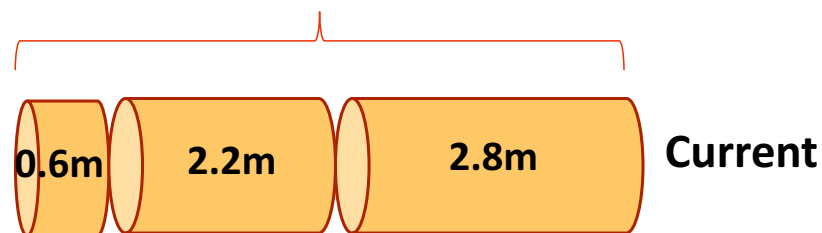
(assumes 400kt output)



■ ANZ ■ NA exports (mainly OPS) ■ Asia

- ANZ will continue to be primary target market
- US exports to OPS will continue to increase as legacy sourcing contracts mature and can be replaced with B9 paper
- Asian side run will reduce with Fibre 'refresh program' supporting corrugator width optimisation

B9 Deckle - 5.6m wide





Recycled Paper old corrugated (OCC) update

Australia Recycled Paper (RCP) market overview



Key Factors:

- Increasingly globalised market for recovered paper
- Changing competitive landscape in Australian RCP market
- Chinese actions changing market structure and creating short term volatility in OCC market
- Mixed waste ban impacting Australian kerb side recycling

National Sword

- China's project "National Sword" directly impacted imported mixed recycled papers
- Lack of alternative external markets to consume this material in the short term
- Value of the mixed RCP has fallen steeply and is impacting pricing for other grades also
- Additional sorting and segregation required to enable alternative use sectors to be accessed

Impact on Australian Kerbside Material

- Kerbside material, post sorting, has formed part of the mixed waste flow
- Quality of Kerbside RCP is lower due to contamination by comingled collection process
- State Governments and councils may need to revisit collection / consolidation methodologies going forward
- Container Deposit Scheme could play an important role in supporting glass and plastic segregation
- Current contamination levels not suitable as feedstock for large volume consumption at Botany Mill

Volatile OCC prices



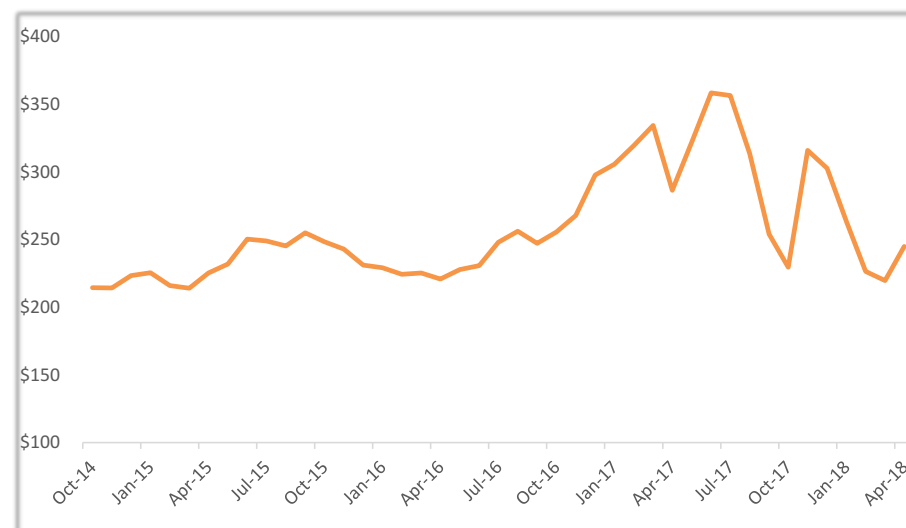
Chinese actions continue to fuel short term volatility in OCC market

- Import licence allocation basis – now piecemeal compared to annual
- Lower contamination levels for imports in place and being enforced
- Impact on supply / demand balance resulting in price volatility
- Prices for lower quality Chinese domestic OCC inflated and impacting paper mill economics

During first half of FY18

- Given volatility, Orora locked in supply (first priority) and pricing for ~ 80% of OCC requirements
- Orora wastepaper mix is 95% OCC / 5% soft mix

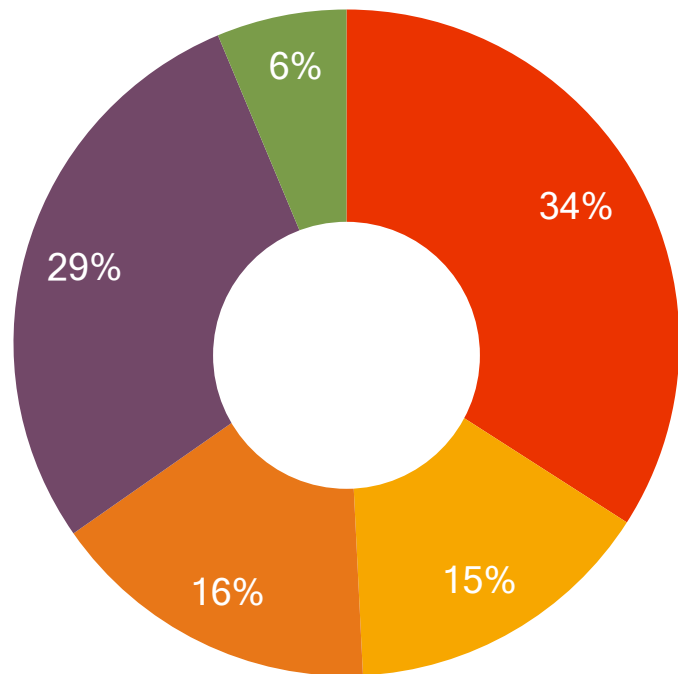
OCC AUD\$ / tonne



Source: Average of various RISI OCC (export to Asia) indices in AUD

Sensitivity guidance for second half of FY18 is the estimated impact of a \$10 per m/t movement in OCC prices on EBIT is **\$0.5m** on an annualised basis

Orora sources of OCC



■ Large Retail ■ SME ■ Agents ■ WMC ■ Orora

- Diversified OCC sourcing strategy in place to collect circa 600kt for B9 needs (450kt) with remainder exported
- Supply agreements structured to include various pricing mechanisms / contract lengths to manage price exposure
- Development of recycling model provides opportunity to grow share from SME sector
- Orora has very little exposure to kerb side collection
- Soft mixed waste usage currently at 5% from clean sources; further 2-3% possible subject to availability



Strategic focus areas

The Orora 'Paper and Recycling' Way



Vision

Safely and sustainably optimise the operation of the Botany Mill, underpinned by an effective Recycling business, to support the Orora Fibre packaging strategy

Our Strategic Focus

Innovate to Lead

- Increase resource efficiency to drive sustainability
- Extend use of world class manufacturing processes to deliver design capacity

Enhance the Core

- Become the recycling service provider of choice
- Maintain ability to offer market leading products

Invest to Grow

- Deliver outperformance beyond design capacity

Continuous focus on safety and keeping each other safe



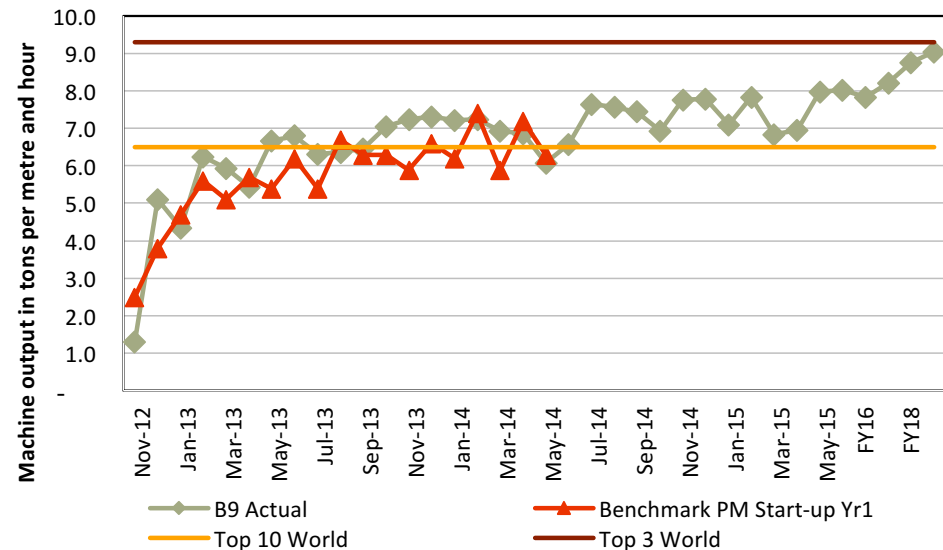
**Innovate
to Lead**

Delivering world class performance



Embedding world class manufacturing processes:

- Machine design / scale allows us to produce high performance products at lower cost
- Advanced management and operating systems used to underpin efficiency
- Growing our operator skills capabilities to deliver best in class performance
- Industry 4.0 - Using advanced data analytics to drive efficiency and reduce costs
- Targeted investment to progressively improve operating efficiencies





**Enhance
the Core**

A Recycling solutions provider



Transitioning our Recycling business towards being a resource solutions provider

- Respond to a changing landscape for recovered material In ANZ
- Enable our customers to address their two key challenges – sustainability and cost

Driving Sustainability:

- Leveraging our Closed Loop value proposition
- Targeting zero waste to landfill
- Support customers to deliver their environmental targets

Innovative Thinking to Reduce Costs:

- Delivering process / value engineering for our customers
- Bespoke solutions for specific recycling needs



Continuing to develop our customer offering

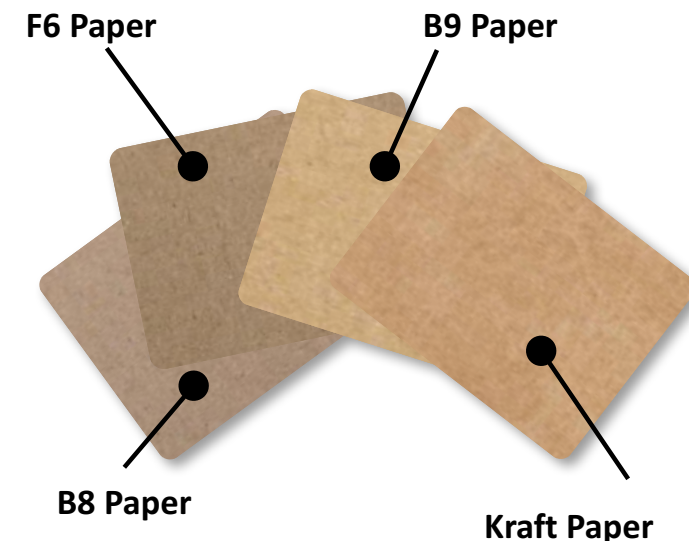


B9's existing competitive advantage:

- Current offering provides significant performance, appearance and cost benefits to our customers
- Superior quality supports shelf ready packaging with Kraft-like appearance
- Capable of producing lighter weight sheet at the same strength

Further Opportunities:

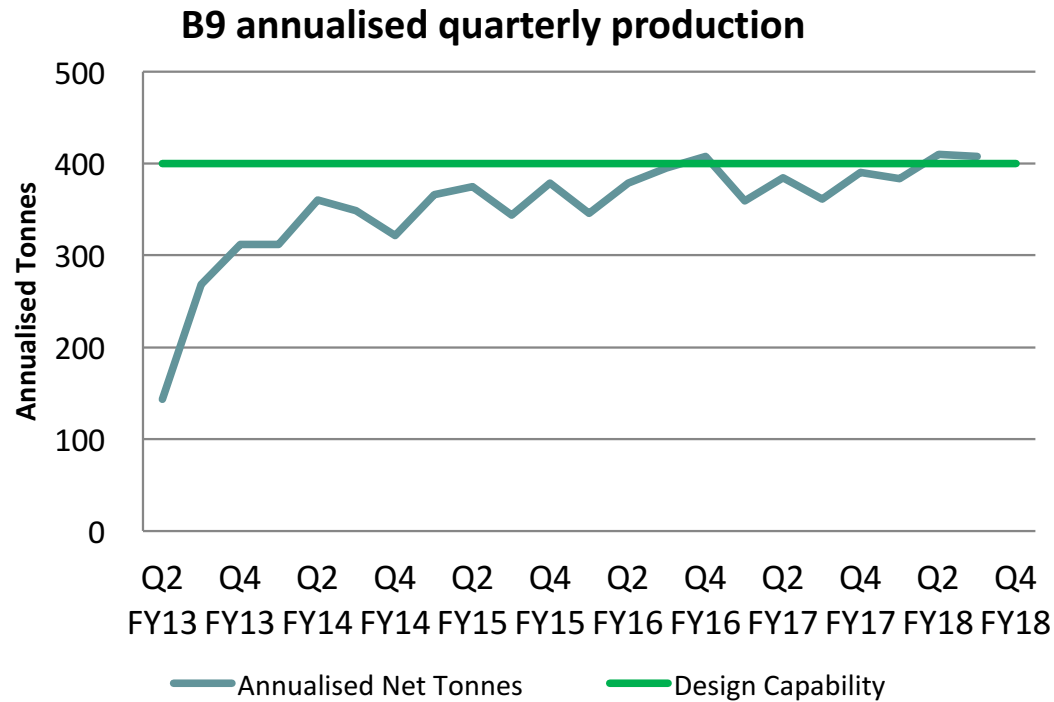
- Expand product offering to meet specific market / segment needs
- Embedded technical capability in box plants supports product optimisation and innovation
- Innovating to increase paper strength at lower weight or cost





Invest to Grow

Delivering design capacity



Outperformance versus Design Capacity:

- Progressive capacity debottlenecking using targeted investment
- Use of data analysis / process correlation to identify improvement opportunities
- Further embedding advanced operating processes
- Continue to invest in our people
- Existing process capability supports further product developments
- Successfully completed 5 day maintenance shut in February 2018

On track to produce design capacity of 400,000 tonnes in FY18



Sustainability

Our Closed Loop Model:

- Orora is one of the largest cardboard recyclers in Australia
- We collect circa 600kt annually and convert 450kt into 100% recycled paper
- B9 output is 70% integrated with Orora's corrugated box businesses in Australia & New Zealand

Enables us to provide an effective Closed Loop model - from the customer / retailer, to recycling, our paper mill, our box plants and then back to the customer

Botany Mill - Focused on Sustainability:

- Mill designed to optimise efficient recycling
- High performance product offering - less paper needed for the same box performance
- FSC® / ISO certification to support our customers

Major Investments:

- Secondary water treatment reduces process waste discharge and improves water quality
- Biogas recovery used to generate 5% of site power demand

Innovative Thinking:

- Targeted energy efficiency improvements of 10% being delivered
- Targeting landfill diversion through alternative uses for reject streams
- Electricity requirements sourced from renewable wind farm generation

In summary



**Well invested asset
base – market
leading technology**

**High quality
product offering**

**Driving
sustainability by
reducing resource
intensity**

**Capacity to
support customer
growth**

**Recycling business
shifting to a
solutions provider**

**Product and
process innovation
key to delivering
returns**



Q&A



Orora North America and Outlook

Nigel Garrard, Managing Director and CEO



Economy

- Continuation of conditions experienced in the first half
- Trading conditions in end markets Orora serves remain challenged for growth
- Impact of US tax reforms is expected to be positive over the medium term

Orora Packaging Solutions

- Following success of the Australasian Asset Refresh program, planning is underway for similar program for OPS with potential total size of program approx. US\$50m – to be invested in FY19 and FY20
- US\$50 paper price increase effective 1 May will be the third increase in 18 months and will take time to work through to Landsberg customers. Expect some lag
- SAP continues to be rolled out across remaining sites and remains on track for completion by August 2018. Benefits from SAP are likely to start to be realised in CY19
- Have recommenced activating M&A pipeline – assessing distribution and manufacturing opportunities

North America update



Orora Visual

- Underlying Orora Visual results continue to improve with steady progress being made on integration
- The value proposition is resonating well with existing and new customers with several recent wins and an encouraging pipeline
- Management changes have been implemented with a new CEO and COO appointed
 - Changes were effective March 2018
- Results for 2H18 will be impacted by a further doubtful debt provision of ~\$US1.5m, taking the total FY18 impact to US\$2.5m
 - Estimated annualised impact on sales and PBIT if major customer does not emerge from liquidation is ~US\$8m and US\$1.5-2.0m respectively

FY18 Outlook



Orora expects to continue to drive organic growth and invest in innovation and growth during FY18, with constant currency earnings expected to be higher than reported in 2017, subject to global economic conditions





Q&A