CHAIRMAN'S ADDRESS
ANNUAL GENERAL MEETING
30th OCTOBER 2015

FINANCIAL RESULTS

We are pleased to report that the Profit after Tax of $3.6million earned in 2014/15 compared most favourably with the results at the reported level for the previous year. and with an underlying result very close to the previous year. Importantly, we finished the year with a stronger second half as the efficiencies sought in the plant rationalisation program started to materialise.

Having said that, 2014/15 was a challenging year for the company. Net sales, at $159.6 million were slightly below the previous year. Our customer base was substantially unchanged over the course of the year but many of our customers found themselves under pressure from supply chain stocking reductions, product demands and sourcing decisions of the major supermarket chains. Customers were vigilant for cost savings and we did our best to collaborate with them innovatively to keep their products relevant, attractive and assist with speed of delivery to market for new products. Still 2014/15 was a year where there was a primary focus on pricing and one in which we gained less than the usual opportunity for value-adding through our brand and promotional capability.

As we move into 2015/16 we can sense that momentum is now shifting. The relative position of Australian manufacturing has been improved by a sustained period of the Australian Dollar being in the 70cent range. Furthermore, as all the industry's base raw material of cartonboard is now fully imported, customer contracts typically allow pass through adjustments which is another factor which should see margins stabilise in the period ahead.

Revenue for the first quarter has been in line with budget, however, due to the efficiency gains being progressively achieved together with marketing initiatives, our profit to the end of September is pleasingly ahead of budget.

FINANCIAL POSITION

In 2014/15 the board brought the focus back from restructuring to cashflow management and we were able to reduce debt by $8million to $31.4million. At 30th June 2015 gearing was 34.7% (as debt to debt plus equity) which is a well aligned financial structure for a manufacturing company of our scale. The company is now in a position to respond to sound business opportunities as they may arise.

Banking arrangements are in hand on a rolling 12 to 18 months ahead basis ensuring adequate funding for our business and balance sheet needs.

SHAREHOLDER RETURNS

Directors declared a final dividend of 1.25 cents per share, fully franked, which together with the interim dividend of 1.25 cents, also fully franked, yielded a full year payout of 2.5 cents which was a 62.9% payout ratio.

The Dividend Reinvestment Plan provided a very useful strengthening of the company's equity base with the Plan being underwritten once again. There continues to be a strong interest in the Plan with a 42.7% uptake with the remainder underwritten by willing major shareholders. In total 4.0 million new shares were issued at an average 52.85 cents across the two dividend payments, bringing total shares on issue to 87.9 million.

As part of the recently settled Enterprise Agreement at Braeside we have continued our past theme of engaging the workforce as owners of the company by including a nominal issue to each employee in each of the first and third years of the agreement's currency. We are proposing this approach in NSW and in NZ with those agreements to be settled later this year. Directors consider that these measures will drive a positive workplace culture whilst, by their magnitude, have a minimal dilutive effect on earnings per share.

Our share register includes five substantial shareholders, a number of institutional investors and a loyal contingent of smaller shareholders and we thank them all for their ongoing confidence in the company.

CORPORATE GOVERNANCE

In accordance with ASX guidance we now separately publish the company's Corporate Governance Statement. I am pleased to inform that this extensive reporting finds Colorpak comprehensively compliant with the ASX Corporate Governance principles, albeit that our own approach to diversity is separately explained.

Returning to the Annual Report. This includes the audited Remuneration Report upon which you will later be asked to vote. In front of that agenda item I would like to bring out a few points to demonstrate the serious way your board has conducted the business of the company over the past year.

The Remuneration Report shows clearly that there were no short-term incentive (STI) payments made in either the 2014 or the 2015 year. The scheme was, in fact, suspended for 2015 as market pressures were appropriately internalised. Nonetheless management performance was indeed creditable and we thank the Managing Director and his senior team for the purposeful way they performed throughout the year. The situation reflected the underlying principle that the incentives are paid when the company's performance is at or above the expected level.

Secondly, the management asked the workforce to take a wage freeze last year and in the spirit of unity the senior management and the Board also agreed to a like period of no increase in salary or board fees. We consider that this has been important in setting the scene for all our staff and it has provided a basis for trust in front of this year's enterprise agreement discussions.

BOARD RENEWAL

Over a considerable period this Board has worked diligently and in close co-operation with the management team. We have met frequently, both as scheduled and as required, to oversee the company's developments and to impart our collective experience and guidance to management. A culture of openness, challenge and rigour has been well entrenched in the workings of the Board. On these foundations we now plan for a renewal phase over the next couple of years and later today you will be asked to vote for our newest Director, Mr Neil Kearney, whom we have identified as a part of that renewal.

In conclusion, may I take this opportunity to thank each of my Board colleagues here today, together with Ms Bronwyn Constance who retired earlier in the year, for their considerable contribution over the past year.

I now invite Mr Alex Commins, Managing Director of Colorpak Limited to address the meeting.

Colorpak Limited
Annual General Meeting

The Westin

30 October 2015

FY15 Financial Highlights

- Sales to the PCP consistent against competitive marketplace.
- EBITDA 25% up versus pcp on reported basis, consistent on underlying basis.
- Strong progress made H2FY15 in cost reduction from final stages of Victorian integration.
- In particular Q4 FY15 versus the Q4 pcp was strong.
- Net debt reduced $7.95m from FY14 to $31.45m.
- Improvement in debtors days.
- Bank facilities extended to January 2017.

FY15 Results Summary

($000)	2015	2014		Change	
		Underlying*	Reported	Underlying *	Reported
Sales (goods/services)	159,592	160,207		-%	
EBITDA	12,846	12,876	10,260	-%	25.2%
EBITDA %	8.0%	8.0%	6.4%	-%	1.6%
NPBT	5,075	5,393	(12,425)	(5.9)%	N/A%
NPAT	3,372	3,784	(13,188)	(10.9)%	N/A%
EPS (cps)	4.02	4.64	(16.18)	(13.3)%	N/A%
DPS (cps)	3.00	3.50		(14.3)%	

- Excludes impact of $2.818m of restructuring costs and $15.000m goodwill impairment charge in FY2014

Key Financials - H1v H2

($000)	2015		2014*	
	H1	H2	H1	H2
Sales	84,151	75,441	82,560	77,647
EBITDA	6,493	6,353	7,371	5,505
EBITDA %	7.7%	8.4%	8.9%	7.1%
Free Cashflow	2,953	4,985	542	(1,168)
Cash Conversion	55.2%	99.7%	72.0%	(5.1)%

* Excludes impact of restructuring costs and goodwill impairment charge in FY2014

Free Cash Flow

($000)	2015	2014		
		Underlying **	Change	
EBITDA	12,846	12,876	-	Cost discipline/ efficiency
Capex *	(1,984)	(5,671)	(65.0)%	Capex discipline
Taxation (paid) / refund	(388)	409	N/A	Tax loss absorption
Interest	(2,613)	(2,779)	(6.0%)	Lower ave debt
Change in working capital	77	(5,461)	N/A	Marginal improvement
Free cash flow	7,938	(626)	N/A	Strong cash generation

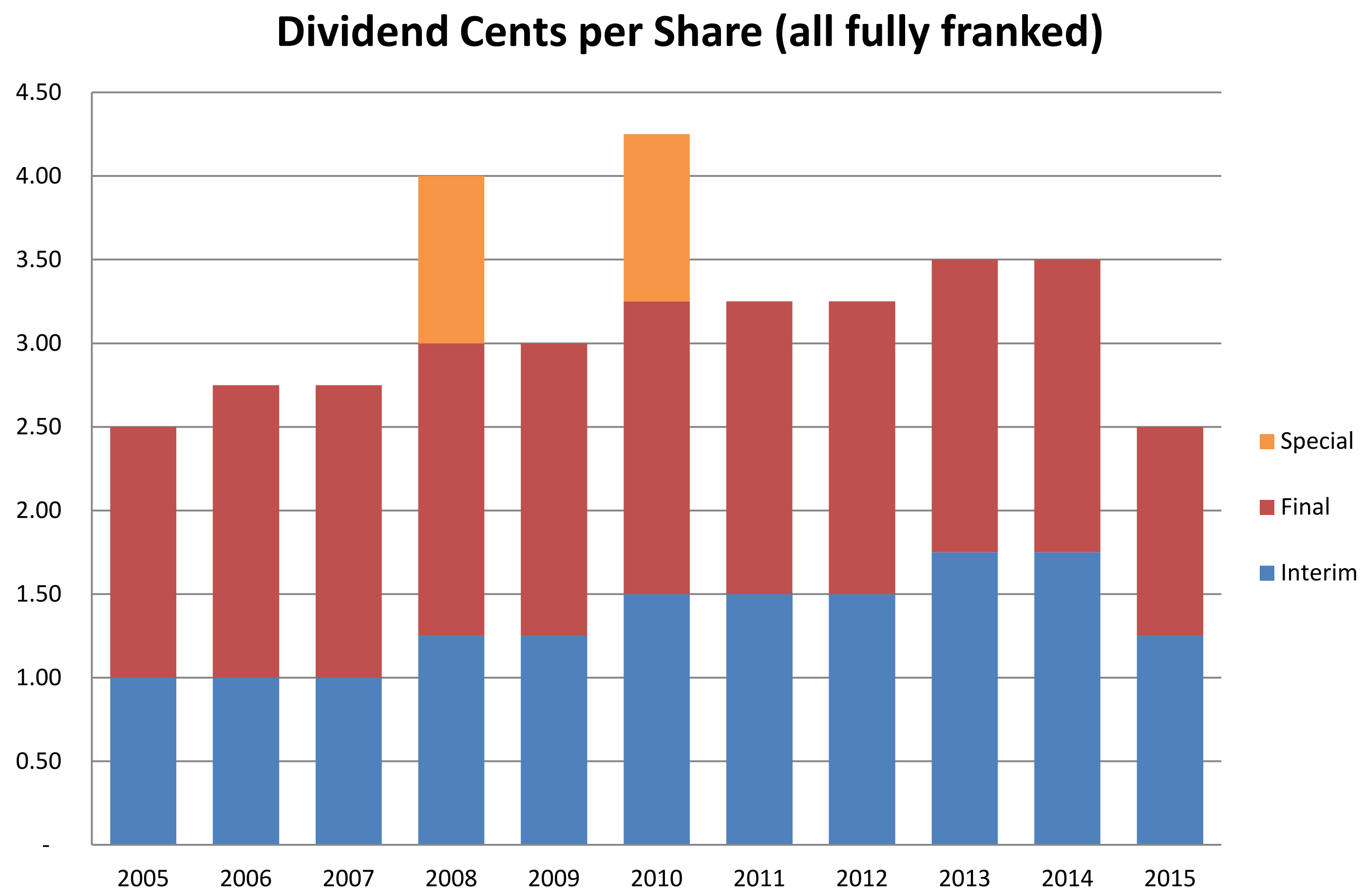
* Capex assumed equivalent to Capex for Free Cash Flow calculation purposes

** Excludes impact of restructuring costs in FY2014 colorpak

FY15 Operational Highlights

- Productivity projects remain on foot.
- Safety focus and record continues. 8 plus years LTI free in Regents Park.
- Brandpack takes in The Connection.
- Foilmasters manufacturing footprint reduced; service internal. customers only. Space reclaimed to allow paper cup expansion.
- Digital capability expanding and proving an important strategic competitive advantage.

Returns to Shareholders (since Listing)



- 35.25 cents per share returned in dividends since listing = 70.5%
- Payout ratio has averaged 50% (over the last 10 yrs)
- Average yield at 30 June since listing has averaged 6.0% p.a.

Outlook – Market / Industry

- Consumer spending growth expected in confectionery, soft drink, pharmacy, and ice cream.
- Raw material board supply chain totally international, well settled.
- Colorpak well placed competitively given scale; supply chain efficiencies afforded by direct mill supply model.
- Cartonboard prices being reset – currency devaluation.
- Pass through clauses to customers invoked.
- Large corporates demanding extended trading terms.
  - Strategies being pursued to mitigate these impacts.
- Productivity funded payments to employees in FY16 and beyond.

Outlook – Innovation / Growth

- Digital platform proving very successful, driving new and innovative opportunities across many customers in most sectors.

Emerging Market

First time pop up store

Concept Partner

Preferred Packaging supplier

In Store Print, Personalise

Outlook – Innovation / Growth

- Super premium paper cup ice cream continues expansion, mooted for continued strength and growth from the consumer.

- Remain vigilant to growth in core and adjacent industries. Accretive profit growth targeted both by organic and acquisitive means.

Outlook – FY16

- Capture final benefits of the **Victorian integration**
- Significant **cost reduction and productivity** lift achieved, Colorpak **leaner, fitter, more competitive**
- FY16 operational focus remains focussed on productivity, innovation, quality, service, further **enhancing competitive position**
- Continued commitment to free cash generation via **margin expansion**, **working capital management**
- Light period expected in capital expenditure @ $2m p.a.
  - NZ footprint right-sized / lease renewal benefit NZ$300k p.a. FY17
- Machine fleet extensive and flexible, enabling maximum results in utilization
- Company remains well placed to participate in consolidation of the sector

Leaner + Fitter = More Competitive

Track Record of Leadership

Industry Leaders

- Long-term industry Reputational leader
- Long-term investors in leading edge technology
- Have been the consistent industry game changers
- Early technology adopters – digital
- Cohesive experienced management team
- Large market share position – Pharma/Healthcare, Beverage

Predictable Earnings Streams

- Products underpinned by consumer non-discretionary spending.
- Long-term and blue-chip customer base
- Consistent strong free cash generation
- Stable cost regime

View to the Future

- Astute technology based investment decisions
- Strong pipeline of organic and acquisitive growth opportunities
- Capture of alternative revenue steams from related sectors
- Capital project focussed on increasing automation


Gooey ribbons of choc-fudge ripple with contrasting crumbles of baked brownie on a background of rich chocolate ice cream...
It's A Work Of Art!
coles
GOOEY CHOC
BROWNIE
ICE CREAM
LEMON
MERINGUE

Thank you