Chairman's Address
Annual General Meeting
26th October 2012

The year ended 30th June 2012 was another successful year for Colorpak. Sales revenue has risen to $195 million and the business now has a more diverse and impressive customer base. The financial results include a full year of the now merged Carter Holt Harvey's folding carton operations in Australia and New Zealand with underlying profit rising to a record $7.66 million.

We have had a very focussed and busy year. Operational changes have been extensive, including plant rationalisation, work flow changes, system upgrades and a re-invigoration of our people. The company's strategy to immediately and fully integrate the acquired businesses has been skilfully executed. Management throughout the company have performed admirably well again this year. Managing Director, Alex Commins, will provide more detail on these actions and the current performance of the business later in this meeting.

The 2012 Annual Report theme takes you inside "Our Customer's World" using our customary graphics and providing case studies to highlight the activity and engagement we have with our customers. We feel confident that our customers have benefitted from the rationalisation work undertaken by the company over the past year. We know that Australian manufacturing businesses are under pressure to remain relevant and competitive and we are dedicated to assisting our customers in this regard.

Financial Highlights

Now turning to the highlights for the 2012 year.

I am pleased to report that the underlying business result for 2012 was another record year:

- **profit after tax was up 8.5% to a record $7.66 million;**
- **earnings per share was up to a record 9.39 cents per share; and**
- **ordinary dividend in respect of 2012 was maintained at 3.25 cents per share, fully franked, and representing a payout of 35% of the underlying result.**

Certainly a very pleasing financial outcome and one achieved against the backdrop of extreme stress for our customer base in Australia's manufacturing sector.

The Director's Report for 2012 again provides extensive coverage of the acquisition and integration related activities. It remains for me to say that all of these transactions over the past two years amount to just $2.1 million and this affirms our approach of separately reporting the underlying result each year.

Financial Position

Cashflow from operations was very strong for 2012, but substantial redundancy and plant closure costs led to debt increasing to $38.9 million by year end. The resultant gearing at 30th June 2012 of 36.7%, on a debt to debt plus equity basis, shows that the Company is in a sound financial position. Since that date all major banking arrangements have been renewed and adequate facilities are available to meet foreseeable needs.

Executive Remuneration

Later in the meeting I will call for a vote to adopt the Remuneration Report for the year ended 30th June 2012. That report sets out the philosophy, scale and structure of remuneration for directors and senior executives. In advance, I would like to provide some introductory remarks on our approach to executive remuneration.

Colorpak, like all soundly managed companies, seeks to develop and retain key executives through an appropriate reward system. The Board's Nomination and Remuneration Committee considers and assesses that reward system with the aim of designing a system which will deliver enhanced shareholder value. The Board considers that a mix of base remuneration and short term incentives is one which will continue to deliver improved shareholder returns.

In 2012 the short term incentive was extended to a broader management group and the overall amount paid of $205,000 was about 30% of the maximum potentially achievable under the scheme.

Corporate Governance

I am pleased to inform that, as set out on pages 18 to 23 of the Annual Report, the Company comprehensively complies with the Corporate Governance principles set out by the ASX Corporate Governance Council, albeit that our own approach to diversity is separately explained.

I would like to record the contribution that Mr Paul Commins has made to this company. Paul retired in August this year after 20 years of dedicated service to the business and latterly 8 years as an Executive Director. We wish Paul well in following his other business interests.

2013 Progress

I am pleased to report that the first quarter of the new financial year has got off to a sound start:

- in renewing our banking facilities we have introduced WBC to compliment our existing long term relationship with NAB; and

- results for the first quarter are in line with expectations.

May I take this opportunity to thank all my Board colleagues for their considerable contribution during the past year. The company has not only grown, it has strengthened and matured in a manner that will enable it to meet the challenges of the new scale of operations. This is, in no small measure, an outcome from the dedication and experience of your board

On this note, it is my pleasure to invite Mr Alex Commins, Managing Director of Colorpak Limited, to address the meeting.

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AGM

The Westin

October 2012

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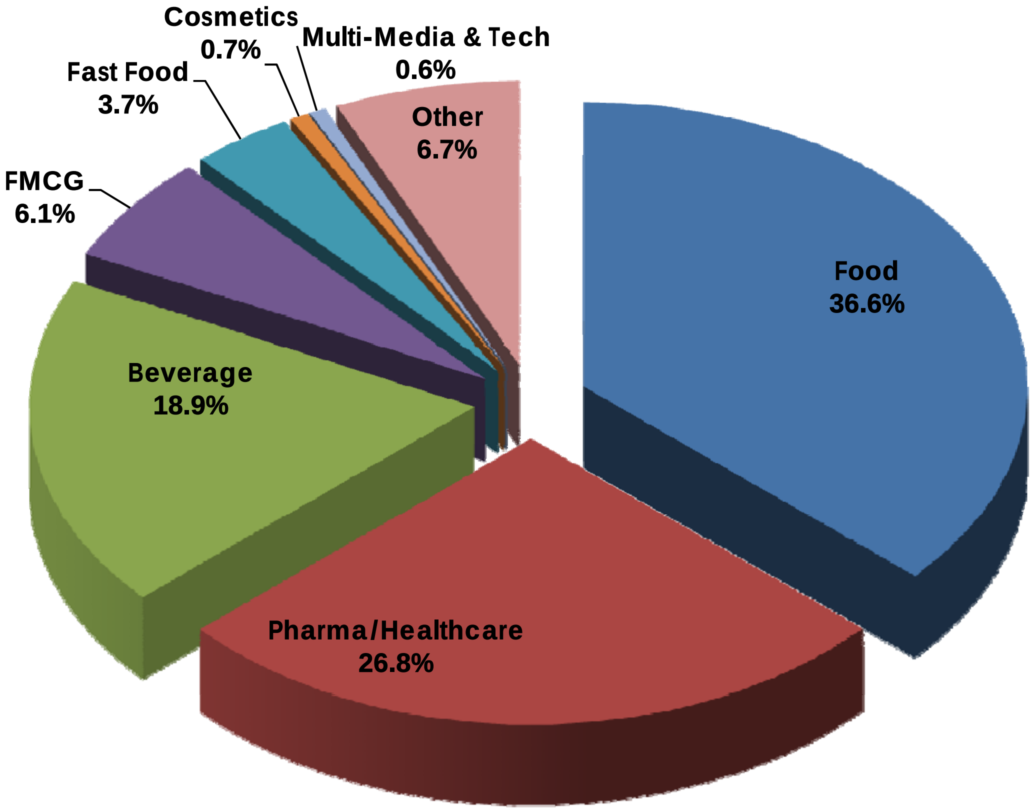
2012 Year Highlights

Highlights

Operations

- A year of integration and rationalisation with a sharp focus on margins and free cash flow.
- Announced consolidation of NSW operations in June with plans starting to execute now.
- Staff and customers very happy with the prospect of an expanded Regents Park facility which we developed as a greenfield site in 2006.
- Continue to balance capacity between sites to improve efficiencies, and maximize utilization by division.
- All EBA's signed off. IR environment harmonious.
- IT program has progressed well – we are now independent from CHH for IT support.
- Business managed as single entity rebranded as Colorpak – acquired business identity not retained in reporting structures.
- Acquired plant and equipment is in good condition, excess machinery has been sold.
- Greater depth of management across the group.

Market Segment



Client Endorsements

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AstraZeneca AUSTRALIA

GRAPHIC PACKAGING HOLDING COMPANY

gsk GlaxoSmithKline

Pernod Ricard New Zealand

kraft foods make today delicious

Norco QUALITY SINCE 1895

aspen AUSTRALIA

INDEPENDENT Liquor

SEALORD

inova pharmaceuticals

Coca-Cola

Steggles

ego the science of healthy skin

Fonterra Dairy for life

Nestlé Good Food, Good Life

Love'em INGHAM

SCA

Hospira

PROBIOTEC

McCain

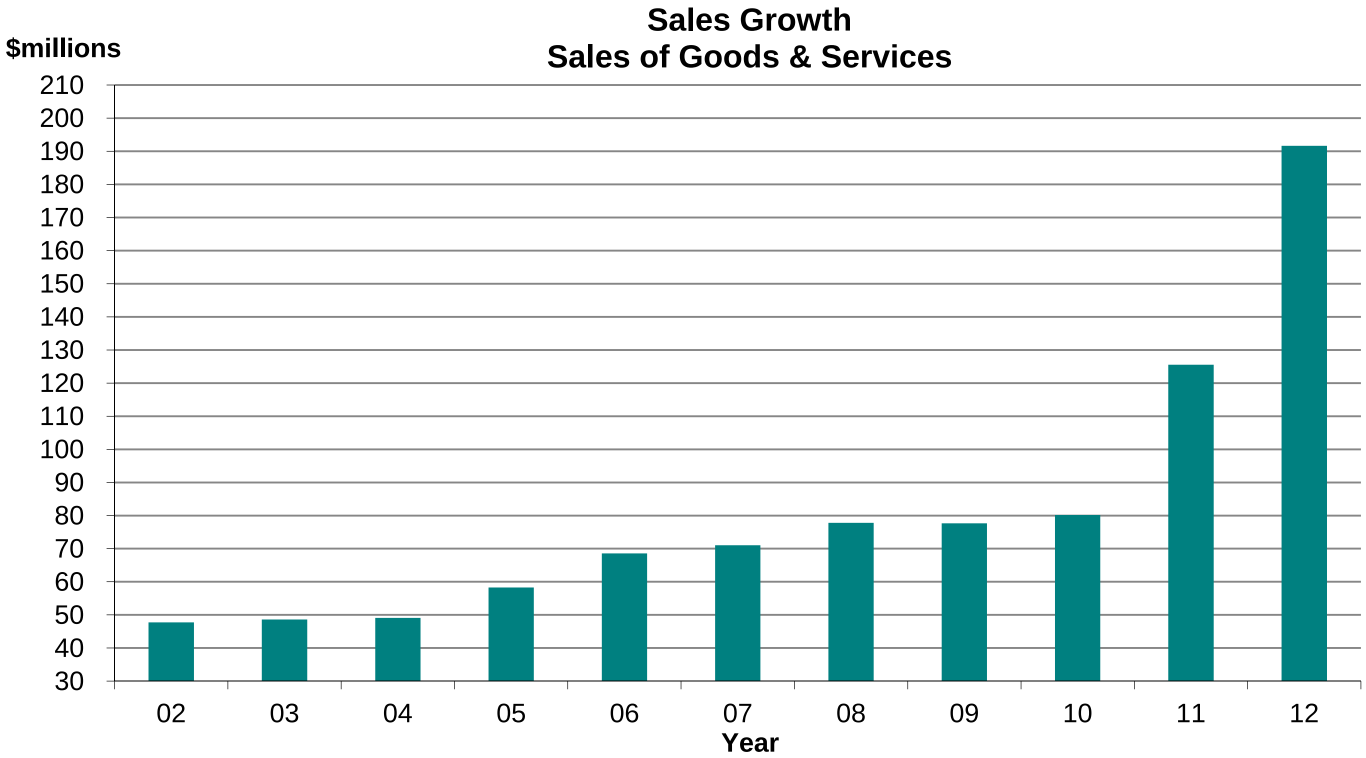
Pfizer

CSL

MARS

Bell TEA COMPANY

Sales Growth



Highlights

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Results Summary	2012	2011	Change
	Underlying *	Underlying *	Underlying
Sales (goods/services) ($000)	191,661	125,548	52.7%
EBITDA ($000)	16,735	15,802	5.9%
EBITDA %	8.7%	12.6%	
NPAT ($000)	7,660**	7,060	8.5%
EPS (cps)	9.39	8.66	8.5%
DPS (cps)	3.25	3.25	-

* Excludes impact of restructuring and business combination costs

** Includes $1.220 mill benefit adjusting prior year deferred tax position

Highlights

Cashflow

- Capex of $3.229 million, predominantly IT infrastructure harmonisation.
- Free cashflow generation of $13.9mil.

Dividends

- Final Dividend of 1.75 cents fully franked, was paid on 2 October 2012.

Balance Sheet

- Net debt at 30 June 2012 of $38.9 million
- Increase in gearing (debt/debt + equity), from 31.8% in June 2011 to 36.7% as a consequence of restructuring activities and cash settlement related to the CHH acquisition.

Competitive Position

- Long term reputational leader as independently validated by BIS Shrapnel annual survey into the Paperboard and Packaging sector.

- Focussed leader in the Australian pharmaceutical sector with an industry unique multi-printed component offering under our Pharmakit brand.

- Uniquely placed to partner with a customer from a concept design both structurally and graphically, and drive it through to final delivered product. Brandpack adds a new dimension of depth to our business – unrivalled by any of our competitors.

Market Trends

- Customers looking for convenience and reduced compliance costs which they can find in our model.
- High A$ and cost of doing business in Australia is also making international companies evaluate the benefit and pitfalls of manufacturing locally versus importing a fully packed finished product.
- Risk mitigation and contingency plans are big issues particularly in the pharmaceutical sector. We are able to tick those boxes given our multiple plant locations with full reciprocal manufacturing capability between sites.

Outlook

Financial

- Underlying results of business continue to track well.
- Expanded business now includes greater seasonality, with profit in 1st half higher than the 2nd half.
- Group revenue run rate lower, largely due to NZ fast food industry decline with profit to be maintained with modest growth expected to be driven by productivity gains.

CAPEX

- 2013 full year expected to be around $4.5 million.
- Capital expenditure directed towards rationalisation of NSW operations including infrastructure costs, expansion of automated processes to build factory efficiencies, and adoption of emerging world class technologies.
- Digital technology has matured to the point where we are comfortable to take it up in our flexibles and very short run carton business.

Outlook

Growth Opportunities

- As announced earlier in the month we have re-signed Astra Zeneca on a new five year $30mil contract.
- Will seek to expand existing and emerging product capabilities into the acquired customer base.
- Use the scale, expertise, and reputation of the expanded group to prevail in competitive tender situations for new business opportunities.
- Brandpack are leveraging our design agency approach and pre-press expertise deeper within our existing and potential customer base with unique offerings such as “virtual supermarket technology”.

Outlook

Strategies & Priorities

- Commitment to deliver shareholder value.
- Continued focus on margin improvement.
- Maintenance of strong customer relationships in our partnership approach to sustainability.
- Ongoing drive for internally driven productivity and efficiency improvements.
- Innovation in products, processes and emerging technologies to expand within current and potential customer base.
- Commitment to drive free cash flow and retirement of debt.

Thank you.