

Half year report

AMCOR LIMITED
ABN 62 000 017 372

1. Details of the reporting period and the previous corresponding period

Reporting Period: Half-Year Ended 31 December 2012
 Previous Corresponding Period: Half-Year Ended 31 December 2011

2. Results for announcement to the market

				<i>\$A million</i>
2.1 Revenues from ordinary activities				
• From Continuing Operations	down	0.8%	to	6,034.9
• From Discontinued Operations	n/a			
2.2 Net profit from ordinary activities after tax but before significant items, attributable to members ¹	up	5.7%	to	322.0
2.3 Net profit for the period after significant items, attributable to members	up	16.3%	to	238.3

¹ For the six months to 31 December 2012 significant items, after tax, totalled \$83.7 million. Refer the attached Interim Financial Report, Note 5 Significant Items.

Dividends	Amount per security	Franked amount per security
<i>Current period</i>		
2.4 Interim dividend payable 27 March 2013	19.5 cents	Nil
2.4 Final dividend (in respect of prior year) paid 25 September 2012	19.0 cents	Nil
<i>Previous corresponding period</i>		
2.4 Interim dividend	18.0 cents	Nil
2.5 Record date for determining entitlements to the dividend	Interim dividend – 1 March 2013	

2.6 Brief explanation of figures in 2.1 to 2.4 –:

- i) Dividends in the current period and previous corresponding period are unfranked.
- ii) Dividends to foreign holders are subject to withholding tax and the declaration that 100% of the dividend is sourced from the Conduit Foreign Income Account.
- iii) Refer to attached press release for further details relating to 2.1 to 2.4.

3. Net tangible assets

	31 December 2012	30 June 2012	31 December 2011
Net tangible asset backing per ordinary security	\$0.97	\$0.96	\$1.20

4. Control gained or lost over entities during the period having a material effect

Refer the attached Interim Financial Report, Note 3 Business Combinations and Note 4 Business Disposals.

5. Details of individual dividends and payment dates

Refer the attached Interim Financial Report, Note 7 Dividends.

6. Details of dividend reinvestment plan

The Dividend Reinvestment Plan (DRP) is in operation. No discount is available under the DRP. Issue price will be calculated on the arithmetic average of the weighted average price for the nine ASX Business Days from 5 to 18 March 2013 inclusive. The last date for receipt of election notices for the DRP is 1 March 2013. Shares allotted under the DRP rank equally with existing fully paid ordinary shares of Amcor Limited.

7. Details of associates and joint venture entities

At 31 December 2012 the group held a 47.9% interest in AMVIG Holdings Ltd ('AMVIG') a tobacco packaging company listed on the Hong Kong Stock Exchange. In the six months to 31 December 2012 the group recognised a share of associates profit of \$12.4 million (six months to 31 December 2011: \$17.5 million profit) relating to this associate investment.

On 14 September 2012 Amcor acquired a 50.0% joint venture interest in a Swiss company DISCMA AG ('DISCMA'), upon which date the Group commenced equity accounting of its investment. The joint venture entity has not yet commenced trading.

8. For foreign entities, which set of accounting standards is used in compiling the report

International Financial Reporting Standards

9. The Interim Financial Report is not subject to a review report that is subject to a modified opinion, emphasis of matter or other matter paragraph (a copy of the review report is included in the half-year accounts attached).



..... Date: 18 February 2013
Julie McPherson
Company Secretary

A M C O R L I M I T E D
A.B.N. 62 000 017 372

INTERIM FINANCIAL REPORT

31 DECEMBER 2012

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This condensed consolidated Interim Financial Report was approved by the Directors on 18 February 2013. The Directors have the power to amend and reissue the condensed consolidated Interim Financial Report.

Amcor Limited and its controlled entities

Directors' Report

The Directors present their report on the consolidated entity consisting of Amcor Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2012.

Directors

The following persons were Directors of Amcor Limited during the half year and up to the date of this report:

Name	Period of directorship
Non-executive	
C I (Chris) Roberts – Chairman	Director since 1999 – appointed Chairman 2000
G J (John) Pizzey	Director since 2003
J G (John) Thorn	Director since 2004
J L (Jeremy) Sutcliffe	Director since 2009
K J (Karen) Guerra	Director since 2010
A (Armin) Meyer	Director since 2010
J A (Jenny) Seabrook	Director since 2011 – retired 3 July 2012
G R (Graeme) Liebelt	Director since 2012
Executive	
K N (Ken) MacKenzie	Director since 2005

Review of Operations

A review of the operations of the consolidated entity during the half year, and the results of those operations is contained in Amcor's Statement to the Australian Stock Exchange and Media Release dated 18 February 2013.

Dividend

Since 31 December 2012 the Directors have determined an interim dividend on ordinary shares, expected to be paid on 27 March 2013 of approximately \$235.3 million. This represents a dividend of 19.5 cents per share unfranked, of which 100% is to be sourced from the Conduit Foreign Income Account. The financial effect of this dividend has not been brought into account in the consolidated financial statements for the six months ending 31 December 2012 and will be recognised in subsequent financial reports.

Auditor's Independence Declaration

A copy of the auditor's independence declaration, as required under Section 307C of the *Corporations Act 2001*, is set out on page 2.

Rounding Off

The consolidated entity is of a kind referred to in the Australian Securities and Investments Commission Class Order 98/0100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Directors' report have been rounded off to the nearest \$100,000 or, where the amount is \$50,000 or less, zero, unless specifically otherwise stated.

Signed in accordance with a resolution of the Directors, dated at Melbourne, this 18th day of February 2013.



C I Roberts
Chairman



Auditor's Independence Declaration

As lead auditor for the review of Amcor Limited for the half year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Amcor Limited and the entities it controlled during the period.

A handwritten signature in black ink that reads 'Dale McKee'.

Dale McKee
Partner
PricewaterhouseCoopers

Melbourne
18 February 2013

PricewaterhouseCoopers, ABN 52 780 433 757

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Amcor Limited and its controlled entities

Consolidated Income Statement For the six months ended 31 December 2012

\$ million	Note	2012	2011
Sales revenue	2	6,034.9	6,085.3
Cost of sales		(5,014.2)	(5,056.7)
Gross profit		1,020.7	1,028.6
Other income	2	98.5	69.2
Sales and marketing expenses		(173.3)	(168.7)
General and administration expenses		(514.0)	(513.2)
Research costs		(32.8)	(35.4)
Share of net profit of equity accounted investments	2	12.4	18.1
Profit from operations		411.5	398.6
Finance income		13.8	10.5
Finance expenses		(114.2)	(112.9)
Net finance costs	2	(100.4)	(102.4)
Profit before related income tax expense	2	311.1	296.2
Income tax expense		(61.1)	(80.6)
Profit for the financial period		250.0	215.6
Profit attributable to:			
Owners of Amcor Limited		238.3	204.9
Non-controlling interest		11.7	10.7
		250.0	215.6
		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of Amcor Limited			
Basic earnings per share		19.8	16.8
Diluted earnings per share		19.5	16.5

The above consolidated income statement should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report.

Amcor Limited and its controlled entities

Consolidated Statement of Comprehensive Income For the six months ended 31 December 2012

\$ million	2012	2011
Profit for the financial period	250.0	215.6
Other comprehensive income/(loss)		
Items that may be reclassified subsequently to profit or loss:		
<i>Cash flow hedges</i>		
Effective portion of changes in fair value of cash flow hedges	4.5	2.3
Net change in fair value of cash flow hedges reclassified to profit or loss	3.7	1.8
Net change in fair value of cash flow hedges reclassified to non-financial assets	(2.0)	(0.3)
Tax on cash flow hedges	(1.8)	(1.2)
<i>Exchange differences on translating foreign operations</i>		
Exchange differences on translation of foreign operations	24.4	(60.4)
Net investment hedge of foreign operations	(6.4)	31.5
Share of associates' exchange fluctuation reserve	(3.2)	3.5
Tax on exchange differences on translating foreign operations	17.1	1.0
Items that will not be reclassified to profit or loss:		
<i>Retained earnings</i>		
Actuarial loss on defined benefit plans	(49.1)	(15.4)
Tax on actuarial losses on defined benefit plans	10.0	6.5
Other comprehensive loss for the financial period, net of tax	(2.8)	(30.7)
Total comprehensive income for the financial period	247.2	184.9
Total comprehensive income attributable to:		
Owners of Amcor Limited	237.1	171.5
Non-controlling interest	10.1	13.4
	247.2	184.9

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report.

Amcor Limited and its controlled entities

Consolidated Statement of Financial Position As at 31 December 2012

\$ million	December 2012	June 2012
Current assets		
Cash and cash equivalents	359.7	357.6
Trade and other receivables	1,585.4	1,584.8
Inventories	1,642.0	1,663.6
Other financial assets	22.4	12.0
Other current assets	149.3	110.1
Total current assets	3,758.8	3,728.1
Non-current assets		
Investments accounted for using the equity method	442.4	489.9
Other financial assets	42.0	41.1
Property, plant and equipment	4,595.5	4,667.6
Deferred tax assets	134.7	143.6
Intangible assets	2,037.8	1,999.5
Retirement benefit assets	71.1	64.1
Other non-current assets	164.1	195.2
Total non-current assets	7,487.6	7,601.0
Total assets	11,246.4	11,329.1
Current liabilities		
Trade and other payables	2,562.4	2,744.7
Interest-bearing liabilities	1,507.0	915.5
Other financial liabilities	24.8	143.4
Current tax liabilities	68.6	95.1
Provisions	289.5	297.0
Total current liabilities	4,452.3	4,195.7
Non-current liabilities		
Trade and other payables	21.4	19.1
Interest-bearing liabilities	2,626.8	2,992.7
Other financial liabilities	0.2	13.2
Deferred tax liabilities	189.8	212.3
Provisions	176.4	167.6
Retirement benefit obligations	359.4	348.9
Total non-current liabilities	3,374.0	3,753.8
Total liabilities	7,826.3	7,949.5
NET ASSETS	3,420.1	3,379.6
Equity		
Contributed equity	3,889.1	3,784.4
Reserves	(1,006.5)	(994.0)
Retained profits	454.6	500.7
Total equity attributable to the owners of Amcor Limited	3,337.2	3,291.1
Non-controlling interest	82.9	88.5
TOTAL EQUITY	3,420.1	3,379.6

The above consolidated statement of financial position should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report.

Ancor Limited and its controlled entities

Consolidated Statement of Changes in Equity For the six months ended 31 December 2012

\$ million	Contributed equity	Reserves	Retained profits	Total attributable to owners of Ancor Limited	Non- controlling interest	Total equity
Balance at 1 July 2012	3,784.4	(994.0)	500.7	3,291.1	88.5	3,379.6
Profit for the financial period	-	-	238.3	238.3	11.7	250.0
Total other comprehensive income/(loss)	-	37.9	(39.1)	(1.2)	(1.6)	(2.8)
Total comprehensive income for the financial period	-	37.9	199.2	237.1	10.1	247.2
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	74.1	(24.3)	-	49.8	(0.2)	49.6
Shares purchased on-market to satisfy exercise of options and rights under share-based payment plans	(12.5)	-	-	(12.5)	-	(12.5)
Purchase of treasury shares	(2.2)	-	-	(2.2)	-	(2.2)
Dividends paid	-	-	(229.0)	(229.0)	(9.1)	(238.1)
Settlement of options and performance rights	45.3	(45.3)	-	-	-	-
Share-based payments expense	-	19.2	-	19.2	-	19.2
Non-controlling interest buy-out	-	-	(16.3)	(16.3)	(6.4)	(22.7)
Balance at 31 December 2012	3,889.1	(1,006.5)	454.6	3,337.2	82.9	3,420.1
Balance at 1 July 2011	4,070.4	(1,015.2)	633.2	3,688.4	60.2	3,748.6
Profit for the financial period	-	-	204.9	204.9	10.7	215.6
Total other comprehensive income/(loss)	-	(24.5)	(8.9)	(33.4)	2.7	(30.7)
Total comprehensive income/(loss) for the financial period	-	(24.5)	196.0	171.5	13.4	184.9
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	15.0	-	-	15.0	1.8	16.8
Shares purchased on-market to satisfy exercise of options and rights under share-based payment plans	(34.0)	-	-	(34.0)	-	(34.0)
Share buy-back	(150.0)	-	-	(150.0)	-	(150.0)
Dividends paid	-	-	(221.1)	(221.1)	(5.1)	(226.2)
Forward contract to purchase own equity to meet share plan obligations	(25.4)	7.8	-	(17.6)	-	(17.6)
Settlement of options and performance rights	17.2	(17.2)	-	-	-	-
Share-based payments expense	-	18.2	-	18.2	-	18.2
Non-controlling interest buy-out	-	-	-	-	(0.6)	(0.6)
Balance at 31 December 2011	3,893.2	(1,030.9)	608.1	3,470.4	69.7	3,540.1

The above consolidated statement of changes in equity should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report.

Amcor Limited and its controlled entities

Consolidated Cash Flow Statement For the six months ended 31 December 2012

\$ million	2012	2011
Cash flows from operating activities		
Profit for the financial period	250.0	215.6
Depreciation	220.1	234.8
Amortisation of intangible assets	16.9	20.4
Impairment losses on property, plant and equipment, receivables and inventory	100.6	38.1
Reversal of impairment losses on property, plant and equipment, receivables and inventory	(13.3)	(4.4)
Impairment losses on intangible assets	5.5	-
Curtailed gains, net of non-cash retirement benefit expense	(15.7)	(5.0)
Net finance costs	100.4	102.4
Grant income recognised	(0.4)	(0.4)
Net gain on disposal of non-current assets	(39.8)	(18.1)
Net loss on disposal of equity accounted investments	-	0.6
Fair value loss/(gain) on other financial assets at fair value through income statement	0.1	(0.8)
Share of net profits of equity accounted investments	(12.4)	(18.1)
Net foreign exchange loss/(gain)	0.2	(4.6)
Dividends from other entities	(0.2)	(0.1)
Share-based payments expense	19.2	18.2
Other sundry items	(7.2)	15.4
Income tax expense	61.1	80.6
Operating cash flows before changes in working capital and provisions	685.1	674.6
- Decrease/(Increase) in prepayments and other operating assets	(3.7)	(6.4)
- Increase/(Decrease) in employee benefits and other operating liabilities	(29.9)	(24.6)
- Increase/(Decrease) in provisions	(8.7)	(15.4)
- (Increase)/Decrease in trade and other receivables	(26.2)	52.4
- Decrease/(Increase) in inventories	13.0	(6.5)
- Increase/(Decrease) in trade and other payables	(190.6)	(236.2)
	439.0	437.9
Dividends received	70.7	13.5
Interest received	7.4	5.8
Borrowing costs	(95.1)	(98.0)
Income tax paid	(88.1)	(49.6)
Net cash from operating activities	333.9	309.6
Cash flows from investing activities		
Repayment of loans by associated companies and other persons	(1.2)	(4.7)
Payments for acquisition of controlled entities, businesses and associates, net of cash acquired	(103.9)	(13.5)
Payments for property, plant and equipment and intangible assets	(260.6)	(349.5)
Proceeds on disposal of associates, controlled entities and businesses	0.5	131.1
Proceeds on disposal of property, plant and equipment	79.8	31.9
Net cash from investing activities	(285.4)	(204.7)

The above consolidated cash flow statement should be read in conjunction with the accompanying condensed notes to the consolidated interim financial report.

Amcor Limited and its controlled entities

Consolidated Cash Flow Statement (continued) For the six months ended 31 December 2012

\$ million	2012	2011
Cash flows from financing activities		
Proceeds from share issues, exercise of options and calls on partly-paid shares	74.1	15.0
Share buy-back	-	(150.0)
Shares purchased on-market and settlement of forward contracts, to satisfy exercises of options and rights under share-based payment plans	(113.1)	(34.0)
Payments for treasury shares	(2.2)	-
Proceeds on capital contribution from non-controlling interest	-	1.8
Proceeds from borrowings	3,249.9	3,677.9
Repayment of borrowings	(3,052.5)	(3,350.1)
Principal lease repayments	(1.6)	(1.0)
Dividends and other equity distributions paid	(240.9)	(226.2)
Net cash from financing activities	(86.3)	(66.6)
Net (decrease)/increase in cash held	(37.8)	38.3
Cash and cash equivalents at the beginning of the financial period	322.1	197.3
Effects of exchange rate changes on cash and cash equivalents	1.0	2.0
Cash and cash equivalents at the end of the financial period	285.3	237.6

Reconciliation of cash and cash equivalents

For purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand, cash at bank and short term money market investments, net of outstanding bank overdrafts. Cash and cash equivalents as at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

Cash assets and cash equivalents	359.7	289.7
Bank overdrafts	(74.4)	(52.1)
Cash and cash equivalents at the end of the financial period	285.3	237.6

The consolidated entity operates in 42 countries around the world some of which may impose restrictions over cash. The estimated restricted cash balance at 31 December 2012 is between \$60.0 million and \$65.0 million.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

1. Summary of Significant Accounting Policies

Amcor Limited (the 'Company') is a company domiciled in Australia. This condensed consolidated interim financial report includes the financial statements of the Company and its subsidiaries (together referred to as 'the consolidated entity') and the consolidated entity's interest in equity accounted investments, as at and for the half year ended 31 December 2012.

The Annual Report of the consolidated entity as at and for the year ended 30 June 2012 is available upon request from the Company's registered office at 109 Burwood Road, Hawthorn 3122, Victoria, Australia or at www.amcor.com.au.

(a) Basis of preparation of the condensed consolidated interim financial report

The condensed consolidated interim financial report is a general purpose financial report which has been prepared in accordance with the requirements of Accounting Standard AASB 134 *Interim Financial Reporting* (AASB 134) and the *Corporations Act 2001*.

The condensed interim financial report does not include all of the information required for a full financial report, and should be read in conjunction with the Annual Report of the consolidated entity as at and for the year ended 30 June 2012 and any public announcements made by Amcor Limited and its controlled entities during the half year in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*.

The consolidated entity is of a kind referred to in ASIC Class Order 98/0100 dated 10 July 1998 and in accordance with that Class Order, amounts in the condensed consolidated interim financial report have been rounded off to the nearest \$100,000 or, where the amount is \$50,000 or less, zero, unless otherwise specifically stated.

The accounting policies applied by the consolidated entity in this condensed consolidated interim financial report are the same as those applied by the consolidated entity in its Annual Report as at and for the year ended 30 June 2012 and the corresponding interim reporting period.

(b) Adoption of new and revised standards and interpretations

Recently issued accounting standards and interpretations not yet adopted

The following new or revised accounting standards have been issued by the Australian Accounting Standards Board (AASB) and have been identified as those which have the potential to impact the accounting policies and disclosures of the consolidated entity. They are available for early adoption at 31 December 2012, but have not been applied in preparing this condensed consolidated interim financial report.

- AASB 9 *Financial Instruments*, AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* and AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures* address the classification and measurement of financial instruments and may affect the consolidated entity's accounting for its financial instruments. The new accounting standard and amendments are mandatory for the consolidated entity's 30 June 2016 consolidated financial statements. The potential effect of the new and amending standards on the financial results of the consolidated entity upon adoption has yet to be determined.
- AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements*, AASB 12 *Disclosure of Interests in Other Entities*, AASB 127 *Separate Financial Statements*, AASB 128 *Investments in Associates and Joint Ventures*, AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards* and AASB 2012-10 *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments* together represent a suite of related standards covering the accounting and disclosure requirements for consolidated financial statements, associates, joint arrangements and off balance sheet vehicles, with mandatory adoption to be applied by the consolidated entity for the financial year ending 30 June 2014. The potential effect of the amending standards on the financial results of the consolidated entity upon adoption has yet to be determined.
- AASB 13 *Fair Value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13* combines guidance for all fair value measurements required in other standards. These standards do not require fair value measurements additional to those already required or permitted by other Australian Accounting Standards, and therefore this standard is not expected to have an impact on the financial results of the consolidated entity on adoption. The new accounting standard and amendments are to be first applied by the consolidated entity for the financial year ending 30 June 2014.
- AASB 119 *Employee Benefits* (September 2011) has been amended for disclosure, presentation and accounting changes to defined benefit plans and other employee benefits. The accounting change eliminates the option to defer the recognition of actuarial gains and losses (the 'corridor method'), requiring remeasurements to be presented in other comprehensive income. AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB 119* makes amendments to other accounting standards and interpretations as a result of the revised standard. The consolidated entity's accounting policy for defined benefit plans is to recognise actuarial gains and losses in other comprehensive income and therefore the accounting change introduced by the amendment will have no financial impact upon the consolidated entity. The amendments will become mandatory for the consolidated entity's 30 June 2014 consolidated financial statements and it will impact the disclosures and presentation of defined benefit plans of the consolidated entity.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

1. Summary of Significant Accounting Policies (continued)

(b) Adoption of new and revised standards and interpretations (continued)

Recently issued accounting standards and interpretations not yet adopted (continued)

- AASB 2011-4 *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements* makes amendments to AASB 124 Related Party Disclosures to remove individual key management personnel (KMP) disclosure requirements on the basis they are not in line with International Financial Reporting Standards, with the current requirements considered to be more in the nature of governance disclosures that are better dealt with as part of the *Corporations Act 2001*. The amendment will become mandatory for the consolidated entity's 30 June 2014 financial statements and as it relates to disclosures only. The amendment will not have any financial impact on the consolidated entity.

(c) Critical accounting estimates

The preparation of this condensed consolidated interim financial report requires management to exercise its judgements and make estimates and assumptions in applying the consolidated entity's accounting policies which impact the reported amounts of assets, liabilities, income and expenses.

Estimates and judgements are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual result may differ from these accounting estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and any future periods affected.

In preparing this condensed consolidated interim financial report, the significant judgements made by management in applying the consolidated entity's accounting policies and key sources of estimation uncertainty were the same as those applied to the consolidated entity's Annual Report as at and for the year ended 30 June 2012.

2. Segment Information

An operating segment is a component of the consolidated entity that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the consolidated entity's other components.

All operating segment results are regularly reviewed by the consolidated entity's chief operating decision maker which has been identified as the Corporate Executive Team (CET). The CET consists of the Managing Director and Chief Executive Officer, and other Senior Executives of the consolidated entity. The CET provides the strategic direction and management oversight of the day-to-day activities of the consolidated entity in terms of monitoring results, providing approval for capital expenditure decisions and approving strategic planning for the businesses.

(a) Description of reporting segments

The consolidated entity is organised on a global basis into the following reporting segments:

Amcor Rigid Plastics

This segment manufactures rigid plastic containers from various materials for a broad range of predominantly beverage and food and healthcare, including carbonated soft drinks, water, juices, sports drinks, milk-based beverages, spirits and beer, sauces, dressings, spreads and personal care items and plastic caps for a wide variety of applications.

Amcor Australasia and Packaging Distribution

This segment manufactures a wide range of products including corrugated boxes; folding cartons; aluminium beverage cans; plastic and metal closures; glass wine and beer bottles; multi-wall sacks; cartonboard and recycled paper. The distribution operation of this segment purchases, warehouses, sells and delivers a wide variety of packaging and related products.

Amcor Flexibles

This reporting segment represents the aggregation of three operating segments of which each manufactures flexible and film packaging for their respective industries. The operating segments are:

- Amcor Flexibles Europe & Americas which provides packaging for the food and beverage industry including confectionery, coffee, fresh food and dairy, pet food packaging, champagne and wine closures and also provides packaging for the pharmaceutical sector including high value-added medical applications.
- Amcor Tobacco Packaging which manufactures flexible packaging for specialty folding cartons for tobacco packaging.
- Amcor Flexibles Asia Pacific which provides packaging for the food and beverage industry including confectionery, coffee, fresh food and dairy and also provides packaging for the pharmaceutical sector and home and personal care.

Management believe that it is appropriate to aggregate these three operating segments as one reporting segment due to the similarities in the nature of each operating segment.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

2. Segment Information (continued)

(a) Description of reporting segments (continued)

Other/Investments

This segment holds the consolidated entity's associate investment in AMVIG Holdings Limited (AMVIG). AMVIG is principally involved in the manufacture of tobacco packaging. In addition to holding the investment in AMVIG, this segment includes the Corporate function of the consolidated entity.

(b) Notes to and forming part of the segment information

The segment information is prepared in conformity with the accounting policies of the consolidated entity and the accounting standard AASB 8 *Operating Segments*.

Segment revenues, expenses and results include transfers between segments. Such transfers between segments are generally priced on an 'arm's length' basis and are eliminated on consolidation.

The segment profit measure reported to the CET for the purposes of resource allocation and assessment is profit before interest, related income tax expense and significant items and therefore excludes the effects of non-recurring income and expenditure from the operating segments.

Furthermore the profit measure includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis but excludes interest income and expenditure and other finance costs as this type of activity is driven by the central Amcor Group Treasury function, which manages the cash position of the consolidated entity.

Comparative information has been presented in conformity with the identified reporting segments of the consolidated entity as at the reporting date in accordance with AASB 8.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

2. Segment Information (continued)

(c) Segment information provided to the CET

The following segment information was provided to the CET for the reportable segments for the six months ended 31 December 2012 and 31 December 2011:

\$ million	Amcor Rigid Plastics		Amcor Australasia and Packaging Distribution ⁽¹⁾		Amcor Flexibles		Other/ Investments		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Reportable segment revenue										
Revenue from external customers	1,441.8	1,575.4	1,491.0	1,476.7	3,102.1	3,033.2	-	-	6,034.9	6,085.3
Inter-segment revenue	-	-	2.0	2.2	7.2	8.8	-	-	9.2	11.0
Total reportable segment revenue	1,441.8	1,575.4	1,493.0	1,478.9	3,109.3	3,042.0	-	-	6,044.1	6,096.3
<i>Reconciliation to total revenue from continuing operations</i>										
Elimination of inter-segment revenue									(9.2)	(11.0)
Other income									98.5	69.2
Finance income									13.8	10.5
Consolidated revenue and other income from continuing operations									6,147.2	6,165.0
Reportable segment profit/(loss)										
Profit/(loss) before depreciation, amortisation, interest, related income tax expense and significant items	197.8	194.4	141.3	152.7	447.3	438.7	(18.3)	(14.9)	768.1	770.9
Depreciation and amortisation	(74.9)	(81.4)	(58.5)	(62.9)	(102.7)	(109.7)	(0.9)	(1.2)	(237.0)	(255.2)
Profit/(loss) before interest, related income tax expense and significant items	122.9	113.0	82.8	89.8	344.6	329.0	(19.2)	(16.1)	531.1	515.7
Significant items before related income tax expense	-	(56.1)	(119.6)	(17.3)	-	(36.0)	-	(7.7)	(119.6)	(117.1)
Profit/(loss) before interest and related income tax expense	122.9	56.9	(36.8)	72.5	344.6	293.0	(19.2)	(23.8)	411.5	398.6
<i>Reconciliation to profit from continuing operations</i>										
Net finance costs									(100.4)	(102.4)
Consolidated profit before related income tax expense									311.1	296.2
Share of net profits of equity accounted investments	-	-	-	-	-	0.6	12.4	17.5	12.4	18.1

⁽¹⁾ Included within the operating result of the Australasia and Packaging Distribution reporting segment are non-capitalised start up costs related to the new recycled paper mill, located in Botany, New South Wales of \$23.4 million (2011: nil), offset by gains on disposal of property, plant and equipment for a net gain of approximately \$5.0 million.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

3. Business Combinations

(a) Aperio Group acquisition

(i) Summary of acquisition

On 11 May 2012, the consolidated entity announced the successful completion of the 100% acquisition of the Aperio Group, one of Asia Pacific's leading producers of flexible packaging products consisting of 13 manufacturing facilities across Australia and New Zealand and a modern facility in Thailand.

The acquisition of the Aperio Group brought together two leaders in flexible packaging in Australasia and was an important strategic addition to Amcor's existing Flexible Packaging Business in the Asia Pacific region.

Details of the business combination were disclosed and preliminary accounting presented in note 3 of the consolidated entity's 30 June 2012 Annual Report. During the six months to 31 December 2012, the consolidated entity adjusted this preliminary accounting.

Details of the purchase consideration, the fair value of net assets acquired and goodwill are as follows:

\$ million	
Purchase consideration	
Cash paid	237.6
Completion adjustments	3.3
Total purchase consideration	240.9

\$ million	Fair value
Fair value of net assets acquired	
Cash and cash equivalents	7.1
Trade and other receivables	56.3
Inventories	44.6
Current other financial assets	2.3
Property, plant and equipment	75.8
Deferred tax assets	5.2
Intangible assets	10.0
Trade and other payables	(56.9)
Current tax liabilities	0.7
Current provisions	(16.8)
Deferred tax liabilities	(6.9)
Non-current provisions	(1.8)
Fair value of net identifiable assets acquired	119.6
Add goodwill	121.3
Fair value of net assets acquired	240.9

(ii) Goodwill

The goodwill on acquisition is primarily attributable to expected synergies available to the consolidated entity upon the integration of the businesses into the Group, as well as benefits derived from the acquired workforce and other intangible assets that cannot be separately recognised. The goodwill recognised on acquisition is not considered deductible for tax purposes.

(iii) Acquired receivables

The fair value of acquired trade receivables is \$49.7 million of which no impairment losses have been recognised.

(iv) Changes to the preliminary acquisition balance sheet presented at 30 June 2012

As permitted under Australian Accounting Standards, the consolidated entity had 12 months from acquisition date to finalise the fair value of net assets acquired and goodwill. This process has largely been finalised, resulting in a \$18.9 million increase in goodwill, a \$15.6 million decrease in net identifiable assets acquired and \$3.3 million increase in purchase consideration from those amounts disclosed at 30 June 2012.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

3. Business Combinations (continued)

(a) Aperio Group acquisition (continued)

(v) Purchase Consideration

\$ million

Outflow of cash to acquire entities, net of cash acquired:	
Cash consideration	240.9
Less: Balances acquired	
Cash	(7.1)
Outflow of cash⁽¹⁾	233.8

⁽¹⁾ Cash outflow in the period ended 31 December 2012 was \$3.3 million (2011: nil).

(vi) Acquisition Costs

During the six months to December 2011 \$0.9 million of acquisition related costs were recognised as an expense and classified as general and administration expenses in the income statement. No acquisition related costs have been recognised in the six months to December 2012.

(b) Acquisitions during the six months to 31 December 2012

During the six months to 31 December 2012 the consolidated entity completed a number of businesses acquisitions:

- The Tobacco Packaging business acquired 100% of IPC Tobacco Argentina S.A., a tobacco packaging business in Piso, Argentina on 2 July 2012. This acquisition will help strengthen the consolidated entity's value proposition to clients by establishing a local presence in the Latin American market. In addition, the Tobacco Packaging business also acquired the business and assets of Aluprint on 17 July 2012. This included a tobacco packaging plant in Monterrey, Mexico.
- On 5 July 2012 the Flexibles Asia Pacific business acquired an additional 14.3 million shares in the subsidiary Amcor Chengdu Co. Limited (Chengdu), representing a 47.8% interest, taking the consolidated entity's ownership level to 97.8%.
- On 3 July 2012, the Australian Corrugated Specialty division acquired the business assets of Wayne Richardson Sales, an independently owned packaging and industrial distributor with eight distribution centres across Australia. The business is a distributor of a broad range of industrial packaging and packaging consumables to small and medium size customers and is included in the Amcor Australasia and Packaging Distribution operating segment.
- On 15 November 2012, the Flexibles Asia Pacific business acquired Uniglobe, a flexible packaging company operating from a single site located in India. This acquisition sees Amcor's footprint in the high-growth Indian market expand to five manufacturing sites.

The accounting for each of these acquisitions has been provisionally determined at 31 December 2012 and, at this time, the fair value assessment process remains in progress.

(c) Acquisitions during the year ended 30 June 2012

In addition to the Aperio Group acquisition disclosed in (a) above, the following acquisitions occurred during the year ended 30 June 2012:

- The Amcor Australasia Beverage division acquired the business assets of Carter & Associates, a major distributor of Amcor glass wine, champagne and spirit bottles in New Zealand on 4 January 2012. The business is included in the Australasia and Packaging Distribution reporting segment.
- On 1 April 2012 the consolidated entity acquired an additional 3.0 million shares interest in the equity accounted investment Amcor Chengdu Co. Limited (Chengdu). This acquisition increased the consolidated entity's ownership in this entity to 50.0% and at this date the consolidated entity obtained a controlling interest in the previously equity accounted associate and commenced consolidating the financial results and position of the subsidiary. The business is included in the Amcor Flexibles reporting segment.
- On 21 September 2011 the consolidated entity acquired certain assets of Marfred Industries, a corrugated and folding carton manufacturer and packaging distributor in California. The business is included in the Australasia and Packaging Distribution reporting segment.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

4. Business Disposals

(a) Disposals during the six months to 31 December 2012

During the six months to 31 December 2012 the consolidated entity did not dispose of any businesses.

(b) Disposals during the year to 30 June 2012

Disposal of equity accounted investment

During the 12 months to 30 June 2012, the consolidated entity disposed of its 37.0% interest in the equity accounted investment Silgan White Cap de Venezuela S.A., a metal and plastics closures company incorporated in Venezuela, which resided in the Amcor Rigid Plastics reporting segment. The transaction was completed on 30 November 2011 and a loss of \$0.6 million on sale of the investment was recognised.

5. Significant Items

\$ million	2012			2011		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
<i>Expense</i>						
Australasia restructuring ^{(1), (2)}	(119.6)	35.9	(83.7)	(17.3)	0.1	(17.2)
Rigid Plastics business integration and restructure ⁽¹⁾	-	-	-	(47.4)	6.3	(41.1)
Legal costs ^{(1), (3)}	-	-	-	(1.3)	0.4	(0.9)
Costs to achieve synergies relating to Alcan Packaging acquisition ⁽¹⁾	-	-	-	(45.8)	8.8	(37.0)
Disposal of Glass Tubing Business ⁽⁴⁾	-	-	-	(5.3)	1.7	(3.6)
Total significant items	(119.6)	35.9	(83.7)	(117.1)	17.3	(99.8)

⁽¹⁾ In the prior period no tax benefit was recognised for certain significant item expense where the resultant tax loss was not considered probable of recovery.

⁽²⁾ The \$119.6 million Australia restructuring expense recognised in the current period includes \$86.1 million of asset impairments.

⁽³⁾ Legal costs include costs of the consolidated entity and others associated with the defence of various ACCC matters.

⁽⁴⁾ The Glass Tubing Business was disposed of on 23 June 2011. The \$5.3 million represents the final sale adjustments reducing the profit on sale before tax to \$84.3 million.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

6. Issuances, Repurchases and Repayments of Securities

(a) Reconciliation of fully paid ordinary shares

	Six months 31 December 2012		Twelve months 30 June 2012	
	No. '000	\$ million	No. '000	\$ million
Balance at beginning of period	1,206,685	3,802.1	1,227,470	4,070.4
Calls on partly-paid shares	142	0.9	105	0.7
Issue of shares under the Employee Share Purchase Plan	90	-	95	-
Restriction lifted on shares issued under the Employee Share Purchase Plan	-	2.1	-	3.2
Loan repayments under the Employee Share Option Plan	-	1.2	-	2.9
Exercise of options under the Long Term Incentive Plan	12,371	83.7	3,702	28.5
Exercise of performance rights under the Long Term Incentive Plan	2,721	11.4	1,277	6.2
Exercise of performance rights under the Equity Management Incentive Plan	1,801	10.8	1,871	9.5
Exercise of options under the Employee Share Option Plan	1,523	9.3	594	4.0
Forward contract to purchase own equity to meet share plan obligations	-	-	-	(120.0)
Forward contract settled to satisfy exercise of options and rights under Employee Share Plans	(14,017)	-	-	-
Shares purchased on-market to satisfy exercise of options and rights under Employee Share Plans	(1,900)	(12.5)	(7,298)	(53.3)
Treasury shares used to satisfy exercise of options and rights under Employee Share Plans	(2,731)	(19.5)	-	-
Share buy-back	-	-	(21,131)	(150.0)
Balance at end of period	1,206,685	3,889.5	1,206,685	3,802.1

(b) Reconciliation of partly paid ordinary shares

Balance at beginning of period	479	-	584	-
Converted to fully paid ordinary shares	(142)	-	(105)	-
Balance at end of period	337	-	479	-

(c) Reconciliation of treasury shares

Balance at beginning of period	2,500	17.7	-	-
Acquisition of shares by the Amcor Employee Share Trust	300	2.2	2,500	17.7
Employee Share Plan issue	(2,731)	(19.5)	-	-
Balance at end of period	69	0.4	2,500	17.7

(d) Employee options and performance rights

During the six months to 31 December 2012, 2,156,853 (2011: 2,407,608) performance rights were granted to employees under the Equity Management Incentive Plan ('EMIP') resulting in the recognition of an employee share-based payments expense of \$3.3 million (2011: \$3.1 million).

The Company has also granted 8,527,600 options over ordinary shares in November 2012, 8,504,300 were granted at an exercise price of \$7.31 and 23,300 at an exercise price of \$7.61 (2011: 18,426,700 options granted in December 2011 at an exercise price of \$7.03). These grants resulted in the recognition of an employee share option expense of \$0.2 million (2011: \$0.3 million). In addition, performance rights of 1,398,500 and performance shares of 582,900 (2011: performance rights 642,200 and performance shares 297,400) were granted and an employee share-based payments expense of \$0.2 million (2011: \$0.1 million) was recognised.

Options totalling 654,200 (2011: 2,001,675) over ordinary shares, 48,600 (2011: 270,584) performance rights and 5,400 (2011: 217,516) performance shares were cancelled during the period.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

7. Dividends

	2012		2011	
	Cents per share	Total \$m	Cents per share	Total \$m
(a) Dividends provided for or paid during the period				
Final dividend paid on 25 September 2012 unfranked (2011: 28 September 2011 unfranked) of which 100% was sourced from the Conduit Foreign Income Account (2011: 100%).	19.0	229.0	18.0	221.1
(b) Dividends not recognised at period end				
The directors have determined an interim dividend, expected to be paid on 27 March 2013 unfranked (2011: 29 March 2012 unfranked) of which 100% is to be sourced from the Conduit Foreign Income Account (2011: 100%).	19.5	235.3	18.0	217.2

8. Liquidity Management

Liquidity risk arises from the financial liabilities of the consolidated entity and the consolidated entity's ability to meet its obligation to repay financial liabilities as and when they fall due.

Liquidity risk management involves maintaining available funding and ensuring the consolidated entity has access to an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Amcor Group Treasury aims to maintain flexibility within the funding structure through the use of bank overdrafts, bank loans, commercial paper and corporate bonds. The consolidated entity manages this risk via maintaining minimum undrawn committed liquidity of at least A\$330.0 million (in various currencies) that can be drawn upon at short notice; generally uses instruments that are readily tradable in the financial markets; monitors duration of long term debt; to the extent practicable, spreads maturity dates of long term debt facilities and regularly performs a comprehensive analysis of all cash inflows and outflows that relate to financial assets and liabilities.

Financing arrangements

The table below analyses, at reporting date, the committed and uncommitted standby arrangements of the unused credit facilities of the consolidated entity.

Committed facilities are those where an agreement is in place with a financial institution to provide funds on request up to a specified maximum at a specified interest rate, where agreement conditions must be adhered to by the borrower for the facility to remain in place. Uncommitted facilities are those where an agreement is in place with the financial institution where the financial institution agrees in principle to make funding available but is under no obligation to provide funding.

\$ million	31 December 2012			30 June 2012		
	Committed	Uncommitted	Total	Committed	Uncommitted	Total
Facilities not utilised						
Bank overdrafts	51.0	58.5	109.5	-	175.9	175.9
Unsecured bill acceptance facility/standby facility	220.2	-	220.2	465.8	-	465.8
Loan facilities and term debt	353.0	98.7	451.7	388.5	122.6	511.1
	624.2	157.2	781.4	854.3	298.5	1,152.8

In August 2012, the Company successfully refinanced a tranche of the existing US\$1,850.0 million Syndicated Facility for the purposes of renewing existing debt facilities and for the general corporate and working capital purposes of the Amcor Group, taking the total bank facility up to US\$2,010.0 million. The US\$740.0 million tranche of the interest bearing liability, which was due to mature in December 2012, has been increased to US\$900.0 million for an additional three years and will mature in August 2015. Of this amount, \$220.2 million is unused as at 31 December 2012.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

8. Liquidity Management (continued)

The three year tranche acts as back stop liquidity support for outstanding commercial paper in the event that maturing commercial paper cannot be rolled. With this back stop facility in place, the commercial paper borrowings (which total \$647.5 million at 31 December 2012) are effectively multi-year facilities however for balance sheet purposes are included in current interest-bearing liabilities.

As at 31 December 2012, the contractual maturities of the consolidated entity's financial liabilities and net and gross settled financial instruments were as follows:

\$ million	1 year or less	1-2 years	2-5 years	More than 5 years	Total
31 December 2012					
<i>Non-derivatives</i>					
Non-interest-bearing	2,562.4	21.4	-	-	2,583.8
Variable rate	1,535.9	483.5	13.7	6.1	2,039.2
Fixed rate	105.7	278.8	693.6	1,670.3	2,748.4
Total non-derivatives	4,204.0	783.7	707.3	1,676.4	7,371.4
<i>Derivatives</i>					
Gross settled					
- Inflow	1,442.1	13.3	1.0	-	1,456.4
- Outflow	(1,447.0)	(13.2)	(1.0)	-	(1,461.2)
Total net derivative liabilities	(4.9)	0.1	-	-	(4.8)
30 June 2012					
<i>Non-derivatives</i>					
Non-interest-bearing	2,744.7	19.1	-	-	2,763.8
Variable rate	772.9	27.4	847.3	7.6	1,655.2
Fixed rate	295.5	106.5	806.3	1,801.8	3,010.1
Total non-derivatives	3,813.1	153.0	1,653.6	1,809.4	7,429.1
<i>Derivatives</i>					
Gross settled					
- Inflow	1,546.8	29.5	-	-	1,576.3
- Outflow	(1,682.4)	(44.2)	-	-	(1,726.6)
Total net derivative liabilities	(135.6)	(14.7)	-	-	(150.3)

9. Contingencies

There were no material changes in the contingent liabilities or contingent assets since 30 June 2012.

Details of other contingent liabilities are set out below. The Directors are of the opinion that provisions are not required in respect of these matters, as it is either not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

- Amcor Limited has indemnified the PaperlinX Limited Group in relation to potential taxation and workcover liabilities in excess of any provisions made in the financial statements of the PaperlinX Limited Group at 31 March 2000.
- The consolidated entity operates in many territories around the globe under different direct and indirect tax regimes. From time to time the consolidated entity receives assessments for additional tax from revenue authorities which, having consulted with experts including external counsel, it believes are unfounded. Nonetheless, at any point in time matters will be under discussion and review with revenue authorities for which a theoretical exposure may exist. Amcor believes that the likelihood of these having a material impact on the consolidated entity's financial position, results of operations or cash flows is remote. Specifically, the Brazil operations have received a series of excise and income tax claims from the local tax authorities and in the opinion of outside counsel these claims have a remote likelihood of being upheld. It is not possible to make a reasonable estimate of the amount or range of expense that could result from an unfavourable outcome in respect of these or any additional assessments that may be issued in the future. These matters are being vigorously contested by Amcor. All means are being examined in order to minimise any exposure.

Amcor Limited and its controlled entities

Condensed Notes to the Consolidated Interim Financial Report For the six months ended 31 December 2012

9. Contingencies (continued)

Competition Law Investigation – New Zealand

On 29 November 2004, Amcor notified the New Zealand Commerce Commission (NZCC) that the Company may have been involved in cartel conduct in New Zealand. The NZCC is the regulatory agency responsible for enforcing New Zealand's anti-trust laws under the *Commerce Act 1986*. Amcor applied for leniency pursuant to the NZCC's Leniency Policy for Cartel Conduct (NZ Leniency Policy).

The NZ Leniency Policy allows for immunity from NZCC initiated proceedings to the first person involved in a cartel to come forward with information about the cartel and co-operate fully with the NZCC in its investigation and prosecution of the cartel.

Amcor was granted conditional immunity on 1 December 2004. Pursuant to the NZ Leniency Policy, Amcor entered into an agreement with the NZCC under which Amcor is obliged to comply with specified conditions including full co-operation with the NZCC. The NZCC's investigation is continuing and Amcor continues to provide full co-operation. The NZCC has commenced proceedings in New Zealand against various parties (but not against Amcor companies) alleging conduct prohibited by the *Commerce Act 1986* (including cartel conduct). Amcor will assist in the proceeding to the extent required by the leniency agreement.

The operation of the NZ Leniency Policy does not exclude or limit claims by third parties who claim to have suffered loss or damage as a result of any cartel conduct. Under the *Commerce Act*, third parties may pursue private claims for compensatory or exemplary damages.

Estimated Damages – New Zealand

As a result of the grant of conditional immunity, Amcor does not expect to incur any pecuniary penalties arising out of the NZCC investigation. It is not possible, at present, to provide either a reasonable estimate, or a reasonable estimated range of any amounts which might become payable by way of damages to any third parties who believe they may have suffered loss as a result of any cartel conduct in New Zealand. Although it is not possible at present to establish a reasonable estimated range of damages, there can be no assurance that any damages ultimately incurred will not be material to the results of operations or financial condition of the consolidated entity.

10. Events Subsequent to Balance Date

Sale of businesses

On 31 January 2013 the consolidated entity completed the sale of three industrial and agricultural film sites located across Australia to Integrated Packaging Group. These sites were purchased as part of the Aperio acquisition and were included within the Amcor Flexibles reporting segment.

Acquisition of business

On 15 February 2013 the consolidated entity announced the acquisition of the AGI Shorewood tobacco packaging operations for \$110.7 million (US\$114.8 million). The business has sales of approximately \$121.5 million (US\$126.0 million) and EBITDA for the 2012 calendar year was approximately \$21.2 million (US\$22.0 million). The acquisition delivers an entry into the high value add South Korean market, builds on the newly acquired position in Mexico and provides further cost reduction in the North American market. Net synergy benefits are expected to be approximately \$12.5 million (US\$13.0 million) and the net cash cost to achieve these synergies is expected to be approximately \$19.3 million (US\$20.0 million). The acquisition is expected to be completed in February.

Amcor Limited and its controlled entities

Directors' Declaration

For the half year ended 31 December 2012, in the opinion of the Directors' of Amcor Limited (the 'Company'):

1. the financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - a. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half year ended on that date; and
2. there are reasonable grounds to believe that Amcor Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors, dated at Melbourne, this 18th day of February 2013.



C I Roberts
Chairman



Independent auditor's review report to the members of Amcor Limited

Report on the Interim Financial Report

We have reviewed the accompanying interim financial report of Amcor Limited, which comprises the statement of financial position as at 31 December 2012, and the income statement, the statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration for the Amcor Limited Group (the consolidated entity). The consolidated entity comprises both Amcor Limited (the company) and the entities it controlled during that half-year.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Amcor Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Amcor Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

Dale McKee
Partner

Melbourne
18 February 2013

PricewaterhouseCoopers, ABN 52 780 433 757

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