



For Release: 19<sup>th</sup> August, 2004

RESULTS FOR 12 MONTHS ENDED June 2004

News Release

A\$m	2003	2004	
Sales	10,710	10,406	-2.8%
PBITA	860.4	831.1	-3.4%
PAT – pre goodwill amortisation <sup>(1)</sup>	517.9	515.0	-0.6%
PAT – post goodwill amortisation <sup>(1)</sup>	379.1	387.4	+2.2%
Significant items <sup>(2)</sup>	(70.1)	(94.6)	
PAT after significant items	309.0	292.8	-5.2%
EPS-pre goodwill <sup>(3)</sup>	61.7	59.4	-3.7%
EPS-post goodwill <sup>(3)</sup>	45.3	44.7	-1.3%
Cash flow from operations	944.8	890.9	-5.7%
Dividend (cents)	30.0	32.0	+6.7%

- (1) Calculated after deducting the coupon payment of \$53.0 million (\$52.3 million last year) for the Perpetual Amcor Convertible Reset Securities (PACRS).
- (2) The significant items relate to the PET business restructuring, the Flexibles market sector rationalisation and writedowns of residual Canadian business assets.
- (3) EPS calculated after deducting the PACRS coupon from profit after tax and before significant items.

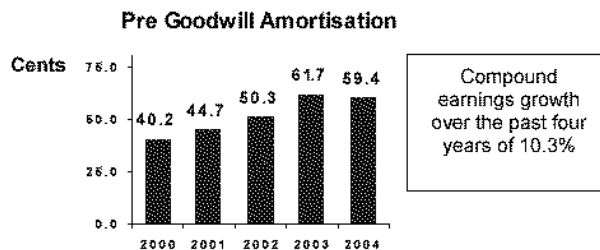
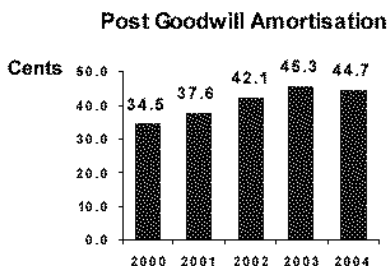
Key Ratios	2003	2004
PBITA/Ave Funds Inv. (%)	11.1	11.1
Return on Ave Equity (%)	9.8	9.4
Net Debt/(Net Debt + Equity) (%) <sup>(1)</sup>	33	36
Net PBITA interest cover (times) <sup>(2)</sup>	4.2	4.5
NTA per share (A\$)	2.68	2.52

(1) Convertible notes treated as debt.  
(2) All hybrids treated as debt.

HIGHLIGHTS <sup>1</sup>

- Profit after tax and pre significant items up 2.2% from \$379.1 million to \$387.4 million.
  - Earnings per share down 1.3% from 45.3 cents to 44.7 cents.
  - Earnings per share pre goodwill amortisation down 3.7% from 61.7 cents to 59.4 cents.
  - The full year profit after tax and significant items of \$387.4 million was adversely impacted by \$34 million due to the translation, for reporting purposes, of overseas earnings into Australian dollars.
  - Returns for Amcor remain above its weighted average cost of capital of 8.9% with PBITA/Average Funds Invested of 11.1%.
  - Strong operating cash flow of \$891 million for the 12 months to June 2004.
  - Continued improvement in Australasia with returns increasing to 17.3%.
  - Strong growth in the high value add custom PET business of 22%.
  - Successful integration of the Rexam Healthcare acquisition.
  - Strong performance in Amcor Rentsch and Closures with earnings up 20.8% and returns increasing from 8.2% to 13.9%.
  - Good final quarter of the year at Amcor Sunclipse with improving economic conditions delivering improved earnings.
  - Continued strong growth from the China tobacco operations.
- <sup>1</sup> All figures are after the payment of PACRS interest and before significant items.

EARNINGS PER SHARE



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### Final Dividend

Consolidated Statement of Profit	A\$m	2003	2004
<b>Net sales</b>		10,709.9	<b>10,405.9</b>
Profit from trading		1,328.8	<b>1,286.2</b>
- Dep'n & amort.		(607.2)	<b>(582.7)</b>
Profit before interest & tax		721.6	<b>703.5</b>
- Net interest (ex PACRS)		(146.3)	<b>(132.2)</b>
- PACRS interest		(52.3)	<b>(53.0)</b>
Profit before tax		523.0	<b>518.3</b>
- Income tax		(127.1)	<b>(116.5)</b>
- Minority interests		(16.8)	<b>(14.4)</b>
<b>Profit after tax before Significant items</b>		379.1	<b>387.4</b>

Directors have declared a final dividend of 16 cents per share, 40% franked at 30 cents in the dollar. The total dividend for the year is 32 cents compared with a total dividend of 30 cents last year. The record date for the final dividend is 9 September 2004 and will be paid to shareholders on 29 September 2004.

The Dividend Reinvestment Plan (DRP) remains in operation with a zero discount. The issue price of DRP shares will be determined from the arithmetic average of the daily weighted average market price for the nine business days September 13 to 23, 2004 inclusive.

Consolidated Cash Flow Statement	A\$m	2003	2004
Profit after tax		379.1	<b>387.4</b>
- Dep'n & amort.		607.2	<b>582.7</b>
- Change in provisions and other items		(41.5)	<b>(79.2)</b>
<b>Cash Flow from Operations before significant items</b>		944.8	<b>890.9</b>
<b>Significant items</b>		(32.6)	<b>(28.5)</b>
<b>Net Capital Expenditure Increase / (Decrease) in working Capital</b>		832.2	<b>507.0</b>
		89.8	<b>(116.7)</b>

### Accounting Principles

The financial statements are based on the audited accounts of Amcor Limited and its controlled entities and have been prepared according to Australian Generally Accepted Accounting Principles.

In line with Australian GAAP, the Perpetual Amcor Convertible Reset Securities (PACRS) are treated as equity with distribution payments treated as an appropriation of profit. The amount of PACRS expensed for the year ended 30 June 2004 was \$53.0 million compared with \$52.3 million for the previous year.

Consolidated Balance Sheet	A\$m	2003	2004
Current Assets		2,950	<b>3,052</b>
Property, Plant & Equipment		4,296	<b>4,745</b>
Intangibles		1,957	<b>2,063</b>
Investments & Other Assets		359	<b>426</b>
<b>Total Assets</b>		9,562	<b>10,286</b>
Short-term debt		1,009	<b>728</b>
Long-term debt		1,004	<b>1,776</b>
Creditors & Provisions		2,467	<b>2,742</b>
Convertible Notes		446	<b>332</b>
Shareholder's Equity (incl PACRS)		4,636	<b>4,708</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>		9,562	<b>10,286</b>

### Significant Items

Significant items after tax for the year ended 30 June 2004 total \$94.6 million loss compared with \$70.1 million loss last year.

Significant items for 2003/04 relate to PET business restructuring (\$19.9 million), Flexibles market sector rationalisation (\$66.9 million) and the write down of residual assets of the former Amcor Twinpak group (\$7.8 million).

All significant items in 2002/03 related to restructuring and associated costs arising from the acquisition of Schmalbach-Lubeca's PET and Closures operations.

### Segmental Analysis

	2003					2004				
	Sales	PBITA	Goodwill	PBIT	ROAFI	Sales	PBITA	Goodwill	PBIT	ROAFI
	(\$m)	(\$m)	(\$m)	(\$m)	(%)	(\$m)	(\$m)	(\$m)	(\$m)	(%)
Amcor Australasia	2,455.7	282.8	(15.7)	267.1	15.6	2,537.9	316.5	(15.9)	300.6	17.3
Amcor PET Packaging	3,236.2	301.6	(81.0)	220.6	10.2	3,205.2	268.2	(68.3)	199.9	10.0
Amcor Flexibles	2,170.3	132.6	(12.5)	120.1	10.9	2,241.0	131.2	(17.7)	113.5	9.6
Amcor Sundclipse	1,299.0	84.8	(16.3)	68.5	15.0	1,158.1	57.6	(13.7)	43.9	12.6
Amcor Rentsch & Closures	1,310.6	83.3	(12.5)	70.8	8.2	1,012.3	100.6	(11.1)	89.5	13.9
Amcor Asia	263.4	32.1	(0.6)	31.5	11.0	249.5	30.5	(0.9)	29.6	13.2
<b>Divisional Total</b>	<b>10,735.2</b>	<b>917.2</b>	<b>(138.6)</b>	<b>778.6</b>		<b>10,404.0</b>	<b>904.6</b>	<b>(127.6)</b>	<b>777.0</b>	
Investments / Other Intersegmentals		(56.8)	(0.2)	(57.0)			(73.5)	-	(73.5)	
	(25.3)					1.9				
<b>TOTAL</b>	<b>10,709.9</b>	<b>860.4</b>	<b>(138.8)</b>	<b>721.6</b>	<b>11.1</b>	<b>10,405.9</b>	<b>831.1</b>	<b>(127.6)</b>	<b>703.5</b>	<b>11.1</b>

# AMCOR AUSTRALASIA

	2003	2004
	A\$	A\$
<b>Net Sales (mill)</b>	2,456	<b>2,538</b>
<i>Change (%)</i>		3.3
<b>PBITA (mill)</b>	282.8	<b>316.5</b>
<i>Change (%)</i>		11.9
Operating Margin (%)	11.5	12.5
Average funds invested (mill)	1,815	1,832
<b>PBITA/AFI (%)</b>	15.6	<b>17.3</b>

Amcor Australasia had another strong year with PBITA up 11.9% to \$316.5 million and sales increasing by 3% to \$2,538 million. Continued sound asset management combined with the profit improvement resulted in the return on average funds invested increasing to 17.3% from 15.6% in 2003.

The improvement in earnings resulted from solid growth in glass, restructuring initiatives in fibre packaging, folding cartons and food can as well as cost reduction initiatives. The one-off costs of restructuring throughout the year were offset by profit on the sale of properties. The strengthening A\$ had a directly unfavourable profit impact year on year of approximately \$7 million, affecting export margins, particularly in Paper and Flexibles

In the fibre packaging segment, corrugated box volumes were down slightly in Australia and up 5% in New Zealand. Amcor's customers in the dairy, fruit and produce markets have been adversely affected by the drought in Australia, but this was partly offset by stronger demand in the meat segment in both Australia and New Zealand. The business achieved sound earnings growth and improved returns.

The recycled paper mills experienced a difficult year with lower demand from the Australian fibre box business, lower pulp sales and the adverse impact of the strengthening Australian dollar on export pricing and therefore margins. The mills continue to operate efficiently while both the functional coatings and recycling businesses produced sound results. Overall earnings were down on last year.

The folding carton converting business experienced an improvement in earnings due to the restructuring of operations on the east coast of Australia resulting in a lower cost base and increased efficiencies. The significant upgrade of the Petrie Mill to improve board quality and create an opportunity for replacement of imported whiteboards was well executed and underpins earnings growth for the future. Low margin export volumes were down which was in line with expectations due to the mill shutdown for the upgrade. The Sacks business experienced a difficult year with the drought conditions in Australia severely impacting dairy volumes together with an extremely competitive market. Restructuring of this business has commenced with benefits to flow in 2004/2005.

In metal packaging, the beverage can business had a sound year with volumes up 4% on last year, mainly in the soft and mixer drink segments. The introduction of the new low cost 202 Superend was a success with all sites converted during the year.

The food can business continued to improve earnings despite flat volumes with full year benefits from the Dandenong plant closure establishing a lower cost base.

The aerosol can business experienced good growth in sales, in particular in aluminium cans, while the relocation of the steel can plant in NSW was completed on schedule in June, lowering the cost base for 2004/2005.

In plastics, the flexibles business experienced volumes slightly above last year while the strengthening Australian dollar meant that export margins deteriorated and pressure increased from commodity imports at lower margins. During the year the rationalisation to one site in NSW was announced. The acquisition of the Flexoprint business in New Zealand made a positive contribution. Polyethylene resin supply was affected by the 'Moomba' fire and necessitated importing resin and this had an unfavourable impact upon productivity. Earnings were slightly up on last year while recent capital investment in extrusion and printing and product development initiatives, position the business well for future growth.

The PET business continues to experience an extremely competitive market with volume growth behind expectations. The closures operation absorbed the acquisition of the ACI metal twist business and despite experiencing price pressures, managed to improve earnings through sales growth and productivity gains.

The glass wine bottle operation again exceeded expectations and is operating at full capacity. Productivity was above forecast levels, as were sales volume with most major customers experiencing buoyant export markets. The second furnace is on schedule for start up in January and, with strong customer support underpinning planned output, the investment will further lower a very competitive cost base.

Sales by Product Group		
A\$m	2003	2004
Fibre	1,077	<b>1,096</b>
Cartons	292	<b>286</b>
Flexibles / Plastic	426	<b>433</b>
Metals	535	<b>563</b>
Other	126	<b>160</b>
<b>Total</b>	<b>2,456</b>	<b>2,538</b>

# AMCOR PET PACKAGING

	2003	2004	2003	2004
	A\$	A\$	US\$	US\$
<b>Net Sales (mill)</b>	3,236	<b>3,205</b>	1,897	<b>2,275</b>
<i>Change (%)</i>		(1.0)		19.9
<b>PBITA (mill)</b>	314.6*	<b>268.2</b>	184.4	<b>190.3</b>
<i>Change (%)</i>		(14.7)		3.1
Operating Margin (%)	9.7	8.4	9.7	8.4
Average funds invested (mill)	2,962	2,678	1,747	1,901
<b>PBITA/AFI (%)</b>	10.6	<b>10.0</b>	10.6	<b>10.0</b>
Average exchange rate \$A/US	0.59	0.71		

\* The segmental PBITA is A\$301.6 million. The difference is a A\$13 million, asset writedown in the business, mostly in Latin America. The underlying operating result is A\$314.6 million and it is this PBITA that is the most appropriate to look at when considering margins and returns.

Amcor PET Packaging had a mixed year with PBITA earnings in US dollars up 3.1% to US\$190.3 million and return on average funds invested at 10.0%.

The business in Europe and Latin America had a strong year with earnings well up on last year, however this was partially offset by challenging conditions in North America.

Unit volumes grew by 17% to 32.4 billion of which just under 5% was due to acquisitions. Strong volume growth was achieved in all three regions. The custom segment, including higher margin custom containers and multilayer preforms, grew by over 22%.

The North American business, including Canada, experienced volume growth ahead of the market at 13.6%. This growth came primarily from the continued strength of the bottled water and custom markets, the latter was up by 17% and driven by strong growth in the single serve juice and sports drinks categories. Further growth is expected in the custom business from new contracts signed for the food and juice markets.

PBITA in North America was down 13%. The higher Canadian dollar against the US dollar meant that Canadian prices were lower and in the US there was strong pricing pressure from the large customers.

In response, the business has undergone a complete review of its operations and implemented a number of cost saving initiatives. The Canadian business, which was previously run as a separate division, has now been incorporated into the US operations, which will now be run as a single North American business. This together with an examination of the SG&A expenses will reduce the North American headcount by around 100 people.

Two smaller facilities in the north east of the US have been closed and reductions in injection moulding at the Calgary plant are being implemented. The closures of two additional plants, one in the north east and one in the west, were recently announced. There is an ongoing review of the manufacturing footprint on the west coast.

In conjunction with this rationalisation and restructuring program, the business has begun a review of pricing in the CSD/water segment. In many cases prices are delivering unacceptable returns on the assets employed. Until pricing returns to more reasonable levels, it is difficult to justify further investment in CSD/water segment and recognition of this will be the guiding principle as contracts are renewed. The redeployment of assets from this market segment may also continue.

In Latin America volume growth, excluding the impact of acquisitions was 7.7%. With the acquisitions of Alcoa and Arca volume growth was 45%. Custom volumes continued to deliver strong growth and were up 36%.

PBITA for Latin America was up 25%. Strong performances in Argentina and Venezuela helped offset shortfalls in Brazil which remains an area of

focus as market over-capacity and general economic conditions remain challenging.

For Mexico, the integration of the Arca acquisition proved more complex than originally anticipated. However, the synergy benefits anticipated from the acquisition will be realised in the 2004/05 fiscal year. All other countries in the region experienced increased volumes and earnings, with the small start-up operations in Central America and Ecuador fully meeting first year expectations.

The European operations had an excellent year with volumes up 9% and earnings up 42% in US dollar terms and up 20% in local currency terms.

The businesses in the UK, Spain and France all produced significant improvements in both volumes and earnings, helped by good summer weather in Europe.

The German operations benefited from strong growth in the refillable CSD container market with volumes up 75%. It is anticipated that this higher volume level can be maintained in the current year. While the environmental and recycling situation remain complex, the PET operation in Germany remains capable of providing whichever package – one-way or refillable – that the market requires.

The multilayer PET beer bottle continues to gain market acceptance with volumes increasing to around 120 million in the 2004 year. The growth in the beer market was a significant contributor to the 11% growth achieved in the higher value-add segments, which includes custom containers and multilayer preforms.

The recycling plant continues to deliver ongoing improvements in terms of both volume and costs and is now making acceptable returns on the invested capital.

Capital expenditures, not including the two acquisitions in Latin America, were significantly less than the prior year and well under depreciation for the year. Capital was invested primarily in strengthening the push into higher margin, custom markets, including juices, food and personal care products.

For the business as a whole, significant items relating to restructuring, plant closures, organisational changes and overhead reductions are expected to be around US\$40 million, delivering benefits close to US\$20 million per annum. A key part of delivering these benefits is headcount reduction of around 250 people. The amount booked in the 2003/2004 year as a significant item was US\$14.1 million.

# AMCOR FLEXIBLES

	2003	2004	2003	2004
	A\$	A\$	€	€
<b>Net Sales (mill)</b>	2,170	2,241	1,214	1,336
<i>Change (%)</i>		(3.3)		10.0
<b>PBITA (mill)</b>	132.6	131.2	74.2	78.2
<i>Change (%)</i>		(1.0)		5.4
Operating Margin (%)	6.1	5.9	6.1	5.9
Average funds invested (mill)	1,216	1,373	679	819
<b>PBITA/AFI (%)</b>	10.9	9.6	10.9	9.6
Average exchange rate \$A/€	0.56	0.60		

Amcor Flexibles achieved a 5% increase in PBITA in local currency terms to €78.2m and a 10% increase in sales. Return on average funds invested was down from 10.9% to 9.6%.

The result for the 2003/2004 year was below expectations due to a decline in sales in the Processed Foods sector, operational underperformance at some plants, poor economic conditions across much of Europe and a strong Euro which impacted margins on export sales.

The poor result from the underperforming plants reduced earnings by around €18 million compared to 2002/2003 while the stronger Euro negatively impacted earnings by around €6 million.

In Europe, Amcor Flexibles is organised into three market sectors - Fresh Food (meat, cheese, dairy, produce, bakery), Healthcare (medical, pharmaceutical, personal care) and Processed Foods (confectionery, snacks, biscuits, coffee, pet food and tobacco).

The Fresh Food market sector, consisting of 11 plants performed well and benefited from increased demand from consumers for healthier food options, particularly in fresh produce, chilled foods and dairy products in the UK and Southern Europe. The PBITA result for this division was a substantial improvement over last year.

The Healthcare business, with operations in Europe and the Americas had a strong year with good volume and profit growth. In October 2003 the Rexam Healthcare Flexibles business was acquired which substantially strengthened Amcor's position in the healthcare packaging market. The results for the first eight months of trading from this acquisition were above expectations. The integration is now complete and the business is on target to achieve the synergy benefits and returns as stated at the time of acquisition.

The Processed Foods sector had a difficult year both in terms of market conditions in certain market segments and in operational performance at a number of plants.

Sales were down around 7% primarily concentrated in the confectionery and snack food areas where market conditions have been soft. In addition, overall volumes for the sector were impacted by economic conditions in Europe including a trend to more generic packaging as retail house brands gained market share. Volumes have showed some signs of modest improvement recently although still at a lower level than 12 months ago.

In operational terms, seven out of the 19 plants in this sector had results significantly worse than last year due to a combination of market and operational performance leading to a Processed Foods sector result which was down by €15 million.

As a result, plans have been announced, and are being implemented, to restructure a number of plants, close the plant at Envi in The Netherlands and significantly reduce overheads. This

will lead to a substantial improvement in profitability in the 2004/2005 year.

As part of a longer-term plan to follow our customers and manufacture more flexible packaging for the processed food markets in the lower cost regions, a new €25 million flexibles plant in Novgorod, Russia has been announced.

The above restructuring, together with a business-wide review of both operations and overheads has enabled the business to identify additional costs savings. In total the business is targeting cost savings of close to €30 million per annum, a substantial portion of which will be obtained via a headcount reduction of 640 people. The cost of this restructuring is approximately €60 million of which €41.3 million was taken up in the 2003/2004 year.

The forecast is for an improvement in European economic activity although as yet signs of improved demand for flexible packaging are modest. In addition, oil prices have risen leading to higher input costs for resin and film suppliers as well as higher energy costs. Whilst there is evidence of higher resin prices, Amcor Flexibles is committed to recovering all cost increases as they are incurred.

# AMCOR SUNCLIPSE

	2003	2004	2003	2004
	A\$	A\$	US\$	US\$
<b>Net Sales (mill)</b>	1,299	<b>1,158</b>	761	<b>822</b>
<i>Change (%)</i>		(17.4)		8.0
<b>PBITA (mill)</b>	84.8	<b>57.6</b>	49.7	<b>40.9</b>
<i>Change (%)</i>		(35.4)		(17.7)
Operating Margin (%)	6.5	5.0	6.5	5.0
Average funds invested (mill)	567	456	333	323
<b>PBITA/AFI (%)</b>	15.0	<b>12.6</b>	15.0	<b>12.6</b>
Average exchange rate \$A/US	0.59	0.71		

Reflecting adverse economic conditions, Amcor Sunclipse experienced a difficult year with PBITA earnings in US dollars down 17.7% to US\$40.9.

Volume growth was solid resulting in 8% sales growth, however substantial pricing pressure through the year meant that margins were reduced and the return on average funds invested was lower at 12.6%.

The second half result was negatively impacted by asset writedowns of around US\$1 million and an increase in medical benefit costs of around US\$2 million compared to the second half last year.

The business is divided into manufacturing and distribution. Distribution concentrates on packaging, flexible packaging, packaging equipment as well as industrial and janitorial supplies. Manufacturing produces corrugated sheets and is a box converter. The businesses support a large customer base of small to medium sized manufacturing, assembly and distribution companies. Amcor Sunclipse also has a number of top-tier manufacturing customers.

Manufacturing is concentrated in California which has been negatively impacted by overcapacity, pricing pressures and loss of business to Asia and Mexico. Amcor Sunclipse consolidated one of its small Southern Californian box plants in late 2003. For the year the business was able to hold volumes, but at lower margins. With the economy expected to continue to recover, margins should improve in the 2004 -2005 year.

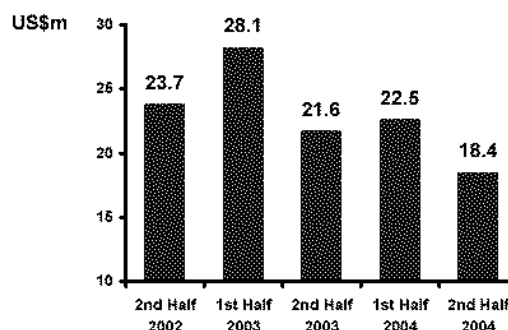
For the first time in more than 18 months, the corrugated paper companies implemented price increases, first in March for US\$50 per tonne then again in June also for US\$50 per tonne. The latter increase is currently being passed through to the market through increases in both sheets and boxes. These increases should have a positive effect on manufacturing earnings in an improving economy.

Distribution consists of 35 operations across 14 states in the US and four in Mexico. A more complete full line selling approach improved sales by 7.6% to help offset the decline in margin and ensure a steady result for the year.

The first nine months of the year was characterised by inconsistent activity from month to month, however in the last three months an improving trend emerged and this has continued into July and early August.

Overall the business remains very well placed to benefit from the improving economic conditions. The focus has been and will remain on reducing the cost base to ensure that improving sales are reflected in higher returns.

## PBITA



	2003	2004	2003	2004
	A\$	A\$	€	€
<b>Net Sales (mill)</b>	1,311	<b>1,012</b>	<b>734</b>	<b>604</b>
<i>Change (%)</i>		(22.8)		(17.7)
<b>PBITA (mill)</b>	83.3	<b>100.6</b>	<b>46.6</b>	<b>60.0</b>
<i>Change (%)</i>		20.8		28.7
Operating Margin (%)	6.3	9.9	6.3	9.9
Average funds invested (mill)	1,020	722	571	431
<b>PBITA/AFI (%)</b>	8.2	<b>13.9</b>	<b>8.2</b>	<b>13.9</b>
Average exchange rate \$/€	0.56	0.60		

**Amcor Rentsch**

Amcor Rentsch, which produces folding cartons principally for the tobacco industry had another good year with sales up 6% to €325 million and PBITA up strongly.

In Russia, demand remains strong and the fourth line installed in the first half is now fully loaded. A fifth machine is currently being installed and has a planned start-up of December this year. The plant in Russia, which was first commissioned in 2000 will be the largest tobacco packaging plant in Europe after the completion of the fifth line and will supply product to all the major cigarette producers.

The ongoing growth in the Iberian region has meant a second line will be installed in Portugal and this will commence operation this month.

During the year the plant in Dublin was closed as customers continue to move production from the UK and Ireland to the growth regions of Asia. The assets from the plant in Dublin have been relocated to Russia and Portugal.

Going forward the tobacco market complexity continues to increase as new health warnings are progressively introduced across Europe. This is necessitating a move to 10 colour gravure printers and Amcor Rentsch's present machines, which range from six to nine colour, will be upgraded over the next two to three years.

**Amcor Closures**

The Closures business, consisting of 11 metal and plastic closure plants in 11 countries and the Bericap joint venture, had a satisfactory year with volumes and earnings on a comparable basis ahead of last year. Last year's sales and earnings included the 65% owned North American plastic and metal closures operations that were sold in January 2003 to the joint venture partner Silgan Holdings.

In Europe the business undertook a number of significant projects that will help underpin earnings going forward. These projects included the relocation of the plant in Turkey to new premises, the start-up of the new plastic closures plant in Poland and the commissioning of three new, in-house designed, manufacturing lines in Germany which set a new industry benchmark in productivity and output.

The new composite metal and plastic closure plant in Manila experienced delays in commissioning, which resulted in higher costs and lower than anticipated sales volumes.

The Bericap joint venture had a good year and notwithstanding the higher Canadian dollar, achieved strong operational performance in the Canadian operations. The new plant in California is performing well in its second year of operations and is now profitable.

The outlook for the current year is for improved earnings as the benefits from these new projects are realised.

<b>Sales breakdown</b>		
€ Million	2003	2004
Amcor Rentsch	307	<b>325</b>
Amcor Closures	427	<b>279</b>
<b>Total</b>	<b>734</b>	<b>604</b>

# AMCOR ASIA

	2003	2004	2003	2004
	A\$	A\$	Sing\$	Sing\$
<b>Net Sales (mill)</b>	263	250	271	304
<i>Change (%)</i>		(4.9)		12.2
<b>PBITA (mill)</b>	32.1	30.5	33.0	37.2
<i>Change (%)</i>		(5.0)		12.7
Operating Margin (%)	12.2	12.2	12.2	12.2
Average funds invested (mill)	291	232	299	282
<b>PBITA/AFI (%)</b>	11.0	13.2	11.0	13.2
Average exchange rate \$A/Sing	1.03	1.22		

Amcor Asia had a solid year with earnings up 12.7% in Singapore dollars to S\$37.2 on a sales increase of 12.2% to S\$304.1 million. Return on funds invested improved from 11.0% to 13.2%.

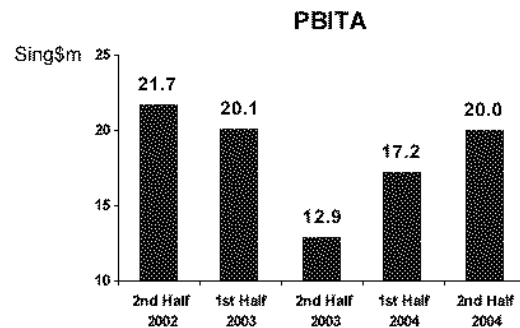
The second half result of S\$20.0 million was up 55% on the same period last year which was severely impacted by the SARS epidemic in the region.

The tobacco packaging business had a strong year with earnings and volumes up substantially. The two plants in China continue to deliver good returns and there are further growth opportunities in that country. Both the Malaysian and Singaporean operations achieved improved earnings and returns.

The corrugated business had a difficult year with overcapacity, aggressive pricing and paperboard price increases all impacting earnings. In particular, the three plants in Malaysia had disappointing results and plans have been implemented to improve earnings.

The flexibles operations, which consists of two plants in China and the recently acquired Rexam Healthcare plant in Singapore, had a solid year with improvements in both earnings and returns.

The outlook for Asia is positive with improving global economic conditions assisting growth in the region. It is anticipated this improvement will help deliver higher earnings and returns in the current year.



<b>Sales by Product Group</b>		
Sing\$m	2003	2004
Corrugated	123	127
Tobacco packaging	112	125
Flexibles and others	36	52
<b>Total</b>	271	304