AMCOR

For Release: August 24, 2005

RESULTS FOR 12 MONTHS ENDED JUNE 30, 2005

A$m	2004	2005	
Sales	10,406	11,100	+6.7%
PBITA	831.1	837.8	+0.8%
PAT – pre goodwill amortisation (1)	515.0	517.9	+0.6%
PAT – post goodwill amortisation (1)	387.4	390.7	+0.9%
Significant items (2)	(94.6)	(269.8)	
PAT after significant items	292.8	120.9	-41.3%
EPS-pre goodwill (3)	59.4	58.9	-0.8%
EPS-post goodwill (3)	44.7	44.5	-0.4%
Cash flow from operations	961.5	980.2	+1.9%
Dividend (cents)	32.0	34.0	+6.3%

(1) Calculated after deducting the coupon payment of $52.3 million ($52.4 million last year) for the Perpetual Amcor Convertible Reset Securities (PACRS).
(2) The significant items relate to the PET business restructuring, the Flexibles restructuring and asset impairments.
(3) EPS calculated after deducting the PACRS coupon from profit after tax and before significant items.

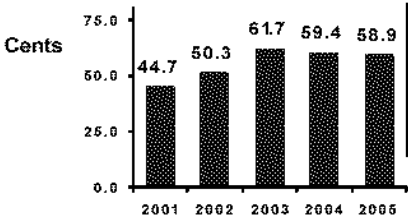
Key Ratios

	2004	2005
PBITA/Ave Funds Inv. (%)(3)	11.1	**10.9**
Return on Ave Equity (%)(3)	9.4	**9.7**
Net Debt/(Net Debt + Equity) (%)(1)	36	**37**
Net PBITA interest cover (times)(2)	4.5	**4.4**
NTA per share (A$)	2.52	**2.50**

(1) Convertible notes treated as debt.
(2) All hybrids treated as debt.
(3) Before significant items.

EARNINGS PER SHARE

Pre Goodwill Amortisation



Compound earnings growth over the past four years of 7.2%

KEY POINTS [1]

- Profit after tax and pre significant items up 0.9% from $387.4 million to $390.7 million.
- Earnings per share after goodwill amortisation down 0.4% from 44.7 cents to 44.5 cents.
- Earnings per share pre goodwill amortisation down 0.8% from 59.4 cents to 58.9 cents.
- Dividend up 6.3% from 32.0 to 34.0 cents per share.
- This dividend payment is underpinned by strong operating cash flow of $980 million which represents $1.12 per share.
- Returns for Amcor remain above its weighted average cost of capital of 9.5% (pre tax) with PBITA/Average Funds Invested of 10.9%.
- Significant items for the year after tax were $269.8 million and included asset write downs of $208.1 million.
- Although earnings for the full year were up 1%, earnings in the second half were down 3% and this lower performance is more indicative of the current trading performance.
- During the year there was substantial cost increases for both raw material inputs, as well as other operating costs. A substantial majority of the raw material cost increases were recovered in the market, but most of the other cost increases were absorbed by the business units.
- Sound performance in Amcor Australasia with returns at 16.9%. The second glass furnace was successfully commissioned, ahead of time and on budget.
- The Amcor PET Packaging earnings were up 2.7% in local currency terms. In Latin America, the operations had a very strong year with volumes up 23%.
- Earnings growth of 8% in Amcor Flexibles was a solid result, given the significant raw material cost increases incurred during the year.
- The combined Amcor Rentsch and Amcor Closures businesses had a good result with earnings up 8% and returns improving to 14.4%.
- The Amcor Sunclipse and Amcor Asia businesses both had a particularly difficult second half with earnings for both divisions down 30% in that period compared to the same period last year.

[1] All figures are after the payment of PACRS interest and before significant items.

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AMCOR

Consolidated Statement of Profit

A$m	2004	2005
Net sales	10,405.9	**11,099.6**
Profit from trading	1,286.2	**1,297.5**
- Dep'n & amort.	(582.7)	**(586.9)**
Profit before interest & tax	703.5	**710.6**
- Net interest (ex PACRS)	(132.8)	**(137.2)**
- PACRS interest	(52.4)	**(52.3)**
Profit before tax	518.3	**521.1**
- Income tax	(116.5)	**(117.4)**
- Minority interests	(14.4)	**(13.0)**
Profit after tax before Significant items	387.4	**390.7**

Consolidated Cash Flow Statement

A$m	2004	2005
Profit after tax	387.4	**390.7**
- Dep'n & amort.	582.7	**586.9**
- Other items	(8.6)	**2.6**
Cash Flow from Operations before significant items	961.5	**980.2**
Change in provisions / assets	(70.6)	**(60.2)**
Significant items	(28.5)	**(55.9)**
Net Capital Expenditure	507.0	**605.7**
Increase / (Decrease) in working Capital	(116.7)	**59.0**

Consolidated Balance Sheet

A$m	2004	2005
Current Assets	3,052	**3,337**
Property, Plant & Equipment	4,745	**4,400**
Intangibles	2,063	**1,767**
Investments & Other Assets	426	**395**
Total Assets	10,286	**9,899**
Short-term debt	728	**729**
Long-term debt	1,776	**1,748**
Creditors & Provisions	2,742	**2,758**
Convertible Notes	332	**301**
Shareholder's Equity (incl PACRS)	4,708	**4,363**
Total Liabilities & Shareholders' Equity	10,286	**9,899**

Final Dividend

Directors have declared a final dividend of 17 cents per share, 22% franked at 30 cents in the dollar. The total dividend for the year is 34 cents compared with a total dividend of 32 cents last year. The record date for the final dividend is 8th September, 2005 and will be paid to shareholders on 28th September, 2005.

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 12 to 22 September, 2005 inclusive.

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 PACRS cost for the year ended 30 June 2005 was $52.3 million compared with $52.4 million for the previous year.

Significant Items

Significant items for the twelve months ended 30 June, 2005 total $269.8 million loss (net after tax) compared with $94.6 million loss last year.

Significant items for 2004/2005 relate to Asset Impairments with PET, Australasia, Flexibles and Asia ($208.1 million), PET business integration and restructuring ($37.0 million) and Flexibles market sector rationalisation ($24.7 million).

Significant items for 2003/2004 relate to PET business restructuring ($19.9 million) and Flexibles market sector rationalisation ($66.9 million) and the write down of residual assets for the former Amcor Twinpak group ($7.8 million).

Full details are outlined on page 9 of this release.

Segmental Analysis

	2004					2005				
	Sales ($m)	PBITA ($m)	Goodwill ($m)	PBIT ($m)	ROAFI (%)	Sales ($m)	PBITA ($m)	Goodwill ($m)	PBIT ($m)	ROAFI (%)
Amcor Australasia	2,537.9	316.5	(15.9)	300.6	17.3	2,571.7	316.8	(16.1)	300.7	16.9
Amcor PET Packaging	3,205.2	268.2	(68.3)	199.9	10.0	3,645.1	260.5	(65.9)	194.6	9.7
Amcor Flexibles	2,241.0	131.2	(17.7)	113.5	9.6	2,418.8	143.0	(20.0)	123.0	9.6
Amcor Sunclipse	1,158.1	57.6	(13.7)	43.9	12.6	1,218.8	55.8	(13.2)	42.6	12.7
Amcor Rentsch & Closures	1,012.3	100.6	(11.1)	89.5	13.9	984.1	109.1	(11.0)	98.1	14.4
Amcor Asia	249.5	30.5	(0.9)	29.6	13.2	263.3	27.0	(1.0)	26.0	10.7
Divisional Total	**10,404.0**	**904.6**	**(127.6)**	**777.0**		**11,101.8**	**912.2**	**(127.2)**	**785.0**	
Investments / Other		(73.5)	-	(73.5)			(74.4)		(74.4)	
Intersegmentals	1.9					(2.2)		-		
TOTAL	**10,405.9**	**831.1**	**(127.6)**	**703.5**	**11.1**	**11,099.6**	**837.8**	**(127.2)**	**710.6**	**10.9**

AMCOR AUSTRALASIA

	2004 A$	2005 A$
Net Sales (mill)	2,538	**2,572**
Change (%)		1.3
PBITA (mill)	316.5	**316.8**
Change (%)		-
Operating Margin (%)	12.5	12.3
Average Funds Invested (mill)	1,832	1,876
PBITA/AFI (%)	17.3	**16.9**

Amcor Australasia had a solid year with a strong first half offset by a poorer second half mainly due to a weakening Australian economy. Sales increased by 1% to $2,572 million with PBITA flat at $316.8 million. Funds Invested increased due to the commissioning of the second glass furnace although sound working capital management partly offset the increase. Return on Average Funds Invested declined to 16.9% from 17.3% last year.

The Australasian business is managed as four divisions, being Fibre, Flexibles, Rigid and Glass. The Fibre division consists of the corrugated and carton converting businesses, as well as the manufacture of recycled papers for corrugated boxes and board for folding cartons.

In the Corrugated Packaging segment, volumes were slightly down overall. In Australia, volumes were down 3%, a reflection of a slowing economy, the continuation of the drought affecting the dairy, fruit and produce segments, partly offset by stronger demand in the meat segment. In New Zealand, volumes were down 5% mainly due to the poor kiwifruit season but compounded by the loss of a major customer early in the year. Significant senior management changes also occurred during the year and the business has been re-organised on a regional rather than national structure.

The Recycled Paper Mills were negatively impacted by the reduced domestic demand from the corrugated box plants, a very competitive export market and a strong Australian dollar. Mill efficiencies were sound while ongoing cost increases, especially for wastepaper, were generally not recoverable in a competitive market. The business has taken an additional charge for accelerated depreciation on the paper recycling mills of $90 million pending a decision on upgrading the manufacturing capabilities.

The Folding Carton Converting business benefited from the restructuring that commenced in 2003/04 on the Australian east coast. Volumes were slightly lower in Australia due to reduced off-take in the wine and cereal segments. In New Zealand volumes were steady.

The Petrie Mill, located in Queensland, had a difficult year impacted by weaker domestic demand and increased imports of cheaper Korean board. Although this importation was the subject of a successful anti-dumping case, it lowered margins and reduced domestic volume. The upgrade of the Mill has taken longer than expected to achieve the quality required to replace imported whiteboards.

Overall, the Fibre division earnings were down for the year with a small improvement in the first half, offset by lower earnings in the second half mainly due to lower volumes and unrecovered cost increases.

The Flexibles business had a solid year with volume up nearly 2% and resin cost increases generally recovered from the market in a timely fashion with only a modest impact on earnings. Rationalisation down to one site in NSW is nearing completion and, combined with recent capital investment, this business now has a cost effective manufacturing footprint with appropriate state of the art equipment. The business continues to benefit from its strong relationship with the global Flexibles group. For the full year, earnings were higher although the first half was stronger than the second half which was impacted by slowing economic conditions.

The Rigid Packaging group comprises the beverage, food, aerosol cans, PET and closures businesses. The two main businesses of Beverage Can and Food Can both had a good year resulting in improved earnings for the Rigid division. In the Beverage Can business, volumes were up 4%, mainly in the ready to drink, mixer and soft drink segments. Plant efficiencies improved following the extensive capital investment program on the new 202 super end in the previous year.

Volumes in the Food Can business were down on the previous year due to the impact of poor crops, increased imports of filled product and, in the second half, significantly higher tinplate costs. Somewhat offsetting these impacts were a more favourable sales mix and continued improvement in manufacturing efficiencies.

The glass wine bottle operation again exceeded expectations. The commissioning of the second furnace was ahead of plan and sales for the year were consequently higher than anticipated, while productivity was in line with expectations. Continued strong customer support and an increase in the range of products contributed to an increase in earnings.

The outlook for the business remains sound, although in the short term the slower second half run rate is continuing into the current year.

AMCOR PET PACKAGING

	2004 A$	2005 A$	2004 US$	2005 US$
Net Sales (mill)	3,205	**3,645**	2,275	**2,733**
Change (%)		*13.7*		*20.1*
PBITA (mill)	268.2	**260.5**	190.3	**195.4**
Change (%)		*(2.9)*		*2.7*
Operating Margin (%)	8.4	7.1	8.4	7.1
Average Funds Invested (mill)	2,678	2,694	1,901	2,020
PBITA/AFI (%)	10.0	**9.7**	10.0	**9.7**
Average exchange rate $A/US	0.71	0.75		

Amcor PET Packaging had a satisfactory year with PBITA earnings in US dollars up 2.7% to $195.4 million and return on average funds invested at 9.7%.

The business in Latin America had a strong year with earnings well up on last year. The business in North America was steady with last year, while earnings for the European business were lower.

Unit volumes grew by 5% to 34 billion. The custom segment, including higher margin custom containers and multilayer preforms, grew by 6%. This stronger growth pattern reflects the business strategy to focus capital on this higher technology market segment.

The North American operations, including Canada, experienced volume growth of 3% with the business making an active decision to exit marginal volumes and focus on higher value added segments.

Volume increases came primarily from the continued strength of the custom market which was up over 10% versus prior year, driven by strong growth in the juice and sports drinks categories. The CSD and water volumes were flat.

Earnings in North America were down slightly when compared to the prior year. Although the cost reduction programs have delivered the benefits anticipated and differential pricing initiatives have improved earnings at some plants, these increases were more than offset by the inflationary pressures in costs that were absorbed by the business and some price concessions on longer term contracts.

In the short term there are some further price concessions expected, as well as ongoing increases in operating costs. The target for management is to more than offset these impacts with cost reductions and an improved mix to the higher value-add custom products.

The business has also been notified of the loss of around 800 million containers in volume at the end of the current contract in January 2006. The supply of this volume is predominately from plants located in Canada. After examining a number of options, the decision has been made to close the three small Canadian plants, being Vancouver, Calgary and Montreal. This has required an asset write down on these plants and related equipment of US$34 million and a cash restructuring cost of US$19 million. Both these amounts will be taken as significant items. The ongoing earnings impact beyond the 2006 year is anticipated to be less than US$5 million per annum.

In Latin America, volume growth, including the impact of acquisitions, was 23%.

Custom volumes continued to deliver strong growth and were up 13%. New custom developments for sports drinks, food products and personal care items across the region fuelled this growth.

Earnings in Latin America were up significantly both for the base business and after including the impact of acquisitions. There were particularly strong performances in Argentina, Brazil and Venezuela.

The performance of the Brazilian operations is particularly gratifying as the local and regional management teams, through a well-executed program of restructuring and cost reductions, made significant progress in improving profitability and returns.

For Mexico, the integration of the Arca acquisition proved more complex than originally anticipated. While the management team remains confident that the synergistic benefits anticipated from the acquisition will be fully realized, the impact will now be realised throughout the 2005/06 fiscal year.

In Europe, volumes were down 4% and earnings were substantially lower. Lower volumes were primarily due to a cool summer in 2004 compared to the unusually hot summer in 2003 and the significant reduction in refillable PET containers in Germany.

Custom volumes continue to be strong and now represent 23% of the total volumes for the region. The multilayer juice and beer bottle containers continue to deliver strong volumes and good growth.

Across Europe, performance was mixed. In the UK and Spain the performances were broadly steady on the previous year, however the operations in Turkey and Poland both made losses. The Turkish plant has now been closed and the Polish plant is undergoing substantial change by way of strengthening relationships with multinational customers, establishing more long term supply agreements and diversifying away from the CSD and water markets.

For the current year, there is an improved outlook with a new management team looking to address the key issues facing the business in Germany and Eastern Europe.

Other significant items for the year, relating to previously announced projects, included a USD24.5 million charge largely dedicated to funding the North American restructuring effort and overhead cost reduction initiatives in all three regions.

The outlook for Amcor PET Packaging is for steady improvement, driven by continued emphasis on structural cost improvements and focused capital spending to support and expand the higher value added custom business portion of the portfolio.

AMCOR FLEXIBLES

	2004 A$	2005 A$	2004 €	2005 €
Net Sales (mill)	2,241	**2,419**	1,336	**1,431**
Change (%)		*7.9*		*7.1*
PBITA (mill)	131.2	**143.0**	78.2	**84.6**
Change (%)		*9.0*		*8.2*
Operating Margin (%)	5.9	5.9	5.9	5.9
Average Funds Invested (mill)	1,373	1,486	819	879
PBITA/AFI (%)	9.6	**9.6**	9.6	**9.6**
Average exchange rate $A/€	0.60	0.59		

Amcor Flexibles had a good year, under difficult circumstances, with PBITA, in Euro terms, up 8.2% to €84.6 million. Sales increased 7% to €1,431 million, primarily due to an increase in raw material costs.

Earnings were negatively impacted by substantial raw material cost increases, which had the largest impact on earnings in the second half. Significant success was achieved in passing on these cost increases although they were not fully recovered. This partial under-recovery reflected continuing retailer pressure on the supply chain, weakness in a number of central European economies and a strong Euro depressing exports. Although raw material input costs have now stabilised, this is mainly due to weakening demand across much of Europe and with the oil price remaining high, it is possible that raw material costs will increase if there is an improvement in economic activity.

Offsetting this negative, was a substantial positive contribution from a range of cost cutting and restructuring initiatives. During the year, the loss making plant in the Netherlands was closed and there was a significant reduction in overhead costs as well as ongoing restructuring at a number of plants. In all, around 700 people, out of 7,820, have left the business over the past 12 months. The significant item booked for the year to cover this restructuring was €20.2 million. The benefits from this restructuring for a full year are anticipated to be around €30 million per annum and in the 2005 year, around half of this amount was reflected in earnings.

Slowing economic conditions across much of Continental Europe during the second half of the year also impacted earnings. With the weakening demand and consequent lower volumes it was considerably more difficult to recover cost increases.

Other input costs, mainly relating to energy and transport, resulted in higher than inflation cost increases which were generally not able to be passed onto customers. These increases were absorbed by the business and impacted negatively on earnings. Energy price pressure continues to be a major concern.

The high Euro exchange rate continues to put pressure on export margins of both Eurozone manufacturing plants and their customers.

The operational positives, besides the restructuring program, include the ongoing strong performance in America, improvement in Processed Foods and the continued success of product innovation in delivering new value add products to the market.

The Processed Food sector achieved solid improvements during the year, especially in the second half. The closure of the plant in the Netherlands, combined with a number of other individual restructuring programs and improved performance in some market segments were the primary drivers of the earnings increase.

Construction of the new plant in Russia is proceeding to schedule and it will be in operation by September 2005, enabling Amcor Flexibles to meet the local needs of a number of its key customers.

Due to the ongoing difficult operating conditions in some market segments and geographic regions, the assets at three sites, predominately servicing the Processed Food markets, have been written down by a combined amount of €16 million. This is treated as a significant item.

The Fresh Food sector continued to make good progress, particularly in the bread and produce markets, building on its leading position. Overall, sales for the sector were ahead and both margins and returns remain above the Amcor Flexibles' average.

The European Healthcare business benefited from the integration of the former Rexam businesses, although the film based businesses suffered from the lag in recovery of raw material cost increases and operational issues. Good progress was made in the pharmaceutical market.

The American business, which comprises mainly the former Rexam Healthcare operations in the US, Puerto Rico and Brazil, plus a focused Fresh Food operation, had an excellent year with sales, margins and returns ahead of last year.

The overall results of Amcor Flexibles confirm the validity of the strategy to focus on specific market segments, particularly in Healthcare and Fresh Food, and on developing regional markets like Eastern Europe, underpinned by a commitment to innovation and customer service.

Overall, the business is commencing the current year in a better structural position than last year. The high oil price will continue to have a negative influence on raw material and energy costs and pressures will continue in the supply chain. However, with a lower cost base, fitter and more focused plants and a continued drive on innovation, Amcor Flexibles is confident of achieving improved returns in 2005/2006.

AMCOR SUNCLIPSE

	2004 A$	2005 A$	2004 US$	2005 US$
Net Sales (mill)	1,158	**1,219**	822	**914**
Change (%)		*5.3*		*11.2*
PBITA (mill)	57.6	**55.8**	40.9	**41.9**
Change (%)		*(3.1)*		*2.4*
Operating Margin (%)	5.0	4.6	5.0	4.6
Average Funds Invested (mill)	456	441	323	331
PBITA/AFI (%)	12.6	**12.7**	12.6	**12.7**
Average exchange rate $A/US	0.71	0.75		

Amcor Sunclipse achieved a flat result with PBITA up 2.4% to US$41.9 million. After a strong first half, earnings in the second half were down 30.2% on the same period last year, reflecting substantially more difficult operating conditions.

The main reasons for the reduction in earnings in the second half were:

- A slowing in some of the important market segments that Amcor Sunclipse services, resulting in lower volumes across all three business units.
- Higher input costs, which became increasingly difficult to recover in the marketplace. Gross margins in the second half were lower.
- Higher transport costs due mainly to fuel surcharges that were not fully recovered in higher prices.
- More difficult market conditions for the Corrugated business, compared to the first half, due to increased competitive activity and more aggressive pricing.

Notwithstanding these half on half impacts, returns for the business overall remained broadly in line with last year at 12.7%.

The Amcor Sunclipse business is divided into manufacturing and distribution divisions. Distribution includes all types of industrial packaging including flexible packaging. Manufacturing produces corrugated sheets and converts them into boxes and is predominantly located in California.

The corrugated business had a solid year overall with volumes up 4.7%, although this growth was assisted by a competitor's corrugator being down for two months in the first half. In the second half, the increased competitor volumes and somewhat slower economic conditions meant that earnings were well down on the second half last year. In June, there was a modest reduction in linerboard prices, reflecting the overall weaker demand and some stock was sold at lower prices to meet competition in the market. The short term outlook for this business remains challenging.

The manufactured products group also had a strong first half but a much weaker second half, although earnings for the full year were higher than last year.

Volumes for the year were 7.7% lower as the business made a conscious effort to concentrate on higher value products. During the first half of the year, cost increases were generally passed on to customers, but this became increasingly difficult in the second half. This business continues to work on the cost base to help improve margins.

The Distribution division consists of 38 operations across 14 states in the US and four in Mexico. A small distributor was acquired during the year in New Jersey to further expand the footprint on the east coast.

The Distribution business had a solid year, although earnings were slightly lower. Two corrugated cost increases, as well as numerous other cost increases caused by rising oil prices, were absorbed by the business during the year.

As a result, trading margins suffered during the year as the full impact of these price increases were not able to be passed on to customers. The business is working to eliminate unprofitable customers as well as target margin improvement across the business base.

The focus for the overall business is to work to reduce costs where it can and improve the gross profit margin to recover both raw material and other cost increases. A new business Service Centre located in Arizona has centralised the back office accounting functions to a lower cost region. A second initiative is a sales force effectiveness program to help ensure increases in raw material costs are passed on to customers in a more timely fashion.

It is anticipated profit will improve from the current run rate towards the end of calendar 2005 as margins increase; however the first half earnings are expected to be lower than the corresponding period last year.

AMCOR RENTSCH AMCOR CLOSURES

	2004 A$	2005 A$	2004 €	2005 €
Net Sales (mill)	1,012	**984**	604	**582**
Change (%)		*(2.8)*		*(3.6)*
PBITA (mill)	100.6	**109.1**	60.0	**64.6**
Change (%)		*8.4*		*7.7*
Operating Margin (%)	9.9	11.1	9.9	11.1
Average Funds Invested (mill)	722	757	431	448
PBITA/AFI (%)	13.9	**14.4**	13.9	**14.4**
Average exchange rate $A/€	0.60	0.59		

Amcor Rentsch

Amcor Rentsch, which produces folding cartons principally for the tobacco industry, had a solid year with higher earnings despite sales being 6% lower at €306 million.

The lower sales were a result of continuing pressure on tobacco markets in Western Europe, driven primarily by substantial tax increases in major markets such as Germany and France.

This decrease in Western Europe was partially compensated by increased production in Russia and Poland with both these plants running at full capacity.

This growing demand in Eastern Europe, together with ongoing reductions in the cost base in Western Europe ensured improved earnings for the year.

As part of the process to improve the cost base, as well as prepare for the increased technical complexity required with the introduction of new graphical health warnings, a new generation press will be installed in the plant in France. This press will have higher output, lower waste and a reduced manning level than older generation machines.

To further improve the plant focus and following the continued growth of the non tobacco carton business, a new offset machine will be installed at the plant in Laupen, Switzerland.

The outlook for the 2005/2006 year remains positive; however growth is unlikely to be at the same rate as the past few years, given that the plants in Eastern Europe are operating at full capacity.

Amcor Closures

The Closures business consists of 11 metal, plastic and composite closure plants in 10 countries, including the Bericap joint venture.

Sales for the Amcor Closures business were 1% lower with profit in line with last year.

The business was significantly impacted by an increase in tinplate prices of 20% on January 1 in Europe and even larger increases in Asia. Amcor White Cap was committed to recovering raw material cost increases and this was largely achieved, although at the expense of some volume.

Overall, although volumes declined in Western Europe, the business benefited from good growth in the regions of Eastern Europe, Asia and the Middle East.

In Europe, Amcor White Cap continued its efficiency improvement program by closing the loss making Hungarian operation and transferring production to other sites. In Asia, Amcor White Cap commercialised a new patented composite cap for food applications. This new plant is now fully operational producing at capacity with forward orders requiring additional capacity expansion.

The Bericap joint venture's revenue and sales were broadly in line with last year. Profit continued to be negatively impacted by the strength of the Canadian dollar against the US dollar for those products exported from Canada to the US. The plant in California delivered stronger results than the prior year. The outlook for this plant is promising, with the continued expansion of its product offering.

AMCOR ASIA

	2004 A$	2005 A$	2004 Sing$	2005 Sing$
Net Sales (mill)	250	**263**	304	**329**
Change (%)		*5.2*		*8.2*
PBITA (mill)	30.5	**27.0**	37.2	**33.7**
Change (%)		*(11.5)*		*(9.4)*
Operating Margin (%)	12.2	10.3	12.2	10.3
Average Funds Invested (mill)	232	252	282	315.5
PBITA/AFI (%)	13.2	**10.7**	13.2	**10.7**
Average exchange rate $A/Sing	1.22	1.25		

Amcor Asia had a mixed year. After a solid first half with earnings up 15.1%, the second half was considerably more difficult with earnings down 30% for an overall performance for the year down 10% to S$33.7 million.

The major contributor to a poor second half result was a very disappointing performance in the corrugated businesses in Malaysia and Indonesia due to excess capacity and a highly competitive market. Although sales and volumes increased, there was an inability to pass on linerboard raw material cost increases. The carrying values of the corrugated assets have been written down by S$48 million.

The Tobacco Carton business had another good year with sales and earnings higher and an improved performance in the three countries where plants are located.

In January 2005, Amcor acquired a 16.67% share in the Hong Kong listed company, Vision Grande Group Holding Limited that operates three tobacco packaging businesses in China. This is a strategic investment in the rapidly consolidating Chinese tobacco market.

The Flexibles business, which consists of a medical packaging plant in Singapore and two food flexible packaging plants in China, had another solid year with good returns and raw material cost increases were generally passed on to customers in a timely manner with minimal impact to earnings.

SIGNIFICANT ITEMS $m	2004	2005
Significant items before income tax		
PET business integration and restructure	(19.9)	(51.8)
Flexibles market sector rationalisation	(69.3)	(34.2)
Write down residual assets of the former Twinpak group	(10.6)	-
Asset impairments	-	(242.4)
Significant items before income tax	**(99.8)**	**(328.4)**
Related income tax on significant items (where applicable)		
Income tax benefit on PET business integration and restructure	-	14.8
Income tax benefit on Flexibles market sector rationalisation	2.4	9.5
Income tax benefit on write down residual assets of the former Twinpak group	2.8	-
Income tax benefit on asset impairments	-	34.3
Income tax on significant items	5.2	58.6
SIGNIFICANT ITEMS AFTER INCOME TAX ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY	**(94.6)**	**(269.8)**

DETAILS OF CONSOLIDATED SIGNIFICANT ITEMS BEFORE INCOME TAX

	Restructuring Plant					
	Redundancy $m	Plant Closure $ m	Onerous Lease $m	Goodwill Impairment $ m	Asset Impairments $ m	Total
Pet	20.7	19.1	12.0	5.6	49.9	107.3
Australasia	-	-	-	-	108.7	108.7
Flexibles	27.7	6.5		-	27.2	61.4
Asia	-	-	-	0.7	44.2	44.9
Corporate	-	-	-	-	6.1	6.1
Total	**48.4**	**25.6**	**12.0**	**6.3**	**236.1**	**328.4**