

PRO-PAC PACKAGING LIMITED
(ASX: PPG)

RECORD RESULTS FOR THE YEAR ENDED 30 JUNE 2012

The Company is pleased to announce that it continues to grow strongly both organically and through acquisitions. The Company grew revenue by 15% to \$133.1m. EBITDA was up 11% to \$12.0m and profit before tax was up 16% at \$8.1m.

Revenue in the Industrial Division grew 29% to \$92.9m and pre-tax earnings for the Industrial Division were \$6.9m (2011: \$5.2m). The Rigid Division's sales were marginally lower at \$54.8m (2011: \$54.9m) but margin and cost pressures resulted in reduced pre-tax divisional earnings of \$4.6m (2011: \$5.0m).

The 2012 result included \$763,000 of one off relocation and rationalisation costs relating predominantly to the consolidation of the Industrial Division's sites and operations in NSW and QLD and adjusting for these costs, profit before tax was up 20% on the prior year.

While these costs impact on earnings in the short term, as previously highlighted, they provide the essential infrastructure to support continued growth, allowing PPG capacity to increase turnover through the new facilities by approximately 40% with minimal additional capex spend.

In April 2012, the Company raised an additional \$28m in new equity, placing the Company in a very strong position to pursue its stated acquisition policy. The balance sheet with virtually no net debt and undrawn bank facilities of approximately \$24m places the Company in excellent shape for future opportunities.

Looking forward the momentum is continuing and the growth prospects remain strong throughout the group with good organic growth predicted from the existing businesses. This growth will come from continued cross selling of additional products into the existing customer base as well as capitalising on the Company's aggressive sales and marketing activities. The Company has embarked on a focused strategy of growing its food service and food related packaging business silos. We view these as strong growth sectors in the Australian industrial landscape, where we currently have minimal overall market share.

The Company has a pipeline of good quality accretive acquisitions some of which are expected to close in the first half of this financial year. We are seeing more opportunities of all sizes and this gives us the flexibility to pick the best quality strategic acquisitions for our business.

A fully franked interim dividend of one cent per share was paid on 12 April 2011. The Company has today declared a fully franked final dividend of one cent per share. The record date for determining entitlement to the dividend is 11 September 2012 and the dividend will be paid on 25 September 2012. The Company's Dividend Reinvestment Plan will not apply to this dividend.

Enquiries

For further information please contact Mr. Brandon Penn, CEO, Pro-Pac Packaging Limited on Tel (02) 8781 0500 or Mr Elliott Kaplan, Chairman, on Tel (02) 9087 8022.

About PPG

Pro-Pac Packaging Limited is a diversified manufacturing and distribution company, providing innovative, flexible and rigid packaging solutions for a broad group of clients. PPG is headquartered in Sydney with operations in Adelaide, Brisbane, Melbourne and Perth. PPG's securities are listed and quoted on the ASX. For further information on PPG visit www.ppgaust.com.au

Appendix 4E

Preliminary Final Report Results for announcement to the market

**Pro-Pac Packaging Limited
for the year ended 30 June 2012**

Reporting period : year to June 2012
Previous corresponding period : year to June 2011

Results

Revenues from ordinary activities	up	15%	to	\$000's 133,053
Profit from ordinary activities before tax excluding one off relocation costs	up	20%	to	8,904
Profit from ordinary activities after tax attributable to members	up	14%	to	5,768
Net profit for the year attributable to members	up	14%	to	5,768

Dividends (distributions)

	Amount per security	Franked amount per security
Final Dividend	1.0¢	1.0¢
Interim Dividend	1.0¢	1.0¢
<p>Information on Dividends:</p> <p>The Company has declared a fully franked final dividend of 1.0 cent per share which will be paid on 25 September 2012.</p> <p>The Company's Dividend Reinvestment Plan will not apply to this dividend.</p>		
Record date for determining entitlements to the final dividend	11 September 2012	
Last date for elections to participate in the Dividend Reinvestment Plan	Not applicable	

Commentary

Please refer to the attached commentary for a more detailed review of the Company.

PRO-PAC PACKAGING LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR TO 30 JUNE 2012

	Notes	Consolidated 2012 \$000's	Consolidated 2011 \$000's
Sale of goods and services		133,053	115,238
Interest income		106	93
Reversal of deferred acquisition consideration		-	247
Total Revenues		133,159	115,578
Expenses			
Amortisation and depreciation expense		2,815	2,637
Distribution costs		4,050	4,029
Employee benefits expenses		23,785	21,071
Finance costs		1,160	1,287
Occupancy costs		4,771	4,083
Other expenses from ordinary activities		7,129	6,871
Raw materials and consumables used		80,545	68,186
Relocation and rationalisation expenses		763	403
Total Expenses		125,018	108,567
Profit before income tax		8,141	7,011
Income tax expense	5	(2,373)	(1,964)
Profit after tax from continuing operations	14	5,768	5,047
Other comprehensive income		-	-
Total comprehensive income for the period		5,768	5,047
Earnings per share (cents per share) for the profit from continuing operations attributable to the ordinary equity holders of the parent			
- Basic earnings per share	2	3.65	3.74
- Diluted earnings per share	2	3.61	3.74

PRO-PAC PACKAGING LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Notes	Consolidated 2012 \$000's	Consolidated 2011 \$000's
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	15	3,911	1,461
Trade and other receivables	6	25,599	19,852
Inventories	7	18,698	13,057
Prepayments		1,370	1,172
Total Current Assets		49,578	35,542
NON-CURRENT ASSETS			
Prepayments		672	994
Property, plant and equipment	8	14,921	13,099
Intangible assets	9	56,226	46,758
Deferred tax assets	5	1,559	962
Total Non-Current Assets		73,378	61,813
TOTAL ASSETS		122,956	97,355
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	18,683	14,344
Interest bearing borrowings		1,745	1,670
Provisions	11	2,597	2,212
Current tax liabilities	5	474	918
Total Current Liabilities		23,499	19,144
NON-CURRENT LIABILITIES			
Provisions	11	498	395
Interest bearing borrowings		2,572	15,657
Total Non-Current Liabilities		3,070	16,052
TOTAL LIABILITIES		26,569	35,196
NET ASSETS		96,387	62,159
EQUITY			
Issued capital	12	85,285	54,005
Other reserves	13	56	44
Retained earnings	14	11,046	8,110
TOTAL EQUITY		96,387	62,159

PRO-PAC PACKAGING LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR TO 30 JUNE 2012

	Notes	Consolidated 2012 \$000's	Consolidated 2011 \$000's
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		128,887	112,462
Payments to suppliers and employees (inclusive of GST)		(123,920)	(104,435)
Interest received		106	93
Interest paid		(1,160)	(1,241)
Income tax paid		(3,096)	(2,741)
Net cash flows from operating activities	15	817	4,138
Cash flows from investing activities			
Payments for property, plant and equipment		(4,268)	(3,676)
Proceeds from sale of property, plant and equipment		336	91
Payment for unincorporated businesses net of cash acquired		(7,628)	(3,049)
Net cash flows used in investing activities		(11,560)	(6,634)
Cash flows from financing activities			
Payment of hire purchase and finance lease liabilities		(2,135)	(1,549)
Finance leases raised		2,220	1,691
Proceeds from borrowings / (Loans repaid)		(13,069)	2,500
Proceeds from issue of shares		28,000	-
Dividends paid		(918)	(756)
Costs of issue of shares		(905)	-
Net cash flows generated by / (used in) financing activities		13,193	1,886
Net increase / (decrease) in cash and cash equivalents		2,450	(610)
Cash and cash equivalents at beginning of financial year		1,461	2,071
Cash and cash equivalents at end of financial year	15	3,911	1,461
Non cash financing transactions			
Hire purchase and finance lease liabilities raised		2,220	1,691
Issue of shares for dividend re-investment plan		1,914	1,948

PRO-PAC PACKAGING LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR TO 30 JUNE 2012

	Issued Capital \$000's	Retained Earnings \$000's	Option Reserve \$000's	Total Equity \$000's
Consolidated				
Balance as at 1 July 2011	54,005	8,110	44	62,159
Issue of shares for dividend re-investment plan	1,914	-	-	1,914
Dividends paid	-	(2,832)	-	(2,832)
Shares issued to vendors of businesses acquired	1,998	-	-	1,998
Recognition of share based payments	-	-	12	12
Shares issued under share placement	28,000	-	-	28,000
Cost of raising shares	(905)	-	-	(905)
Tax effect on cost of raising shares	273	-	-	273
Total comprehensive income for the year	-	5,768	-	5,768
Balance as at 30 June 2012	<u>85,285</u>	<u>11,046</u>	<u>56</u>	<u>96,387</u>
Consolidated				
Balance as at 1 July 2010	52,057	5,767	30	57,854
Issue of shares for dividend re-investment plan	1,948	-	-	1,948
Dividends paid	-	(2,704)	-	(2,704)
Recognition of share based payments	-	-	14	14
Total comprehensive income for the year	-	5,047	-	5,047
Balance as at 30 June 2011	<u>54,005</u>	<u>8,110</u>	<u>44</u>	<u>62,159</u>

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

NOTE 1: AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

This financial report is prepared in accordance with Australian Equivalents to International Financial Reporting Standards (“AIFRS”).

NOTE 2: EARNINGS PER SHARE

	Consolidated Year Ended 30 June 12 Cents	Consolidated Year Ended 30 June 11 Cents
Basic earnings per share *	3.65	3.74
Diluted earnings per share *	3.61	3.74
Reconciliation of earnings used in calculation of earnings per share:		
	\$000's	\$000's
Profit after income tax	5,768	5,047
	<u> </u>	<u> </u>
	No. of Shares	No. of Shares
Weighted average number of ordinary shares used in the calculation of basic earnings per share	158,176,354	135,092,131
Weighted average number of ordinary shares used in the calculation of basic diluted earnings per share	159,658,204	135,092,131
	<u> </u>	<u> </u>
Number of ordinary shares on issue at year end (including ESPP shares)	210,987,804	139,735,576
	<u> </u>	<u> </u>

* The difference between basic and diluted shares on issue represents the PPG Executive Long Term Incentive Plan (ESPP) shares on issue which are treated as an option grant. During the prior period the average exercise price of the options was higher than the average market price per share. As such, the options would not have been exercised and therefore no dilution would have occurred.

NOTE 3: DIVIDENDS

The Directors of Pro-Pac Packaging Limited have declared a final fully franked dividend of one cent (1.0 c) per share in respect of the financial year ended 30 June 2012. When combined with the interim dividend of one cent (1.0 c) per share paid on 12 April 2012, this represents fully franked dividends of two cents (2.0 c) per share for the 2011/12 financial year.

NOTE 4: NET TANGIBLE ASSETS PER SECURITY

	Consolidated Year Ended 30 June 12 Cents	Consolidated Year Ended 30 June 11 Cents
Net tangible assets per security - basic	17.96	9.48
	<u> </u>	<u> </u>
Net assets per security – basic	46.02	44.91
	<u> </u>	<u> </u>

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

	Consolidated Year Ended 30 June 2012 \$000's	Consolidated Year Ended 30 June 2011 \$000's
NOTE 5: TAXATION		
<i>a) Income Tax Expense:</i>	2,373	1,964
Income tax expense:		
Prima facie income tax expense calculated at 30% on the profit from ordinary activities	2,442	2,103
Decrease in income tax expense due to:		
Other income not subject to tax net of expenditure not allowable for tax purposes	(17)	(52)
Alignment of deferred tax assets	(52)	-
Adjustment in respect of prior years	-	(87)
	<u>2,373</u>	<u>1,964</u>
Income tax expense attributable to profit from ordinary activities	<u>2,373</u>	<u>1,964</u>
 <i>b) Current Tax Liabilities:</i>		
Income tax payable	<u>474</u>	<u>918</u>
 <i>c) Non-Current Tax Assets:</i>		
Deferred tax asset	<u>1,559</u>	<u>962</u>
 NOTE 6: TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	23,779	19,463
Provision for impairment of receivables	(309)	(219)
	<u>23,470</u>	<u>19,244</u>
Other debtors	<u>2,129</u>	<u>608</u>
Total Current Receivables	<u>25,599</u>	<u>19,852</u>
 NOTE 7: INVENTORIES		
Current		
Raw materials and work in progress (lower of cost and net realisable value)	913	797
Finished goods (lower of cost and net realisable value)	17,785	12,260
Total Inventories	<u>18,698</u>	<u>13,057</u>

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

	Consolidated Year Ended 30 June 2012 \$000's	Consolidated Year Ended 30 June 2011 \$000's
Note 8: PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment		
At cost	22,601	19,625
Accumulated depreciation	(7,680)	(6,526)
Total plant and equipment	<u>14,921</u>	<u>13,099</u>
Note 9: INTANGIBLE ASSETS		
Goodwill	<u>56,226</u>	<u>46,758</u>
Reconciliation		
Carrying amount at beginning of the year	46,758	44,477
Acquisition of businesses	9,468	2,281
Total goodwill	<u>56,226</u>	<u>46,758</u>
NOTE 10: PAYABLES		
Current		
Unsecured		
Trade payables	13,278	11,567
GST payable	609	579
Other tax payable	448	405
Sundry creditors and accruals	4,348	1,793
	<u>18,683</u>	<u>14,344</u>
NOTE 11: PROVISIONS		
Current		
Employee entitlements	<u>2,597</u>	<u>2,212</u>
Non-Current		
Employee entitlements	<u>498</u>	<u>395</u>

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

	Consolidated	Consolidated
NOTE 12: ISSUED CAPITAL		
2012	Number	\$000's
Issued and Paid-Up Share Capital		
Fully paid ordinary shares:	<u>210,987,804</u>	<u>85,285</u>
<i>Movements during the year:</i>		
Balance at beginning of year	139,735,576	54,005
Issue of shares for Executive Long Term Incentive Plan	200,000	-
Issue of shares for dividend re-investment plan	4,746,673	1,914
Capital raising	62,222,223	28,000
Cost of raising shares		(632)
Shares issued to vendors of businesses acquired	<u>4,083,332</u>	<u>1,998</u>
	<u>210,987,804</u>	<u>85,285</u>
2011	Number	\$000's
Issued and Paid-Up Share Capital		
Fully paid ordinary shares:	<u>139,735,576</u>	<u>54,005</u>
<i>Movements during the year:</i>		
Balance at beginning of year	133,143,012	52,057
Issue of shares for Executive Long Term Incentive Plan	1,335,000	-
Cancellation of shares for Executive Long Term Incentive Plan	(675,000)	-
Issue of shares for dividend re-investment plan	<u>5,932,564</u>	<u>1,948</u>
	<u>139,735,576</u>	<u>54,005</u>

Shares issued under the Long Term Executive Incentive Plan are subject to restrictions until August 2013 and April 2015 in accordance with the terms of the plan.

	Consolidated Year Ended 30 June 2012 \$000's	Consolidated Year Ended 30 June 2011 \$000's
NOTE 13: OTHER RESERVES		
Options Reserve		
Balance brought forward	44	30
Recognition of share based payments	<u>12</u>	<u>14</u>
Balance carried forward	<u>56</u>	<u>44</u>

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

	Consolidated Year Ended 30 June 2012 \$000's	Consolidated Year Ended 30 June 2011 \$000's
NOTE 14: RETAINED PROFITS		
Retained profits at the beginning of the year	8,110	5,767
Net profit attributable to members of the company	5,768	5,047
Dividends paid	(2,832)	(2,704)
	<u>11,046</u>	<u>8,110</u>
Retained Profits at the End of the year	<u><u>11,046</u></u>	<u><u>8,110</u></u>

NOTE 15: NOTES TO THE STATEMENT OF CASH FLOWS

a) Reconciliation of Cash

For the purposes of the statements of cash flows, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash Assets	<u>3,911</u>	<u>1,461</u>
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b) Reconciliation of profit from ordinary activities after income tax to the net cash provided by operating activities:

Profit from ordinary activities after income tax	5,768	5,047
Add/(Less) non-cash items:		
Depreciation and amortisation of plant and equipment	2,493	2,315
Amortisation of prepaid royalty	322	322
(Profit) / loss on disposal of assets	257	156
Movement in income tax provision	(441)	(618)
Movement in deferred tax assets & liabilities	(283)	(157)
Movement in provision for bad debts	87	28
Other Non-cash movements	11	6
Changes in Assets and Liabilities:		
Receivables	(5,830)	(4,457)
Inventories	(1,973)	(1,299)
Payables	227	2,614
Provisions	378	257
Prepayments	(199)	(76)
	<u>817</u>	<u>4,138</u>
Net cash flows from operating activities	<u><u>817</u></u>	<u><u>4,138</u></u>

PRO-PAC PACKAGING LIMITED

NOTES TO THE PRELIMINARY FINAL REPORT

NOTE 16: CONTROLLED ENTITIES

a) Particulars in Relation to Controlled Entities

The consolidated entity includes the following controlled entities. The financial years of all controlled entities are the same as that of the parent entity. All companies are incorporated in Australia.

	Parent Company Interest Held
Direct Controlled Entities:	
Pro-Pac Group Pty Ltd	100%
Plastic Bottles Pty Ltd	100%
Controlled Entities owned 100% by Pro-Pac Group Limited	
Pro-Pac Packaging (Aust) Pty Ltd	100%
Pro-Pac (GLP) Pty Ltd	100%
Controlled Entities owned 100% by Pro-Pac Packaging (Aust) Pty Ltd	
Pro-Pac Packaging Manufacturing (Syd) Pty Ltd	100%
Pro-Pac Packaging Manufacturing (Melb) Pty Ltd	100%
Pro-Pac Packaging Manufacturing (Bris) Pty Ltd	100%
Creative Packaging Pty Ltd	100%
Controlled Entities owned 100% by Plastic Bottles Pty Ltd	
Speciality Products and Dispensers Pty Ltd	100%
Australian Bottle Manufacturers Pty Ltd	100%
Ctech Closures Pty Ltd	100%
Bev Cap Pty Ltd	100%
Controlled Entities owned 100% by Bev Cap Pty Ltd	
Great Lakes Moulding Pty Ltd	100%
Finpact Pty Ltd	100%

NOTE 17: OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;

Types of products and services by segment

Industrial packaging

The Industrial packaging division manufactures, sources and distributes industrial packaging materials and related products and services. All products produced or distributed are aggregated as one reportable segment as the products are similar in nature and are distributed to similar types of customers. The industrial packaging segment also installs, supports and maintains packaging machines.

NOTE 17: OPERATING SEGMENTS (CONTINUED)

Rigid packaging

The Rigid packaging division manufactures, sources and distributes containers and closures and related products and services. All products produced or distributed are aggregated as one reportable segment as the products are similar in nature and are manufactured and distributed to similar types of customers.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

An internally determined transfer price is set for all inter-entity sales. This price is re-set regularly and is usually based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation for the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

Segment Assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the assets role, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment Liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain borrowings.

Unallocated items

The following items of revenue, expenses, asset and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment: impairment of assets and other non-recurring revenue or expenses; income tax expense; deferred tax asset and liabilities; current tax liabilities; other financial liabilities; intangible assets.

NOTE 17: OPERATING SEGMENTS (CONTINUED)

	Rigid packaging \$ 000	Industrial packaging \$ 000	Total \$ 000	Rigid packaging \$ 000	Industrial packaging \$ 000	Total \$ 000
(i) Segment performance						
Twelve months ended 31 December						
	2012			2011		
Revenue						
External sales	47,901	85,151	133,052	48,235	67,003	115,238
Inter-segment sales	6,850	7,756	14,606	6,618	4,895	11,513
Total segment revenue	54,751	92,907	147,658	54,853	71,898	126,751
<i>Reconciliation of segment revenue to group revenue</i>						
Interest Income			106			93
Other income						247
Inter-segment elimination			(14,605)			(11,513)
Total group revenue			133,159			115,578
Segment net profit before tax	4,626	6,921	11,547	5,020	5,244	10,264
<i>Reconciliation of segment result to group net profit before tax</i>						
Amounts not included in segment result but reviewed by the Board:						
Unallocated items:						
* Corporate and finance charges			(1,329)			(1,417)
* Head office costs			(1,997)			(1,775)
* Inter-segment elimination			(80)			(61)
Net profit before tax from continuing operations			8,141			7,011
(ii) Segment assets						
As at 30 June						
	Jun-12			Jun-11		
Segment assets	21,147	41,367	62,514	20,680	27,749	48,429
<i>Reconciliation of segment assets to group assets</i>						
Inter -segment eliminations			(1,959)			(1,253)
Unallocated assets			62,401			50,179
* Deferred tax assets			1,559			962
* Intangibles			56,226			46,758
* Other			4,616			2,459
Total group assets from continuing operations			122,956			97,355
(iii) Segment liabilities						
As at 30 June						
	Jun-12			Jun-11		
Segment liabilities	10,988	16,531	27,519	10,740	11,376	22,116
<i>Reconciliation of segment liabilities to group liabilities</i>						
Inter -segment eliminations			(1,665)			(1,038)
Unallocated liabilities			715			14,118
* Deferred tax liabilities			-			-
* Other liabilities			715			14,118
Total group liabilities from continuing operations			26,569			35,196

NOTE 18: AUDIT STATUS

This report is based on financial reports that are in the process of being audited.

Note 19: LONG TERM EXECUTIVE INCENTIVE PLAN

Under AIFRS, shares issued to executives under the Long Term Executive Incentive Plan are considered to be options granted. As such, the contributed equity (share capital) as well as the related receivable are not recognised on the balance sheet and do not form part of the asset base in the calculation of the basic net assets and basic net tangible assets per security.

NOTE 20: SIGNIFICANT EVENTS DURING THE PERIOD

Acquisition of businesses

Pro-Pac Packaging (Aust) Pty Ltd, a wholly owned subsidiary, acquired the business and assets of the following:

Effective date	Acquired	Location	Business description
01/04/2012	Preferred packaging	Sydney	Industrial packaging and safety products
01/03/2012	Deandy packaging	Adelaide	Importer and distributor of food services packaging
01/01/2012	Hills Industrial Products	Sydney	Catalogue-based distributor
01/12/2011	Stanli Packaging	Adelaide	Industrial packaging and safety products
01/11/2011	Heron Professional Products	Perth	Industrial packaging and safety products
01/10/2011	Space Pac	Sydney	Void-fill
01/09/2011	Medirite Australia	Sydney	Safety Products

Plastic Bottles Pty Ltd, a wholly owned subsidiary, acquired the business and assets of the following:

Effective date	Acquired	Location	Business description
01/05/2012	Australian Pharmaceutical Containers	Sydney	Importer and distributors of pharmaceutical glass containers

The effect of the above transactions can be summarised as follows:

	\$000's
Assets	
Current Assets	
Inventories	3,668
Total Current Assets	3,668
Non-Current Assets	
Property, plant and equipment	663
Deferred tax asset	45
Total Non-Current Assets	708
Total Assets	4,376
Liabilities	
Current Liabilities	
Trade and other payables	393
Total Current Liabilities	393
Non-Current Liabilities	
Other liabilities	58
Total Non-Current Liabilities	58
Total Liabilities	451
NET ASSETS	3,925
CONSIDERATION PAID	
Cash	7,628
Deferred payments	3,052
Shares	1,998
Contingent liability	715
Total	13,393
GOODWILL	9,468

NOTE 21: CONTINGENT LIABILITIES

As at balance sheet date, the company issued security deposit guarantees and standby letters of credit to the value of \$1,412,517 to the landlords of rented premises and overseas suppliers.

NOTE: 22 CAPITAL EXPENDITURE COMMITMENTS

As at balance sheet date the company had no commitments for future capital expenditure.

NOTE: 23 EVENTS SUBSEQUENT TO YEAR END

There are no material events subsequent to year end.