

Colorpak Limited Investor Presentation

January 2008



Colorpak

GLOBAL COMMITTED

Shareholder Information

Substantial Shareholders	No. of Shares	%	6 month movement
Carton Services Pty Ltd (Commins family)	25,532,436	31.73	No change
Perpetual Limited	11,357,182	14.11	Up from 10.36%
Hunter Hall Limited	9,623,093	11.96	No change
Argo Investments Limited	4,149,000	5.16	Advised 17 Oct '07
Total	50,661,711	62.95	Up from 59.96%

Chimaera Capital Ltd reduced its holding below 5% in August '07.

Market share estimates (folding cartons) \$ Millions

Company	NSW	Vic	Qld	Other States	Total	
Amcor Cartons	86	38	11	35	170	27.7%
Carter Holt Harvey	86	75	-	9	170	27.7%
Colorpak	26	43			69	11.2%

➤ Source (for competitors) : BIS Shrapnel : Survey into Paper and Board Packaging in Australia 33rd Edition 2007-2008.

Employees by division

	Employees	Factory Size (M²⁺)
Melbourne	160	11,070
Dandenong	10	1,200
Regents Park	129	7,750
Total	299	

Employee numbers excludes casuals.

Financial Overview

Results Summary – 6 months to December

(\$000s)	2007	2006	Improvement
Sales (goods/services)	39,492	34,948	13.0%
EBITDA	7,246	6,101	18.8%
EBITDA %	18.4%	17.5%	0.9%
NPAT	3,212	2,328	38.0%
NPAT %	8.1%	6.7%	1.4%

Cash Management	6 months to December	
	2007	2006
(\$000s)		
Operating cash flow	4,067	3,983
Capex (net)	(862)	(7,498)
Free cash flow	3,205	(3,515)
Dividends	(1,408)	(1,408)
Debt repayments (*)	(275)	(1,772)
Impact on debt	1,522	(6,695)

(*) Committed obligations to retire debt. Surplus cash generation is used to retire debt on a voluntary basis.

Financial Overview

Earnings – 6 months to December

	2007	2006
Earnings		
EPS (cents)	3.99	2.89
Interest Cover (times)	4.53	3.53
Dividend		
Interim (fully franked) (cents)	1.25	1.0
Balance Sheet		
Gearing (Debt/Debt+Equity)	37.1%	43.0%
Net Equity (\$000's)	52,889	48,917
Net assets per share (cents)	65.7	60.8

Highlights

+ **Operations:**

+ Capex program:

- \$0.9 m spent in 6 months, < \$2 mill for FY 2008;
- New gluer for Regents Park installed to assist with beverage business;
- New IT systems at Regents Park complete;
- Upgrade of Braeside waste extraction system complete;
- New slitter for flexibles business in 2nd half;
- Upgrade of IT infrastructure over next 12 months;

+ Productivity – Regents Park improving;

+ Marketing – strengthening capability.

Highlights

+ **Sales Revenues**

- Beverage pack volume continues strong momentum.
- Strong growth from several key pharmaceutical accounts.
- Solid pipeline activity for flexibles division.

+ **Colorpak has delivered on its growth plans**

- Capital invested '05 & '06 - \$11.5 mill.
- Increased capacity secured – 25% printing; 30% cutting;
- Additional annual revenues being serviced – min \$15 mill.

Highlights

+ Profit

- EBITDA 18.8% up on last year;
- NPAT 38.0% up on last year and ahead of December advice to market.

+ Margins

- EBITDA margin has improved to 18.4% from 17.5% last year.
- Key highlights:
 - »Gross margins slightly up as product mix is nicely balanced.
 - »Improvement in factory efficiencies;
 - »Benefits from micro-management of key manufacturing costs;
 - »Administration costs contained to < 1% increase;
 - »Interest cost falling with debt retirement;
 - »Strong performance is pleasing despite higher power and some one-off restructuring costs;

+ Dividends

- Interim Dividend of 1.25 cents fully franked, payable 2 April 2008.

+ Balance Sheet

- reduction in gearing (debt/debt+equity), from 43.0% last year to 37.1%.
- Gearing expected to be below 35% by end 2008.

Outlook

+ **Financial**

- Expect continued solid revenue growth in both NSW and Vic for remainder of FY 2008.
- Double digit NPAT growth for FY 2008.
- Cash generation for full year of \$7 - \$8 million.

+ **CAPEX:**

- 2008 under \$2.0 million.

+ **Debt:**

- Continued debt retirement.

+ **Growth Opportunities:**

- Organic growth remains the primary focus of our sales teams.
- We also remain on the look out for any bolt-on acquisitions that would create value for our shareholders and strengthen our strategic direction.