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NEW SOUTH WALES, AUSTRALIA

(Jurisdiction of incorporation of organisation)

679 VICTORIA STREET, ABBOTSFORD, VICTORIA 3067 AUSTRALIA

(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

None

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Ordinary Shares

American Depositary Shares

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report.

Ordinary Shares 878,182,834

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes

No

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Indicate by check mark which financial statement item the registrant elected to follow:

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FORWARD-LOOKING STATEMENTS

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Certain statements contained in this Annual Report constitute forward-looking statements. Forward-looking statements involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Amcor. Forward-looking statements can generally be identified by the use of forward-looking words such as may, will, expect, intend, plan, seeks, estimate, anticipate, believe, continue, or similar words.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including Amcor). In addition, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward looking statements will be achieved. Actual future events may vary materially from the forward looking statement and the assumptions on which the forward looking statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

In particular, we caution you that these forward looking statements are based on management's current economic predictions and assumptions and business and financial projections. Amcor's business is subject to uncertainties, risks and changes that may cause its actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. The factors that may affect Amcor's future performance include, among others:

- changes in the legal and regulatory regimes in which Amcor operates;
- changes in behaviour of Amcor's major customers;
- changes in behaviour of Amcor's major competitors;
- the impact of foreign currency exchange rates;
- general changes in the economic conditions of the major markets in which Amcor operates;

These forward looking statements speak only as of the date of this Annual Report. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, Amcor disclaims any obligation or undertaking to publicly update or revise any of the forward looking statements in this Annual Report, whether as a result of new information, or any change in events, conditions or circumstances on which any such statement is based.

ITEM 3

KEY INFORMATION

A.

Selected Financial Data

Definitions

Company or Amcors Limited means Amcor Limited ABN 62 000 017 372, the listed holding company of the Amcor Group. Amcor or we or our means Amcor Limited and all its controlled entities.

Our fiscal year ends on June 30. The fiscal year ended June 30, 2005 is referred to herein as 2004-05 and other fiscal years are referred to in a corresponding manner. All other references are to calendar years.

A-GAAP or Australian GAAP means Australian generally accepted accounting principles.

US-GAAP or US GAAP means United States generally accepted accounting principles.

AIFRS means Australian equivalents to International Financial Reporting Standards .

AASB means Australian Accounting Standards Board.

IASB means International Accounting Standards Board.

UIG means the Urgent Issues Group.

Significant items means items of revenue and expense included in the operating profit or loss which are disclosed as significant under A-GAAP by reason of their size and effect on the operating profit or loss. Significant items are not necessarily non-recurring items. See Note 4 to the Consolidated Financial Statements.

Consolidated Financial Statements means the audited consolidated balance sheets of Amcor as of June 30, 2005 and 2004 and the audited consolidated income statements and statements of cash flows for each of the one-year periods ended June 30 for the years 2005, 2004, and 2003 together with accompanying notes, included and incorporated by reference herein.

PBITDA refers to profit before interest, income tax, depreciation and amortization excluding significant items.

PBITA refers to profit before interest, income tax and amortization excluding significant items.

PBIT refers to profit before interest and income tax excluding significant items.

Segment Result refers to profit before interest, income tax and amortization excluding significant items (PBITA).

ACCC refers to the Australian Competition and Consumer Commission.

NZCC refers to the New Zealand Commerce Commission.

The selected financial data appearing below as at June 30, 2005 and 2004, and for years ended June 30, 2005, 2004 and 2003, is set forth in Australian dollars (except as otherwise indicated), is derived from our audited Consolidated Financial Statements, which are included in this Annual Report. Certain A\$ amounts have been translated into US\$ amounts at the exchange rate specified. These translations are indicative only and do not mean that the A\$ amounts could be converted to US\$ at the rate indicated. The selected financial data at June 30, 2003, 2002 and 2001 and for years ended June 30, 2002 and 2001 have been derived from our audited Consolidated Financial Statements not included in this Annual Report. Amcor's audited Consolidated Financial Statements are prepared in accordance with A-GAAP, which differ in certain respects from US-GAAP. See Note 41 to the Consolidated Financial Statements for a discussion of the significant differences between A-GAAP and US-GAAP as they apply to Amcor for the periods presented therein. Certain 2004, 2003, 2002 and 2001 amounts in accordance with the US GAAP have been restated to correct errors identified in prior year accounts. Refer Note 41, for further details. The restatements had no impact on amounts in accordance with A-GAAP. Also, see Note 39 to the Consolidated Financial Statements for a discussion of the impact of adopting Australian Equivalents to International Financial Reporting Standards as they will apply to Amcor for reporting periods beginning July 1 2005.

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The following selected financial data should be read in conjunction with, and is qualified in its entirety by reference to, the Consolidated Financial Statements, including Notes thereto.

Selected Financial Data prepared in accordance with A-GAAP

	2005(1)		2005		Year Ended June 30, 2004		2003		2002		2001	
	(In millions, except ratios and per share amounts)											
Income Statement Data:												
Sales revenue	US\$	8,442.4	A\$	11,099.6	A\$	10,405.9	A\$	10,709.9	A\$	7,472.4	A\$	5,667.2
Profit from ordinary activities before income tax		186.3		245.0		471.5		488.6		981.2		404.0
Income tax		(44.7)		(58.8)		(111.3)		(110.5)		(120.2)		(118.2)
Minority interests		(9.9)		(13.0)		(14.5)		(16.8)		(9.3)		(3.4)
Net profit	US\$	131.7	A\$	173.2	A\$	345.7	A\$	361.3	A\$	851.7	A\$	282.4
Dividends paid and payable (2)	US\$	229.1	A\$	299.0	A\$	280.3	A\$	252.7	A\$	206.2	A\$	179.1
Dividends per Ordinary Share (A\$)			A\$	0.34	A\$	0.32	A\$	0.30	A\$	0.28	A\$	0.28
Dividends per Ordinary Share (US\$) (2)		US\$		0.26	US\$	0.22	US\$	0.18	US\$	0.15	US\$	0.14
Earnings per Share												
Basic	US\$	0.18	A\$	0.14	A\$	0.34	A\$	0.37	A\$	1.22	A\$	0.45
Diluted	US\$	0.18	A\$	0.14	A\$	0.34	A\$	0.37	A\$	1.10	A\$	0.44
Per American Depository Share (ADS);												
Earnings per ADS												
Basic			A\$	0.56	A\$	1.36	A\$	1.48	A\$	4.88	A\$	1.80
Diluted			A\$	0.56	A\$	1.36	A\$	1.48	A\$	4.40	A\$	1.76
Dividends per ADS (A\$)			A\$	1.36	A\$	1.28	A\$	1.20	A\$	1.12	A\$	1.12
Dividends per ADS (US\$)			US\$	1.03	US\$	0.88	US\$	0.72	US\$	0.60	US\$	0.56

	2005(1)		2005		Year Ended June 30, 2004		2003		2002		2001	
	(In millions, except ratios, other data and per share amounts)											
Balance Sheet Data (at period end):												
Current assets	US\$	2,538	A\$	3,337	A\$	3,052	A\$	2,951	A\$	4,591	A\$	2,683
Total assets		7,529		9,899		10,286		9,562		8,842		7,026
Total long-term interest bearing liabilities (including finance leases)		1,330		1,748		1,776		1,004		1,145		1,559
Other capital resources (3)		229		301		332		446		543		426

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Equity attributable to members of the parent entity	3,258	4,284	4,617	4,440	4,395	2,361
Net assets	3,318	4,363	4,708	4,636	4,567	2,570

Refer to page 7 for notes relating to above table

Selected Financial Data prepared in accordance with US GAAP (5)

	2005 (1)	2005 Restated (5)	2004 Restated (5)	2003 Restated (5)	2002 Restated (5)	2001 Restated (5)
Income Statement Data:						
Sales revenue	US\$ 8,441.9	A\$ 11,099.6	A\$ 10,405.9	A\$ 10,709.9	A\$ 7,472.4	A\$ 5,667.2
Net Profit	156.5	205.7	364.3	355.5	797.1	264.1
Earnings per Share (4)						
Net Profit	US\$ 0.17	A\$ 0.23	A\$ 0.42	A\$ 0.43	A\$ 1.20	A\$ 0.42
Basic	US\$ 0.17	A\$ 0.23	A\$ 0.41	A\$ 0.42	A\$ 1.08	A\$ 0.41
Diluted						
Per American Depository Share (ADS);						
Earnings per ADS						
Net Profit	US\$ 0.70	A\$ 0.92	A\$ 1.68	A\$ 1.70	A\$ 4.79	A\$ 1.68
Basic	US\$ 0.70	A\$ 0.92	A\$ 1.66	A\$ 1.69	A\$ 4.34	A\$ 1.65
Diluted						
Balance Sheet Data (at period end):						
Current assets	US\$ 2,683	A\$ 3,527	A\$ 3,250	A\$ 3,141	A\$ 4,591	A\$ 2,683
Total assets	7,992	10,508	10,774	10,000	9,010	6,989
Total long-term debt (including finance leases)	1,898	2,496	2,543	1,770	2,058	1,938
Other capital resources (3)	229	301	332	446	543	426
Shareholders' equity/net assets	2,954	3,884	4,169	3,923	3,948	2,083
Number of shares (millions)		878.2	878.0	848.2	822.6	633.2

(1) Income statement data and balance sheet data have been translated at the noon buying rate on June 30, 2005 of A\$1.00 = US\$0.7606.

(2) Dividends have been translated into U.S. dollars at the noon buying rate on the date of payment, except for the 2004-05 final dividend of A\$0.17 per Ordinary Share, payable on September 28, 2005, which has been translated at the June 30, 2005 noon buying rate of A\$1.00 = US\$0.7606.

(3) Includes subordinated convertible unsecured notes which have no maturity dates. These notes are subordinated to all other obligations of Amcor save for issued capital.

(4) Includes undated subordinated convertible securities, partly-paid ordinary shares and Perpetual Amcor Convertible Rest Securities (PACRS).

(5) Certain 2004, 2003, 2002 and 2001 amounts in accordance with US GAAP have been restated to correct errors identified in prior year accounts. Refer Note 41, for further details. The restatements had no impact on amounts in accordance with AGAAP.

Exchange Rates

A majority of Amcor's revenue and earnings is derived from assets and operations outside of Australia, and those assets, revenue and earnings are denominated in foreign currencies. Most of these are denominated either in US dollars or Euros. Therefore, because Amcor presents its financial statements in A\$, appreciation of the A\$ against the US\$ or the Euro will adversely affect the A\$ amount of those assets, revenue and earnings. In addition, fluctuations in the exchange rate between A\$ and US\$ or Euros will affect the US\$ or Euro equivalent of the A\$ price of our shares on the ASX and the US\$ or Euro value of any cash distributions paid on the shares in A\$.

Fluctuations in the A\$/US\$ exchange rate will affect the US\$ equivalent of the A\$ price of Ordinary Shares on the ASX and, as a result, are likely to affect the market price of the our American Depositary Shares (ADSs) in the United States. Such fluctuations would also affect the US\$ amounts received by holders of ADSs on conversion by the depository of cash dividends paid in A\$ on the Ordinary Shares underlying the ADSs (see Item 3D Risk Factors).

In this Annual Report, unless otherwise specified or the context otherwise requires, Australian dollar amounts are denoted by A\$, Euro amounts are denoted by € and United States dollar amounts are denoted by US\$. For convenience, certain A\$ amounts have been translated into US\$ amounts at the exchange rate specified. These translations are indicative only and do not mean that the A\$ amounts could be converted to US\$ at the rate indicated.

On December 22 2005, the noon buying rate was US\$0.7321 = A\$1.00.

For each of the periods indicated, the relevant noon buying rates for cable transfers of US\$ payable in Australian dollars as certified for customs purposes by the Federal Reserve Bank of New York, were:

Fiscal Year:	2004-05	2003-04	2002-03	2001-02	2000-01
Average (1)	.7530	.7164	.5891	.5242	.5372
Period-end	.7624	.6947	.6714	.5644	.5100
High	.7976	.8008	.6738	.5756	.5996
Low	.6880	.6339	.5278	.4842	.4828

(1) The average of the closing buying rates on the last day of each month during the year.

The high and low exchange rates for the six months preceding the date of this report were:

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Month:	Nov 2005	Oct 2005	Sept 2005	Aug 2005	July 2005	June 2005
High	0.7451	0.7630	0.7731	0.7739	0.7661	0.7792
Low	0.7267	0.7468	0.7537	0.7469	0.7403	0.7498

B. Capitalisation and Indebtedness

Not applicable

C. Reasons for the Offer and the Use of Proceeds

Not applicable

D.

Risk Factors

General Economic Conditions

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Amcor's business may be affected by general economic conditions within Australia and globally (including, for example, government fiscal, monetary and regulatory policies, interest rates, tax rates, foreign exchange rates, oil prices, inflation and the industrial relations environment). Changes in the economic conditions in markets in which we operate may result in customers changing spending patterns and their level of general consumption, which may have a material adverse effect on our operating and financial performance. From time to time input costs may rise particularly, but not only, resin and energy costs, and there may be a mismatch in the timing of recovery of these increases via increased prices to customers.

Technology

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We operate in highly competitive business segments. Our industry continues to change in response to technological innovations and other factors. We cannot predict with certainty the changes that may affect our competitiveness. In particular, Polyethylene Terephthalate (which we will refer to as PET) product design and development may be subject to rapid technological change. We cannot predict whether technological innovations will make some of our products, production processes or distribution techniques wholly or partially obsolete. If this were to occur, we may be required to invest significant resources to further adapt to the changing competitive environment. In such a case the investments could negatively affect our profitability and results of operations.

Increased or New Competition

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While we have a strong position in each of our key market segments (both in Australia and internationally), new competitors may emerge in the market and potential rivals may seek to increase market share. Price competition may have the effect of reducing margins and profitability.

Laws and Regulations

Our operations could be affected by government actions such as controls on prices, new forms of taxation and increased government regulation in the countries in which we operate. We also operate in some countries that pose political risks including civil unrest, nationalisation and changes in laws and policy. These political risks could have an adverse impact on the profitability of our operations.

Competition Law Investigations

The ACCC continued its investigation of conduct by Amcor that raised concerns under Australian competition laws. On December 21, 2005 the ACCC commenced legal proceedings in the Federal Court of Australia against certain Visy Group companies and executives in respect of alleged cartel conduct in the Australian corrugated packaging industry. The ACCC also announced that Amcor and its former senior executives have to date received immunity against ACCC-initiated court proceedings for any alleged cartel conduct. Accordingly Amcor is not a party to the Federal Court proceeding, conditional upon continuing full cooperation from Amcor and such former executives. The NZCC investigation of conduct by Amcor that raised concerns under New Zealand's competition laws is incomplete. As previously notified, Amcor has been granted conditional immunity by the NZCC against NZCC-initiated court proceedings for any alleged cartel conduct. The granting of immunity by the ACCC and the NZCC does not exclude or limit the rights of third parties who claim to have suffered loss or damage to take legal proceedings. It is not possible at this stage to predict whether any alleged cartel conduct in Australia or New Zealand will result in third party proceedings for damages against Amcor or the loss of customers by Amcor. Although it is not possible at present to provide a reasonable estimated range of any damages that may be awarded if third party proceedings are commenced, there can be no assurance that any damages which ultimately may be awarded will not be material to the results of operations or the financial condition of Amcor.

Exchange Rates

We are exposed to movement in exchange rates of foreign currencies – mainly the US\$ and the Euro. The negative impact of a stronger Australian dollar, however, has only a notional effect as there is little repatriation of net profit from Amcor's overseas businesses to Australia. We estimate that for each one cent change in the US\$ or the Euro exchange rate against the A\$ over a full year, the translation impact on A\$ net profit would be approximately A\$1.8 million or A\$2.0 million respectively.

Impact of Proposed Tax Law Changes

Amcor operates in 40 jurisdictions and pays tax on its income according to the specific tax laws in each of these jurisdictions. As with any business, there are various factors, some of which are beyond our control, that impact the overall effective tax rate for the Amcor Group. One such factor is changes in, or interpretations of, tax laws that apply in any given jurisdiction.

Of particular relevance at the current time are proposed changes in U.S. Federal tax laws. The Amcor Group currently derives a significant portion of global income from operations in the U.S. As a result, the proposed U.S. Federal legislative and regulatory changes could, if enacted, increase the Group's effective tax rate.

Specifically, such proposals recommend measures that include (a) a more stringent enforcement of the arm's length standards applying to related-party cross-border transactions, including pre-approval of certain transactions; (b) amending the rules governing cross-border reorganisations; and (c) denying treaty benefits for certain tax deductible payments to a foreign entity.

The enacting of any or all of these proposals could adversely impact Amcor's U.S. Federal income tax liability and, consequently, the earnings of the Group. At this stage it is not possible to predict either the extent to which the proposed changes might be enacted or the extent of any resulting impact on Amcor.

In any event, Amcor operates a tax risk model that seeks to identify, monitor and manage tax risks as and when they occur throughout the Group.

At the current time Amcor considers the above proposed changes to be the most likely to have an impact on the Amcor Group's future effective tax rate if enacted.

Environmental

Amcor's worldwide manufacturing operations are subject to extensive environmental regulation. We believe that we are currently substantially in compliance with these regulations. However, although compliance costs in future years will depend on legislative and technological developments which cannot be accurately predicted, Amcor believes the costs of compliance with environmental laws and regulations will increase as these laws and regulations become more stringent. These laws and regulations may, therefore have an unpredictable and adverse effect on our operations and profits.

ITEM 4

INFORMATION ON THE COMPANY

The discussion below contains certain forward-looking statements. Amcor's actual results could differ materially from those anticipated by those forward-looking statements due to a variety of factors, including those set forth under "Forward-Looking Statements," "Risk Factors" and elsewhere in this annual report.

A. **History and Development of the Company**

General

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Amcor Limited was incorporated in 1926 in the State of New South Wales, Australia under the Australian Corporations Act (2001) and is a public company with limited liability. We are headquartered in Australia at 679 Victoria Street Abbotsford, Victoria, 3067 and our telephone number is (61) (3) 9226 9000. Amcor has operations in Australia, New Zealand, Asia, Europe and the Americas. At December 22 2005, our market capitalization was approximately A\$6.6 billion.

Amcor's history dates back to the 1860s and Australia's first paper making activities. Until 1980, Amcor was almost exclusively a forestry, pulp and paper company in Australia. Since that time, however, Amcor has implemented a major program of expansion that resulted in a shift away from sole reliance on pulp and paper products in Australia and the development of a diversified and integrated international packaging and paper company. Amcor has grown through a combination of acquisitions, greenfield developments where suitable acquisitions could not be obtained and expansion of capacity of existing businesses.

After a two year rationalization and restructuring program in 1997-98 and 1998-99, when a number of non-core or under-performing businesses were disposed of Amcor embarked upon the following:

In April 2000 after shareholder and court approval Amcor demerged its paper manufacturing and fine paper distribution businesses;

In May 2001, Amcor announced its intention to sell its 50% investment in Kimberly-Clark Australia Pty Ltd (KCA).

The demerger and sale of KCA were strategic initiatives intended to enable Amcor to realize its goal of becoming a leading global packaging company by enhancing its ability to pursue opportunities to further develop businesses in new products, services and markets.

In July 2002 Amcor acquired Schmalbach-Lubeca's PET and closures businesses;

In August 2003 Amcor acquired Rexam's healthcare flexibles packaging operations.

These were key steps in implementing this strategy.

Amcor's Strategy

Amcor's aim is to be a global leader in the packaging industry, targeting specific segments predominantly in the food and beverage industries.

In Australia and New Zealand, Amcor has a broad product offering and is the number one or number two supplier in most segments in which it participates. Over the past three years, Amcor's Australian and New Zealand businesses have delivered a stable earnings stream.

Outside of Australia and New Zealand, Amcor's strategy is to be a leader in specific market sectors. These market sectors are:

flexible packaging for the food, beverage, healthcare and industrial markets;

PET bottles and jars for beverage and food applications;

specialty printed cartons for tobacco, confectionery, health and beauty markets;
distribution of packaging products and related goods; and
plastic and metal closures.

Amcor believes that all these market sectors are attractive because they exhibit one or more of the following key characteristics:

prospects of higher than industry average growth;

the ability to create value-added products and services, which provide the opportunity for Amcor to differentiate itself from its competitors; and

the ability for Amcor to establish a leading presence, either regionally or globally.

Amcor implemented this strategy through a number of transactions that have reshaped it over recent years.

The most significant of these include:

the creation in June 2001 of the leading European flexible packaging business through a three way joint venture between Amcor Flexibles Europe, Danisco Flexible and Ahlstrom and the subsequent purchase of the minority stake in July 2003; and

the acquisition in July 2002 of the PET Container and closures operations of Schmalbach-Lubeca.

The Schmalbach-Lubeca businesses represented an attractive opportunity that was consistent with Amcor's strategy. In acquiring these businesses, Amcor has become the leading manufacturer of PET containers globally. Additionally, the acquisition has allowed us to expand our activities in segments that exhibit higher than average industry growth and given us the ability to offer a greater number of value-added products.

The strategy over the past few years has been to build a solid foundation and the businesses are well positioned in their respective markets. Amcor's strategy over the next few years is to build on this and transform the group into a leaner and more dynamic organisation. This coincides with the appointment of a new Chief Executive Officer and Managing Director, Ken MacKenzie, effective July 1, 2005,

Opportunities for growth will be through new, innovative product developments, or by targeting geographic growth in the emerging markets of Latin America, China, Eastern Europe and Russia. Although Amcor has a solid asset base, the commercial and operational capability across the group is mixed and rationalisation that has taken place over the past few years has caused some parts of the organisation to be inwardly focused.

Amcor will be moving businesses towards a more customer and marketing facing approach by concentrating on developing unique insights into customer needs and understanding better how Amcor can add value.

Overall, the asset base is sound and well positioned in the respective markets, however, going forward there will be an increased focus on our core businesses and some non-core assets may be sold.

Capital Expenditure and Divestures

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Since July 1, 2002 we have made the following principal capital expenditure and divestures:

China Tobacco Packaging Expansion

In January 05, Amcor acquired 80 million new shares, representing a 16.7% equity interest, at HK\$2.50 per share in Vision Grande Group Holdings Limited (Vision Grande) for a cost of HK\$200 million (approximately A\$34 million).

At this time Amcor acquired an option to subscribe for an additional 96 million shares, also at HK\$2.50 per share, to increase its equity interest to approximately 30.6% for an additional cost of HK\$240 million (approximately A\$41 million). This option expires on December 31, 2005. The transaction was approved by Vision Grande shareholders and the regulatory authorities.

Amcor announced on December 28, 2005 that it has entered into an agreement with Vision Grande to sell its two China tobacco packaging operations to Vision Grande. These plants are located in Beijing and Qingdao. The consideration for the sale is 121.1 million Vision Grande shares and represents a valuation of HK\$4.20 per share to Amcor. Vision Grande has also agreed to allot and issue 16.67 million new shares at a subscription price of HK\$4.20 per share to Amcor.

In view of these transactions, Amcor does not intend to exercise its existing option to purchase 96 million shares at HK\$2.50 per share, which expires on December 31, 2005. Instead, Vision Grande and Amcor have entered into a new agreement under which Vision Grande has agreed to allot and issue a further 96 million shares at a subscription price of HK\$2.50 per share, in order to supersede the previous option and bundle it together with the sale of the Chinese tobacco packaging operations and the new subscription. Completion of all three transactions will take place contemporaneously.

All three components of the agreement being the sale of assets, new shares subscription and further share subscription, are subject to regulatory approval in Hong Kong and approval of the independent shareholders of Vision Grande. Amcor will not be eligible to vote on these resolutions.

After completion of these transactions, Amcor will own approximately 44% of the issued capital of Vision Grande. Amcor will also have the right to appoint the Chairman and a majority of Directors to the Board of Vision Grande.

Vision Grande, which is listed on the Hong Kong Stock Exchange in March 2004, is a leading supplier of tobacco packaging in China with operations in Shenzhen, Nanjing and Kunming.

Purchase of PET Assets in Mexico

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In November 2003, Amcor entered into an agreement to purchase the PET injection and blow moulding assets of Embotelladoras Arca S.A. de C.V. (Arca) with an initial supply agreement of eight years to supply bottles to Arca. Amcor purchased the PET on site injection and blow moulding assets of Arca for approximately A\$60 million which will be paid in yearly instalments throughout the life of the contract.

Acquisition of Rexam's Healthcare Flexibles Packaging Operations

In October 2003, Amcor purchased Rexam plc's (Rexam) healthcare flexibles business for A\$327.1 million. The business, which has annual sales of approximately A\$390 million, has ten plants in six countries – four in the United States and one each in England, Ireland, France, Singapore, Brazil and Puerto Rico.

The acquisition is consistent with Amcor's strategy of targeting higher value added and higher growth market segments. The four plants in the United States have increased Amcor's presence in that country and are expected to provide a solid base in a high value business from which to build.

Purchase of Amcor Flexibles Europe Minorities

In August 2003, Amcor purchased the 28.1% minority stake in Amcor Flexibles Europe A/S from Danisco and Ahlstrom for 99.5 million (A\$165.1 million), effective from July 1, 2003.

Purchase of Alcoa's Latin American PET Packaging Business

In June 2003 Amcor purchased Alcoa's Latin American PET packaging business for A\$110.0 million.

Alcoa's Latin American PET business consisted of nine production facilities located across Brazil, Argentina, Columbia, Peru, Uruguay and Chile. Sales were approximately A\$200 million in 2002.

A\$130 Million Wine Bottle Plant Expansion

Amcor announced in March 2003 that it was building a second furnace on its existing wine bottle facility in Gawler, South Australia. The new furnace cost A\$125 million, and has a capacity of 200 million wine bottles per year, it commenced output in December 2004 ahead of schedule.

The building of the second furnace is expected to increase production at the Gawler site to 400 million bottles per year. The strong customer demand for Amcor's wine bottles has enabled new long term supply contracts to be both extended and upgraded and has underpinned demand for the new furnace.

Sale of Joint Venture Stake in White Cap North American Closure Operations

On December 31, 2002, Amcor entered into a definitive agreement to sell its 65% stake in Amcor White Cap LLC to Silgan Holdings Inc, its 35% joint venture partner. The joint venture, which consisted of seven plants, six in the United States and one in Mexico, was sold for A\$66 million equivalent to book value.

Acquisition of PET Container and Closure Operations of Schmalbach-Lubeca

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On July 1, 2002 Amcor successfully completed the acquisition of the PET container and closure assets of Schmalbach-Lubeca for A\$2.827 billion.

Schmalbach-Lubeca was the world's largest manufacturer of PET containers with calendar 2001 sales of A\$2.5 billion. It was also a manufacturer of food and beverage closures with calendar 2001 sales of A\$825 million.

Other Recent Developments

Senior Executive and Board Changes

On March 16, 2005 Amcor announced the appointment of Ms Julie McPherson as Company Secretary and Group General Counsel, effective from April 18, 2005.

On May 12, 2005 the Chairman announced that Mr Ken MacKenzie has been appointed the new Chief Executive Officer and Managing Director, effective July 1, 2005, at which time Mr Chris Roberts reverted to the position of non-executive Chairman.

Competition Law Investigations

The ACCC and the NZCC continued their investigations of conduct by Amcor that raised concerns under Australian and New Zealand competition laws. Amcor has been granted conditional immunity by the ACCC and NZCC in accordance with their relevant leniency policies for cartel conduct. See Item 8, *Financial Information* *Legal Proceedings* for further information.

B. Business Overview

General Overview of Our Business

Amcor operates its business through six main divisions:

Amcor PET Packaging manufactures PET packaging for a broad range of predominantly beverage & food products, including carbonated soft drinks, water, juices, sports drinks, milk-based beverages, spirits and beer, sauces, dressings, spreads and personal care items.

Amcor Australasia manufactures a broad range of packaging items throughout Australia and New Zealand.

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This includes corrugated boxes, tobacco cartons, folding cartons; steel and aluminium cans for foods, beverages and household products; PET plastic jars and bottles; plastic and metal closures; glass wine bottles; multiwall sacks, paper, cartonboard and paper recycling.

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Amcor Flexibles is a manufacturer of flexible and film packaging in the food and beverage and pharmaceutical sectors, including confectionery, coffee, fresh food and dairy, as well as high value-added medical applications.

Amcor Sunclipse operates distribution and manufacturing units. The distribution unit purchases, warehouses, sells and delivers a wide variety of products. The business manufactures corrugated and other principally fibre based speciality product packaging including point of sale displays.

Amcor Rensch & Closures manufactures speciality folding cartons for tobacco, confectionery and cosmetics; and plastic and metal caps and lids for a wide variety of applications.

Amcor Asia is a supplier of tobacco carton packaging, flexible plastic packaging; corrugated boxes, fibre sacks for the food and industrial markets and closures for the beverage industry.

At November 27, 2005, Amcor had approximately 27,000 employees at 237 manufacturing plants and 42 distribution facilities in 39 countries and 126,000 shareholders.

The manufacturing plants by business are as follows:

Amcor PET Packaging	82 plants* in 21 countries
Amcor Australasia	65 plants in 2 countries
Amcor Flexibles	46 plants in 19 countries
Amcor Sunclipse	11 plants and 42 distribution facilities in 2 countries
Amcor Rensch & Closures	18 plants in 14 countries
Amcor Asia	15 plants in 5 countries

* Includes all on-site blowing and injection facilities.

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The table below shows a breakdown of our sales revenue by geographic and industry category for the last three financial years. See also Item 5 - Operating and Financial Review and Prospects for a discussion of revenue performance during the last three years and Note 8 Segment Reporting on page F-22 for a break-up of sales for each material country for the years ended June 30, 2005, June 30, 2004 and June 30, 2003 .

	Year Ended June 30, (in A\$ millions)		
	2005	2004	2003
Geographic Segments			
Australia & New Zealand	2,566.3	2,524.3	2,440.1
Europe	3,921.1	3,852.3	4,005.3
North America	3,425.9	3,120.2	3,519.4
Latin America	895.7	632.0	462.6
Asia	290.5	277.1	282.5
	11,099.6	10,405.9	10,709.9
Industry Segments			
Amcor PET Packaging	3,645.1	3,205.2	3,236.2
Amcor Australasia	2,571.7	2,537.9	2,455.7
Amcor Flexibles	2,418.9	2,241.0	2,170.3
Amcor Sunclipse	1,218.7	1,158.1	1,299.0
Amcor Rentsch & Closures	984.1	1,012.2	1,310.6
Amcor Asia	263.3	249.5	263.4
Inter-segment eliminations & other	(2.2)	2.0	(25.3)
	11,099.6	10,405.9	10,709.9

Amcor PET Packaging

Products

In July 2002, Amcor acquired the PET Containers business of Schmalbach-Lubeca. The Amcor PET Packaging business was formed following the integration of this PET business with the former Amcor Twinpak's PET operations. Headquartered in Ann Arbor, Michigan (USA), it employs approximately 6,100 people at 82 sites comprising 46 manufacturing locations and 36 on-site injection and blowing facilities in 21 countries.

Amcor PET Packaging produces PET containers and preforms for a wide variety of food and beverage applications, and also supplies PET containers to the personal care, household chemical and agro-chemical industries.

PET containers are supplied primarily unlabeled, although labelling options are available for some products.

Amcor's customers are among the leading consumer products companies around the world.

Significant new products utilize evolving technologies, including barrier for increased shelf life and heat set for increased filling and processing temperatures. Markets impacted by these new products/technologies include beer and processed foods.

Seasonality

Amcor PET Packaging experiences some seasonality in its supply of carbonated soft drink, bottled water and isotonic product lines. The ramp up for seasonal products begins in March and lasts until late August in the northern hemisphere. It is the reverse in the southern hemisphere. In addition, there is a slight increase in demand in preparation for the major December holidays. Offsetting these are demand patterns for other products, including foods and juices, with demand sometimes heaviest in harvest seasons.

Raw Materials

PET resin is the principal raw material used within Amcor PET Packaging and PET resin is considered a commodity by the plastics industry. For North America, PET resin is available from 6 major domestic suppliers and can be imported from Asian suppliers. Amcor has established relationships with all major suppliers. For Europe and South America, a combination of regionally produced and imported resins is employed.

While in general the supply of PET resin has become more predictable and the pricing less volatile as the resin industry has consolidated, the recent damage to the petrochemical industry in the Gulf Coast of the United States has created some shortages of PET resin precursors (ie, paraxylene). These shortages have caused resin price increases that may remain on a short term basis. Until the extent of damage is understood, no long range predictions are possible.

Competitive Position

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Amcor PET Packaging is one of the few major PET converters that supply a full range of products to nearly all segments of the market.

In North America, the five major PET suppliers hold just under 60% of the market. Self-manufacturers make up another 20%. The remaining 20% is comprised of small regional or niche converters, many with strong positions in their chosen markets. The major converters, as well as the self-manufacturers, tend to supply the beverage market – soft drinks, waters, juices and isotonic. The smaller competitors are producers of food, dairy, personal care, pharmaceutical and household products containers.

In Latin America, the competition is more fragmented. The major converters hold over 50% of the market. There are smaller competitors that are very strong in specific countries, but are not pan-regional. There is also a significant percentage of self-manufacturing, however, the trend seems to be moving away from consumer product companies making their own packaging. Consolidation in Latin America continues as small competitors are acquired.

In Europe, the major converters make up less than 40% of the market. Self-manufacturing is stronger in Europe than in any of the other regions and in addition there are a greater number of small, in-country suppliers. Competition from East Europe into West Europe is also increasing.

Patents and Licences

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Amcor PET Packaging holds approximately 120 patents in the U.S. Many of these innovations are also patented in our major markets outside the US, especially in Europe and Brazil. The bulk of these patents are held for the competitive advantage of our business, and our income from licensing is marginal.

Amcor PET Packaging has a significant relationship with Yoshino Kogyosho, a Japanese packaging company from whom we license heat set technology. Over the years, this relationship has grown to a strategic partnership, with technical information and innovations shared between our two companies exceeding the scope of the original contract. This relationship has been mutually beneficial.

Amcor Australasia

Products

Amcor Australasia is the most diverse of the group's business units and supplies a broad range of packaging items across the complete Amcor product line. Its range of products includes: corrugated boxes, tobacco cartons, folding cartons; steel and aluminium cans for foods, beverages and household products; flexible packaging; PET plastic jars and bottles; multiwall sacks, paper, cartonboard and paper recycling. With headquarters in Camberwell, Victoria (Australia), it has 65 plants throughout Australia and New Zealand and approximately 6,900 employees.

Amcor Australasia had a turnover of over A\$2.5 billion in 2004-05, of which 93% relates to sales within Australia and New Zealand. Approximately 10% of the paper manufacturing group's sales relates to exports into South East Asian countries and to Amcor subsidiaries in the US. The metals and flexibles businesses have some export sales within the Pacific region and some small volumes to South East Asia and the US. For these businesses, export sales represent only 11% and 5% respectively of the total sales of each business. The corrugated, carton and glass businesses have no significant export sales.

Amcor Australasia participates in most packaging segments and, therefore, supplies packaging to most manufacturing sectors in Australia and New Zealand. Its main market, however, is the food and beverage industry, with approximately 70% of total sales made to this market.

Seasonality

The Australasian packaging market is not subject to large seasonal swings in demand, given the high dependence on the food and beverage industry. Consumer demand does increase over the main holiday periods of Christmas and Easter and this is reflected in increased demand from Amcor Australasia's customers in the lead up to these holiday periods. In particular, this affects Amcor Australasia's Beverage Can business and the confectionery segments of the Cartons and Flexibles businesses. These seasonal variations are well understood and planned for by the food and beverage industry and, as a result, Amcor Australasia's monthly turnover during peak periods is no more than 15% higher than average.

Fresh fruit and produce is a major part of the Australasian food industry and the Corrugated Fibre Box and Food Can businesses have significant sales into that market. While individual crops within this segment have seasonal peaks, the product range of the industry and Amcor Australasia's broad customer base means that individual seasons do not have a significant overall impact.

Raw Materials

Raw Materials of the business fall into three broad areas. The main raw material of the Paper, Corrugated Box and Carton business is wood fibre, either virgin or recycled. Globally the price of fibre does follow a cycle, as the supply/demand balance is affected by the large changes in supply brought on by new, high capacity paper mills as opposed to more gradual, market driven changes in demand. This cycle tends to run over a period of several years. In Australasia, the industry is somewhat insulated from these movements, as there is a good supply of virgin fibre from the domestic forest industry and a well developed recycling industry to supply recycled fibres. Fibre prices have therefore remained relatively stable in recent years. Furthermore, when increases have occurred in the past, it has generally been possible to recover them from the market.

The main raw materials of the plastic packaging businesses are petroleum based and with a reasonable correlation to the price of crude oil, are more volatile than fibre prices. In these businesses, the impact of changing raw material prices in the main is passed on to customers through rise and fall pricing contract clauses wherever possible. This is generally achieved with the larger and more sophisticated customers, with whom we have long term contracts and who understand the raw material markets. With smaller customers and commodity type products, the ability to pass on price changes depends on market conditions at the time.

The main raw materials of the metal packaging businesses are steel and aluminium. Both of these materials are subject to world pricing movements and aluminium in particular is traded globally. The impact of changes in these raw material prices is also passed on to customers through rise and fall clauses wherever possible.

Competitive Position

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Australasia is a relatively small market in global terms, with a relatively small number of major competitors. These factors allow market research to provide a reasonably accurate picture of our market position. Such market research is conducted on a regular basis by a small central marketing team and Amcor Australasia is also a member of several industry associations.

Broadly, the Australasian packaging market is mature and has limited growth prospects. Within packaging however, some segments such as flexible packaging, wine bottles and plastic bottles and closures have growth opportunities. Others, while profitable, are either static or in decline due to substitution from other packaging and from the industry life cycle of products.

Excess capacity exists in most packaging segments and most major competitors continue to replace old equipment with state of the art technology. At the same time, our customers continue to find attractive returns difficult to achieve as the major supermarket chains seek greater market power and continue to increase demands upon their suppliers. The concentration in the retail sector has risen, with the two major supermarket chains increasing their market share from 65% to in excess of 80% in the last eight to ten years.

To meet this competitive business environment, Amcor Australasia focuses on product leadership, growth of niche food and beverage segments, adding value for customers, and continually lowering of the cost base. Amcor Australasia also has an active reinvestment program and the total value of major new capital projects is consistently in excess of annual depreciation.

Patents and Licences

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Amcor Australasia has an extensive portfolio of over 100 patents and over 200 trademarks and registered designs. Many of these intellectual property rights are registered in both Australia and New Zealand and a selected few also have wider international registrations, reflecting their world-leading nature. Historically, patents and designs have been held for the competitive advantage of our business and current income from licensing has been minimal, but Amcor Australasia is now actively pursuing revenue opportunities in this area, including through collaboration with other international Amcor divisions.

Several businesses are also party to a number of technical assistance agreements with international manufacturers, especially in metal packaging. These provide access to new technology in terms of both product design and manufacturing processes. In particular, Amcor Glass pays an annual fee to Heye Glass of Europe, under a Technical Assistance Agreement that allows Amcor to use their technical knowledge, including their recuperative furnace technology.

Amcor Flexibles

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Amcor Flexibles was initially created in 2001 through the combination of all relevant flexible packaging assets of Amcor Limited, Danisco A/S and Ahlstrom Corporation. The following acquisitions have since been undertaken to create the current business:

The acquisition of Tobepal the flexible packaging and extrusion operations of the Tobepal Spanish operations in May 2002;

The acquisition of two flexible packaging plants in the UK from Rexam in May 2002;

The purchase of the 28.1% minority stake in Amcor Flexibles from Danisco and Ahlstrom in July 2003; and

The acquisition of the flexible healthcare business of Rexam in October 2003.

Amcor Flexibles is headquartered in Gloucester in the United Kingdom and has 7,000 employees and 46 manufacturing plants in 19 countries throughout Europe and the Americas.

Products

Amcor Flexibles is active in providing high quality flexible packaging and supplies a wide range of food and beverage markets including confectionery, coffee, fresh food, dairy and healthcare applications. Its technological capabilities include gravure and flexographic printing, coating and lamination, co-extrusion, metallising, micro-perforation pouch and bag making and die cut lids.

The business supplies a wide range of products to the food, beverage and healthcare markets. This includes fresh foods such as meat, fish, bread, produce and dairy; processed foods such as confectionery, snack foods, coffee and ready meals, as well as tobacco and high value added medical applications, hospital supplies, pharmaceuticals and personal care products.

Most demand for flexible packaging is bespoke in the sense that each customer has very specific requirements for each product it is packaging. The customer selects a bespoke product based on a number of considerations: cost, functionality, shelf life, machinability and look and feel. A combination of these factors determined by the customer will set the parameters within which the raw materials and conversion processes used for the specific product supplied will be chosen. As a result, similar products may often be packaged very differently, whilst different products may be packaged with similar packaging. On the demand-side, it is therefore not meaningful to sub-divide the flexible packaging market into narrower sub-markets.

Seasonality

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Given the wide diversity of product offering that Amcor Flexibles produces, it is not considered to be a seasonal business. However, elements of its product portfolio are by their nature seasonal, for example ice cream and snacks, which experience a growth in sales during warm weather, while products such as coffee will have slower sales during this type of weather. In terms of fresh produce, these products are packed during specific crop seasons and, as such, show higher sales during these periods. Given Amcor Flexibles position as a predominantly European business, July and August are slower months as there are manufacturing shut downs and holiday periods for certain European countries such as France and Sweden.

Raw Materials

The principal raw materials used in the production of flexible packaging are as follows: polyethylene (PE), polyamide (PA-nylon), ethylvinylalcohol (EVOH), biaxially oriented polypropylene (BOPP), cast polypropylene (CPP), polyvinylchloride (PVC), polyvinylidene chloride (PVdC), polyester, cellulose film, aluminium foil and various types of paper. Raw materials generally have a wide range of applications across our products and have numerous suppliers with which Amcor has established relationships.

Competitive Position

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Amcor Flexibles is the number two producer of flexible packaging material within Europe behind Alcan (measured in terms of sales value). Amcor Flexibles is the global leader in terms of sales and service capability for medical packaging. The Company has a European leadership position in the following segments, Dairy, Produce and Beverage. Within other key segments such as Confectionery, Snacks and Processed Food it holds the number two position. With 40 plants in Europe, Amcor Flexibles has a large manufacturing footprint which enables it to not only service its Pan-European customers, but also to provide local or regional production for national customers.

There is a very high degree of supply-side substitutability in the sense that manufacturers of flexible packaging with one set of characteristics can readily produce flexible packaging displaying a different set of characteristics. Amcor Flexibles distinguishes itself from its competitors through innovation, product quality, safety, focus on customer service and its ability to deliver global packaging solutions to its customers.

Patents and Licences

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Innovation is a key component of Amcor Flexibles strategy to be an industry leader and it invests significant resources to ensure that it meets the market needs for innovation. Amcor Flexibles has a rigorous intellectual property development system, based on an Amcor wide business process of Product Leadership & Innovation which facilitates the efficient development of new concepts and the filing of appropriate patents to ensure protection.

Amcor Flexibles currently holds 110 patents. Patents are held for a wide variety of process improvements and new products. Patents are held both at a national and regional level as appropriate.

As noted, Amcor Flexibles technical capabilities include gravure and flexographic printing, coating and lamination, co-extrusion, metallising, micro-perforation pouch and bag making and die cut lids.

Amcor Sunclipse

Products

Amcor Sunclipse, based in California, is Amcor's North American distribution and corrugated manufacturing unit. It produces packaging products to complement its distribution services and has over 2,200 employees, 42 distribution centres throughout the USA and Mexico, and 11 manufacturing locations.

The distribution unit is a major supplier to businesses throughout North America and purchases, warehouses, sells and delivers a wide variety of packaging products and equipment and industrial and janitorial supplies. The manufacturing division produces corrugated sheets and converts them into boxes for use throughout the business. It also designs and produces other speciality packaging products including Point of Purchase displays and other items tailored to customers' requirements.

Seasonality

The overall business is vulnerable to the levels of manufacturing activity in the US and Mexico and benefits during periods of prosperity in manufacturing. The shift of manufacturing from Mexico to Asia has adversely impacted the Mexican operations, particularly in Guadalajara. The strongest period for the business is typically the September through November time frame prior to the Christmas holidays. The quietest time is usually in January and February, after the holidays.

Raw Materials

The three corrugated sheet manufacturers presently rely on three major suppliers for their paper roll stock. However, over ten other minor supply relationships are in place. Many of these minor suppliers have far reaching capabilities. This creates a healthy competitive environment even in a market that has experienced some tightness after an extended three to four year period of abundant supply. The distribution group has access to numerous suppliers for all its products both domestic and overseas.

There is exposure to typical raw material or finished goods supply price movements. These are initiated for a variety of reasons, such as supply conditions tightening and/or increases in the price of oil and labour. The business has shown an ability to pass on these costs to customers, as the price increases usually impact the competition in a similar manner.

Competitive Position

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Business is conducted typically on an order by order basis. Sales emanating from supply agreements with customers do not represent a significant percentage of total sales. The company's suppliers also work on an order by order basis, although there are some supply agreements in place with our major corrugated rollstock suppliers. The company does not rely on patents, exclusive licenses or contracts.

Amcor Rentsch and Closures

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Amcor Rentsch and Closures are headquartered in Rickenbach, Switzerland and have 2,800 employees.

Amcor Rentsch is the European leader in tobacco packaging and a leading supplier of specialty folding cartons to the cosmetics and confectionery markets. The business is headquartered in Switzerland and has 7 manufacturing plants in 6 countries. It also works in close affiliation with other Amcor tobacco and specialty carton plants in China, Malaysia and Australia to service its major international customers.

Amcor Closures is comprised of the two closure divisions, Amcor White Cap and Bericap North America, that between them have 11 metal, plastic and composite closure manufacturing locations through the Americas, Europe and Asia, plus around 20 sales offices.

The principal raw material for Amcor Rentsch is fibreboard, in both roll and sheet stock. Amcor Rentsch's key customers control the purchase price of these raw materials and consequently our supply contracts have full raw material cost movement and price adjustment mechanisms.

Business is conducted on a contractual basis, with typical terms of 1 to 4 years. In Europe, our principal market, four competitors have over 75% of the market. The tobacco industry has extremely demanding quality requirements, which raises the barriers to entry.

Amcor Closures is a global producer of metal and plastic closures with 12 plants in 11 countries and is headquartered in Switzerland. Main products are metal vacuum closures for glass jars and bottles. It also produces a range of plastic closures for beverage and specialty applications through its Bericap joint venture in North America.

The Closures business has a significant amount of business in the beverage, fruit and vegetable segments and volume is consequently higher during the Northern Hemisphere summer season.

Principal raw materials are tinplate steel for metal closures and polypropylene resin for plastic closures. The business has numerous suppliers of these materials.

Business is generally conducted on an annual supply agreement. In the case of metal closures prices are generally agreed for a 12 month period. For plastic closures, agreements have full pass through of resin and foreign exchange movements on a six month basis. The metal closures business derives its competitive position from its leading market share in Europe and Asia and industry leading low cost position. The plastic closure business has a number of innovative products with predominantly its own intellectual property and some license arrangements.

Amcor Asia

Amcor Asia has 15 plants and 2,400 employees in 5 countries and its head office is in Singapore. It produces a diverse range of products, including fibre packaging, corrugated cartons and sacks, speciality folding cartons and tobacco packaging, flexible plastics, including high value-add medical packaging at the plant in Singapore acquired from Rexam Healthcare in October 2003 and some PET containers and closures.

The business has 15 manufacturing plants across five countries - Singapore, Malaysia, Indonesia, China and Thailand. The business has six corrugated box plants and four tobacco packaging plants in the area. Its other products include closures, flexible packaging and paper sacks.

In January 2005, Amcor acquired a 16.67% share in the Hong Kong listed company, Vision Grande Group Holdings 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.

Corrugated packaging is normally a very competitive market with excess capacity throughout Asia. The ability of key customers to reposition their production facilities to alternative countries as labour costs impact on their products causes a continual shift and scramble for corrugating work.

Tobacco packaging is a market segment Amcor operates in, that has only three major international cigarette manufacturers together with the monopoly of the State run industry within China, Thailand and other Asian countries. The dominance of these three international cigarette manufacturers creates strong pricing pressure as they benchmark packaging prices around the world.

Flexibles packaging is a growing segment in Asia as the cost base is so much lower than Europe or US. However the majority of specialized flexible packaging for Asia is still supplied by European or US manufacturing.

Paper sacks is a specialised market, with a relatively small market size, excluding cement sacks. It operates in an over capacity environment within Asia. Most large paper sack manufacturers have positioned production facilities within the Asian region. There is quite a limited choice in the sourcing of sack kraft paper throughout the world.

Within the corrugated market the demand for food and beverage packaging is higher in the annual festive season of December through to April. This is offset by the electronic segments high season of June through to November. There are no significant seasonal factors influencing the tobacco segment. Flexibles packaging is influenced by the food and beverage segments which causes a higher level of activity in the period November to February.

Raw materials are sourced throughout the world with Amcor Asia directly affected by both world prices (driven by supply and demand) and foreign currency exchange fluctuations.

Environmental and Other Regulations

The regulatory constraints on Amcor's businesses include compliance with the following:

the provisions of various jurisdictions' corporate regulations;
trade practices and consumer protection legislation
labor legislation;
the provisions of various jurisdictions' anti-trust legislation;
numerous laws relating to workers' compensation and rehabilitation, occupational health and safety, dangerous goods handling; and
environmental regulations of various kinds.
listing rules of home jurisdiction

The ACCC and the NZCC continued their investigations of conduct by the Amcor that raised concerns under Australian and New Zealand competition laws. Amcor has been granted conditional immunity by the ACCC and NZCC in accordance with their relevant leniency policies for cartel conduct. See Item 8, Financial Information - Legal Proceedings for further information.

Amcor's aim is to ensure that no one who works for Amcor is ever injured. This applies equally to employees, contractors and visitors. Amcor's No Injuries program is supported by extensive procedures and subject to regular management review. The Audit and Compliance Committee is responsible for regular monitoring of safety and health performance and compliance with associated regulations.

During the 2004-05 year, Amcor must regrettably advise that one employee and one contractor were fatally injured while working at Amcor sites. The first incident involved an employee at the Amcor Interpac site in Dongguan, China, who was fatally injured while operating a forklift truck in the warehouse. The second accident was at the Amcor Flexibles site in Brazil, where a contractor was fatally injured on falling through the factory roof he had been working on.

Regrettably another contractor was fatally injured at an Amcor site in July 2005. A contractor, who had entered a water supply well on the Amcor Flexibles site in Barcelona to inspect a pump, fell and could not be revived when he was retrieved from the well.

In all cases, management has been working with the families and co-workers to provide as much support as possible. The accidents were fully investigated, in conjunction with the authorities, and corrective measures have been conveyed to all Amcor businesses.

During September 2005, the Victorian Supreme Court handed down its decision regarding an appeal by the Director of Public Prosecutions in relation to a fatal accident at Amcor's Fairfield Paper Mill site in 2003. Amcor pleaded guilty in the original County Court hearing to two breaches of the Occupational Health and Safety Act, 1985. The Supreme Court decision increased the level of penalty to A\$180,000 for each breach.

Amcor is committed to achieving a high standard of environmental performance. Its operations are subject to significant environmental regulation in all countries in which it maintains a presence.

The Audit and Compliance Committee is responsible for regular monitoring of environmental exposures and compliance with environmental regulations. As part of this process, the Committee is responsible for overseeing:

implementation of environmental management plans in operating areas which may have a significant environmental impact;

identifying where remedial actions are required and implementing action plans; and

regular monitoring of regulatory requirements.

To enable it to meet its responsibilities of oversight, the Committee has established an internal reporting process. Environmental performance is reported from each site up through management to the Committee on a regular basis.

Compliance with the requirements of environmental regulations and with the specific requirements of site environmental licenses was substantially achieved across all operations.

Amcor complies with a number of food and medical packaging standards such as EN 868 for medical packing produced within Europe, standards published by the Agricultural Development Advisory Service (ADAS), The American Institute of Baking (AIB), the British Retail Consortium (BRC) and US Food and Drug Administration (FDA).

Amcor, like all corrugated suppliers, continues to prepare for the implementation of the Radio Frequency Identification Directive (RFID) tagging requirements. This is a mandatory U.S. Department of Defense requirement for corrugated boxes sold to the military branch of the U.S. government effective January 1, 2007. The company presently has a number of small contracts with the U.S. government.

C. Organisational Structure

The chart set out below describes our organizational structure as at June 30, 2005.

Amcor's Significant Subsidiaries as at December 20, 2005 were:

	Country of Incorporation	Percentage Held by Parent Entities
Amcor Investments Pty. Ltd.	Australia	100%
Amcor Packaging (New Zealand) Ltd.	New Zealand	100%
Amcor Packaging (U.S.A.), Inc.	U.S.A.	100%
Amcor Sunclipse North America, Inc.	U.S.A.	100%
Amcor Europe	United Kingdom	100%
Amcor Packaging Asia Pty. Ltd.	Australia	100%
Amcor Packaging (Australia) Pty. Ltd.	Australia	100%
Amcor European Holdings Pty. Ltd.	Australia	100%
Amcor European Consolidated Holdings Limited	Cyprus	100%
Amcor Holding	United Kingdom	100%
Amcor Flexibles A/S	Denmark	100%

D. Property, Plant and Equipment

At November 30, 2005, Amcor operated manufacturing* and distribution facilities in the 39 countries listed in the following table.

Geographic Region	Number of Manufacturing Facilities	Number of Distribution Facilities
Argentina	2	
Australia	51	
Belgium	3	
Brazil	12	
Canada	7	
China	6	
Colombia	6	
Denmark	3	
Ecuador	1	
El Salvador	1	
Finland	2	
France	6	
Germany	7	
Honduras	1	
India	1	
Indonesia	2	
Ireland	1	
Italy	2	
Malaysia	4	
Mexico	14	4
Morocco	1	
The Netherlands	1	
New Zealand	14	
Norway	1	
Peru	1	
Philippines	2	
Poland	4	
Portugal	5	
Puerto Rico	1	
Russian Federation	2	
Singapore	3	
Spain	11	
Sweden	1	
Switzerland	3	
Thailand	1	
Turkey	2	
United Kingdom	13	
United States of America	37	38
Venezuela	2	
	237	42

* Includes PET on-site blowing and injection facilities.

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Amcor believes that its facilities are suitable and adequate for its present needs and are generally well maintained and in good operating condition. Amcor carries insurance covering property, casualty and certain other risks to which its worldwide facilities and operations may be subject.

108 of Amcor's principal manufacturing and distribution facilities are owned. Those facilities which are not owned are leased by Amcor for periods varying from one to 10 years. Amcor does not believe any of its businesses is dependent on any single facility.

Capital expenditure on property, plant and equipment, excluding acquisition of controlled entities and businesses is outlined in the table below. Net capital expenditure is arrived at after deducting proceeds on disposal of property, plant and equipment and does not include proceeds on disposal of controlled entities, businesses and investments.

	Year Ended June 30		
	2005 A\$m	2004 A\$m	2003 A\$m
Gross capital expenditure	647	605	890
Proceeds on disposal of property, plant and equipment	77	98	58
Net Capital expenditure	570	507	832

In 2004-05, the major items of capital expenditure included the second glass furnace at Gawler in South Australia and the consolidation and upgrading of the Burgos plants in Spain.

In 2003-04, the major items of capital expenditure included the PET injection and blow moulding assets of Arca in Mexico, upgrade of the paper mill in Queensland, Australia and additional printing presses at Rentsch's plant in Russia.

In 2002-03, the major items of capital expenditure included the expansion of PET Packaging's injection moulding and blow moulding capacity, upgrade of a paper mill in Queensland, Australia to improve board quality and expansion of plastic closure capacity in Poland.

ITEM 5

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The discussion below contains certain forward-looking statements. Amcor's actual results could differ materially from those anticipated by those forward-looking statements due to a variety of factors, including those set forth under "Forward-Looking Statements", "Risk Factors" and elsewhere in this Annual Report.

Over the past few years Amcor's performance has been affected by an environment of volatile raw material prices, rapidly rising energy costs and a weakening of the Australian dollar against the US\$. The likelihood that past performance may be an indication of future earnings is only meaningful in a period of steady conditions which have not been present over the past couple of years.

Critical Accounting Policies **(refer F-7 Note 1 Accounting Policies)**

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Amcor's consolidated financial statements have been prepared in accordance with Australian generally accepted accounting principles (A-GAAP). Our significant accounting policies are more fully described in Note 1 to our financial statements. The preparation of our financial statements requires management to make estimates and judgements that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. We continually evaluate our estimates and judgements including those related to bad debts, inventories, intangible assets, income taxes, financing activities, restructuring costs, contingencies and litigation. We base our estimates and judgements on historical experience and on various other assumptions we believe to be reasonable under the circumstances. This forms the basis for making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions.

As our financial statements are prepared under A-GAAP, our accounting policies are necessarily compliant with all aspects of A-GAAP. A-GAAP is based on a "substance over form" conceptual framework that requires us to look through the legal interpretation of an arrangement or transaction to its underlying purpose and to reflect it in our financial statements on that basis.

Changes in Amcor's accounting policies generally reflect changes to currently applicable Australian Accounting Standards and disclosure requirements of Australia's professional accounting bodies. These changes are described in Note 1 to our financial statements, as are the financial effects of these changes in the current or prior periods.

In developing accounting policies, in addition to A-GAAP requirements, we also consider industry practice. Where there is no conflict with A-GAAP we also consider the suitability of accounting policies under US-GAAP. This reduces the number of A-GAAP/US-GAAP reconciliation differences required to be adjusted in Note 41 to our financial statements. Refer to Note 41 for a description of the adjustments made to A-GAAP to reconcile financial measures to USGAAP.

Adoption of AIFRS

On July 3, 2002, the Australian Financial Reporting Council announced that Australia would adopt International Financial Reporting Standards (IFRS), to be referred to as AIFRS, for financial years beginning on or after January 1, 2005 (fiscal year ending June 2006 for Amcor). Refer to Note 39 to our financial statements for a discussion of the key areas where accounting policies will change and have an impact on the financial report of Amcor.

The impact of transition to AIFRS, including the transitional adjustments disclosed in the reconciliations from current A-GAAP to AIFRS and the selection and application of AIFRS accounting policies, is based on expected or early adopted AIFRS standards. The figures disclosed in Note 39 are management's current best estimate of the quantitative impact of the changes, as at the date of preparing the 30 June 2005 financial report. The actual effects of transition to AIFRS may differ from the estimates disclosed due to (a) potential amendments to AIFRS and interpretations being issued by the AASB and IASB; (b) emerging accepted practice in the interpretation and application of AIFRS and UIG interpretations; and (c) changes to the consolidated entity's operations.

In all material respects our accounting policies are applied consistently across Amcor. The critical accounting policies discussed below apply to all segments of Amcor. Management has discussed the development and selection of these critical accounting policies with the Audit and Compliance Committee of our Board of Directors.

The following are the critical accounting policies we apply in producing our A-GAAP financial statements.

Recovery of Long-lived Assets

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Long-lived assets, consisting primarily of property, plant and equipment and intangibles, comprise a significant portion of Amcor's total assets. Changes in the intended use of these assets may cause the estimated period of use or the value of these assets to change.

Long-lived assets, including goodwill and intangibles, are reviewed for impairment whenever events or changes in circumstances have indicated that changes in their carrying amounts may not be recoverable. Estimates and assumptions used in both setting depreciable lives and testing for recoverability require both judgments and estimations. Property assets are independently valued on an existing use basis every three years and we assess the recoverable amounts of our plant and equipment bi-annually, based on an analysis of the current replacement cost of plant and equipment at each business location. We assess the carrying value of acquired goodwill for impairment at least annually, based on its recoverable amount. Our assessments include methodologies such as earnings multiples and discounted cash flow. If earnings and earnings multiples change, Amcor may have to record additional impairment charges not previously recognized.

Significant items in 2004-05 included asset impairments of A\$242.4 million in PET, Australasia, Flexibles and Asia. The asset impairments in PET of A\$55.5 million represent the announced closure of 3 plants: Vancouver, Calgary and Montreal. In Flexibles, the impairment of A\$27.2 million is against three plants predominantly servicing the Processed Food sector. In Australasia, a charge of A\$108.7 million was taken against the Botany and Fairfield paper mills after their life was reassessed to be 3-5 years. In Asia, impairments of A\$44.9 million were recorded against the carrying value of the corrugated, sacks and rigid assets, reflecting the outlook for those businesses in the face of increasing competitive pressures in the region.

In 2003-04 a write-down of residual assets of the former Twinpack group of A\$10.6 million was recorded.

Business Combinations

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Amcor accounts for business acquisitions using the purchase method of accounting. The accounting for business acquisitions is complex and involves the use of significant judgment.

Under the purchase method of accounting, a business acquisition is accounted for at a purchase price based upon the fair value of the consideration given, whether it is in the form of cash, assets, stock or the assumption of liabilities. The assets and liabilities acquired are measured at their fair values, and the purchase price is allocated to the assets and liabilities, since the majority of the assets and liabilities acquired do not have fair values that are readily determinable. Different techniques may be used to determine fair values, including market prices, where available, appraisals, comparisons to transactions for similar assets and liabilities and present value of estimated future cash flows. Since these estimates involve the use of significant judgment, they can change as new information becomes available.

Doubtful Debts

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We maintain provisions for doubtful debts based on an estimate of the inability of our customers to pay amounts due to us. These provisions are based on historical trends and management's assessment of general economic conditions. If the financial condition of our customers deteriorates, these provisions may not be sufficient and may lead to an increase in bad and doubtful debt expenses. We have no reason to believe that the provisions we have raised will not sufficiently cover bad debts arising out of the receivables we currently have on hand. Our provision for doubtful debts was A\$50 million at June 30, 2005, A\$52 million at June 30, 2004 and A\$60 million at June 30, 2003. Trade debtors before any provision for doubtful debts were A\$1,362 million at June 30, 2005, A\$1,283 million at June 30, 2004 and A\$1,163 million at June 30, 2003.

Slow Moving and Obsolete Inventory

Amcor's policy is to maintain a provision for slow moving and obsolete inventory based on our best estimate of such amounts at year-end. We base our estimate on a systematic, on-going review and evaluation of inventory balances. As part of this evaluation, we also consider the average age of the inventory as compared to anticipated necessary levels for future periods. We believe that the accounting estimate related to the establishment of a provision for slow moving and obsolete inventory is a critical accounting estimate because the evaluation is inherently judgemental and requires the use of significant judgements about expected future sales levels which may be susceptible to significant change.

Amcor's inventories are valued at the lower of cost (including an appropriate proportion of fixed and variable overheads) and net realisable value in the normal course of business. After initial measurement of the cost of finished goods inventories, cost is determined using the most appropriate of either first-in, first-out (FIFO) or weighted average cost formula.

Our provision for diminution in value of inventories was A\$84 million at June 30, 2005, A\$72 million at June 30, 2004 and A\$72 million at June 30, 2003. Total value of inventories before any provision for diminution were A\$1,523 million at June 30, 2005, A\$1,442 at June 30, 2004 and A\$1,356 at June 30, 2003.

Pension Plans

We engage actuaries to assist in the determination of our prepaid pension and other post-retirement assets, accrued liabilities and retirement benefit gains/(losses) under US GAAP. Under AGAAP the contributions to the various pension plans are recorded as an expense in the income statement and there is no requirement to recognise the liability or prepaid pension asset. The following are the main assumptions used to calculate the adjustment recorded in the reconciliation to US GAAP in Note 41 to the financial statements:

Discount rate;

Rate of increase on salary levels; and

Expected long term rate of return on assets.

These assumptions have a significant impact on the calculations and adjustments made, and are disclosed in Note 35 to our financial statements.

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The company participates in a number of pension and other post-retirement funds which have been established to provide benefits for employees and their dependants. These arrangements are discussed in greater detail in Note 35 to our financial statements.

Results of Operations

The following discussion is based on Amcor's consolidated financial statements as prepared under AGAAP. A discussion of the differences between AGAAP and US GAAP, and the impact of those differences on the consolidated financial statements, is set out in Note 41 to the consolidated financial statements.

Restatement of certain prior year US GAAP financial measures

Certain US GAAP financial measures for the years ended June 30, 2002, 2003 & 2004 have been restated to correct errors identified in 2005. As discussed below, during the 2004-05 financial year Amcor undertook a process of transitioning its financial reporting under AGAAP to reporting according to Australian International Financial Reporting Standards (AIFRS). A number of errors were corrected, principally as a result of identifying and determining certain adjustments for the transition to AIFRS where certain differences between AGAAP and USGAAP were identified that had not previously been considered. These instances of misapplication of USGAAP related to accounting for asset retirement obligations, accounting for lease payments on a straight line basis, capitalised relocation costs, the amortisation of borrowing costs using the effective interest rate method and the treatment of acquired deferred tax balances. In addition during the AIFRS transition process a number of USGAAP calculation errors were determined as a result of comparing the AIFRS transition result to the previously reported USGAAP financial measures. These related to accounting for start-up costs, pension plans, deferred tax and foreign exchange. Other minor errors corrected include AGAAP to USGAAP adjustments for sale and leasebacks, net investment hedging and available for sale investments.

Management has determined that these restatements revealed certain significant deficiencies (as defined by the PCAOB in their Auditing Standard AS2) in Amcor's internal controls over financial reporting. Amcor has increased the attention and resources skilled in US GAAP and increased the reconciliation and review controls over the preparation of Amcor's US GAAP reconciliation to help prevent or detect future misstatements before future financial statements are issued.

Amcor considers, that despite the existence of certain deficiencies, disclosure controls and procedures overall remain effective and management has certified accordingly, refer Item 15.

AGAAP Results of Operations

Amcor's senior management and Board review results on a PBITA basis and believe it is the most informative and reliable gauge for measuring and understanding trends across a diverse range of businesses. Given that Amcor will report under AIFRS from July 1 2005, where there is no amortization of goodwill, it is more appropriate to report segment results currently on a pre amortization basis.

	2005	Sales Year Ended June 30, 2004	2003	2005	PBITA Year Ended June 30, 2004	2003
Industry Segments (1)						
Amcor PET Packaging	3,645.1	3,205.2	3,236.2	260.5	268.2	301.6
Amcor Australasia	2,571.7	2,537.9	2,455.7	316.8	316.5	282.8
Amcor Flexibles	2,418.9	2,241.0	2,170.3	143.0	131.2	132.6
Amcor Sunclipse	1,218.7	1,158.1	1,299.0	55.8	57.6	84.8
Amcor Rentsch and Closures	984.1	1,012.2	1,310.6	109.1	100.6	83.3
Amcor Asia	263.3	249.5	263.4	27.0	30.5	32.1
Other	(2.2)	2.0	(25.3)	(74.4)	(73.5)	(56.8)
Total sales revenue	11,099.6	10,405.9	10,709.9			
Significant items before tax (2)				(328.4)	(99.8)	(86.7)
Profit before interest, tax and amortization (3)				509.4	731.3	773.7
Amortization of goodwill				(127.2)	(127.6)	(138.8)
Profit before interest and tax				382.2	603.7	634.9
Net borrowing costs				(137.2)	(132.2)	(146.3)
Income tax				(58.8)	(111.3)	(110.5)
Minority interests				(13.0)	(14.5)	(16.8)
Net profit after tax				173.2	345.7	361.3

(1) The individual industry segments' profit results refer to profit before interest, tax and goodwill amortization, excluding significant items (PBITA).

(2) Details of significant items are as follows:

2005 PET business integration and restructure expense A\$51.8 million; Flexibles market sector rationalization expense A\$34.2 million; asset impairments A\$242.4 million.

2004 PET business integration and restructure expense A\$19.9 million; Flexibles market sector rationalization expense A\$69.3 million; write-down residual assets of the former Twinpak group A\$10.6 million.

2003 restructuring expenses following acquisition of Schmalbach-Lubeca businesses A\$86.7 million.

Year Ended June 30, 2005 Compared with Year Ended June 30, 2004

Consolidated Results of Operations

Sales

Sales revenue increased from A\$10.4 billion in 2003-04 to A\$11.1 billion in 2004-05. The increase of 6.7% reflected a combination of volume and price increases as a result of the pass through to customers of resin and other raw material prices increases. In addition the strengthening of the \$A against the USD and Euro caused the 2004-05 sales revenue to be 2% lower when expressed in AUD.

Costs

Expenses from ordinary activities excluding borrowing costs increased from \$9.9 billion in 2003-04 to \$10.8 billion in 2004-05, an increase of 9%. This reflects an increase in raw material costs offset by cost savings through rationalisation and restructuring initiatives and the appreciation in the A\$ against the USD and Euro.

Interest

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Amcor's overall average interest rate in 2004-05 of 5%, was up from 4.7% in 2003-04. The increase in net borrowing costs in 2004-05 to A\$137.2 million from A\$132.2 million in 2003-04 can largely be attributed to interest rate increases in Amcor's major borrowing currencies and the credit rating downgrade. Partially offsetting the increase in interest expense is the increase in external interest revenue resulting from the increase in cash holdings during the year.

Income Tax

Amcor's income tax rate in 2004-05 before significant items of 20.5% remained relatively consistent with the 2003-04 tax rate of 20.4%.

Significant Items

The significant items in 2004-05 totalled A\$328.4 million (2003-04 - A\$99.8 million) and were made up of asset impairments with PET, Australasia, Flexibles and Asia of A\$242.4 million (2003-04 - nil); expenses associated with the PET business integration and restructure A\$51.8 million (2003-04 - A\$19.9 million); the Flexibles market sector rationalization A\$34.2 million (2003-04 - A\$69.3 million). In addition significant items in 2003-04 included the write-down of residual assets of the former Twinpak group of A\$10.6 million.

The asset impairments in PET are a result of the announced closure of 3 plants: Vancouver, Calgary and Montreal. In Flexibles the impairment is against three plants predominantly servicing the Processed Food sector. In Australasia, a charge of \$89m was taken against the Botany and Fairfield paper mills after their life was reassessed to be 3 - 5 years. In Asia, impairments were recorded against the carrying value of the corrugates, sacks and rigid assets, reflecting the outlook for those businesses in the face of increasing competitive pressures in the region.

Net Profit

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Amcor's Australian GAAP net profit after tax decreased from A\$345.7 million in 2003-04 to A\$173.2 million in 2004-05. This result was negatively impacted by an increase in significant items of A\$228.6 million from 2003-04. This result was negatively impacted by A\$8 million from the translation, for reporting purposes, of overseas profits into Australian dollars, the currency in which we report our results. If exchange rates in 2003-04 had remained unchanged in 2004-05, net profit after tax would have been A\$8 million higher in 2004-05.

The Company's US GAAP net profit decreased from A\$364.3 million in 2003-04 (as restated) to A\$205.7 million in 2004-05. The difference between the 2004-05 Australian GAAP net profit and the US GAAP net profit is detailed in Note 41 to the consolidated financial statements included in Item 18.

Dividend

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A final dividend of A\$0.17 per share (franked to 22%) was declared on all fully paid ordinary shares registered as at September 8, 2005, and paid on September 28, 2005. The final dividend, combined with the interim dividend of A\$0.17 per share, represented an annual dividend of A\$0.34 per share. This represents an increase of A\$0.02 per share over the 2003-04 dividend.

Amcor PET Packaging

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	2004-05 A\$m	2003-04 A\$m	Change %
Sales	3,645.1	3,205.2	13.7
Segment result (PBITA)	260.5	268.2	(2.9)

Amcor PET Packaging had a satisfactory year in 2004-05 with PBITA in US dollars increasing by 2.7% compared with 2003-04 (from US\$190.3 million to US\$195.4 million). As can be seen from the table, above, however, in Australian dollar terms, PBITA in 2004-05 fell by 2.9% from 2003-04. This was before significant items of A\$107.3 million in 2005 relating to asset impairments of \$A55.5 million and PET business integration and restructure costs of \$A51.8 million (A\$19.9 million in 2003-04).

Overall unit volumes in 2004-05 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 in 2004-05 of 3% over 2003-04. This growth came primarily from the decision to exit marginal volumes and focus on higher value added segments.

Volume increases in 2004-05 came primarily from the continued strength of the custom market which was up over 10% versus 2003-04, driven by strong growth in the juice and sports drinks categories. The CSD and water volumes in 2004-05 were consistent with 2003-04.

PBITA in North America for 2004-05 decreased by 4.3% when compared to 2003-04. 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.

The North American 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 predominantly 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 cash restructuring cost of US\$19 million. Both these amounts are reflected as significant items. Other significant items for the year, relating to previously announced projects, included a US\$25 million charge largely dedicated to funding the North American restructuring effort and overhead cost reduction initiatives in all three regions.

In Latin America, volume growth from 2003-04 to 2004-05, including the impact of acquisitions was 23%. Custom volumes continued to deliver strong growth and were up 13% due mainly to new custom developments for sports drinks, food products and personal care items across the region. PBITA in this region was increased by 53% in 2004-05 compared with 2003-04, after acquisitions, with strong performances in Argentina, Brazil and Venezuela. The Brazilian operations executed a program of restructuring and cost reductions contributing to significant progress in improving PBITA in this region.

The European operations volumes in 2004-05 were 4% down from 2003-04 and PBITA, in US dollar terms was 23% lower for the equivalent period (in \$A, PBITA in 2004-05 was 27% lower than 2003-04). 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 represented 23% of the total volumes for the region in 2004-05. PBITA in UK and Spain were consistent with previous years, however, the operations in Turkey and Poland both made losses. The Turkish plant was closed in May 2005.

Amcor Australasia

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	2004-05 A\$m	2003-04 A\$m	Change %
Sales	2,571.7	2,537.9	1.3
Segment result (PBITA)	316.8	316.5	0.1

Sales increased by 1.3% to \$2,571.7 million from 2003-04 to 2004-05, with PBITA remaining consistent in 2004-05 at \$316.8 million. This is before significant items.

The Australian 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 of the Fibre division, volumes were down in Australia by 3% in 2004-05 compared to 2003-04, reflecting 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 by 5% in 2004-05 compared to 2003-04, mainly due to the poor kiwifruit season but compounded by the loss of a major customer early in the year.

The Recycled Paper Mills were negatively impacted in 2004-05 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 useful life of the paper recycling mills was reassessed in 2004-05 resulting in an increase in depreciation of \$90 million from 2003-04. This has been recorded as a significant item.

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, was negatively 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 PBITA reduced by 26% in 2004-05, compared to 2003-04 mainly due to lower volumes and unrecovered cost increases and additional depreciation.

Flexibles volume increased by 2% in 2004-05, compared to 2003-04 and resin cost increases were recovered from the market in a timely basis resulting in an increase in PBITA of 10%.

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.

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The Rigid Packaging group comprises the beverage, food, aerosol cans, PET and closures businesses. The Rigid Packaging group PBITA increased by 13% in 2004-05 compared to 2003-04, mainly as a result of improved performance in the Beverage Can and Food Can businesses.

In the Beverage Can business volumes increased by 4% in 2004-05, compared to 2003-04, 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 2003-04.

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

The Glass wine bottle operation PBITA increased by 23.5% in 2004-05 compared to 2003-04, due to the commissioning of the second furnace ahead of plan, increasing sales volume. Continued strong customer support and an increase in the range of products also contributed to the increase in PBITA.

Amcor Flexibles

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	2004-05 A\$m	2003-04 A\$m	Change %
Sales	2,418.9	2,241.0	7.9
Segment result (PBITA)	143.0	131.2	9.0

In local currency (Euros), Amcor Flexibles PBITA in 2004-05 increased 8.2% on 2003-04, from 78.2 million to 84.6 million. In Australian dollar terms, there was an increase of 9%. This was before significant items of A\$61.4 million expense in 2004-05 consisting of asset impairments of A\$27.2 million and the Flexibles market sector rationalization of A\$34.2 million. Significant items of A\$69.3 million in 2003-04 related to the Flexibles market sector rationalization. Sales increased by 7.9% primarily due to an increase in raw material costs.

PBITA was negatively impacted by substantial raw material cost increases. Significant success was achieved in passing on these costs 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 the 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 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 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.

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 continued to be a major concern. The high Euro exchange rate continued to put pressure on export margins of both Eurozone manufacturing plants and their customers.

The operational positives, besides the restructuring program, included 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. 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 proceeded according to schedule and it commenced operation in September 2005, enabling Amcor Flexibles to meet the local needs of a number of its key customers.

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

PBITA for the Fresh Food sector decreased by 10% in 2004-05 compared to 2003-04, although sales for the sector increased.

PBITA for the European Healthcare sector remained consistent in 2004-05 with 2003-04 and 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.

In the American business, which comprises mainly the former Rexam Healthcare operations in the US, Puerto Rico and Brazil, plus a focused Fresh Food operation, sales and PBITA increased in 2004-05 from 2003-04.

Amcor Sunclipse

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	2004-05 A\$m	2003-04 A\$m	Change %
Sales	1,218.7	1,158.1	5.2
Segment result (PBITA)	55.8	57.6	-3.1

Reflecting adverse economic conditions in the USA, Amcor Sunclipse experienced a flat year in 2004-05 with PBITA in US dollars up 2.4% from US\$40.9 million in 2003-04 to US\$41.9 million. In Australian dollar terms, PBITA was down 3.1% in 2004-05 compared with 2003-04.

The corrugated business had a solid year overall with volumes up 4.7% in 2004-05 compared with 2003-04, 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 manufactured products group PBITA increased by 38.5% in 2004-05 compared to 2004-03. 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.

The Distribution division covers 14 states in the US and has four sites in Mexico. During the year, a small distributor was acquired in New Jersey to further expand the footprint on the east coast.

The Distribution business had a solid year, although PBITA decreased by 5.9% in 2004-05 compared to 2004-03. 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, PBITA suffered during the year as the full impact of these price increases were not able to be passed on to customers.

Amcor Rentsch and Closures

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	2004-05 A\$m	2003-04 A\$m	Change %
Sales	984.1	1,012.2	(2.8)
Segment result (PBITA)	109.1	100.6	8.4

The combined Amcor Rentsch and Closures business improved PBITA in local currency (Euros) and Australian dollars in 2004-05 compared with 2003-04 by 7.7% and 8.4% respectively.

Amcor Rentsch had a solid year with higher earnings despite sales being 6% lower than 2004-03 at 306 million in 2004-05. 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.

The growing demand in Eastern Europe, together with ongoing reductions in the cost base in Western Europe contributed to an 8.4% increase in PBITA for 2004-05 compared to 2003-04.

Sales for the Amcor Closures business were 1% lower in 2004-05 compared to 2003-04 with PBITA 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. Its 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 in 2004-05 with 2003-04. 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.

Amcor Asia

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	2004-05 A\$m	2003-04 A\$m	Change %
Sales	263.3	249.5	5.5
Segment result (PBITA)	27.0	30.5	(11.5)

Amcor Asia's PBITA in Singapore dollars was down 9.4% in 2004-05 compared with 2003-04 (2004-05 S\$33.7 million; 2003-04 S\$37.2 million).

The major contributor to the decrease in PBITA in 2004-05 from 2003-04 was a decrease in selling prices 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 in 2004-05.

The Tobacco Carton business sales and earnings increased and performance improved in all three countries where plants are located.

In January 2005, Amcor acquired a 16.67% share in the Hong Kong listed company, Vision Grande Group Holdings 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. Raw material cost increases were generally passed on to customers in a timely manner with minimal impact to earnings.

Year Ended June 30, 2004 Compared with Year Ended June 30, 2003

Consolidated Results of Operations

Sales

Sales revenue decreased slightly from A\$10.7 billion in 2002-03 to A\$10.4 billion in 2003-04. The decrease of 2.8% reflected a combination of increases due to the acquisitions of Rexam's Healthcare flexibles packaging business, Alcoa's Latin American PET packaging business, and the negative impact of translating foreign sales into Australian dollars. Other revenue was lower in 2003-04 due mainly to the sale in 2002-03 of our 65% share of Amcor White Cap LLC to Silgan Holdings Inc.

Interest

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Amcor's overall average interest rate in 2003-04 of 4.7%, was down from 5.0% in 2002-03. This, coupled with the impact of currency translation were the main reasons that net borrowing costs fell in 2003-04 to A\$132.2 million from A\$146.3 million in 2002-03 despite net debt increasing by 17% from A\$2,297 million in 2002-03 to A\$2,689 million in 2003-04.

Income Tax

Amcor's income tax rate in 2003-04 before significant items of 20.4% fell from 22.1% in 2002-03. This is primarily due to debt push down in higher rate jurisdictions and increases in loss recoupment in high tax rate jurisdictions.

Significant Items

The significant item in 2002-03 of A\$86.7 million related to restructuring expenses following the acquisition of the PET and Closures businesses from Schmalbach-Lubeca. The significant items in 2003-04 totalled A\$99.8 million and were made up of expenses associated with the PET business integration and restructure A\$19.9 million; the Flexibles market sector rationalization A\$69.3 million; and the write-down of residual assets of the former Twinpak group A\$10.6 million

Net Profit

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Amcor's Australian GAAP net profit after tax decreased from A\$361.3 million in 2002-03 to A\$345.7 million in 2003-04. This result was negatively impacted by A\$34 million from the translation, for reporting purposes, of overseas profits into Australian dollars, the currency in which we report our results. If exchange rates in 2002-03 had remained unchanged in 2003-04, net profit after tax would have been A\$34 million higher in 2003-04.

The Company's US GAAP net profit increased from A\$367.6 million in 2002-03 to A\$377.6 million in 2003-04. The difference between the 2003-04 Australian GAAP net profit and the US GAAP net profit is detailed in Note 33 to the consolidated financial statements included in Item 18.

Dividend

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A final dividend of A\$0.16 per share (franked to 40%) was declared on all fully paid ordinary shares registered as at September 9, 2004, and paid on September 29, 2004. The final dividend, combined with the interim dividend of A\$0.16 per share, represented an annual dividend of A\$0.32 per share. This represents an increase of A\$0.02 per share over the 2002-03 dividend.

Amcor PET Packaging

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	2003-04 A\$m	2002-03 A\$m	Change %
Sales	3,205.2	3,236.2	(0.9)
Segment result (PBITA)	268.2	301.6	(11.1)

Amcor PET Packaging had a mixed year in 2003-04 with PBITA in US dollars increasing by 7.6% compared with 2002-03 (from US\$176.8 million to US\$190.3 million). As can be seen from the table, above, however, in Australian dollar terms, PBITA in 2003-04 fell by 11.1% from 2002-03. This was before significant items of A\$19.9 million expense in 2004 relating to the PET business integration and restructure and A\$ 59.5 million restructuring expenses in 2003 following acquisition of Schmalbach-Lubeca businesses.

Overall unit volumes in 2003-04 grew by 17% to 32.4 billion, of which just under 5% was due to acquisitions (see Capital Expenditures and Divestures). This volume growth was achieved in all three regions (North America, Latin America and Europe).

The North American operations, including Canada, experienced volume growth in 2003-04 of 13.6% over 2002-03. This growth came primarily from the strength of the bottled water and custom markets, the latter driven by growth in the single serve juice and sports drinks categories. PBITA, however was down in 2003-04 by 13% compared with 2002-03. The higher Canadian dollar against US dollar forced prices lower and in the US there was strong pricing pressure from large customers.

In response, the business has undergone a rationalisation and restructuring plan which, together with a review of overhead expenses, is expected to reduce the number of North American employees by 250 people. In addition, PET Packaging has begun a review of pricing in the carbonated soft drink/water segment as, in many cases, prices are delivering unacceptable returns on the assets employed.

In Latin America (excluding acquisitions) volume growth in 2003-04 was 7.7% up on 2002-03. PBITA in this region was 25% higher in 2003-04 compared with 2002-03 with strong performances in Argentina and Venezuela helping offset shortfalls in Brazil where over-capacity and general economic conditions are causing some concern.

The European operations volumes in 2003-04 were 9% ahead of 2002-03 and PBITA, in US dollar terms was 42% ahead for the equivalent period (in local currency terms, PBITA in 2003-04 was 20% ahead of 2002-03).

The good summer weather in Europe in 2003-04 assisted the businesses in the UK, Spain and France to improve volumes and PBITA over 2002-03 and the German operations also benefited from strong growth in the carbonated soft drink market and increased volumes in 2003-04 by 75%.

Excluding acquisitions, capital expenditure in 2003-04 was significantly less than in 2002-03 and was well under 2003-04's depreciation expense. Capital in 2003-04 was invested primarily in strengthening the push into higher margin, custom markets, including juices, food and personal care products.

Amcor Australasia

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	2003-04 A\$m	2002-03 A\$m	Change %
Sales	2,537.9	2,455.7	3.3
Segment result (PBITA)	316.5	282.8	11.9

Growth in sales volume of glass wine bottles and restructuring initiatives in the fibre packaging, folding cartons and food can sectors contributed to Amcor Australasia's sales and profit improvement in 2003-04 over 2002-03. Sales and PBITA increased in 2003-04 by 3.3% and 11.9% respectively. One-off costs of restructuring were effectively offset by profit on sale of properties. However, the strength of the Australian dollar in 2003-04 had a negative impact on export margins, particularly in the paper and flexibles businesses.

In the fibre packaging segment the drought in Australia in 2003-04 had an adverse affect on corrugated box volumes in the dairy, fruit and produce markets. However this was partly offset by stronger demand in the meat market in Australia and New Zealand. Overall corrugated box volumes in 2003-04 were slightly down in Australia and up 5% in New Zealand compared with 2002-03.

The recycled paper mills continued to operate efficiently in 2003-04 but experienced a difficult year with lower demand from the Australian fibre box business, lower pulp sales and an adverse impact of the strengthening of the Australian dollar on export pricing.

The folding carton business improved its PBITA in 2003-04 over 2002-03 due in part to the restructuring of its operations on the east coast of Australia resulting in a lower cost base. The upgrade of the Petrie Mill in Queensland, Australia is expected to improve board quality and create an opportunity for replacement of imported whiteboards. Low margin export volumes, as expected, were adversely impacted by the shutdown of the mill for the upgrade.

The sacks business experienced a difficult year in 2003-04 with the drought conditions in Australia affecting dairy volumes. Additionally, the sacks market in Australia is very competitive. In the metal packaging segment, beverage can volumes in 2003-04 were 4% up on 2002-03, mainly in the soft and mixer drink sectors.

The full year benefits of the closure of the Dandenong, Australia food can plant contributed to the improved PBITA in 2003-04 of this business despite sales volumes being flat. Overall sales volumes in the aerosol can business improved in 2003-04, particularly aluminium cans.

In Amcor Australasia's plastics segment, the flexibles business's sales volumes in 2003-04 were slightly higher than 2002-03; however the strengthening of the Australian dollar had an adverse impact on the profit margins of exports. Resin supply was adversely affected by a gas field fire at Moomba, South Australia which necessitated importing resin and unfavourably impacted productivity. Overall, however, PBITA in 2003-04 was slightly up on 2002-03.

The glass wine bottle operation operated at full capacity in 2003-04 and sales volume exceeded expectations. Most major customers experienced strong export volumes during the year.

Amcor Flexibles

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	2003-04 A\$m	2002-03 A\$m	Change %
Sales	2,241.0	2,170.3	3.3
Segment result (PBITA)	131.2	132.6	(1.1)

In local currency (euros), Amcor Flexibles PBITA in 2003-04 increased 5.4% on 2002-03, from 74.2 million to 78.2 million. In Australian dollar terms, however, there was a decrease of 1.1%. This was before a significant item of A\$69.3 million expense in 2004 for the Flexibles market sector rationalization. The result was below expectations due to a decline in sales in the processed food sector, operational underperformance at some plants, poor economic conditions across much of Europe and a strong euro which impacted margins on export sales.

In Europe, Amcor Flexibles is organised into three markets fresh food, healthcare and processed foods. Our Americas business is predominantly a healthcare business with some positions in processed and fresh food.

The fresh food sector, benefited from increased demand from consumers for fresh produce, chilled foods and dairy products in the UK and Southern Europe. As a result, PBITA in 2003-04 showed a substantial improvement over 2002-03.

The healthcare business has operations in Europe and the Americas. Assisted by the acquisition of the Rexam healthcare flexibles business in October 2003, sales volume and PBITA improved in 2003-04 compared with 2002-03. The integration of the Rexam acquisition has been completed and it is expected that synergy benefits will be achieved in future periods.

Difficult conditions in certain market segments and operational performance below expectations contributed to a difficult year in the processed food sector. Sales values in 2003-04 were around 7% below 2002-03 and volumes for the sector were impacted by economic conditions in Europe including a trend to more generic packaging. PBITA in 2003-04 was 15 million below 2002-03.

Amcor Sunclipse

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	2003-04 A\$m	2002-03 A\$m	Change %
Sales	1,158.1	1,299.0	(10.8)
Segment result (PBITA)	57.6	84.8	(32.1)

Reflecting adverse economic conditions in the USA, Amcor Sunclipse experienced a difficult year in 2003-04 with PBITA in US dollars down 17.7% from US\$49.7 million in 2002-03 to US\$40.9 million. In Australian dollar terms, PBITA was down 32.1% in 2003-04 compared with 2002-03.

In local currency, volume growth contributed to an 8% improvement in sales value in 2003-04 over 2002-03, however substantial pricing pressure led to reduced margins and a lower return on funds invested.

The manufacturing business, concentrated in California, was negatively impacted in 2003-04 by overcapacity, pricing pressures and loss of business to Asia and Mexico. Although volumes remained steady year on year, margins in 2003-04 were below those in 2002-03.

Paper suppliers implemented price increases in 2003-04 for the first time in 18 months, US\$50 per tonne in March 2004 and US\$50 per tonne in June 2004.

For the distribution business, a more complete full line selling approach contributed to sales values improving in 2003-04 by 7.6% over 2002-03 which helped to ensure PBITA was steady year on year.

Amcor Rentsch and Closures

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	2003-04 A\$m	2002-03 A\$m	Change %
Sales	1,012.2	1,310.6	(22.8)
Segment result (PBITA)	100.6	83.3	20.8

The combined Amcor Rentsch and Amcor Closures business improved PBITA in local currency (euros) and Australian dollars in 2003-04 compared with 2002-03 by 28.9% and 20.8% respectively. This was before a significant item of A\$8.2 million restructuring expenses in 2003 following the acquisition of Schmalbach-Lubeca businesses.

In Amcor Rentsch, sales increased by 6% in 2003-04 to 325 million and PBITA was also ahead of the equivalent period in the previous year.

In Russia, demand remains strong; a fourth printing press installed in the first half of 2003-04 is fully loaded and a fifth machine is currently being installed and is expected to start-up in December 2004. After the installation of the fifth press, this plant, which was first commissioned in 2000, will supply product to all major cigarette producers.

Ongoing growth has necessitated a second line be added to the new press in Portugal, which was started up in late 2003 to meet increased demand resulting from a new contract in the Southern European market.

As new health warnings on cigarette packets are progressively introduced across Europe, increased printing capability is required. Accordingly, Amcor Rentsch's present machines, which range from six to nine-colour, will be upgraded to 10-colour over the next two to three years.

Amcor Closures sales volumes and PBITA in 2003-04 were ahead of 2002-03 on a comparable basis. Sales and PBITA in 2002-03 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 a number of projects were completed or commenced in 2003-04 which are expected to support the business going forward. These 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.

Despite the stronger Canadian dollar, the Bericap joint venture had a satisfactory year with strong operational performances in the Canadian plants. The new plant in California, which is in its second year of operation, is performing profitably.

Amcor Asia

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	2003-04 A\$m	2002-03 A\$m	Change %
Sales	249.5	263.4	(5.3)
Segment result (PBITA)	30.5	32.1	(5.0)

Amcor Asia's PBITA in Singapore dollars was up 12.7% in 2003-04 compared with 2002-03 (2003-04 S\$37.2 million; 2002-03 S\$32.1 million). PBITA in the six months to June 2004 of S\$20.0 million was 55% ahead of the equivalent period in 2002-03 which was severely affected by the SARS epidemic in the region.

Overcapacity, aggressive pricing and paperboard price increases in the corrugating business, particularly in Malaysia, led to a difficult year and an adverse impact on PBITA.

The tobacco packaging business had a strong 2003-04 with sales volumes and PBITA substantially ahead of 2002-03. The two plants in China performed better than expected and Malaysian and Singaporean operations' PBITA in 2003-04 improved on 2002-03.

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Amcor believes that its operating cash flow and existing credit facilities should be sufficient to fund all of its existing business needs for the foreseeable future, including currently anticipated capital expenditure, debt repayments and other contingent liabilities.

As indicated in the following table, Amcor has expended significant funds on capital expenditure projects and acquisitions over the past five fiscal years.

	Year Ended June 30,				
	2005	2004	2003	2002	2001
(In millions, except percentages)					
Capital expenditure	A\$ 647	A\$ 605	A\$ 890	A\$ 351	A\$ 289
Acquisitions	A\$ 46	A\$ 618	A\$ 2,858	A\$ 371	A\$ 663
Gearing: net debt/net debt and shareholders equity	37%	36%	33%	(6)%	46%
Total liabilities as % of total assets	56%	54%	52%	48%	63%

Capital expenditure commitments and contingent liabilities at June 30, 2005 were A\$52.7 million and nil, respectively. Acquisition expenditure in 2004-05 of A\$46 million included the acquisition of an investment in Vision Grande and the acquisition of Ameripak.

Amcor ensures that adequate back-up funding facilities are in place to cover the risk of a loss of credit support or a general market disruption. Amcor has arranged back-up facilities to support sources of working capital funding.

Undrawn bank facilities available to Amcor at June 30, 2005 totalled A\$1,714 million, of which A\$897 million is committed funding. These unutilized credit lines included:

a A\$600 million promissory note facility (undrawn at June 30, 2005 A\$451 million);

a US\$200 million commercial paper program (undrawn A\$103 million);

a US\$200 million multi-currency Euronote facility (undrawn US\$200 million);

a A\$350 million committed bi-lateral multi-currency term loan facility (undrawn A\$179 million); and

a US\$1,000 million committed syndicated revolving multi-currency loan facility (undrawn A\$688 million).

Total borrowings decreased from A\$2,505 million at June 30, 2004 to A\$2,477 million at June 30, 2005. Net of cash and short-term deposits, net debt was A\$2,356 million as at June 30, 2004 compared with net debt of A\$2,247.2 million at June 30, 2005.

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Amcor's debt profile for its last five fiscal years is shown below:

	2005	2004	At June 30, 2003	2002	2001
	(In A\$ millions, except where indicated)				
Long-term debt (excluding undated subordinated convertibles but including finance leases)(1)	A\$ 1,748	A\$ 1,776	A\$ 1,004	A\$ 1,145	A\$ 1,559
Net debt/(cash surplus)(2)	A\$ 2,247	A\$ 2,356	A\$ 1,851	A\$ (818)	A\$ 1,733
Average interest rate(3)	5.0%	4.7%	5.0%	5.5%	6.0%

(1) Non-current liabilities (ie. debt which is due to be repaid more than twelve months after balance date). Undated subordinated convertible securities of A\$301 million are not included in long term debt.

(2) Current and non-current bank and other borrowings, current and non-current lease liabilities and current indebtedness to related parties net of cash and deposits

(3) Includes an interest rate of 7.25% on A\$301 million undated subordinated notes.

By keeping a proportion of variable-rate debt, Amcor was able to maintain the average interest rate paid on all borrowings in 2004-05 at 5.0% (2003-04 4.7%). Net interest cover at 4.4 times is higher than at June 30, 2004 and is well within the prudential limit established by Amcor's Board of Directors. Balance sheet gearing (net debt as a proportion of net debt plus shareholders' equity) was 37% at June 30, 2005, compared with 36% as at June 30, 2004.

Amcor retains Standard & Poor's and Moody's Investor Services to provide an independent rating of its creditworthiness. This provides a current assessment of the Group's overall financial capacity to meet its financial obligations. Current credit ratings for Amcor are as follows:

Short-term: A-2 (Standard & Poor's)
P-2 (Moody's)

Long-term: BBB (Standard & Poor's)
Baa1 Stable Outlook (Moody's)

Amcor believes that having an investment grade rating delivers a conservative capital structure, retains financial flexibility, provides a buffer through the business cycle and allows good access to capital as required.

Amcor believes that it maintains a high level of liquidity including positive working capital (current assets less current liabilities), cash balances and substantial credit facilities (described above). Our working capital increased by A\$168 million at June 30, 2005 due to an increase in current assets of A\$285 million (receivables A\$134 million, inventories A\$71 million and cash A\$80 million) and an increase in current liabilities of A\$117 million (accounts payable A\$166 million, and provisions (A\$49 million)).

The following table sets forth Amcor's cash flow information for the last five fiscal years:

	2005	2004	Year Ended June 30, 2003 (In A\$ millions)	2002	2001
Net cash inflow from operating activities	857	1,032	875	901	416
Net cash (outflow)/inflow from investing activities	(600)	(1,061)	(3,504)	269	(934)
Net cash (outflow)/inflow from financing activities	(153)	106	398	810	608
Net increase/(decrease) in cash held	104	77	(2,231)	1,980	90

The decrease in cash inflow from operating activities in 2004-05 from 2003-04 reflects an increase in working capital in 2004-05 compared to 2003-04 which benefited from a decrease in working capital.

The decrease in cash outflow from investing activities in 2003-04 and 2004-05 reflects lower levels of expenditure on acquisitions and capital. The outflow in 2002-03 mainly refers to the cash settlement of the purchase of the PET and Closures businesses from Schmalbach-Lubeca. Net cash from financing activities has decreased to an outflow in 2004-05 mainly due to the lower levels of net borrowings.

Issued share capital increased from 877.9 million Ordinary Shares outstanding at June 30, 2004 to 878.2 million Ordinary Shares outstanding at June 30, 2005 due primarily to the shares issued for the Dividend Reinvestment Plan (DRP) and the conversion to ordinary shares of convertible securities.

On September 8, 2005, 27,329 shareholders participated in the DRP and 5,296,837 shares were issued at a price of A\$6.70 per share.

c. **Research and Technology**

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Research and Development continues to be an integral part of Amcor's strategy. There is a global coverage with centres in Europe, North America and Australasia. These centres are responsible for provision of product innovation, technical support, design and intellectual property management.

The centres support their specific region and businesses as well as combining resources on a number of joint projects. Furthermore, there is exchange of information between the groups to ensure that local solutions are made known to other relevant groups. During 2004-05 Amcor spent approximately A\$40 million on research and development. This compares with approximately A\$48 million in 2003-04 and A\$50 million in 2002-03.

Amcor Research and Technology has led the generation of packaging related intellectual property in key food and beverage segments through:

Strategic technology platforms for leadership and innovation;

Development of technology roadmaps of market trends and emerging technologies;

Cross functional teams including customers and global Amcor division focussed on high value projects.

Amcor now has one of the world's leading collections of Packaging Industry intellectual property with over 360 individual patents and 360 trademarks.

D. Trend Information

Relevant trends are discussed for Amcor as a whole and for each business in Item 5A Operating Results

E.

Off-Balance Sheet Arrangements

Non-recourse Receivables Securitization Programme

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The consolidated entity utilised an uncommitted, multi-currency receivables securitization programme in the United Kingdom, France, Germany, Spain and US. The trade receivables of some of the group entities in these jurisdictions were sold, on a non-recourse basis, into an independent securitization conduit which issued asset-backed commercial paper into organised markets.

The programme limit was A\$210 million and the balance of trade receivables sold at June 2005 was A\$158 million (A\$198 million at June 2004).

The programme was not required to be included on balance sheet for A-GAAP purposes, but is added back and included on balance sheet in the reconciliation to US-GAAP (refer Financial Statements - Note 41).

F. **Tabular Disclosure of Contractual Obligations**

Contractual and Commercial Commitments as at June 30, 2005

	Not later than 1 year	1 and 3 years	3 and 5 years	later than 5 years	TOTAL
Capital Expenditure (1)	49.8	2.9			52.7
Finance Leases (2)	1.9	9.3	4.7	60.9	76.8
Operating Leases (3)	150.3	131.4	280.8	261.5	824.0
Other Expenditure (4)	58.7	49.2	58.7	15.5	182.1
Long-Term Debt		449.0	60.8	1,163.1	1,672.9
Interest on Debt (5)	161.1	163.4	119.3	160.3	604.1
Pension Benefit Obligations (6)	73.9	124.8	109.5	46.5	354.7
Payments under Cross currency and interest rate swaps (7)	24.1	1.5			25.6
Payments under forward exchange contracts (8)	167.8	6.8			174.6
Commodity contracts (8)	29.4				29.4
TOTAL	717.0	938.3	633.8	1,707.8	3,996.9

(1) Capital expenditure for plant and equipment contracted but not provided for.

(2) Amcor leases equipment under finance leases expiring from one to 20 years. At the end of the lease term we have the option to purchase the equipment at an agreed residual.

(3) Amcor leases motor vehicles, plant and equipment and property under operating leases. Leases generally provide us with a right of renewal at which time all terms are renegotiated.

(4) Expenditure contracted but not provided for covering supplies and services to be provided.

(5) Interest commitments based on June 30, 2005 debt and facility maturity terms.

(6) Expected contributions by the company for defined benefit liabilities, based on actuarial recommendation of contributions as at June 30, 2005.

As at June 30, 2005, for our plans reporting a prepaid pension asset, the asset recognised under US GAAP was \$38.9 million, compared with \$56.8 million as at 30 June 2004 and \$59.3 million as at June 30, 2003. The decrease for the 2004-05 year was mainly attributable to a curtailment loss of \$11.7 million. This curtailment arose as a result of a re-structuring program undertaken by the Company.

As at June 30, 2005, for our plans which recorded an accrued benefit cost, the liability reported under US GAAP was \$213.8 million, compared with \$167.2 million as at June 30, 2004 and \$159.1 million as at June 30, 2003. The increase for the 2004-05 year was due to the increase in the fair value of the plan assets being less than the increase in the actuarially determined projected benefit obligations.

For the 2005 financial year, pension and other post-retirement plans resulted in a net operating profit charge (before tax) of \$74.6 million, compared with a charge of \$59.8 million and \$50.6 million for the financial years ending June 30, 2004 and June 30, 2003 respectively. For the 2005 fiscal charge, this included \$46.2 million of current service cost, \$46.9 million of interest cost and \$10.5 million worth of curtailment losses recognized. These charges were partially offset by \$38.7 million expected return on plan assets.

Contributions of \$42.7 million were made by the company to pension and other post-retirement funds for the year ended 30 June 2005. Benefits of \$29.2 million were also paid directly to employees.

Unrecognized net actuarial losses of \$231.7 million have been reported for the 30 June 2005 year. These unrecognized losses have arisen as a result of applying the corridor approach allowed by Statement of Financial Accounting Standards (SFAS 87): Employers Accounting for Pensions.

(7) Interest payable on quarterly interest rate resets.

(8) Represents the gross \$A equivalent of foreign exchange and commodity contract commitments.

ITEM 6

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

Details of the Directors in office at December, 2005 are:

C I (Chris) Roberts BCom

Non- Executive Chairman

Current term expires October 2007

Substantial knowledge of fast moving consumer products, where the packaging component is significant, gained through executive roles in Australia, New Zealand, the United Kingdom and Indonesia. Former roles include Chairman and Managing Director of Arnotts Ltd (January 1996-January 1999), Managing Director of Orlando Wyndham Wines Ltd (October 1987-December 1990), Chairman of Email Ltd (June 1999-February 2001) and Director of Telstra Corporation Ltd (December 1991-November 2000) and MLC Life Ltd (August 1992-February 1995). Director of Australian Agricultural Company Ltd (since June 2001), Cockatoo Ridge Wines Ltd (since February 2002), The Centre for Independent Studies (since August 2004) and Adviser to Control Risk Group PLC. Former Chairman of Winifred West Schools Ltd (February 2003-March 2004). Former Director of Petaluma Wines (February 1999-December 2001). Chairman of Executive and Nomination Committees and was a member of the Audit and Compliance Committee from 1 July 2004 to 7 December 2004.

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Director since February 1999 appointed Chairman 2000. Appointed Executive Chairman from December 2004 to June 2005. Continues as Non-Executive Chairman from July 2005.

K N (Ken) MacKenzie BEng

Managing Director and Chief Executive Officer

Appointment ratified at the 2005 AGM.

Mr MacKenzie has extensive experience across all of Amcor's major packaging business segments in the Americas, Australia, Asia and Europe. Joined Amcor 1992. Former positions: Group Managing Director, Amcor Rensch and Closures 2001-2005; Group General Manager Amcor Flexibles Australasia 1999-2001; General Manager Corporate Sales and Marketing, Amcor Containers Packaging 1997-1999; Senior finance and operational roles, Amcor PET Packaging North America 1992-1997; Prior to joining Amcor, Manager Manufacturing Strategy Practice, Accenture 1987-1992. Member of Executive, Nomination and Human Resources Committees. Appointed Managing Director & CEO July 2005.

R K (Keith) Barton BSc, PhD, FTSE, FAICD.

Independent Non-Executive Director

Current term expires in October 2006.

As a former Managing Director of James Hardie Industries Ltd (April 1993-October 1999) and Executive Director CSR Ltd (January 1990-March 1993), Mr Barton has gained broad management experience in manufacturing in Australia and internationally. Currently Director of Air Liquide Australia Ltd (since December 2004), Coles Myer Ltd (since July 2003), Tower Ltd (since October

2001), Citect Ltd (since December 2001) and RBS RVIB VAF Ltd (since November 2004). Previously director of Goodman Fielder Ltd (Chairman) (March 2002-April 2003). Member of Executive, Audit and Compliance and Nomination Committees. Director since November 1999.

G J (John) Pizzey BEng(Chem), Dip. Mgt., FIE Aust. FAICD, FAIM.

Independent Non-Executive Director

Current term expires October 2006

Extensive knowledge of the international resources industry and general management. Formerly Executive Vice President and Group President Primary Products for Alcoa Inc. and Chairman of London Metal Exchange. Chairman of Range River Gold Ltd (since June 2004). Director of Iluka Resources Ltd (since November 2005), St Vincent's Institute of Medical Research (since April 2004) and Ivanhoe Grammar School (since November 2003). Previous directorships held; WMC Resources Ltd (November 2003-June 2005), Alcoa of Australia (April 1999-December 2003), ION Limited (in administration) (October 1999-August 2005), Chairman 2004-2005, London Metal Exchange Limited (UK) (1997-December 2003), London Metal Exchange Holdings Limited (UK) (December 2002-December 2003), International Aluminium Institute Ltd (UK) (1998-December 2003), and various subsidiaries of Alcoa Inc (USA) (1994-2003). Member of Human Resources and Nomination Committees. Director since September 2003.

E J J (Ernest) Pope BSc

Independent Non-Executive Director

Appointed at the 2005 AGM

Extensive experience in the international food industry. Currently Chairman of Golden Circle Limited and a director of Alesco Limited. Recently retired from the Nestlé Group after 38 years in the food industry. Roles at Nestlé included President and Chief Executive Officer of Nestlé Purina for the Asia-Pacific, Africa and Middle East region and Managing Director of Nestlé Australia Ltd and other senior international executive positions based in Switzerland, New Zealand, the U.S.A. and the Philippines. He is a past Director of Southcorp Limited, The Grocery Manufacturers of Australia, and a founder and past Director of the Australian Food and Grocery Council.

J G (John) Thorn FCA

Independent Non-Executive Director

Appointment ratified at the 2005 AGM

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A partner with PricewaterhouseCoopers for over 20 years, serving major local and international companies. National Managing Partner of the Australian firm of PWC since 2001, retiring from that position in September 2003. Extensive global experience, in particular in the Asia Pacific region, in audit, accounting, corporate governance and international management groups. Director of Caltex Australia Limited (since June 2004), National Australia Bank Limited (Audit Committee Chairman) (since October 2003) and Salmat Limited (since September 2003). Chairman Audit and Compliance Committee (since February 2005) and member of the Nomination Committee. Director since December 2004.

G A (Geoff) Tomlinson BEcon.

Independent Non-Executive Director

Current term expires in October 2007

With extensive experience in, and exposure to, the financial services industry in Australia and internationally, Mr Tomlinson is a former Group Managing Director of National Mutual Holdings Ltd (October 1992-September 1998). Currently Chairman of Funtastic Ltd (since May 2000) and Programmed Maintenance Services Ltd (since August 1999). Deputy Chairman of Hansen Technologies Ltd (since March 2000) and Director of Mirrabooka Investments Ltd (since February 1999) and National Australia Bank Ltd (since March 2000). Formerly Director of Neverfail Spring Water Ltd (April 1999-September 2003) Chairman, Pineapplehead (March 2000-June 2002) and Reckon Ltd (June 1999-August 2004) (Chairman). Chairman Human Resources Committee and member of the Nomination Committee. Director since March 1999.

In addition to the Executive Director of Amcor noted above, details of the Executive Officers of Amcor who are not Directors at the date hereof are as follows:

J F (Julie) McPherson Dip Law SAB, M AppFin.

Company Secretary

Company Secretary since April 2005.

As both an investment banker and a lawyer, Mrs McPherson has broad experience in corporate governance, finance and commerce. Admitted as a solicitor in Victoria and NSW and admitted to practice in the High Court. Formerly a partner of a major national law firm. Prior to joining Amcor, she has held executive, legal and commercial positions, including Company Secretary and General Counsel at Goodman Fielder, and Deputy Managing Director of Dresdner Kleinwort Bensen.

E.E. (Eric) Bloom B.Sc ME, MBA

President and Chief Executive Officer, Amcor Sunclipse North America

Joined Amcor in 1995 and appointed to current position in 2002.

Previously Research and Development Design Engineer, Director and later Vice President of Manufacturing.

Previous senior manufacturing roles held at Fortune Brands and Black and Decker.

Director of National Paper Trade Association (NPTA).

Chan Chew Keak (Billy) C Eng (UK), MBA

Managing Director, Amcor Asia

Joined Amcor in 1993 and appointed to current position in 1998.

10 years experience with Carnaud Metal box including Managing Director and Managing Director AMB Packaging Pte Ltd

W.P. (Peter) Day LLB (Hons), MBA, FCA (UK & Aust), FCPA

Executive General Manager Finance

Joined Amcor in 2001 and appointed Executive General Manager Finance in June 2001.

Previously Executive Director Finance Bonlac Foods Limited.

Former deputy chairman of the Australian Securities and Investments Commission (ASIC).

Former Chairman of the Australian Accounting Standards Board.

Member of International Accounting Standards Board's Working Group on Performance Reporting

R (Ron) Delia BSc (Marketing) MBA

Executive General Manager Operations Development

Joined Amcor in September 2005 and appointed to current position in 2005.

Extensive experience in working with global manufacturing and packaging businesses. Previously Associate Principal with McKinsey & Company and Senior Sales Representative with Pechiney (now Alcan).

G.S. (Graham) James BA. Hons.

Chief Executive Officer, Amcor Flexibles

Joined Amcor in 1994 and appointed to current position in 2001.

Over 30 years experience in the packaging sector, particularly in Europe.

Previously Divisional Chief Executive, packaging Films for Courtauds.

L.J. (Lou) Lachal BSc, B.Bus.

Managing Director Amcor Australasia

Joined Amcor in 1980 and appointed to current position in July 2005.

Extensive experience in working overseas and with a diversified international business. Previous positions in Amcor include General Manager Commercial, Amcor Packaging; Deputy Managing Director Amcor Packaging (Europe) Ltd; Commercial Director Amcor Packaging (Europe) Ltd; Mill Manager Broadford. Appointed Group General Manager Commercial Operations in April 1998. Chief Financial Officer from July 2000 to June 2001, Executive General Manager Operations from July 2001 to December 2004, and Acting Chief Operating Officer from December 2004 to June 2005.

W.J. (William) Long BSc. BA

President, Amcor PET Packaging

Joined Amcor in 2002 and appointed to current position in 2002.

Previously held various positions within Schmalbach-Lubeca, including President & CEO of Plastic Containers Americas and was previously Vice President and General Manager for Latin America at Johnson Controls Inc. prior to its sale to Schmalbach-Lubeca in 1997. At Johnson Controls he had also been Vice President of Sales and Marketing USA PET and Director of Operations PET Europe, responsible for the start-up of JCI's PET business there in the early 1990's. Prior to this, he held various regional and plant management positions in various cities across the US in businesses bought and merged into the Johnson Control Inc. Group.

J.V. (John) Murray B.E(Chem), B.Ec.

Executive General Manager Corporate Affairs

Joined Amcor in 1999 and appointed to current position in 1999.

Previously Investor Relations Manager with National Mutual Holdings, Analyst for National Mutual Funds Management. Previous positions include Chemical Engineer with Alfa-Laval and institutional dealer for stockbroker AC Goode.

I.G. (Ian) Wilson LLB (Hons), LLM

Strategic Development Director

Joined Amcor in 2000 and appointed to current position in 2000.

Extensive experience in international mergers and acquisitions, strategy development, finance and law from 14 years in investment banking with UBS and 6 years in private legal practice with Baker and McKenzie.

P.S. (Peter) Wilson AM, B.Comm (Hons), MA (Hons) (Melb), FCPA, FAICD.

Executive General Manager, Human Resources and Operating Risk

Joined Amcor in 1999 and appointed to current position in 1999.

Resigned from the Company, effective December 28, 2005. Chairman of Commonwealth Safety Rehabilitation and Compensation Commission (Comcare) from 1998-2004. Former roles include Director of Kimberly-Clark Australia, Chief Executive Officer Melbourne for Stratus - Energy 21 Group, Group General Manager roles in Strategy, Asia Pacific Banking, Marketing and Distribution, HR and Management Services for the Australia and New Zealand Banking Group Limited. Senior roles in Commonwealth and Victorian Treasuries before that. In April 2003, he was awarded the Centenary Medal by Australia's Prime Minister and Governor-General for his contributions to the second century of Federation, and subsequently was made a Member of the Order of Australia (AM) on Australia Day in January 2005.

Executive Officers serve at the discretion of the Directors. No family relationship exists between any Director or Executive Officer and any other Director or Executive Officer.

B. Compensation

The aggregate amount of remuneration paid by Amcor during 2004-05 to all Directors and Executive Officers, as a group, was A\$16.6 million. This amount includes retiring allowance accrual for non-executive Directors of A\$489,410.

Retirement agreements have been entered into between Amcor and five of the non-executive Directors that provide for the payment of benefits upon cessation of their respective directorships as covered in Rule 55 of Amcor's Constitution. Details of accrual allocations are noted in the remuneration table below.

Retiring allowance agreements have not been offered to any Non-Executive Director appointed after June 30, 2003.

The Company contributes to superannuation plans operated by the Company for the Managing Director and Executive Officers of the Company. The Company contributes at rates determined by an actuary as being necessary and sufficient to ensure the overall financial soundness of the plan. The aggregate amount set aside by the Company during 2004-05 and included in the aggregate amount of remuneration of Directors and Executive Officers above, was A\$1.1 million.

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Details of the nature and amount of each major element of the emoluments of each director of the Company and each of the five named officers of the Company and Amcor receiving the highest emoluments during 2004-05 are set out below:

2004/05

(\$)		Base Salary & Fees	Primary		Non- Monetary Benefits	Post Employment		Share Appreciation Rights		Options		Shares		
			Bonus	Special Incentive(8)		Super contributions	Retirement/ Resignation benefits	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year	
Directors														
	C I Roberts	2005	831,217(1)		119,082(2)	23,940(3)	177,772(4)							
		2004	269,166(1)		115,915(2)	24,225(3)	293,414(4)							
	R H Jones Resigned 7 December 2004	2005	597,826		286,437	137,500	567,399(5)							36,727
	<i>Managing Director and Chief Executive Officer</i>	2004	1,356,250	550,003(7)	411,383	271,250				1,892,304	127,098	249,542		
	E A Alexander	2005	128,800(1)		35,249(2)	11,592(3)	90,700(4)							
		2004	128,799(1)		35,249(2)	11,592(3)	109,222(4)							
	D C K Allen	2005	112,000(1)		31,049(2)		77,350(4)							
		2004	39,666(1)		103,382(2)		71,981(4)							
	R K Barton	2005	119,536(1)		32,933(2)	10,758(3)	78,941(4)							
		2004	123,999(1)		34,049(2)	11,160(3)	108,821(4)							
	G J Pizzey	2005	140,000(1)		38,049(2)	12,600(3)								
		2004	107,101(1)		29,129(2)	5,250(3)								
	J G Thorn Appointed 8 Dec 2004	2005	85,023(1)		23,175(2)	7,652(3)								
	G A Tomlinson	2005	114,000(1)		31,549(2)	10,260(3)	64,647(4)							
		2004	114,000(1)		31,549(2)	10,260(3)	88,645(4)							
	Total, all specified directors	2005	2,128,402		597,523	214,302	1,056,809							36,727
		2004	2,138,981	550,003	760,656	333,737	672,083			1,892,304	127,098	249,542		

(1) Represents fees in connection with attending Board and Board Committee meetings for Non-Executive Directors. For the Chairman it includes higher duties allowance whilst in the role of Executive Chairman from 8 December 04 to 30 June 05 following the resignation of the Managing Director on 7 December 2004.

(2) Non-Executive Directors must allocate a minimum of 20% of base remuneration each year to buy Amcor shares on-market .

(3) Includes Company contributions to superannuation which may form part of any non-executive director s retirement allowance, where the non-executive director is a member of this plan.

(4) Represents the increase in the non-executive director's retirement allowance accrual for the year.

Retirement allowance accrual to 30 June 2005 of \$3,418,285 is allocated as follows -

C I Roberts \$1,218,014

E A Alexander \$740,649

D C K Allen \$545,526

R K Barton \$459,992

G A Tomlinson \$454,104

(5) R H Jones resigned from the Board on 7 December 2004 and received accrued annual leave entitlement.

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(\$)		Base Salary & Fees	Bonus	Special Incentive(8)	Non- Monetary Benefits	Super contributions	Retirement/ Resignation benefits	Share Appreciation Rights		Options(6)		Shares	
								Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
Executive officers (excluding directors)													
The company													
	LJ Lachal	2005	717,391	125,543	179,348	60,878	114,783			40,599	75,353		237,138
	<i>Executive General Manager Operations and Acting Chief Operations Officer</i>												
	PS Wilson	2004	601,250	231,800(7)		57,828	96,200			20,722	2,633		237,138
	<i>Executive General Manager Human Resources & Operating Risk</i>												
	WP Day	2005	610,000	131,150	152,500	79,000	61,000			67,665	98,845		104,738
	<i>Executive General Manager Finance</i>												
	IG Wilson	2005	663,370	132,675	165,842	177,097			56,625				104,738
	<i>Strategic Development Director</i>												
	JV Murray	2004	676,471	312,255(7)		241,060			60,158	40,375			104,738
	<i>Executive General Manager Corporate Affairs</i>												
Consolidated													
	GS James	2005	927,070	176,143	231,768	121,269	247,379			40,599	87,709		
	<i>Managing Director Amcor Flexibles KN</i>												
	MacKenzie	2005	658,617	299,671	263,447	197,635	168,104			27,066	103,115		
	<i>Managing Director Amcor Rentsch and Closures</i>												
	LJ Lachal	2005	717,391	125,543	179,348	60,878	114,783			40,599	75,353		237,138
	<i>Executive General Manager Operations and Acting Chief Operations</i>												
		2004	601,250	231,800(7)		57,828	96,200			20,722	2,633		237,138

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<i>Officer</i>										
PS Wilson	2005	560,000	106,400	224,000	105,878	89,600		40599	56515	204,038
<i>Executive</i>										
<i>General</i>										
Manager	2004	551,250	218,400(7)		105,358	88,200		15542	4389	204,038
<i>Human</i>										
<i>Resources &</i>										
<i>Operating Risk</i>										
WJ Long	2005	700,093	126,017	175,023	73,840	19,672		82,500	54132	128164
<i>President</i>										
<i>Ancor PET</i>										
Packaging	2004	704,424	232,988		47,456	28,177		82,500	20722	104333
Total, specified executives	2005	3,613,171	858,524	1,002,086	532,622	610,938		82,500	230,061	493,186
	2004	3,418,276	1,392,456		454,835	450,759		82,500	338,198	203,520

(6) The fair value of the options is calculated at the date of grant using a Black-Scholes model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed above is the portion of the fair value of the options allocated to this reporting period.

The following factors and assumptions were used in determining the fair value of options on grant date:

Grant Date	Expiry Date	Fair value per option	Exercise price	Price of shares on grant date	Estimated volatility	Risk free interest rate
13/09/2001	13/09/2006	\$ 1.34	\$ 6.02	\$ 5.91	22.15%	5.495%
01/11/2002	01.07/2007	\$ 1.80	\$ 7.30	\$ 8.17	20.00%	5.430%
01/11/2002	01/11/2012	\$ 2.00	\$ 8.20	\$ 8.17	20.00%	5.430%
13.10/2003	01/11/2012	\$ 2.43	\$ 8.20	\$ 8.96	20.00%	5.670%
24/03/2004	24/03/2010	\$ 1.27	\$ 7.87	\$ 7.87	20.00%	5.120%
02/08/2004	02/08/2010	\$ 1.03	\$ 6.84	\$ 6.84	20.00%	5.620%

(7) Includes a carryover component from year ended 30 June 2003.

(8) Special incentive is a payment for meeting Specific Cost Reduction Objectives targeted at cost reduction initiatives of a permanent nature.

Detail of Options granted during the year

(3) Options entitling the holder to purchase one Amcor ordinary share per option were issued during the year. The value of options has been calculated at the date of grant using the Black Scholes option pricing model and is determined by factors including the option's grant price, lifespan, share price volatility and dividend yield. Details are as follows:

Name	Number	Exercise Price A\$	Expiry Date	Fair Value A\$
W. P. Day	215,000*	6.84	2 Aug 2010	221,450
L.J. Lachal	129,000*	6.84	2 Aug 2010	132,870
P.S. Wilson	129,000*	6.84	2 Aug 2010	132,870
G.S. James	129,000*	6.84	2 Aug 2010	132,870
W.J. Long	172,000*	6.84	2 Aug 2010	177,160
J V Murray	129,000*	6.84	2 Aug 2010	132,870
K. N. MacKenzie	86,000*	6.84	2 Aug 2010	88,580

* These are the actual number of options remaining after 14% lapsed from the original allocation due to not meeting all the performance hurdles.

C. Board Practices

Role of the Board

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The Board of Directors of Amcor Limited is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Amcor Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. Details of the Board's Charter are located on the Company's website. The Board has delegated responsibility for the operation and administration of the Company to the Chief Executive Officer and Executive Management. Responsibilities are delineated by formal authority delegations.

Board processes

To ensure that these responsibilities are upheld and executed to the highest level, the Board has established the following Board committees:

Audit and Compliance;

Human Resources;

Executive; and

Nomination.

Each of these committees have written mandates and operating procedures in place which are reviewed on a regular basis. The Board has also established a framework for the management of the consolidated entity, including a system of internal control, a business risk management process and the establishment of appropriate ethical standards.

The full Board currently holds six scheduled meetings during the year, plus strategy meetings and any extraordinary meetings that may be necessary to address significant matters.

The agenda for meetings is prepared in conjunction with the Chairman, Managing Director & Chief Executive Officer and Company Secretary. Standing items include Managing Director's report, business group Managing Directors' reports, financial reports, strategic matters and governance and compliance issues. All submissions are circulated in advance to allow the Board time to review and give due consideration to each report. Executives are regularly involved in Board discussions and directors have other opportunities to interact with management and employees during visits to business units and plants both locally and overseas. However the non-executive directors have a private session at each Board meeting at which management is not present.

Director Education

Amcor Limited has in place a formal process to educate new directors about the nature of the business, current issues, the corporate strategy and the expectations of the consolidated entity concerning performance of directors. Directors also have the opportunity to visit Amcor facilities and meet with management to gain a better understanding of business operations. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge.

Independent Professional Advice and Access to Company Information

Each director has the right of access to all relevant company information and to the Company's executives and, subject to prior consultation with and approval from the Chairman, may seek independent professional advice from a suitably qualified advisor at the Company's expense. The director must consult with an advisor suitably qualified in the relevant field and obtain the Chairman's approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the director is made available for all other members of the Board.

Composition of the Board

The composition of the Board is determined using the following principles:

a minimum of seven directors, with a broad range of expertise both nationally and internationally;

a majority of independent non-executive directors;

a majority of directors having extensive knowledge of the Company's industries, and those who do not, having extensive expertise in significant aspects of financial reporting and risk management of large companies;

a non-executive independent director as Chairman;

enough directors to serve on Board committees without overburdening the directors or making it difficult for them to fully discharge their responsibilities; and

directors are subject to re-election at least every three years (except for the Managing Director & Chief Executive Officer).

An independent director is a director who is not a member of management (a non executive director) and who:

holds less than 5% of the voting shares of the Company and is not an officer of, or otherwise associated, directly or indirectly, with a shareholder of more than 5% of the voting shares of the Company;

has not within the last three years been employed in an executive capacity by the Company or another group

member, or been a director after ceasing to hold any such employment;

has not within the last three years been a principal or employee of a material* professional adviser or a material consultant to the Company or another group member;

is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated, directly or indirectly, with a material supplier or customer;

has no material contractual relationship with the Company or another group member other than as a director of the Company;

is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and

has the ability to devote the necessary time to the important tasks entrusted to him/her as a director of the consolidated entity.

*The Board considers material in this context, where any director related business relationship has represented, or is likely in future to represent the lesser of at least 5% of the relevant segment's or the director-related business's revenue. The Board considered the nature of the relevant industries' competition, and the size and nature of each director-related business relationship, in arriving at this threshold.

Due to the resignation of Amcor's Managing Director & CEO on December 7, 2004, Mr Chris Roberts undertook the position of Executive Chairman for the period December 8, 2004 - June 30, 2005, pending the appointment of a replacement Managing Director & CEO. Accordingly, during that period, Mr Roberts was not considered independent. As this position was taken up under urgent and special circumstances, the Board has resolved (in accordance with ASX Corporate Governance Principles) that it considers Mr Roberts to be independent following his resignation as Executive Chairman and reappointment as Non executive Chairman on 1 July 2005.

Nomination committee

The Nomination Committee oversees the appointment and induction process for directors and committee members, and the selection, appointment and succession planning process of the Company's Managing Director & Chief Executive Officer.

The Committee makes recommendations to the Board on the appropriate skill mix, personal qualities, expertise and diversity of each position. When a vacancy exists or there is a need for particular skills, the Committee, in consultation with the Board, determines the selection criteria based on the skills deemed necessary. The Committee identifies potential candidates with advice from an external consultant where appropriate. The Board then appoints the most suitable candidate. Board candidates must stand for election at the next annual general meeting of shareholders.

The Nomination Committee also conducts an annual review of the effectiveness of the Board, its committees, individual directors and senior executives. This review has been completed for the 2004-05 financial period. The review is conducted in-house and involves self-assessment.

All directors have an opportunity to contribute to the review process. The reviews generate recommendations to the Board. The Nomination Committee continues to review its evaluation processes to establish performance indicators that are both measurable and qualitative.

The Committee is currently made up of all Board members and as noted in the Nomination Committee Charter, must have a minimum of three members, a majority of which will be independent directors. The names of the members as at the date of this report are set out below:

Nomination Committee:

C I Roberts (Chairman) Independent Non-Executive Director

R K Barton Independent Non-Executive Director

G J Pizzey Independent Non-Executive Director

J G Thorn Independent Non-Executive Director

G A Tomlinson Independent Non-Executive Director

E J J (Ernest) Pope - Independent Non-Executive Director

K N MacKenzie Executive Director

As the Nomination Committee comprises the full Board, any matters referred to the Nomination Committee during the year were dealt with by the Board.

The terms and conditions of the appointment and retirement of non-executive directors are set out in correspondence to the relevant party, including expectations for attendance and preparation for all Board meetings, appointments to other Boards, the procedures for dealing with conflicts of interest, and the availability of independent professional advice.

Further details of the Nomination Committee's charter and policies, including those for appointing directors, are available on the Company's website.

Executive Committee

The Executive Committee deals with matters referred to it by the Board or with urgent matters which may not be deferred until the next meeting of the Board. The Board confirms the actions of this Committee at its next meeting. A majority of the Committee must be independent. As at the date of this report, the names of the members are set out below.

Executive Committee:

C I Roberts (Chairman) Independent Non-Executive Director

R K Barton Independent Non-Executive Director

G J Pizzey Independent Non-Executive Director

K N MacKenzie Executive Director

All other non-executive directors receive the Executive Committee agendas and papers and are encouraged to attend meetings of the Executive Committee as available. The Committee met six times during the year.

Human Resources Committee

The Human Resources Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to the Managing Director & Chief Executive Officer, senior executives and directors themselves. It is also responsible for share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements, fringe benefits policies, professional indemnity and liability insurance policies and succession planning. The majority of members must be independent. As at the date of this report, the names of the members of the Committee are set out below

Human Resources Committee:

G A Tomlinson (Chairman) Independent Non-Executive Director

C I Roberts Independent Non-Executive Director

E J J Pope - Independent Non-Executive Director

K N MacKenzie Managing Director and Chief Executive Officer

G J Pizzey Independent Non-Executive Director

Although the Managing Director & Chief Executive Officer is a member of this committee, he will not:

- (a) vote on matters relating to the remuneration of executive officers of the Company, and
- (b) attend meetings or vote on matters regarding the remuneration of the Managing Director & Chief Executive Officer.

The Human Resources Committee meets as and when required. The Committee met three times during the year. The Human Resources Committee's charter is available on the Company's website.

Audit and Compliance Committee

The Audit and Compliance Committee has a documented charter approved by the Board. All members must be independent non executive directors. The Chairman may not be the Chairman of the Board. The Committee advises on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Company. As at the date of this report the names of the members of the Committee are set out below

Audit and Compliance Committee:

J G Thorn* FCA (Chairman) Independent Non-Executive Director

R K Barton**, BSc, PhD, FTSE, FAICD Independent Non-Executive Director

G Tomlinson*** BEcon. Independent Non-Executive Director

* Part of year only from February 16, 2005

** Chairman of the committee from July 1, 2004 to February 16, 2005

*** From September 1, 2005.

C I Roberts was a member of the committee from July 1, 2004 to December 7, 2004. He resigned from the committee due to his appointment as Executive Chairman on December 8, 2005. He continues to attend as an invitee.

Note: G A Tomlinson became a member of the committee from September 1, 2005

The internal and external auditors, the Managing Director & Chief Executive Officer and the Executive General Manager Finance, are invited to Audit and Compliance Committee meetings at the discretion of the Committee.

The Audit and Compliance Committee is required under the charter to meet quarterly and otherwise as necessary. This year, the Committee met eight times during the year. The Managing Director & Chief Executive Officer and the Executive General Manager Finance declared in writing to the Board that the Company's financial reports for the year ended June 30, 2005 present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards. This statement is in accordance with Principle 4 of the ASX Principles of Good Corporate Governance.

The external auditor met with the Audit and Compliance Committee five times during the year without management being present.

The Audit and Compliance Committee's charter is available on the Company's website along with information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners.

Risk Management

Oversight of the Risk Management System

The Board oversees the establishment, implementation, and annual review of the Company's risk management. During the year, management established a formalised Risk Assessment and Management Framework for assessing, monitoring and managing strategic operational and financial risks for the consolidated entity. The Managing Director & Chief Executive Officer and the Executive General Manager Finance have declared, in writing to the Board, that the financial reporting risk management and associated compliance and controls have been assessed and found to be operating effectively. The operational and other compliance risk management processes have also been assessed and found to be operating effectively.

The Audit and Compliance Committee reports to the Board on the status of the risk management system, which is aimed at ensuring risks are identified, assessed and appropriately managed.

Major risks arise from such matters as actions by competitors, government policy changes, the impact of exchange rate movements on the price of raw materials and sales, difficulties in sourcing raw materials, environment, occupational health and safety, property, financial reporting, and the purchase, development and use of information systems.

Risk Management and Compliance and Control

The Board is responsible for the overall internal control framework, but recognises that no cost-effective internal control system will preclude all errors and irregularities. The Board's policies on internal governance control are comprehensive. Details of these are available on the Company's website.

The Company strives to ensure that its products are of the highest standard. Towards this aim, it continues to pursue a program to achieve AS/NZS ISO 9002 accreditation for each of its business segments.

The Chief Executive Officer and the Executive General Manager Finance have declared in writing to the Board that the Company's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

Convergence with Australian equivalents to International Financial Reporting Standards (AIFRS) is a key current financial reporting project and the Board has established a formal project, monitored by a steering committee, to ensure a smooth transition to AIFRS reporting, beginning with the half year ended December 31, 2005.

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The consolidated entity is expected to be in a position to fully comply with the reporting requirements of AIFRS for the half year to December 31, 2005 and the June 30, 2006 financial year.

Environmental Regulation

The consolidated entity is committed to achieving a high standard of environmental performance. Its operations are subject to significant environmental regulation in all countries in which it maintains a presence. The Audit and Compliance Committee is responsible for the regular monitoring of environmental exposures and compliance with environmental regulations.

As part of this process, the Committee is responsible for overseeing:

- implementation of environmental management plans in operating areas which may have a significant environmental impact;

- identifying where remedial actions are required and implementing action plans; and

- regular monitoring of regulatory requirements.

To enable it to meet its responsibilities of oversight, the Committee has established an internal reporting process. Environmental performance is reported from each site up through management to the Committee on a regular basis.

Compliance with the requirements of environmental regulations and with specific requirements of site environmental licenses was substantially achieved across all operations. However, the Company had one significant breach this year with a diesel spill into a local creek from Amcor Fibre Packaging's Box Hill Plant.

Assessment of Effectiveness of Risk Management

The internal auditors assist the Board in ensuring compliance with the internal controls and risk management programs by regularly reviewing the effectiveness of the compliance and control systems noted above. The Audit and Compliance Committee is responsible for approving the program of internal audit visits to be conducted each financial year and for the scope of the work to be performed on a regular basis.

Internal Control and Sarbanes Oxley

Following the adoption of the US Sarbanes- Oxley Act of 2002, an increased regulatory requirement has been placed on all companies that have registered securities listed on US stock exchanges. Pursuant to section 404 of the Act, Amcor management is required to evaluate the effectiveness of internal controls over financial reporting as at June 30, 2007. As part of Amcor's compliance efforts relative to section 404, Amcor established a Section 404 Steering Committee and Project Team in 2003.

The project team is in the process of documenting and assessing the design and effectiveness of the controls over financial reporting. Amcor has adopted the internal control framework set forth by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission in completing this assessment.

The Audit & Compliance Committee has monitored, and will continue to monitor, the Company's response to rules pursuant to section 404 of the Act.

Ethical standards

All directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment. The Board reviews the Code of Conduct and Ethics regularly, and processes are in place to promote and communicate these policies.

Conflict of Interest

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. The Board has developed procedures to assist directors to disclose potential conflicts of interest. Where the Board believes that a significant conflict exists for a director on a Board matter, the director concerned does not receive the relevant Board papers and is not present at the meeting whilst the item is considered.

Code of Conduct and Whistleblower Policy

The Company has advised each director, manager and employee that they must comply with the Corporate Code of Conduct and Ethics Policy. The Policy may be viewed on the Company's website and includes a whistleblower policy which has been rolled out throughout Amcor during the year. Under this policy, an Amcor Whistleblower Service has been implemented to facilitate reporting of potential misconduct within the Company. This facility enables employees to report potential misconduct in the form of theft, fraud, dishonesty, illegal activity, harassment, unethical behaviour and workplace safety hazards to a third party who is responsible for investigating issues raised on behalf of the Company and the Whistleblower. Employees who report suspected inappropriate conduct are protected from bullying, harassment or discrimination when they make reports in good faith.

Trading in General Company Securities by Directors and Employees

The key elements of the Trading in General Company Securities by Directors and Employees Policy are:

Identification of those restricted from trading – directors and senior executives may acquire shares in the Company, but are prohibited from dealing in company shares or exercising options:

during the 21 day period immediately before the release of the Company's half yearly or yearly results and the 48 hour period following that release; or

during the 21 day period immediately before the Annual General Meeting and the 48 hour period following the Annual General Meeting; or

at any time whilst in possession of price sensitive information not yet released to the market;

Raising the awareness of legal prohibitions including transactions with colleagues and external advisers;

Requiring details to be provided of intended trading in the Company's shares;

Requiring details to be provided of the subsequent confirmation of the trade; and

Identification of processes for unusual circumstances where discretion may be exercised in cases such as financial hardship.

The policy also details the insider trading provisions of the Corporations Act and is reproduced in full on the Company's website.

Communication with Shareholders

Timely and Balanced disclosure

The Board provides shareholders with information using a comprehensive Continuous Disclosure Policy, which includes identifying matters that may have a material effect on the price of the Company's securities, notifying them to the ASX, posting relevant information on the Company's website, and issuing media releases. The policy is available on the Company's website.

Additional communications with shareholders include:

The Concise Report, which is distributed to all shareholders (unless a shareholder has specifically requested not to receive the document), and includes relevant information about the operations of the consolidated entity during the year, changes in the state of affairs and details of future developments. The full annual Financial Report is available to all shareholders should they request it;

The half-yearly report which contains summarised financial information and a review of the operations of the consolidated entity during the period;

The half-year financial report is lodged with the Australian Securities and Investments Commission and the ASX, and is sent to any shareholder who requests it;

Any proposed major changes in the consolidated entity which may impact on share ownership rights are submitted to a vote of shareholders;

All announcements made to the market, and related information (including information provided to analysts or the media during briefings), are placed on the Company's website after they are released to the ASX;

Analyst briefings and general meetings are webcast and recordings placed on the Company's website;

The full texts of notices of meetings and associated explanatory material are placed on the Company's website; and

The external auditors attend the annual general meeting to answer any questions concerning the audit and the content of the auditors' report.

All of the above information, including that of the previous three years, is made available on the consolidated entity's website within one day of public release, and is emailed to all shareholders who lodge their email contact details with the Company. Information on lodging email addresses with the Company is available on the Company's website.

The Board encourages full participation of shareholders at the annual general meeting, to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as single resolutions.

The shareholders are requested to vote on matters such as the appointment and aggregate remuneration of directors, the granting of options and shares to directors and changes to the Constitution. A copy of the Constitution is available to any shareholder who requests it.

D. Employees

Employee Numbers by Industry Segments	2005	As at June 30 2004	2003
Amcor PET Packaging	6,100	6,191	5,601
Amcor Australasia	6,500	6,756	7,113
Amcor Flexibles Europe	7,000	7,606	6,766
Amcor Sunclipse	2,200	2,204	2,367
Amcor Rentsch and Closures	2,800	3,140	3,883
Amcor Asia	2,400	2,833	2,765
Corporate/Other	100	333	115
TOTAL	27,100	29,063	28,610

E. Share Ownership

The following table sets forth, as at October 3, 2005 the relevant interest of each Director and Executive Officer in the share capital of the Company as notified by the Directors to the Australian Stock Exchange.

Name	Number of Shares Owned
<i>Fully Paid Ordinary Shares</i>	
K N MacKenzie	11,462
C I Roberts	143,744
E A Alexander	34,144
D C K Allen	60,898
R K Barton	30,573
G J Pizzey	13,715
G A Tomlinson	45,995
J G Thorn	5,630
I G Wilson	62,085
L J Lachal (1)	273,469
P S Wilson	444,835
W P Day	63,706
W J Long	100
G S James	6,800
J V Murray	413,285

(1) L J Lachal also holds 20,000 partly paid shares paid to one cent.

The aggregate of the fully paid ordinary shares in the above table represents approximately 0.18% of the company's fully paid ordinary shares.

As of October 3, 2005, executive officers and employees had been issued with 9,751,290 ordinary shares representing approximately 1.1% of issued capital, under employee share purchase plans.

Share Based and Employee Bonus Compensation Plans***Employee Share Purchase Plans******(a) Employee Share/Option Plan (ESOP)***

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In 1985, the Company established the Employee Share/Option Plan (ESOP). Options granted under the ESOP may be issued upon such terms and conditions as the directors of the Company determine from time to time.

Options issued under sub-plans of ESOP in the last three years aim to reward excellence and encourage Senior Executives to focus on improving the longer term performance of the Company by achieving certain Group return on average funds invested targets, which are based on budgeted return on average funds invested (for full allocation) or current cost of capital plus 0.5% (for 50% allocation). Performance outcomes between these targets are calculated linearly.

The method used in assessing whether or not the performance condition is met is as follows. A paper is presented to the Human Resources Committee on the plan. The Committee considers and reviews the actual outcomes of performance conditions achieved for the financial year against the targets set. The Committee then recommends to the Board, which makes the final determination, whether any options are to vest based on the criteria set out above. The reason this method is chosen is because it is transparent and measurable against objective data.

The options will be exercisable at a price equal to the closing stock market share price of Amcor Limited shares traded on the Australian Stock Exchange at the date on which the options were granted or a weighted average market price during a period up to and including the date of grant. Options are granted under the ESOP at no consideration and carry no dividend entitlement or voting rights until they are exercised to ordinary shares on a one-for-one basis.

Options may be exercised at any time after three years from the date of issue and prior to their term, which may either be five, six or ten years.

The Company intends to continue its long term option plan for Senior Executives during the year ended June 30, 2006, which has been aligned to the LTI scheme for the Managing Director/CEO approved by shareholders at the Company's 2005 Annual General Meeting. This includes market performance hurdles based on Total Shareholder Return (TSR) comparators.

(b) Employee Share Purchase Plan (ESPP)

In 1985, the Company established the Employee Share Purchase Plan (ESPP). Sub plans are derived from the ESPP and the current sub-plan applicable to Senior Executives is set out below:

Senior Executive Retention Share Plan (SERSP), and Senior Executive Retention Payment Plan (SERPP)

Under the Senior Executive Retention Share Plan (SERSP) the Board may nominate certain Senior Executives as being eligible to receive fully paid ordinary shares in part satisfaction of their remuneration for the relevant financial year.

The number of shares issued is entirely at the Board's discretion. The shares may not be disposed of by the employee for a restricted period of up to five years, unless the employee ceases employment three years after the shares were issued. Any right or interest in the shares will be forfeited if the employee voluntarily ceases employment within three years from the date the shares were issued or if the employee is dismissed during the restriction period for cause or poor performance. The shares subject to the SERSP carry full dividend entitlements and voting rights.

Rather than involving performance hurdles, these retention shares are used to reward outstanding levels of previous performance, with the intention to retain key Senior Executives by:

tying the longer term interests of Senior Executives more closely to those of its shareholders,

providing exposure for those Senior Executives to the Company's development, and;

providing an incentive for those Senior Executives to stay with the Company for some time in the future by providing such Senior Executives with Amcor Limited shares which must be retained for certain periods of time to gain full access to their values.

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From time to time, the Board may nominate certain employees in Belgium, New Zealand, Poland, Switzerland and the United States as being eligible to participate in an equivalent Senior Executive Retention Payment Plan (SERPP). In these circumstances, instead of fully paid ordinary shares, entitlements are issued in part satisfaction of an employee's remuneration for the relevant financial year. The value of each Plan entitlement is linked to the performance of Amcor Limited shares (and the value of accrued dividends). Plan entitlements may be converted into a cash payment after the five year restriction period has expired, provided that the employee has not been dismissed for cause or poor performance during this time. If the employee voluntarily ceases employment within four or five years from the date the Plan entitlements were issued, the employee forfeits 40% or 20% of their Plan entitlements (respectively).

The CEO, in conjunction with senior management, makes recommendations to the Human Resources Committee nominating high performing employees to receive retention shares or the equivalent. The Committee reviews the recommendations and if approved makes a recommendation to the Board which finally determines whether the incentives are granted. When granted, these plans operate to provide Senior Executives the opportunity to share in the growth in value of the Company and will encourage them to improve the long-term performance of the Company and its returns to shareholders. This plan also helps to attract and retain skilled and experienced Senior Executives and provide them with incentive to have a greater involvement and focus on the longer term goals of the Company.

(c) Legacy Senior Executive Plans

All plans, detailed below, are no longer open to new participants. They are provided for historical information as current Senior Executives have been participants.

ESOP Partly Paid Shares

These shares have not been issued since 1996 and the plan is no longer used. The shares are partly paid and were issued at market price at the time of issue. Partly paid shares remaining have either been paid to one cent or five cents, being the first call. The call outstanding only becomes payable on termination, death or at the directors' discretion. These shares do not carry dividend entitlements unless determined otherwise by the directors. Voting rights exercisable by holders of partly paid ordinary shares are reduced pro rata to the portion of the issue price paid up on those shares under the Australian Stock Exchange Listing Rules.

Prior to 1996, shares were issued as a sub-plan under ESOP (described in (a) above) and did not carry specific performance hurdles. They were issued as a means to further align the interests of high performing executives with those of the shareholders and therefore encourage long term retention of key Senior Executives and thereby positively impact shareholder wealth.

Employee Incentive Share Plan (EISP)

As the earnings per share performance targets were not met in 2003-04, no issue of employee shares was made in 2004-05. This plan has been discontinued for the foreseeable future.

Under the EISP, which is a sub-plan of ESPP described above, shares have been offered for the benefit of all full-time employees, permanent part-time employees and executive directors of the Company with more than twelve months' service. The number of shares offered depended upon the Company's increase in earnings per share. It was offered on the following basis: an increase in earnings per share of less than 5% would result in no offer; from 5% to 10%, an offer of 100 shares; of more than 10%, an offer of 200 shares would be made. This performance condition was chosen to assess the granting of the EISP shares because it is transparent and measurable against objective data. A paper, prepared by management, was presented to the Human Resources Committee which reviewed the actual outcomes of the performance condition achieved for the financial year against the targets set within the plan. The Committee then recommended to the Board whether there was an issue of shares under the plan based on the criteria set out above.

Under the EISP, shares have been issued at a 40% discount to the prevailing market price of Amcor Limited shares but in 2004 this was amended to a 25% discount. The subscription amount is funded by an interest-free loan from the Company with the exception of Senior Executives who are not provided with the loan facility. Dividends on the shares are applied in repayment of the loan balance. If the employee leaves the Company, the employee may repay the loan or the shares are sold and the proceeds are applied to discharge the loan. The employee is not liable for any deficiency upon such discharge.

(d) Legacy CEO Restricted Share and Option Plans

These plans related to Russell Jones in his capacity as Managing Director & Chief Executive Officer and were approved by shareholders. As he has now resigned they are provided for historical information.

2000 CEO Restricted Share and Option Issues

Options

The Human Resources Committee recommended to the Board the issue of three million options to the Managing Director & Chief Executive Officer. This was ratified by shareholders at the 2000 Annual General Meeting. These options were exercisable in three tranches:

Tranche 1: Number of Options: 1 million/Exercise price \$5.67. Exercise period: October 1, 2001 – October 1, 2005. The performance hurdles for the first 500,000 were based on the CEO continuing to demonstrate effective performance regarding the financial and operating performance of the Company and any other factors affecting the reputation of the Company or other matters the Board deemed appropriate. These performance hurdles, were chosen as they provided the Board with a wide-cross section of performance hurdles focusing the CEO on a broad range of issues.

The performance hurdles for the second 500,000 was based on Amcor's Total Shareholder Return (TSR) exceeding the comparator TSR (based on the TSR of those companies in the S&P/ASX 100 excluding Financial, Telecommunications and Media companies) based on April 17, 2000 being the date of the demerger of PaperlinX. These performance hurdles were nominated as they are transparent and measurable against objective data.

Tranche 2: Number of Options: 1 million/Exercise price \$5.67 Exercise period: October 1, 2002 until October 1, 2005

This Tranche carried the same performance hurdles as Tranche 1.

Tranche 3: Number of Options: 1 million/Exercise price \$5.67 Exercise period: October 1, 2003 until October 1, 2005 This Tranche carried the same performance hurdles as Tranches 1 and 2.

These options had not been exercised as at the date of the resignation of the Managing Director & Chief Executive Officer on December 7, 2004, and were cancelled with immediate effect following acceptance of that resignation.

Restricted Shares

The Human Resources Committee recommended to the Board the issue of restricted shares to the Managing Director & Chief Executive Officer.

At the 2000 Annual General Meeting, shareholders approved the issue of Restricted Shares to the Managing Director & Chief Executive Officer as part of his Short Term Incentive Bonus (STI Bonus). This STI Bonus included a proportion of cash with the balance in restricted shares.

As the restricted shares issued were in lieu of a cash bonus, as a bonus conversion, no specific performance hurdles were nominated, as the hurdles were tied to the original short-term incentive (STI) performance criteria outlined under the Short Term Incentive section in 3.3.1 of this report. However, the plan operated to provide the CEO with the opportunity to share in the growth in value of the Company and to encourage him to improve the long-term performance of the Company and its returns to shareholders.

Under the terms of the Issue, following the resignation of the Managing Director & Chief Executive Officer on December 7, 2004, his entitlement to 215,821 restricted shares lapsed and accordingly they were sold by the Company. The Managing Director & Chief Executive Officer was not entitled to any of the net sale proceeds.

2002 CEO Option Issue

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The Human Resources Committee recommended to the Board the issue of options to the Managing Director & Chief Executive Officer which was confirmed at the 2002 Annual General Meeting where shareholders approved the issue. Three million options were offered as an incentive as part of the Issue, to be exercised in three equal tranches of 1 million options.

Tranche 1: Number of Options: 1 million. Exercise price: \$8.20. Exercise period: October 1, 2004 - September 30, 2008

Tranche 2: Number of Options: 1 million. Exercise price: \$8.20 Exercise period: October 1, 2005 - September 30, 2008

Tranche 3: Number of Options: 1 million. Exercise price: \$8.20 Exercise period: October 1, 2006 - September 30, 2008

The method used in assessing whether or not the performance condition was met is as follows: for each of the tranches the performance hurdle was based on Amcor's TSR exceeding the Comparator TSR on or after July 1 immediately following the end of the relevant performance year. The Comparator TSR was based on the arithmetic mean of the percentage TSR of those stocks in the S&P/ASX 100 excluding stocks in the following sectors: Financials ex Property Trusts, Property Trusts, Telecom Services and Media. This performance hurdle was nominated as this was transparent and measurable against objective data. These options had not vested as at the date of the resignation of the Managing Director & Chief Executive Officer on December 7, 2004 and were cancelled following acceptance of that resignation.

(e) CEO Issue of Options and Performance Rights to Managing Director

Shareholders at the 2005 Annual General Meeting approved the issue of 750,000 options and 300,000 performance rights to the Managing Director & Chief Executive Officer. The options and performance rights have been granted to Mr MacKenzie post the Annual General Meeting on October 27, 2005. Full details of the terms of issue of the options and the performance rights are set out below.

Terms of Issue

Options and Performance Rights

Each option carries the right, upon exercise and payment of the exercise price of A\$6.78, to the issue or transfer of one fully-paid ordinary share in the capital of the Company. Each performance right carries the right, upon exercise, to the issue or transfer of one Share

The Options and Rights will be issued in three equal tranches (each, a **Tranche**). Each Tranche will comprise 250,000 Options and 100,000 Rights, and will:

- (a) be subject to the performance conditions described in these terms of issue;
- (b) have separate vesting periods; and
- (c) have separate expiry dates.

The vesting periods and expiry dates for each Tranche are set out in the following table:

Tranche	Vesting Period		Expiry Date
1	January 1, 2008	December 31, 2009	December 31, 2010
2	July 1, 2008	June 30 2010	June 30, 2011
3	January 1, 2009	December 31, 2010	December 31, 2011

The method used in assessing whether or not the performance condition was met is as follows: there is a pro rata performance scale depending on the highest percentile reached by the Average Amcor TSR relative to the Average Comparator TSR for each of the relevant stocks in the comparator group during the vesting period, on the following basis. If the Average Amcor TSR achieved equals the 50th percentile of the Average Comparator TSR for each of the relevant stocks in the comparator group, 50% of the options and performance rights will vest. For each additional percentile in excess of the 50th percentile, an additional 2% will vest up to the 75th percentile, at which time 100% of the options and performance rights will vest. While testing will continue to be conducted at the start of each month during the vesting period, options and performance rights will only vest (if at all) at the end of the vesting period, unless the 75th percentile is reached, in which case the options and performance rights will vest immediately that occurs.

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The Comparator TSR was based on the arithmetic mean of the percentage TSR of those stocks in the following sections and industry groups: Financials ex Property Trusts, Property Trusts, Resources, Telecom Services and Media. This performance hurdle was nominated as this was transparent and measurable against objective data.

Options

As at October 3, 2005, the number of options over ordinary shares held by Executive Officers in the company are set out below;

Name	Number of Shares Underlying Options Owned	Exercise Price A\$	Expiration Date
W P Day	222,500	7.87	March 24, 2010
	250,000	6.84	August 2, 2010
L J Lachal	178,000	7.87	March 24, 2010
	150,000	6.84	August 2, 2010
W J Long	300,000	7.30	July 1, 2007
	44,000	8.20	November 1, 2012
	178,000	7.87	March 24, 2010
G S James	200,000	6.84	August 2, 2010
	20,000	6.02	September 13, 2006
	44,000	8.20	November 1, 2012
	133,500	7.87	March 23, 2010
P S Wilson	150,000	6.84	August 2, 2010
	133,500	7.87	March 24, 2010
J V Murray	150,000	6.84	August 2, 2010
	88,000	8.20	November 1, 2012
K N MacKenzie	89,000	7.87	March 24, 2010
	100,000	6.84	August 2, 2010

ITEM 7 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

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The Company is not directly or indirectly owned or controlled by another corporation or by any foreign government. To our knowledge, based on substantial shareholder notices filed with the Australian Stock Exchange as of December 21, 2005, the following table identifies those shareholders who beneficially own 5% or more of our ordinary shares and their holdings as of the date of their last respective notices.

Shareholder	Fully Paid Ordinary Shares	Percentage of Total Shares
Mondrian Investment Partners	79,921,337	8.8
Maple-Brown Abbott	68,638,778	7.9

There are no arrangements known to Amcor, the operation of which may at a subsequent date result in a change in control of Amcor. Major shareholders enjoy no rights different from any other holder of Amcor's Ordinary Shares.

Major Shareholders Over Previous Three Years

Date of Notice	Name of Shareholder	% of Voting Shares at Year-end
March 12, 2003	Delaware International Advisers Ltd	6.73
June 4, 2003	Commonwealth Bank of Australia	5.03
June 5, 2003	Commonwealth Bank of Australia	Ceased to be substantial shareholder
January 15, 2004	Delaware International Advisers Ltd	7.76
April 30, 2004	Delaware International Advisers Ltd	10.00
September 27, 2004	Mondrian Investment Partners Limited (1)	7.66
November 30, 2004	Capital Group Companies Inc	5.02
December 30, 2004	Maple-Brown Abbott Ltd	5.02
January 24, 2005	Schroder Investment Management Australia Ltd	5.20
February 24, 2005	Maple-Brown Abbott Ltd	6.04
March 31, 2005	Schroder Investment Management Australia Ltd	Ceased to be substantial shareholder
May 3, 2005	Maple-Brown Abbott Ltd	7.04
May 5, 2005	Maple-Brown Abbott Ltd	7.04
September 5, 2005	Maple-Brown Abbott Ltd	6.09
December 21, 2005	Capital Group Companies Inc	6.05

(1) - Previously Delaware International Advisers Ltd

B. Related Party Transactions

Loans have been provided by the Company to, or for the benefit of, certain Directors who are Executives and Executive Officers. The aggregate amount of loans outstanding as at September 28, 2005 was A\$30,000. No interest is charged on these loans. (See Note 31 to the Consolidated Financial Statements for details on loan repayments). During the year the Company cancelled a guarantee, in favour of RH Jones for a loan of A\$0.4 million. Due to the restrictions of the recently enacted Sarbanes-Oxley Act of 2002 in the US, no loans have been made or extended to Directors and Executive Officers since July 1, 2002.

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Under Amcor's Employee Share Plans which are described in Item 6, interest-free loans are made available to eligible employees to acquire shares, which are repaid over time by dividends received on the shares. In the past these interest-free loans have been made available to Directors and Executive Officers of Amcor to acquire shares. However, due to the Sarbanes-Oxley restrictions Directors and Executive Officers will no longer receive this interest-free loan.

No Director or Executive Officer of the Company (or any relative or spouse thereof) has any interests in any material transactions of Amcor which were effected by the Company or any of its subsidiaries since the current or immediately preceding financial year or were effected by the Company or any of its subsidiaries during an earlier financial year and remain in any respect outstanding at the date hereof. Directors and Executive Officers of Amcor have participated in past issues of shares under Employee Share Plans which are described in Item 6.

Amcor trades with certain partly owned controlled entities in the normal course of business and on an arm's length basis. The amounts of these transactions were not material to any parties.

C. Interests of Experts and Counsel

Not Applicable

ITEM 8 FINANCIAL INFORMATION

A. Financial Statements

Amcor's Consolidated Financial Statements are included as Item 18

Legal Proceedings

CFMEU Proceedings

On June 15, 2000, the Construction, Forestry, Mining and Energy Union (CFMEU) filed a proceeding in the Federal Court of Australia against Amcor. The proceeding related to a claim for redundancy-related payments arising out of the change of employment of CFMEU members stemming from the demerger by Amcor in April 2000 of the PaperlinX Group.

On May 13, 2002 a judge of the Federal Court found that Amcor employees whose employment was transferred to PaperlinX Ltd had technically been made redundant and that the Court could not interpret the relevant clauses of the certified agreement in a manner which relieved Amcor of the obligation to make redundancy severance payments to the transferred employees. Amcor appealed this decision.

The appeal was heard by the Full Bench of the Federal Court on February 24, 2003 and its decision, dismissing Amcor's appeal was handed down on March 28, 2003. Amcor subsequently filed an application for special leave to appeal to the High Court, which was granted on December 12, 2003. The appeal was heard by the High Court on August 4, 2004.

Amcor gained a favourable decision of the High Court in March 2005 which overturns the earlier decisions of the Federal Court and by a unanimous decision, found that no such entitlement arises.

Competition Law Investigations, related management changes and ACCC Court Proceedings

In November 2004, the Amcor Board first became aware of information that raised concerns about potential breaches of Australian and New Zealand competition laws. The Board immediately took action to notify the ACCC and the NZCC. On December 6, 2004, the Board resolved to accept offers of resignation (effective December 7, 2004) given by Mr Russell Jones (then Managing Director of the Company) and Mr Peter Sutton (then Managing Director, Amcor Australasia) from their employment within the Amcor Group. The Board also terminated a consultancy arrangement with Mr Peter Brown, Managing Director of Amcor Australasia until October 2003.

Subsequently, the Amcor Board announced appointments to its new senior management team:

On July 1, 2005, Mr Ken MacKenzie (formerly Group Managing Director of the Amcor Rentsch and Closures business based in Switzerland) assumed the position of CEO and Managing Director of the Amcor Group;

On July 12, 2005, Mr Louis J Lachal became Managing Director of Amcor Australasia;

On July 12, 2005, Mr Darryl Roberts became Group General Manager, Fibre Packaging Group, Amcor Australasia.

On December 21, 2005, the ACCC commenced legal proceedings in the Federal Court of Australia against certain Visy Group companies and executives. The proceedings are in respect of alleged cartel conduct in the Australian corrugated packaging industry. The ACCC alleges that the Visy Group companies (being Amcor's competitors) and executives engaged in conduct in the corrugated fibreboard container industry that was anti-competitive, including engaging in price fixing and market sharing, in contravention of section 45 of the Australian Trade Practices Act 1974.

The ACCC alleges that between 2000 and late 2004 the Visy respondents entered into and gave effect to anti-competitive arrangements with its principal competitor Amcor in the supply, throughout Australia, of corrugated fibreboard containers.

The ACCC is seeking the following court orders:

declarations that the conduct contravened section 45 of the Act

injunctions restraining similar conduct in the future

pecuniary penalties against each of the respondents

trade practices training or compliance programs by the respondents, and

costs.

The ACCC also announced on December 21, 2005, that Amcor and its former senior executives have to date received immunity from legal proceedings by the ACCC. The immunity was granted in accordance with the terms of the ACCC's Leniency Policy for Cartel Conduct (June 2003): see <http://www.accc.gov.au/content/index.phtml/itemId/459479>. Accordingly, Amcor is not the subject of any proceedings by the ACCC for a pecuniary penalty or otherwise for any alleged cartel conduct. The immunity is conditional upon continuing full cooperation from Amcor and its former senior executives in providing information to the ACCC about the alleged cartel.

The NZCC investigation of conduct by Amcor which raised concerns under New Zealand's competition laws is incomplete. As previously advised, Amcor has been granted conditional immunity by the NZCC.

Amcor has also undertaken its own investigation of conduct that might raise potential concerns under Australian and New Zealand competition laws. Consistent with the requirements of both the ACCC and NZCC for Amcor to provide full cooperation to each of them, the Company's internal investigation was merged with the investigations being conducted by the ACCC and NZCC.

Third Party Claims

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The granting of immunity by the ACCC and the NZCC does not exclude or limit the rights of third parties who may claim to have suffered loss or damage as a result of a contravention of Australian or New Zealand competition laws to commence legal proceedings for damages and other relief against those involved in the contravention. No such third party proceeding has been commenced to date.

No reliable assessment can be made at present of the prospects of success of any such third party claim or the quantum of damages that may arise in the context of any third party proceeding or whether there will be any loss of customers by Amcor. Although it is not possible to establish a reasonable range of any damages that may be awarded if third party proceedings are commenced, there can be no assurance that any damages ultimately awarded will not be material to the results of the operations or the financial condition of Amcor.

Other

There are other outstanding court proceedings, claims and possible claims against companies in the Amcor Group, arising in the ordinary course of business, the aggregate amount of which cannot be readily quantified. While the outcome of such proceedings and claims cannot be predicted with certainty, Amcor considers that no such proceedings or claims, individually or in aggregate, will have a material adverse effect on the business, consolidated financial condition or results of operations of Amcor. The foregoing discussion includes certain forward-looking statements. See [Forward-Looking Statements](#) and [Risk Factors](#) .

Dividend Policy

Amcor has not published a formal dividend policy. Interim and final dividends are determined at the discretion of the Directors.

B.

Significant Changes

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No significant changes have occurred since the date of the Consolidated Financial Statements, except for those disclosed in Note 40 to the Consolidated Financial Statements Events Subsequent to Balance Date.

ITEM 9 THE OFFER AND THE LISTING

Markets

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The principal trading market for Amcor's shares is the Australian Stock Exchange Limited. Amcor's Ordinary Shares are also listed on the New Zealand Stock Exchange. American Depositary Shares (ADSs), each representing four Ordinary Shares and evidenced by American Depositary Receipts (ADRs), for which JPMorgan Chase Bank is the Depository, are quoted on the NASDAQ National Market System. In addition to these ADRs, as of June 30, 2005, there were 3,675 shareholders whose registered addresses are situated in the United States holding in total 1,867,241 Amcor Ordinary Shares, which is equivalent to 0.21% of Amcor's issued share capital.

The following table sets out, for the periods indicated, the respective highest and lowest prices for Amcor ADSs as traded on the NASDAQ National Market System (with each ADS representing four Ordinary Shares) and for Amcor's Ordinary Shares reported on any trading day on the Australian Stock Exchange Limited.

		American Depositary Shares		Ordinary Shares			
		High	Low	High	Low		
2000-01	From July 2000 to June 2001	US\$ 14.48	US\$ 10.31	A\$ 6.84	A\$ 5.04		
2001-02	From July 2001 to June 2002	US\$ 16.80	US\$ 11.07	A\$ 9.10	A\$ 5.69		
2002-03	From July 2002 to June 2003	US\$ 22.20	US\$ 17.04	A\$ 8.86	A\$ 7.76		
2003-04	First Quarter	US\$ 24.47	US\$ 21.60	A\$ 9.16	A\$ 8.03		
	Second Quarter	US\$ 25.30	US\$ 23.25	A\$ 9.09	A\$ 8.01		
	Third Quarter	US\$ 25.69	US\$ 22.70	A\$ 8.30	A\$ 7.47		
	Fourth Quarter	US\$ 22.20	US\$ 19.78	A\$ 8.05	A\$ 6.51		
2004-05	First Quarter	US\$ 21.19	US\$ 18.75	A\$ 7.53	A\$ 6.65		
	Second Quarter	US\$ 24.35	US\$ 19.90	A\$ 7.90	A\$ 6.68		
	Third Quarter	US\$ 24.46	US\$ 21.81	A\$ 7.67	A\$ 6.95		
	Fourth Quarter	US\$ 23.11	US\$ 19.52	A\$ 7.35	A\$ 6.26		
2005-06	June	US\$ 23.11	US\$ 20.33	A\$ 7.35	A\$ 6.65		
	July	US\$ 21.65	US\$ 20.00	A\$ 7.06	A\$ 6.66		
	August	US\$ 22.23	US\$ 19.75	A\$ 7.27	A\$ 6.53		
	September	US\$ 21.25	US\$ 19.70	A\$ 6.87	A\$ 6.41		
	October	US\$ 20.87	US\$ 19.29	A\$ 6.79	A\$ 6.38		
	November	US\$ 21.61	US\$ 19.93	A\$ 7.35	A\$ 6.68		

The last reported sale of our ordinary shares on December 22, 2005 on the ASX was A\$7.45. The last reported sale of our ADSs on December 22, 2005 on Nasdaq was US\$21.79

ITEM 10 ADDITIONAL INFORMATION

A. Share Capital

Not applicable

B. Constitution

The following provides information on the material provisions of Amcor's constitution. A full copy of Amcor's constitution is filed with the SEC.

Certain information in the constitution on Directors is also included in Item 6, *Directors, Senior Management and Employees*.

General Meetings

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By a resolution of the Board, Amcor may call a general meeting of the Company. No shareholder may convene a general meeting except where entitled under the Corporations Act 2001 to do so. Where a general meeting has been called, notice of the meeting may be given in the form and manner the Board thinks fit. All provisions of the constitution as to general meetings apply to any special meeting of any class of shareholders which may be held under the operation of this constitution or the Corporations Act 2001.

The business of an annual general meeting is to consider the accounts and reports required by the Corporations Act 2001 to be laid before the meeting, to elect Directors in the place of those retiring under this constitution, when relevant, to appoint an auditor and to transact any other business which, under this constitution, is required to be transacted at any annual general meeting.

Three shareholders must be present to form a quorum. No business may be transacted at a meeting, except the election of a Chairman and the adjournment of the meeting, unless a quorum is present.

Votes of Shareholders

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Shareholders may vote at a meeting of the Company in person, by proxy or attorney. Shareholders must vote on a show of hands unless a poll is called. A poll may be called either before a vote is taken or before or immediately after the voting results on a show of hands are declared. A poll may be demanded by a shareholder under the Corporations Act 2001 (and not otherwise) or by the Chairman.

Powers of the Board

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The management and control of the business and affairs of Amcor are vested in the Board, including raising or borrowing money, guaranteeing debts or obligations of any person, providing security for a debt and authorizing persons in whose favour debenture, mortgage or other security is executed to make calls on shareholders in respect of uncalled capital.

Except where a Director is restrained by the Corporations Act 2001, a Director may be present at a meeting of the Board while the matter in which the Director has an interest is being considered and may vote in respect of that matter.

As remuneration for services, each non-executive Director is to be paid out of the funds of the Company a sum determined by the Board, but the aggregate remuneration paid to all non-executive Directors in any year may not exceed an amount fixed by Amcor in general meeting.

Dividends

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The Board determines that a dividend is payable and fixes the amount, time for payment and method of payment. The Board may establish and maintain one or more dividend plans under which shareholders may elect to reinvest dividends by subscribing for shares in the capital of the Company. The Board also determines the timing and amount of interim dividends.

The Board may retain any dividends in respect of which Amcor has a lien or charge and may apply any retained dividends towards satisfaction of the calls, instalments or sums owing in respect of which the lien or charge exists.

All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of Amcor until claimed or otherwise disposed of according to law.

Preference Shares

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If Amcor at any time proposes to issue preference shares, the preference shares confer on the holders a right to receive out of the profits of the Company available for dividend a preferential dividend at the rate or of the amount and on the basis determined by the Board at the time of issue of the preference shares.

The preference shares are to confer on the holders the right on redemption and, in a winding up, to payment in cash in priority to any other class of shares of the amount paid on each of the preference shares and the amount equal to the aggregate of any dividends accrued but unpaid.

The preference shares do not confer on the holders any further rights to participate in assets or profits of Amcor.

Partial Takeovers

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Where a partial takeover offer is made, a contract to accept the offer is prohibited until an Approving Resolution is passed. An Approving Resolution is to be voted on at a meeting, convened and conducted by Amcor and is taken to have been passed if more than one-half of eligible votes are in favour of the resolution; otherwise it is rejected.

Exemption from NASDAQ regulations

Amcor Limited is a company organised under the laws of Australia, which is considered its home country. The Company is admitted to the Official List of Australian Stock Exchange Limited (ASX) and its securities are quoted on ASX. As the Company is also listed on NASDAQ, the Company is also required to comply with the requirements of the NASDAQ. The Company intends to follow home country practices in lieu of the requirements set forth in:

1. NASDAQ Marketplace Rule 4350(f) (the NASDAQ Quorum Requirement); and
2. Rule 4350(i) (the NASDAQ Shareholder Approval Requirements).

The NASDAQ Quorum Requirement requires that the minimum quorum for any meeting of holders of the company's common stock must be no less than 33 1/3% of the issuer's outstanding shares. In comparison section 249T of the Australian *Corporations Act 2001* (the Corporations Act) only requires a quorum of two members for a meeting of shareholders. Under section 135(2) of the Corporations Act, the quorum requirement can be replaced or modified by a company's constitution. The Company's Constitution states that it requires a quorum of three members. A quorum of three members for a meeting of shareholders is not prohibited by Australian law.

The NASDAQ Shareholder Approval Requirements mandate that a company must obtain prior shareholder approval in the case of an issuance of securities (other than in a public offering) when:

- (a) a stock option or purchase plan of a listed issuer is to be established or materially amended or other equity compensation arrangement made or materially amended pursuant to which options or stock may be acquired by officers, directors, employees or consultants, unless the issuance is one that falls within the parameters of certain exceptions (Rule 4350(i)(1)(A));
- (b) an issuance or potential issuance of securities would result in a change of control of the issuer, which may be deemed to occur if an investor or group of investors acquires, or obtains the right to acquire, 20% of more of the common stock (or securities convertible into or exercisable for common stock) or the voting power of an issuer on a post-transaction basis (Rule 4350(i)(1)(B));
- (c) the issuance is related to the acquisition of the stock or assets of another company if; (a) any director, officer or substantial share holder has a 5% or greater interest (or such persons collectively have a 10% or greater interest) in the company or assets to be acquired or in the consideration to be paid in the transaction or series of related transactions; and (b) the present or potential issuance of common stock, or securities convertible into or exercisable for common stock could result in an increase in outstanding common shares or voting power of 5% of more before the issuance (Rule 4350(i)(1)(C)(i));
- (d) the issuance is related to the acquisition of the stock or assets of another company if the issuance is 20% of more of common stock or voting power outstanding before the issuance (Rule 4350(i)(1)(C)(ii)); or

(e) the sale, issuance or potential issuance by the issuer (together with sales by officers, directors, or substantial shareholders of the company) of common stock or securities convertible into or exercisable for common stock is at a price less than the greater of book or market value and equal to 20% of more of the common stock or voting power outstanding before issuance (Rule 4350(i)(1)(D)).

The ASX Listing Rules have comparable requirements to those set out in Rules 4350(i)(1)(A), (C)(i), (C)(ii) and (D) of the NASDAQ Shareholder Approval Requirements; specifically the obligations in Listing Rule 7 (changes in capital and new issues) and Listing Rule 10 (transactions with persons in a position of influence). In addition, Chapter 6 of the Corporations Act has a comparable requirement to that set out in Rule 4350(i)(1)(B) of the NASDAQ Shareholder Approval Requirements; specifically, where there would be an issuance of securities to a person and its associates representing more than 20% of the voting power of an issuer on a post transaction basis.

C. Material Contracts

There were no material contracts, other than those entered into in the normal course of business, to which the company or any member of the group is a party from July 1, 2003 to the date of this report.

D. Exchange Controls and Other Limitations Affecting Security Holders

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(a) The Australian Banking (Foreign Exchange) Regulations and other Australian legislation and regulations control the import and export of capital and remittance of payments involving non-residents of Australia. Amcor is not restricted from receiving funds into, or transferring funds from Australia to the credit of non-residents of Australia, but in certain cases is required to:

- (i) withhold Australian taxes;
- (ii) lodge a report of the transaction details.

(b) Corporations Act 2001

The Act prohibits a person (including a corporation) from acquiring a relevant interest in issued voting shares in a listed company (or an unlisted company with more than 50 members) if, after the acquisition, the voting power in the company of that person or any other person increases:

from 20% or below to more than 20%; or

from a starting point that is above 20% and below 90%.

Relevant Interest

A person is considered to have a relevant interest in a security if they (whether solely or jointly, directly or indirectly, whether enforceable or not and irrespective of certain restrictions and restraints on such powers and other matters and things specified in the Act):

- (i) Are the holder of the security;
- (ii) Have power to exercise, or control the exercise of, a right to vote attached to the security; or
- (iii) Have power to dispose of, or control the exercise of, a power to dispose of, the security.

The Act also deems that a person acquires a relevant interest in voting shares in a company if:

Securities in which the person already had a relevant interest become voting shares in the company; or

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There is an increase in the number of votes that may be cast on a poll attached to voting shares that the person already had a relevant interest in.

In these circumstances, the acquisition of the relevant interest will occur when the securities become voting shares or the number of votes increases.

Voting Power

A person's voting power in a company is determined as follows:

$$\frac{\text{Person's and Associate's votes}}{\text{Total votes in Company}} \times 100$$

where:

Person's and Associate's votes is the total number of votes attached to all the voting shares in the company (if any) that the person or an associate has a relevant interest in; and

Total votes in the Company is the total number of votes attached to all voting shares in the company.

The Act provides that the number of votes attached to a voting share in a company is the maximum number of votes that can be cast in respect of the share on a poll:

on the election of a director of the company (if the election of directors is determined by the casting of votes attached to voting shares); or

on the adoption or amendment of the company's constitution (if the election of directors is not determined by the casting of votes attached to voting shares).

Exceptions to the Prohibition

Exceptions to this prohibition are outlined in section 611 of the Act. Some of the more significant exceptions are:

Section 611 (item 1) permits a person who proposes to become entitled to more than 20 percent of the voting shares of a company to make a formal takeover offer to the shareholders of the target company to acquire their shares. Separate takeover schemes are required for each class of shares sought.

Under Section 611 (item 2), a person (either alone or together with others) can acquire in excess of 20 percent of a company's voting shares by an on-market purchase during a bid period. The bid must be for all the voting shares in the bid class and be unconditional or only conditional on the happening of an event which entitles the bid to be withdrawn under sections 652C(1) or (2).

Under Section 611 (item 7), a person (either alone or together with others) is permitted to acquire shares in excess of 20 percent of a company's issued capital where that company has agreed to the acquisition by a resolution passed at a general meeting at which no votes were cast in relation to the resolution in respect of any shares held by the acquirer and their associates or the persons (if any) from whom the acquisition is to be made and their associates.

Under Section 611 (item 9), a person who has been entitled to 19 percent or more of the target company's voting power for a continuous period of not less than six months is permitted to acquire voting power in the company which is no more than 3 percentage points higher than they had 6 months before the acquisition.

E.

Taxation

Australian Taxation

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The following summary discusses the Australian tax consequences of owning ADSs or Ordinary Shares. The summary is not exhaustive and is based on law in force as of the date of this Annual Report. Holders of ADSs are advised to consult their own tax advisers as to the tax and stamp duty consequences of their ownership of and dealings in ADSs and Ordinary Shares.

Under the current double taxation convention between Australia and the United States, dividends paid by Amcor to a United States resident shareholder of Amcor, including an ADS holder, who is not deemed to be an Australian resident for tax purposes, and does not have a permanent establishment in Australia or perform in Australia independent personal services from a fixed base situated in Australia, will be subject to a maximum Australian withholding tax of 15 percent of such gross dividend.

The applicable rates of dividend withholding tax are as follows:

0% for 80% or greater shareholders

5% for 10% or greater shareholders

15% for others

To the extent that withholding tax is paid, this is a final tax and no other Australian tax would be payable.

Dividends paid to non-residents of Australia will not attract Australian withholding tax to the extent that the dividend has been franked. A dividend will be franked to the extent that the corporation declaring the dividend has tax credits available from the payment of Australian corporate tax and has declared that the dividend is so franked.

A holding period requirement applies when assessing the entitlement of shareholders to franking credits. Franking credits will be denied on dividends payable on shares, and distributions paid on an interest in shares, where:

the taxpayer effectively holds ordinary shares (or similar interests) for less than 45 days, or less than 90 days in the case of preference shares; and

during this period a dividend is payable on the shares, or a distribution is payable on the interest in the shares, so that the taxpayer would be entitled to franking credits or the section 46 inter-corporate dividend rebate (or both) in respect of the dividend distribution.

The test focuses on arrangements (share investments and related hedges) which remove 70% or more of downside and upside risk in relation to the shares.

Dividends paid to United States residents which are not franked (or are partly franked) will, subject to the comments below, attract withholding tax at the rates listed above on the unfranked amount.

Unfranked dividends paid to non-residents of Australia are, in certain circumstances, wholly or partly exempt from Australian withholding tax. Where the unfranked dividend is paid out of profits derived by Amcor from qualifying foreign dividends, withholding tax will not be payable on any foreign dividend account (FDA) amount specified in a notice provided by Amcor to shareholders.

Since the introduction of the imputation system, 29 dividend distributions have been made by Amcor, all of which have been at least partly franked. Of the more recent dividend distributions, the dividend paid in September 2004 was franked to 40%, the dividend paid in March 2005 was franked to 28% and the dividend paid in September 2005 was franked to 22%. Amcor has provided and will continue to provide all shareholders with notices which specify the franked and unfranked amount of each dividend and the amount (if any) of dividend withholding tax deducted.

Amcor is obliged to deduct tax at the highest marginal rate plus the Medicare Levy (currently 48.5%) from unfranked dividends or interest paid to investors resident in Australia who have not supplied the Company with a tax file number or exemption form. Collection of tax file number information is authorized by, and its use and disclosure is strictly regulated by, the Tax Laws and Privacy Act.

A United States citizen who is a resident of Australia, or a United States corporation which is a resident of Australia (by reason of carrying on business in Australia and having its voting power controlled by shareholders who are residents of Australia, or being managed or controlled in Australia) may be liable to pay Australian income tax in respect of the profit or capital gain (if any) derived upon the disposal of ADSs or Ordinary Shares. Under current Australian tax laws, no tax is payable in respect of the disposal of ADSs or Ordinary Shares held by non-residents of Australia except:

(a) If the ADSs or Ordinary Shares are trading stock of the holder or if an ordinary incident of the holder's business is the sale of securities for a profit, or the profit arises out of a profit making scheme (in certain circumstances) and, in any case, the profit is sourced in Australia; or

(b) If disposed of and the ADSs or Ordinary Shares beneficially owned by the non-resident or his associates, or the non-resident together with his associates, at any time during the period of five years preceding the disposal represent 10 percent or more of the issued share capital of Amcor (excluding share capital carrying no right to participate beyond a specified amount in a distribution of profits or capital).

Any taxable unindexed capital gain on ADSs or Ordinary Shares acquired on or after October 1, 1999 and held for at least one year is reduced by half for individuals and by one third for superannuation funds. Individuals and superannuation funds that acquired ADSs and Ordinary Shares before October 1, 1999 and hold them for at least one year can either calculate their taxable unindexed capital gain as above, or choose to make an indexed capital gain being the whole of the difference between the realisation price and the indexed cost base as at September 30, 1999. Corporations do not benefit from such concessions.

Notwithstanding that the profit or gain upon the disposal of the ADSs or Ordinary Shares is assessable in Australia in the circumstances of (a) or (b) above, if the vendor is a resident of the United States, then depending on the circumstances of the case, relief from Australian tax may nevertheless be available under the current double taxation convention referred to above.

No stamp duty is payable on Australian share transfers. In addition, under current Australian tax law, no Australian State or Federal estate duty or other inheritance taxes will be payable in respect of ADSs or Ordinary Shares upon the death of a holder thereof, regardless of the holder's domicile. For capital gains purposes, the death of the holder will only produce a deemed disposal, if the ADSs or Ordinary Shares are bequeathed to a tax exempt person or if the deceased was an Australian resident, the ADS or Ordinary Shares are bequeathed to a non-resident, and the ADS or Ordinary Shares did not fall within the meaning of a taxable Australian asset as referred to in paragraph (b) above. In all other circumstances, the liability for tax on any gain is effectively transferred to the deceased's legal representatives or beneficiaries, subject to those matters referred to above. Such deemed disposal or a disposal subsequently by the beneficiary will have the consequences set out above.

United States Federal Income Taxation

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The following discussion is a summary of the material U.S. federal income tax consequences to you of the ownership and disposition of the Amcor ADSs and Ordinary Shares, but it does not purport to be a comprehensive description of all of the United States tax considerations of the ownership and disposition of ADSs or Ordinary Shares.

The discussion is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations, published rulings and court decisions, and the tax laws of Australia, as well as the double taxation convention between Australia and the United States, and a protocol thereto (collectively the Treaty), all as currently in effect and all subject to change at any time, perhaps with retroactive effect. In addition, the discussion is based in part upon the representations of the Depositary and the assumption that each obligation provided for in the Deposit Agreement and any related document will be performed in accordance with its terms.

You should consult your own tax adviser as to the United States, Australian, or other tax consequences of the ownership and disposition of the Amcor ADSs or Ordinary Shares in your particular circumstances.

The discussion relating to U.S. tax consequences only applies to you if you hold your ADRs or Ordinary Shares as capital assets for tax purposes and you are not a member of a special class of holders subject to special rules, including a dealer in securities, a trader in securities that elects to use a mark-to-market method of accounting for their securities holdings, a tax-exempt organization, a life insurance company, a person liable for alternative minimum tax, a person that actually or constructively owns 10% or more of our voting stock, a person that holds Ordinary Shares or ADRs as part of a hedging or straddle or conversion transaction or a person whose functional currency is not the U.S. dollar.

You are a U.S. holder if you are a beneficial owner of Ordinary Shares or ADRs and you are: (i) a citizen or resident of the United States, (ii) a domestic corporation, (iii) an estate whose income is subject to United States federal income tax regardless of its source, or (iv) a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

For U.S. federal income tax purposes if you hold ADRs evidencing ADRs, you will be treated as the owner of the underlying Ordinary Shares represented by those ADRs, and exchanges of Ordinary Shares for ADRs, and ADSs for Ordinary Shares, generally will not be subject to United States federal income tax.

Taxation of Dividends

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Subject to the passive foreign investment company (PFIC) rules discussed below, if you are a U.S. holder you must include in your gross income the gross amount of any dividend (or other distribution, other than certain distributions in redemption of ADSs or Ordinary Shares or distributions of our capital stock or rights to subscribe for our capital stock) paid (before reduction for Australian withholding taxes) by us out of our current or accumulated earnings and profits (as determined for United States federal income tax purposes). If you are a non-corporate U.S. holder, dividends paid to you in taxable years beginning before January 1, 2009 that constitute qualified dividend income will be taxable to you at a maximum tax rate of 15% provided that you hold the shares or ADSs for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meet other holding period requirements. Dividends we pay with respect to the shares or ADSs generally will be qualified dividend income.

You must include any Australian tax withheld from the dividend payment in this gross amount even though you do not in fact receive it. The dividend is taxable to you when you, in the case of shares, or the Depositary, in the case of ADSs, receive the dividend, actually or constructively.

The dividend will not be eligible for the dividends-received deduction generally allowed to United States corporations in respect of dividends received from other United States corporations. Distributions in excess of current and accumulated earnings and profits, as determined for United States federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the ADSs or Ordinary Shares and thereafter as capital gain.

The amount of the dividend distribution that you must include in your income will be the U.S. dollar value of the Australian dollar payments made, determined at the spot Australian dollar/U.S. dollar rate on the date such dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date such payment is converted into U.S. dollars will be treated as ordinary income or loss and will not be eligible for the special tax rate applicable to qualified dividend income. Such gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes.

Subject to certain limitations, the Australian tax withheld in accordance with the Treaty and paid over to Australia will be creditable against the U.S. holder's United States federal income tax liability. Special rules apply in determining the foreign tax credit limitation with respect to dividends that are subject to the maximum 15% tax rate. Dividends will be income from sources outside the United States. Dividends paid in taxable years beginning before January 1, 2007 generally will be passive or financial services income, and dividends paid in taxable years beginning after December 31, 2006 will, depending on your circumstances, be passive or general income which, in either case, is treated separately from other types of income for purposes of computing the foreign tax credit allowable to you. No United States foreign tax credit will be allowed to U.S. holders of Ordinary Shares or ADSs in respect of any personal property or similar tax imposed by Australia (or any taxing authority thereof or therein).

Distributions of additional Ordinary Shares to U.S. holders with respect to their Ordinary Shares or ADSs that are made as part of a pro rata distribution to all our shareholders generally will not be subject to United States federal income tax.

Taxation of Capital Gains

Subject to the PFIC rules discussed below, if you are a U.S. holder and you sell or otherwise dispose of your Ordinary Shares or ADSs, you will recognize a capital gain or loss for United States federal income tax purposes in an amount equal to the difference between the U.S. dollar value of the amount realized and your tax basis (determined in U.S. dollars) in such Ordinary Shares or ADSs. Capital gain of a noncorporate U.S. holder that is recognized before January 1, 2009 is generally taxed at a maximum rate of 15% where the holder has a holding period greater than one year. The gain or loss will be income or loss from sources within the United States for foreign tax credit limitation purposes.

PFIC Rules

We believe that our Ordinary Shares and ADSs should not be treated as stock of a PFIC for United States federal income tax purposes, but this conclusion is a factual determination made annually and thus may be subject to change. If we were to be treated as a PFIC, unless a U.S. holder elects to be taxed annually on a mark-to-market basis with respect to the Ordinary Shares or ADSs, gain realized on the sale or other disposition of Ordinary Shares or ADSs would, in general, not be treated as capital gain, and a U.S. holder would be treated as if such holder had realized such gain and certain excess distributions ratably over the holder's holding period for the Ordinary Shares or ADSs and would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year. With certain exceptions, your shares or ADSs will be treated as stock in a PFIC if we were a PFIC at any time during your holding period in your shares or ADSs. Dividends that you receive from us will not be eligible for the special tax rates applicable to qualified dividend income if we are treated as a PFIC with respect to you either in the taxable year of the distribution or the preceding taxable year, but instead will be taxable at rates applicable to ordinary income.

F. Dividends and Paying Agents

Not applicable

G. Statement by Experts

Not applicable.

H. Documents on Display

It is possible to read and copy documents referred to in this Annual Report on Form 20-F that have been filed with the Securities and Exchange Commission (SEC) at the SEC 's public reference room located at 450 Fifth Street, NW, Washington DC 20549. Please telephone the SEC at 1-800-SEC-0330 or access the SEC website (www.sec.gov) for further information.

I. Subsidiary Information

Not applicable.

ITEM 11 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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The discussion below contains certain forward-looking statements. See comments regarding [Forward Looking Statements](#) on page 4 of this report.

Derivative financial instruments are not held or used by Amcor for speculative or trading purposes. Our policy is to hedge all material foreign exchange transactions by entering into forward foreign exchange contracts and currency swaps and to manage our exposure to movements in interest rates by entering into interest rate swaps.

In order to control any exposure which may result from non-performance by counterparties, these contracts are only entered into with major banks with a minimum long term rating of A- by Standard & Poor's or A2 by Moody's. In addition, these banks must be approved for use by the Amcor Limited Board, and specific internal guidelines have been established with regard to limits, dealing and settlement procedures. The estimated credit risk exposure of Amcor is minimal.

Amcor is exposed to adverse movements in interest rates under various debt facilities. By monitoring global interest rates and, where appropriate, hedging interest rate exposures or borrowing at fixed rates, Amcor is able to manage its interest rate risk.

As at June 30, 2005, Amcor's ratio of fixed rate debt to total debt was 58% down from 64% at June 30, 2004. The decrease was due to the appreciation of the A\$ against the US\$ and Euro, as our fixed debt is drawn in these currencies.

Amcor achieved an average interest rate paid on all borrowings (excluding the coupon on PACRS) for 2004-05 of 5.0% (4.7% in 2003-04). This was largely due to rises in interest rates relating to floating rate debt drawn in A\$ and US\$.

Amcor enters into interest rate swap agreements and forward rate agreements to allow the consolidated entity to swap floating rate borrowings into fixed rates and vice versa. Cross currency interest rate swaps allow the consolidated entity to swap long term Australian denominated borrowings into foreign currencies, to hedge the investment in self sustaining foreign operations. Maturities of swap contracts are principally between one and two years. Each contract involves quarterly or semi-annual payment or receipt of the net amount of interest. Floating rates are based on interest rate settings in the currencies concerned plus the consolidated entity's credit margin.

From time to time the consolidated entity also enters into interest rate options to reduce the impact of changes in interest rates on floating rate long-term debt.

Interest Rate Risk Exposures

Exposure to interest rate risk and the effective weighted interest rate for classes of financial assets and liabilities is set out below:

2004-05

	Fixed interest maturing in:					Total A\$m	Weighted average interest rate
	Floating interest rate A\$m	1 year or less A\$m	Over 1 to 5 years A\$m	More than 5 years A\$m	Non- interest bearing A\$m		
Financial Assets							
Cash	210.8					210.8	1.41%
Receivables	19.0				1,738.5	1,757.5	2.97%
Other financial assets					48.4	48.4	
	229.8				1,786.9	2,016.7	1.54%
Financial Liabilities							
Payables					1,829.0	1,829.0	
Bank and other loans	861.2	2.0	12.3		6.7	882.2	4.22%
Commercial paper	307.7					307.7	4.64%
US\$ Notes			52.5	603.3		655.8	5.83%
Eurobond				554.5		554.5	4.25%
Leases	0.7	1.7	73.9	0.5		76.8	6.56%
Employee entitlements			76.3		301.9	378.2	6.00%
Distributions payable					8.7	8.7	
Undated subordinated convertible securities			301.1			301.1	7.25%
	1,169.6	3.7	516.1	1,158.3	2,146.3	4,994.0	5.04%
Interest rate swaps/FRAs							
US\$	(6.1)		6.1				7.65%
Euro	(480.0)	480.0					4.81%
A\$	480.0	(480.0)					(5.67)%
	(6.1)		6.1				4.90%
Cross Currency Interest Rate Swaps							
A\$	607.3					607.3	5.77%
Euro	(607.3)					(607.3)	(2.05)%
A\$	116.0					116.0	6.37%
CA\$	(116.0)					(116.0)	(3.40)%
							4.06%

2003-04

	Fixed interest maturing in:					Total	Weighted average interest rate
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non- interest bearing		

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	A\$m	A\$m	A\$m	A\$m	A\$m	A\$m	
Financial Assets							
Cash	131.0					131.0	2.25%
Receivables	17.3				1,615.9	1,633.2	3.53%
Other financial assets					12.9	12.9	
	148.3				1628.8	1,777.1	2.40%
Financial Liabilities							
Payables					1,762.2	1,762.2	
Bank and other loans	833.4	2.5	40.8		6.1	882.8	3.64%
Commercial paper	186.3					186.3	1.40%
US\$ Notes				723.7		723.7	5.83%
Eurobond				612.0		612.0	4.25%
Leases	1.1	2.1	31.6	65.1		99.9	5.95%
Distributions payable					8.8	8.8	
Employee entitlements			74.2		241.3	315.5	6.00%
Undated subordinated convertible securities		4.6	332.3			332.3	7.25%
	1,020.8	4.6	478.9	1,400.8	2,018.4	4,923.5	4.69%
Interest rate swaps							
US\$	(8.3)		8.3				7.65%
Euro	(480.0)		480.0				4.81%
A\$	480.0		(480.0)				(5.67)%
	(8.3)		8.3				4.55%
Cross Currency Interest Rate Swaps							
A\$	607.3					607.3	5.54%
Euro	(607.3)					(607.3)	(1.94)%
A\$	116.0					116.0	6.19%
CA\$	(116.0)					(116.0)	(2.89)%
							3.87%

Foreign Currency Exchange Rate Risk

In relation to transactional foreign currency exposures, Amcor policy is to hedge all net forecast or actual foreign currency exposures greater than A\$100,000, where exposures are measured as forecast or actual transactional cash flows in currencies other than the functional currency of the business as determined for treasury purposes. The gains or costs on entering the hedge and the exchange differences up to the date of the purchase or sale are deferred and recognised as assets or liabilities on the statement of financial position from the inception of the hedge contract, not when the specific purchase or sale occurs. At maturity, the costs or gains are included in the measurement of the underlying transaction.

Accounts payable and borrowings include amounts repayable in foreign currencies shown at their Australian dollar equivalents. All material foreign currency liabilities are hedged or matched by equivalent assets in the same currencies, such assets representing a natural hedge.

The following table sets out the gross value to be received under foreign currency contracts, the weighted average contracted exchange rates and the settlement periods of contracts outstanding as at June 30:

	2005 Weighted Average Rate	2004 Weighted Average Rate	2005 Contract Amounts A\$m	2004 Contract Amounts A\$m
Buy Contracts				
0-12 months				
CAD	0.94		1.0	
CHF	0.91	0.82	1.2	12.4
DKK	4.70	4.26	14.5	16.1
EUR	0.60	0.56	50.2	141.1
GBP	0.40	0.38	8.4	80.1
JPY	76.54	75.10	3.4	0.1
NOK		4.75		0.7
NZD	1.09	1.13	0.9	4.9
SEK	5.80	5.26	13.2	13.3
USD	0.76	0.69	75.0	85.2
More than 12 months				
EUR	0.61	0.59	2.5	2.2
NZD		1.30		77.2
USD	0.75	0.71	4.3	5.3
Sell Contracts				
0-12 months				
CHF	0.97	0.89	5.7	3.5
DKK	4.70		5.1	
EUR	0.61		0.7	
GBP	0.41		22.1	
NOK	5.12		6.0	
NZD	1.08	1.15	29.5	35.1
SEK	5.78		2.8	
USD	0.76	0.69	28.7	49.2

Commodity Risk

Amcor enters into various Aluminium fixed price swap contracts on behalf of certain customers. Hedging undertaken is based on customer instructions, and all related costs are passed on to the customer. The following table sets out the gross value to be received under commodity swap contracts, the weighted average contracted London Metals Exchange rates and the settlement periods of contracts outstanding as at June 30:

	2005 Average Fixed Price (USD/tonne)	2004 Average Fixed Price (USD/tonne)	2005 Contract Amounts A\$m	2004 Contract Amounts A\$m
Buy Contracts				
0-12 months				
ALU	1,828.3	1,576.9	29.4	17.0

Employee Share Plan Risk

In relation to the Employee Options and Employee Bonus Payment Plan (EBPP) schemes, the consolidated entity is exposed to movements in the value of the underlying ordinary shares of Amcor Limited. For all options granted or entitlements offered, the consolidated entity has hedged its exposure by entering into offsetting cash settled equity share option or equity share swap contracts that mirror the terms and conditions of the employee benefit.

The following table sets out the expiry or vesting date (if applicable), the outstanding option/share hedged contract positions and the hedged price of the contracts as at June 30:

2005 Equity Share Option American Contracts	Expiry Date	Contract Amounts A\$	Average Hedged Price A\$
One year or less	Sep 12, 2005	100,000	7.20
	Jun 29, 2006	55,132	6.06
Over one to five years	Sep 11, 2006	50,000	8.28
	Sep 12, 2006	200,000	6.47
	Mar 23, 2007	17,800	7.87
	Jul 01, 2007	280,000	7.40
	Aug 02, 2007	25,000	6.84
	Sep 11, 2007	50,000	8.28
	Sep 12, 2007	100,000	7.20
	Sep 11, 2008	50,000	8.28
More than five years	Mar 24, 2010	351,550	7.87
	Aug 02, 2010	420,000	6.84
	Nov 01, 2012	517,000	8.20

Equity Share Swap Contracts	Vesting Date	Contract Amounts A\$	Average Hedged Price A\$
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Vested	Dec-03	5,000	7.11
	Dec-04	16,800	7.11
One year or less	Dec-05	171,000	7.11
Over one to five years	Jul-06	50,000	7.11
	Oct-06	8,000	7.11
	Feb-07	210,100	7.11
	Jul-07	50,000	7.11