Agenda

• Nampak Wiegand Glass
• Bevcan
• DivFood
• Nampak Tissue
• Nampak Strategy in Africa
• Nampak Group Strategy
Nampak Wiegand Glass
Aerial View of the Plant
<table>
<thead>
<tr>
<th>Feature</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single plant operation</td>
<td>Roodekop (Gauteng)</td>
</tr>
<tr>
<td>Two furnaces (F1 &amp; F2)</td>
<td>Total daily output +/- 630 tons</td>
</tr>
<tr>
<td>Total annual output</td>
<td>+/- 185 000 tons</td>
</tr>
<tr>
<td>7 production lines</td>
<td>F1: 3 lines &amp; F2: 4 lines</td>
</tr>
<tr>
<td>Five colours</td>
<td>Flint, Amber, Emerald Green, UV Green, Deadleaf Green</td>
</tr>
<tr>
<td>No of employees</td>
<td>251</td>
</tr>
</tbody>
</table>
Joint Venture Shareholders

Joint venture agreement between Nampak and Wiegand Glas signed in October 2005
Nampak Wiegand Glass at a Glance
Major Customers

- SABMiller
- Heineken
- Namibia Breweries
- SABEX
- Coca Cola System (ABI/CC Fortune/ Shanduka)
- Distell
- E Snell
- KWV
- Douglas Green
- Diageo
- Tiger Brands
GOLD

Trophy – Sustainable Packaging

Products
SA market is 1,100,000 tonnes p.a.

SA Market Share

- Consol: 80%
- Nampak Wiegand: 18%
- Imports: 2%
Competitive Advantages

• High barriers to entry
• Only two players in the market – we are the second player
• Improved operational performance – high quality reputation
• New investments delivering value – furnaces, cullet plant etc

• Competitive Disadvantages
• Only a two furnace operation
  o Inefficient leverage of colour mix
  o Product range and flexibility compromised
Glass – Strategy

- Leverage the manufacturing base
  - Leverage narrow-neck-press-and-blow technology to manufacture lightweight bottles
  - Improve the pack-to-melt performance
- Expand capacity in furnace 2 rebuild
- 3rd furnace investment
Bevcan Background

• Manufacture beverage cans for carbonated soft drinks, alcoholic beverages, energy drinks, vegetable and fruit juices.

• Our cans have tinplate steel bodies with aluminum ends and are available in standard and slimline options ranging from 200ml – 440ml.

• Supply leading global brands throughout the Southern African beverage industry e.g. Coca-Cola & SABMiller.

• Licence agreement with Crown Cork & Seal

• 4 strategically located, world-class, high speed manufacturing facilities located throughout South Africa
Competitive Advantages

• High barriers to entry
• National geographic spread of plants
• Strong operational performance, systems and skills
• Good customer relationships
• SA market is relatively small
• Strong export capability & growth opportunity into Africa

Competitive Disadvantages

• Perceptions of high prices/dominance
• Customer concentration
• Cost competitiveness of the can relative to other packs
Sales – Geographical Spread

- South Africa: 58%
- Other Africa (excl. Angola): 23%
- Angola: 19%
- South America: 1%
Angolan Expansion

- One of the fastest growing economies in the world
- Only market in the world where the beverage can market size exceeds a fully utilised can line, without any local can manufacturer
- Estimated beverage can market in excess of a billion cans
- Currently supplying 50% from RSA
- Once operational in Angola, Bevcan RSA should be ideally positioned to gain remainder of market
- Local shareholding of 30% - Angolan Government
- Plant commissioning - March 2011
Angolan Expansion
Angolan Expansion
Environmental Responsibility: Collect-a Can

- Collect-A-Can was established in 1993 as a JV between Nampak and Mittal Steel South Africa
- Dedicated to ensuring that used beverage cans, exist in harmony with the environment
- Creates consumer awareness for the can being the most recovered packaging commodity in Southern Africa
- Recognised by the Dept. of Environmental Affairs as the benchmark
- Empowering local communities by creating some ±18 000 informal jobs
- Recovery rate is at 69%, from:
  - Informal collectors
  - Collection depots
  - Scrap dealers
  - Government waste initiatives
- Opportunity for customers to effectively address social responsibility requirements
Bevcan – Strategy

• Secure and grow the Home Base

• Consolidate the Angolan market
  o Complete project ASAP
  o Win all the can business in Angola – install second line

• Maintain management and manufacturing base

• Replacement of Angolan exports
  o Grow local market with customers
  o Expand exports
  o Leverage environmental advantage of Collect-a-Can
Bevcan: Total Volume Growth

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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</thead>
<tbody>
<tr>
<td>Angolata</td>
<td>0</td>
<td>207</td>
<td>693</td>
<td>705</td>
<td>1,224</td>
<td>1,260</td>
</tr>
<tr>
<td>Bevcan RSA</td>
<td>2,570</td>
<td>2,393</td>
<td>2,100</td>
<td>2,165</td>
<td>2,240</td>
<td>2,310</td>
</tr>
</tbody>
</table>
Marketing Campaign

Choose Cans.
Make good moments great.
DivFood
Major customers:
Tiger Brands
Langeberg & Ashton Foods
Oceana
Nestle
Rhodes Foods
Reckitt Benckiser
Giants
Bull Brand
SC Johnson
Sara Lee
Unilever

Two piece cans in Bevcan
Rosslyn & Epping
Food Cans
Aerosol Cans
Shaped Aerosol Cans
Aluminium Bottles
Polish Cans

- Kiwi Quality Shoe Polish
  - Toney Red
  - Dark Brown

- Mr. Muscle Triple Wax Polish
  - Original
  - Lavender
  - Win Cash in the Can

Nampak packaging excellence
Promotional Tinware
## Metal Packaging Market

<table>
<thead>
<tr>
<th>Major Categories</th>
<th>Nampak</th>
<th>Local Competition</th>
<th>Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Piece Food</td>
<td>100%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>3 Piece Food</td>
<td>60%</td>
<td>30%</td>
<td>10%</td>
</tr>
<tr>
<td>Tinplate Aerosols</td>
<td>84%</td>
<td>0%</td>
<td>16%</td>
</tr>
<tr>
<td>Aluminium Aerosols</td>
<td>70%</td>
<td>0%</td>
<td>30%</td>
</tr>
<tr>
<td>Paint</td>
<td>68%</td>
<td>32%</td>
<td>0%</td>
</tr>
<tr>
<td>Polish</td>
<td>95%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Fuels &amp; Lubes</td>
<td>100%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
Competitive Advantages

- Reasonably high barriers to entry
- Geographic spread
- R&D and other support
- Capacity and size, with diversity of range
- Technical status with major brand and retail owners
- Technologically advanced in some areas
- 2 Piece can format (integrity and cost)

Competitive Disadvantages

- Historically lagged in investment strategy
- Plastic substitution in some DivFood products
• Substantially upgrade manufacturing base

• Develop alternative sources of raw material supply

• Drive improved supply chain
Growth Opportunities

• Grow in new markets:
  o Monobloc Aerosols – develop to +100m units
  o 2-piece cans (vegetable, fish, and possibly fruit)
  o Components for own cans and exports

• Expand to rest of Africa
Nampak Tissue
Nampak Tissue Footprint

Recycling Division

National Footprint

Paper Mills

Johannesburg
Durban
Cape Town

Converting

Pretoria
Cape Town
Pietermaritzburg

Sancella

Johannesburg

43
Tissue Business & Categories

**Consumer Paper**
- 1 Ply
- 2 Ply
- Facial
- Kitchen Towel
- Serviettes

**Sancella (JV)**
- Diaper 45%
- Fempro
- Inco 26%

**Consumer H & L**
- Foil 3%
- Wraps
- Plates

**Away From Home**
- Paper products, Towels, Wipes & Dispensers 19%

**Additional Sales**
- Recycling and Flat Grades 8%
# Market Info – Market Growth & Shares

<table>
<thead>
<tr>
<th></th>
<th>Market Size Volume (Tons/Pcs)</th>
<th>Market Size Value (R)</th>
<th>Market Share % Volume</th>
<th>Market Share % Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Ply</td>
<td>51,340 -7%</td>
<td>1,26 Bil +8%</td>
<td>45% +0.7 TS 31%</td>
<td>53% +2.4 TS 35%</td>
</tr>
<tr>
<td>2 Ply</td>
<td>21,593 +5%</td>
<td>827 Mil +15%</td>
<td>28% +1.3 TS 18%</td>
<td>28% +1.7 TS 18%</td>
</tr>
<tr>
<td>Facial</td>
<td>3,241 -4%</td>
<td>243 Mil +15%</td>
<td>53% +3.2 TS 31%</td>
<td>43% +1.5 TS 28%</td>
</tr>
<tr>
<td>Kitchen Towels</td>
<td>3,297 +1%</td>
<td>158 Mil +19%</td>
<td>47% -12 TS 27%</td>
<td>45% -13 TS 26%</td>
</tr>
<tr>
<td>Diaper</td>
<td>920 Mil +0.5%</td>
<td>2,3 Bil +17%</td>
<td>18% -0.3</td>
<td>18% +0.5</td>
</tr>
<tr>
<td>Sanpro</td>
<td>839 Mil -6%</td>
<td>1,1 Bil +9%</td>
<td>15% +0.6</td>
<td>9.8% Flat</td>
</tr>
</tbody>
</table>
Nampak Tissue

Competitive Advantages

• Strong brands
• Manufacturing infrastructure with barriers to entry
• Recycling capability (in-house)
• National footprint – supply chain
• Experienced personnel
• Consistent quality – attributes to value
• Nampak/SCA Partnership

Competitive Disadvantages

• Limited brand equity in value added segment
• Aged manufacturing equipment (mills & converting)
• Higher cost structure versus competition
• Retail consolidation and power balance
• Competition ranges by category from independents to multi-nationals
• Fragmentation at the lower end
• Approximately 250,000 tons of installed paper capacity
• Fluff category structurally attractive
Strategic Imperatives – Defend and Grow

- Defend the core business (AFH & Consumer)
  - Toilet tissue still the core
  - Continue investments behind brands
  - Industry governance

- Preserve industry profitability (approach to value added categories)
  - Increase share of value added segment
  - Improve brand equity with higher LSM groups
  - Enhance in-store execution

- Explore growth opportunities in Sub-Saharan Africa
  - Ensure representation in key markets
  - Develop tissue and fluff brands in these markets
  - Critical mass & possibly set up operation/s

- Cost Containment
  - Supply chain innovation & S&OP Improvements
  - Improve cost position versus competition
  - Value engineering activities
  - Operational efficiency
Competitive Advantages

- Strong established consumer brands (Cuddlers & Lifestyle)
- Number 1 brand in the diaper value segment
- Trade support as an alternative to dominant diaper brands
- Tena is a strong Inco brand (30% share worldwide)
- SCA partnership & innovation opportunities
- Advanced manufacturing capability (SL’s)

Competitive Disadvantages

- Competitors with stronger brand equity (fempro & diaper)
- Limited pricing power as #3 brand in overall diaper market
- Tena perceived as an expensive brand
Sancella Strategy

• **Diaper growth path**
  – Build Cuddlers brand and grow market share
  – Investment to replicate success of Nemo 1

• **Lifestyle turnaround plan**
  – Improve Lifestyle market share in line with brand equity
  – Maintain brand building activities
  – Drive the wholesale plan (Thick High Tech)

• **Tena growth strategy**
  – Maintain dominance in pharmacy
  – Focus on growing market share in homes & hospitals
  – Leverage SCA category expertise

• **Drive Sancella export sales**
  – Licence agreement (use or lose)
  – Reviewed key focus areas & distributorships established
  – Targeted brand building opportunities
Nampak Strategy in Africa

25th August 2010
• Where is Nampak in Africa
• Where are the opportunities in Africa
• Nampak strategy in Africa
• Summary of current strategic initiatives
• Regional update
• Where is Nampak in Africa

• Where are the opportunities in Africa

• Nampak strategy in Africa

• Summary of current strategic initiatives

• Regional update
Difficult to compete
1: Proximity to Europe
2: Culture and language
3: Logistics
Focus on sub-Saharan Africa only
Nampak in Africa – Where are We?

20 operations in 12 countries
Turnover +/- R1.9 bn

Nigeria 2
Namibia 1
South Africa 65
Angola 1 under construction
Zambia 2
Botswana 1
Swaziland 1
Zimbabwe 7
Mocambique 1
Tanzania 1
Kenya 1
Malawi 1
Ethiopia 1

86 factories
20 operations in 12 countries
Turnover +/- R1.9 bn

56
Nampak in Africa - 2010

Revenue

Rm

Nigeria
Kenya
Zambia
Malawi
Tanzania
Mozambique

9% of Group (excl Zimbabwe)
## Products Manufactured in Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Metals</th>
<th>Glass</th>
<th>Paper</th>
<th>Tissue</th>
<th>Plastics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malawi</td>
<td></td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>Mocambique</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Namibia</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nigeria</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>South Africa</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Swaziland</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tanzania</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>Zambia</td>
<td>*</td>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>*</td>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>
Nampak in Africa - Where are we?

- Operations +/- R1.9 bn
- Exports +/- R1.65 bn

- Nigeria 2
- Namibia 1
- Angola 1 (under construction)
- Zambia 2
- Botswana 1
- South Africa 65
- Zimbabwe 7
- Mocambique 1
- Tanzania 1
- Kenya 1
- Malawi 1
- Swaziland 1

86 factories

Operations +/- R1.9 bn
Exports +/- R1.65 bn
### Nampak in Africa - 2010

<table>
<thead>
<tr>
<th>Country</th>
<th>Local Manufacture (R’ mill)</th>
<th>Imports ex Nampak SA (R’ mill)</th>
<th>Total Business (R’ mill)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angola</td>
<td>R 0</td>
<td>R 428</td>
<td>R 428</td>
</tr>
<tr>
<td>Botswana</td>
<td>R 20</td>
<td>R 211</td>
<td>R 231</td>
</tr>
<tr>
<td>DRC</td>
<td>R 0</td>
<td>R 2</td>
<td>R 2</td>
</tr>
<tr>
<td>Kenya</td>
<td>R 275</td>
<td>R 72</td>
<td>R 347</td>
</tr>
<tr>
<td>Malawi</td>
<td>R 127</td>
<td>R 10</td>
<td>R 137</td>
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<tr>
<td>Mozambique</td>
<td>R 35</td>
<td>R 101</td>
<td>R 135</td>
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<tr>
<td>Namibia</td>
<td>R 0</td>
<td>R 466</td>
<td>R 466</td>
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<td>R 31</td>
<td>R 471</td>
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<tr>
<td>South Africa</td>
<td></td>
<td></td>
<td></td>
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<td>Swaziland</td>
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<td>R 196</td>
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<td>R 135</td>
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<td>Zambia</td>
<td>R 274</td>
<td>R 21</td>
<td>R 295</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>R 539</td>
<td>R 135</td>
<td>R 674</td>
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<tr>
<td>Other (Africa)</td>
<td>R 539</td>
<td>R 135</td>
<td>R 674</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>R 1,912</strong></td>
<td><strong>R 1,646</strong></td>
<td><strong>R 3,557</strong></td>
</tr>
</tbody>
</table>

Note: 100% of company revenue
• Where is Nampak in Africa.

• Where are the opportunities in Africa

• Nampak strategy in Africa

• Summary of current strategic initiatives

• Regional update
## Rest of Africa Economies: 2009

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP (Billion)</th>
<th>% Growth</th>
<th>per cap (PPP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angola</td>
<td>85.5</td>
<td>7.0%</td>
<td>5,431</td>
</tr>
<tr>
<td>Botswana</td>
<td>12.9</td>
<td>6.3%</td>
<td>13,214</td>
</tr>
<tr>
<td>DRC</td>
<td>12.6</td>
<td>5.4%</td>
<td>323</td>
</tr>
<tr>
<td>Kenya</td>
<td>34.2</td>
<td>4.1%</td>
<td>1,568</td>
</tr>
<tr>
<td>Malawi</td>
<td>4.8</td>
<td>5.9%</td>
<td>550</td>
</tr>
<tr>
<td>Mozambique</td>
<td>10.2</td>
<td>6.4%</td>
<td>950</td>
</tr>
<tr>
<td>Namibia</td>
<td>10.5</td>
<td>1.7%</td>
<td>6,327</td>
</tr>
</tbody>
</table>

- Relatively small economies and packaging markets
- Good opportunities in specific packaging substrates
- Growth prospects good

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP (Billion)</th>
<th>% Growth</th>
<th>per cap (PPP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zambia</td>
<td>16.0</td>
<td>5.8%</td>
<td>1,516</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>5.1</td>
<td>2.2%</td>
<td>175</td>
</tr>
</tbody>
</table>

Source: IMF World Economic Outlook
<table>
<thead>
<tr>
<th>Country</th>
<th>US$ (Billion)</th>
<th>% Growth</th>
<th>per cap (PPP)</th>
</tr>
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<tbody>
<tr>
<td>Angola</td>
<td>85.5</td>
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<td>213.9</td>
<td>6.9%</td>
<td>2,119</td>
</tr>
<tr>
<td>South Africa</td>
<td>329.5</td>
<td>2.6%</td>
<td>9,721</td>
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<tr>
<td>Swaziland</td>
<td>3.1</td>
<td>1.1%</td>
<td>4,900</td>
</tr>
<tr>
<td>Tanzania</td>
<td>24.4</td>
<td>6.1%</td>
<td>1,216</td>
</tr>
<tr>
<td>Zambia</td>
<td>16.0</td>
<td>5.8%</td>
<td>1,516</td>
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<td>5.1</td>
<td>2.2%</td>
<td>175</td>
</tr>
</tbody>
</table>

Source: IMF World Economic Outlook
Economic Zones in Africa

- CEN-SAD
- COMESA
- EAC
- ECCAS
- ECOWAS
- IGAD
- SADC
- UMA

Presented by: Name Surname  |  Date: Monday, September 22, 2008
SADC – 15 Member States
SADC – Free Trade Area 12 states
Excludes: Angola, Congo, Seychelles

COMESA – 19 member states
Preferential Trade Area
6 states – Free Trade Area

ECOWAS – 15 States
Loose arrangement
• Where is Nampak in Africa.

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Rest of Africa – Growth Strategy

- Build a market base through exports
- Establish local manufacture when critical mass achieved
- Diversify established manufacturing base to other Nampak products
- Create hubs in key growth areas and trading blocks
- Follow major Nampak customers
Nampak in Africa – Regional Hubs

- Nigeria: 2
- South Africa: 65
- Kenya: 1
Rest of Africa – Multi-National Opportunities

- BAT
- SAB Miller
- Heineken
- Coca Cola
- Pepsi
- Unilever
- Nestle
- Diageo

- Cadbury
- Diageo
- Illovo Sugar
- Lafarge
- Colgate Palmolive
- PZ Cussons
- Sara Lee
- Reckitt Benckiser
Rest of Africa - Agenda

- Where is Nampak in Africa
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Rest of Africa – Current Strategic Initiatives

- Angola
  - Beverage can line
    $150 m, commissioning March 2011
- Nigeria
  - Beer Labels
    New label press – commissioning October 2010
  - Expand capacity and range in metals – ointment, paint, food
- Zambia
  - New paper bag line to supply Illovo - commissioning February 2011
  - Label line for SAB
- Zimbabwe
  - Supply of cement sacks ex SA
- Kenya / East Africa
  - Expand metal supply
  - Additional paper bag and sack capacity
Rest of Africa - Agenda

- Where is Nampak in Africa.
- Where are the opportunities in Africa
- Nampak strategy in Africa
- Summary of current strategic initiatives
- Regional update
Nampak Nigeria
**Company**                  | **Shareholding** | **Products**
---|---|---
Nampak Cartons | 100 % | Cartons / Labels

**Key Issues**

- Established operation now with good skills and equipment
- Underpinned by 10 year supply agreement to BAT
- Good growth prospects in beer labels and FMCG multi-nationals

**Strategy**

- Expand into non cigarette markets
- Expand into non paper products
Nigeria Metals - Issues

Listed company – Nampak shareholding 57%

Competitive Advantages

• Reasonably high barriers to entry – already established
• Only two major independent players in Nigeria
• Existing reinvestment programme is bearing fruit
• Site is ideally located near customer base and industrial hub of Lagos
• Customers are looking for a reliable supplier to partner their growth strategies

Competitive Disadvantages

• Under-invested in equipment, skills, infrastructure
Nigeria Metals - Strategy

• Reinvest in productive output of plant

• Grow with existing customer base and invest behind this growth

• Leverage the technical competence of RSA

• Acquisitions

• Expand product portfolio to include other Nampak product lines
Competitive Advantages

• Reasonably high barriers to entry – established in Kenya, Tanzania and Ethiopia (25%)
• Only 4 major independent players in East Africa in metals
• Good manufacturing base in Kenya
• Reputation as the premium supplier
• Duty protection and need for local supply
• Substantial growth in the beverage sector is being seen across the region

Competitive Disadvantages

• Under-investment (only metals + some paper)
• Have historically run the region as separate entities – see as East Africa/COMESA/SADC
East Africa - Strategy

- Invest in productive output of plant
- Follow lead brand owners in region
  - Beverage
  - Food
- Develop additional product ranges
  - Sacks/Bags – increase capacity of existing JV
- Leverage the technical competence of RSA
Competitive Advantages

• Only local manufacturer
• Good customer relationships
• Good equipment

Competitive Disadvantage

• Skills and size

Strategy

• Secure contracts with major customer
• Leverage technical competence of RSA
Mini Nampak

- Liquid Paper & Plastic
- Steel drums
- Paper & Board
- Crowns
- Plastic crates

Revenue
$30m
Zambia-Liquid Paper: Sorghum Beer

Competitive Advantages
• Preferred container (conical)
• Manufacturing footprint (RSA, Malawi & Zambia)
• Low-cost filling machines
• Service infrastructure
• SAB contract

Competitive Disadvantages
• SAB dominant customer
• Printing graphics (4 colours)

Strategy
• Retain market share
• Follow SABMiller to other territories
• Innovation – closure on conical cartons
Strategy

- Utilise existing capacity
- Expand Mageu market with NBL

Competitive Advantages

- Systems supplier – bottle, cap and filling equipment

Competitive Disadvantage

- Low cost self-manufacture by customers
Zambia – Steel Drums

Competitive Advantages

• Sole local supplier

Competitive Disadvantage

• Old paint and printing equipment

Strategy

• Milk
Competitive Advantages

• Good printing facilities
• Technical backup from Cartons & Labels South Africa
• Part of Cartons & Labels manufacturing hub in Southern Africa

Competitive Disadvantage

• No gravure label capacity

Strategy

• Supply Zambian Breweries with beer labels
• Regional expansion
Zambia - Crowns

Competitive Advantages

• Sole local supplier
• Spare capacity
• Import duties

Competitive Disadvantage

• Low cost crowns from RSA and Kenya

Strategy

• Retain local business
• Regional supply
  • Malawi
  • DRC
Zambia – Plastic Crates

Competitive Advantages

• Sole viable local supplier
• Technical backup from Megapak South Africa

Competitive Disadvantage

• Low priced imports from Megapak Zimbabwe

Strategy

• Restrict capacity to ensure high equipment utilisation
Malawi

<table>
<thead>
<tr>
<th>Company</th>
<th>Shareholding</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIM (listed)</td>
<td>64%</td>
<td>Corrugated</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sorghum beer cartons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sacks</td>
</tr>
</tbody>
</table>

Key Issues:

- Only significant local player in big tobacco market
- Small but growing market in sorghum beer and sacks

Strategy

- Grow sales to tobacco market / sacks market (agency)
- Leverage regional sorghum packaging strategy
- Close sacks manufacturing operation - to be supplied from RSA
<table>
<thead>
<tr>
<th>Company</th>
<th>Shareholding</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hunyani (listed)</td>
<td>39%</td>
<td>Cartons/corrugated sacks</td>
</tr>
<tr>
<td>Megapak</td>
<td>49%</td>
<td>Crates / Rigid Plastics</td>
</tr>
<tr>
<td>CMB</td>
<td>100%</td>
<td>Metals / Rigid Plastics</td>
</tr>
</tbody>
</table>

**Key Issues**

- Good growth prospects (tobacco / sacks)
- Indigenization Laws
- Political Stability
- Not full management control

**Strategy**

- Adopt a wait and see attitude
Nampak Group
Nampak vs Alsi – 10 year trend

index

Nampak

ALSI
Nampak vs Alsi – recent trend

index

Mar-09  Jul-09  Nov-09  Mar-10  Jul-10

ALSIconnect

Nampak
Nampak vs Competitors – 10 year trend

Share prices based to 100

- Nampak
- Astrapak
- Bowler Metcalf
Nampak vs Competitors– recent trend

Share prices based to 100

- Nampak
- Astrapak
- Bowler Metcalf

Mar-09 | Jul-09 | Nov-09 | Mar-10 | Jul-10
GROUP COMPETITIVE ADVANTAGES
### Substantial Market shares

<table>
<thead>
<tr>
<th>Packaging</th>
<th>100%</th>
<th>85%</th>
<th>50%</th>
<th>40%</th>
<th>30%</th>
<th>20%</th>
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<tbody>
<tr>
<td>Beverage cans</td>
<td>1</td>
<td></td>
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</tr>
<tr>
<td>Aluminium aerosol cans</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Tinplate aerosol cans</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food cans</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paper sacks</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HDPE milk and juice bottles</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Folding cartons</td>
<td></td>
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<td>1</td>
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<tr>
<td>Flexible plastics</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
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<tr>
<td>PET bottles</td>
<td></td>
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<td>1</td>
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<tr>
<td>Corrugated boxes</td>
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<td></td>
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<tr>
<td>Glass bottles</td>
<td></td>
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<tr>
<td>Non-packaging</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toilet tissue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Diapers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
</tbody>
</table>
Established Base in 12 African Countries

- Nigeria: 2
- Namibia: 1
- Angola: 1 (under construction)
- Zambia: 2
- Botswana: 1
- Swaziland: 1
- Zimbabwe: 7
- Mocambique: 2
- Ethiopia: 1
- Kenya: 1
- Malawi: 1

Total countries with bases: 12
Market Competitive Advantages

- Long-term contracts and cost escalation formulae
- R & D facility
- Comprehensive range of metal, plastic, paper and glass packaging
- Strong brands in toilet paper, tissue, diaper and feminine products
- Recycled product capabilities and high recovery rates
Manufacturing Competitive Advantages

• Technology agreements
• Technical competence
• Generally good kit
• Geographic spread of manufacturing facilities
• In-plant facilities
• High barriers to entry in many sectors
High Barriers to Entry

Approximate Cost

- Bevcan line: 900 Rm
- Glass furnace: 800 Rm
- Tissue mill: 700 Rm
- Gravure printer: 100 Rm
- Litho printer: 100 Rm
Financial Strength

Source: RBS, Astrapak
Other Competitive Advantages

- BEE rating
- Ethical, moral group
- SRI index
- Procurement
- Strong systems
GROUP COMPETITIVE DISADVANTAGES
Competitive Disadvantages

- Power of customers in some areas
- Power of suppliers in some areas
- Wage rates
- Group charges/IT costs
FINANCIAL STRATEGY
Financial Strategy

- Reduce gearing
- Return on net assets > 20%
- Real growth in HEPS
- Cost focus
- Allocation of capital
Financial Strategy

- Non-performer resolutions
- Capex = depreciation
- Outsource non-core functions
- Working capital management
GROUP STRATEGY
Core Divisions with Competitive Advantages

Retain

South Africa

Africa

Europe
Divisions with Competitive Disadvantages

Fix/Sell/Close

South Africa

Africa

Europe

Disposals in last year

- Disaki *
- L&CP *
- Foam
- Flexpak
- Redibox
- Carmoc
- Containers

* Subject to regulatory approval
<table>
<thead>
<tr>
<th>Key Opportunities Africa</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Angola</td>
<td>Beverage plant (phases 1 &amp; 2) Other Nampak products once beverage plant commissioned</td>
</tr>
<tr>
<td>Nigeria</td>
<td>Metals Cartons &amp; Labels</td>
</tr>
<tr>
<td>Zambia</td>
<td>Sacks Labels</td>
</tr>
<tr>
<td>Kenya</td>
<td>Tea sacks Maize bags Metals</td>
</tr>
</tbody>
</table>
## Nampak Group Strategy

### Key Opportunities

#### South Africa

| Divfood   | Monobloc aerosol  
<table>
<thead>
<tr>
<th></th>
<th>2 piece cans</th>
</tr>
</thead>
</table>
| Tissue    | Diapers           
|           | 2 ply tissues     |
| Closures  | Supershorty       
|           | DBJ               |
| Liquid    | Long life milk    |
| Glass     | Wide mouth jars   
|           | Additional capacity |

#### Europe

| Plastics  | Arla in plant  
|           | N Ireland       |
|           | Lightweighted bottles |
Nampak Group Strategy - Conclusion

1. Focus and invest in core divisions where we have a sustainable competitive advantage.

2. Continue disposal of divisions with competitive disadvantage.

3. Take advantage of numerous opportunities in core operations in Africa, South Africa and Europe.

4. Stratplan aims to deliver a smaller group that will be more focused, more profitable, improved margins & RONA and with significantly reduced debt.
Thank you