Welcome to Nampak’s Investor Day

Durban: 11 September 2013
Programme for the Day

- Beverage Cans and Glass - Charles Bromley
- Africa growth – Rob Morris
- Nampak Flexible – Clinton Farndell
- Aerosol investment – Ephraim Msane
- Address by Andrew Marshall
- Tour of Flexible factory
- Finger lunch
- Depart for DivFood Mobeni at 14:00
- Tour of aerosol line
- Depart for King Shaka
- Arrive King Shaka at 16:30
Beverage Cans
South Africa, Angola and Nigeria

Charles Bromley: Group Executive Metals & Glass
Growth – RSA Speciality Cans

<table>
<thead>
<tr>
<th>index</th>
</tr>
</thead>
<tbody>
<tr>
<td>130</td>
</tr>
<tr>
<td>125</td>
</tr>
<tr>
<td>120</td>
</tr>
<tr>
<td>115</td>
</tr>
<tr>
<td>110</td>
</tr>
<tr>
<td>105</td>
</tr>
<tr>
<td>100</td>
</tr>
<tr>
<td>95</td>
</tr>
<tr>
<td>90</td>
</tr>
</tbody>
</table>

Nampak packaging excellence
Growth – Value Packs 440 ml

index

80 100 120 140 160 180 200 220 240 260 280

South Africa - beverage cans

- Consumer perceptions of cans
  - Fundamental shift continues

- Customer support/conversion to cans
  - Both big and smaller customers looking to invest in filling equipment
    - Upgrades – approximately R100m
    - New installations – 8 Can lines
    - Currently in progress – 2 high speed lines
People Like ME!!
People Like ME!!
• Short-term pain for long-term gain

• We are sacrificing margin short-term to secure long-term supply contracts and guaranteed volumes
Angola

- Existing line almost at full capacity – continued good growth
  - Support demand from South Africa
- Proceeding with expansion
- Decision for 2nd line substrate still pending
- Duties are COMING, but final ratification still pending
  - Many brand owners pushing ahead with local filling operations
Nigeria - beverage cans

- Nigerian market opportunity being pursued
- Option is Greenfield or acquisition
Overall Outlook for Beverage Cans

Beverage can outlook in South Africa, Angola and Nigeria very promising
• Overall glass market volumes are soft

• Despite this the market has sought a viable second supplier in the glass manufacturing supply chain

• Nampak Glass have secured term contracts for >85% of the future 3-furnace structure capacity
Benefits of a 3rd Furnace to Nampak Glass

- Three furnaces for three main colours – less colour changes
- Improved energy efficiency built into design
- UPS to ensure continued up-time with unreliable power supply
- Faster machines with more accurate precision production capability
- Higher flexibility built into the design
- More automated manufacturing
• Short-term pain – longer-term gain
• Implementation a bit slower but happening
  o Target end-June 2014
• Some impact on 2013
Front loading of benefits to secure contracts and volume for 3rd furnace
Nampak Glass - Conclusion

• Expect a significant recovery next year in performance
• Impact of 3rd furnace will be small with start up and commissioning in last quarter of next financial year
• Further volume growth as Nampak seen as a true strategic player in the South African glass market by our customers
Thank You
Rest of Africa Growth

Rob Morris: Group Executive Paper & Flexibles
Nampak in the Rest of Africa

12 countries
Revenue +/- R2.5bn pa
Trading margin >15%
Trading Profit: 6 months to March

<table>
<thead>
<tr>
<th>Year</th>
<th>Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>58</td>
</tr>
<tr>
<td>2010</td>
<td>56</td>
</tr>
<tr>
<td>2011</td>
<td>89</td>
</tr>
<tr>
<td>2012</td>
<td>142</td>
</tr>
<tr>
<td>2013</td>
<td>197</td>
</tr>
</tbody>
</table>
Rest of Africa Trading Profit

2013:
- Rest of Africa: 28%
- SA & UK: 72%

2015:
- Rest of Africa: 35%
- SA & UK: 65%
## Where Nampak Operates

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
<th>GDP</th>
<th>GDP Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria</td>
<td>168m</td>
<td>$263bn</td>
<td>6.6%</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>92m</td>
<td>$43bn</td>
<td>8.5%</td>
</tr>
<tr>
<td>Tanzania</td>
<td>48m</td>
<td>$28bn</td>
<td>6.9%</td>
</tr>
<tr>
<td>Kenya</td>
<td>43m</td>
<td>$37bn</td>
<td>4.3%</td>
</tr>
<tr>
<td>Uganda</td>
<td>36m</td>
<td>$20bn</td>
<td>3.4%</td>
</tr>
<tr>
<td>Ghana</td>
<td>25m</td>
<td>$41bn</td>
<td>7.9%</td>
</tr>
<tr>
<td>Mozambique</td>
<td>25m</td>
<td>$15bn</td>
<td>7.4%</td>
</tr>
<tr>
<td>Angola</td>
<td>21m</td>
<td>$114bn</td>
<td>6.8%</td>
</tr>
<tr>
<td>Malawi</td>
<td>16m</td>
<td>$4bn</td>
<td>1.9%</td>
</tr>
<tr>
<td>Zambia</td>
<td>14m</td>
<td>$21bn</td>
<td>7.3%</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>14m</td>
<td>$11bn</td>
<td>5.0%</td>
</tr>
<tr>
<td>Botswana</td>
<td>2m</td>
<td>$14bn</td>
<td>6.1%</td>
</tr>
<tr>
<td>Namibia</td>
<td>2m</td>
<td>$13bn</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Source: World Bank
## Where Nampak Does NOT Operate

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
<th>GDP</th>
<th>GDP Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRC</td>
<td>66m</td>
<td>$18bn</td>
<td>7.2%</td>
</tr>
<tr>
<td>Chad</td>
<td>12m</td>
<td>$11bn</td>
<td>5.0%</td>
</tr>
<tr>
<td>Rwanda</td>
<td>11m</td>
<td>$7bn</td>
<td>8.0%</td>
</tr>
<tr>
<td>Burundi</td>
<td>10m</td>
<td>$25bn</td>
<td>4.0%</td>
</tr>
<tr>
<td>CAR</td>
<td>5m</td>
<td>$2bn</td>
<td>4.1%</td>
</tr>
<tr>
<td>Congo</td>
<td>4m</td>
<td>$14bn</td>
<td>3.8%</td>
</tr>
<tr>
<td>Gambia</td>
<td>2m</td>
<td>$1bn</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

Source: World Bank
Customers Investments in Africa
Update on Angola

- New production facility/warehouse for various expansion projects
- 2nd can line
Update on West Africa

Nigeria

- Beverage can manufacture
- Glass
- Rigid plastics (commissioning Sept 2013)
- Sorghum beer cartons (commissioned July 2013)

Ghana

- Investigating 2 acquisition opportunities (metals and rigid plastics)
Update on Ethiopia

- Acquisition in Ethiopia (currently 25% equity)
- Green fields operation investigation
- Crates Manufacture – (commissioning October 2013)
Thank You
Market Share: South Africa

Value added sector of the market
Key Market Issues

- Good growth in flexible packaging (4.9% across the region)
- Market driven by innovation and development
- Flexibles currently the substrate of choice, particularly in Africa
  - driven by affordability
  - improved barrier properties
  - convenience (reseal ability and easy opening)
Key Market Segments and Customers

Industries supplied
• Beverages and Wine Bags
• Confectionery
• Household products
• Industrial
• Soup and sauce
• Tobacco
• Margarine
• Dairy
• Snack Food
• Tyre

Major customer base
• Unilever
• Simba
• Distell
• Tastic
• Tiger Brands
• Nampak
• Masterfoods
• Nestle
• National Brands / AVI
• Colgate
• Mondelez / Kraft
• Yeastpro
Manufacturing Process

- **EXTRUSION**
  - Mono
  - Multi layer

- **PRINTING**
  - Flexographic print
  - Gravure print

- **LAMINATING**
  - Solvent based
  - Solvent less
  - Water based
  - Polyethylene or extrusion
  - Wax

- **SLITTING**

- **POUCHING**
  - Flat or Stand Up
  - Spouted or re sealable

- **BAGGING**
  - 2 litre to 210 litre
Flexible Division

FLEXIBLE KZN
Extrusion, Lamination, Gravure & Flexographic printing of Flexible Film & Foil reels

FLEXIBLE WESTERN CAPE
Extrusion Lamination, Gravure & Flexographic printing of Flexible Film & Pouches. Conversion to pouch & bags

FLEXIBLE P.E.
Extrusion & Embossing of Flexible Film
Broad Nampak Flexible Strategy

- Remain focussed on added value markets
- Maintain market shares at A customers
- Invest behind innovation opportunities
  - 7 layer co ex, laser, pouches & printing
- Drive growth into Africa
  - eg. cube foil, single serve, refills (pouches)
- Speed to market priorities
Gravure Printer

- Review at K Show – Oct 13
- Expected commissioning in July 14
2 x Pouch Machines and 1 x Spout Inserter installed in June 2012.
Nampak Flexible Certifications

- ISO 14001:2004 – Environmental Management System
- BRC Packaging Issue 4 – Packaging Safety System, Grade A both plants
- AIB – Food Safety System 800 Points unannounced
- H.A.C.C.P. principles are applied as part of the BRC Certification
- OHSAS 18001:2007 - Occupational Health and Safety Management System
- Oliver Wight – Journey towards A Class business - IBM
- SEDEX –B member since 2008. Part of the SEDEX Product Advisory Board since 2011.
- BBBEE – Level 4 Contributor
Gold Pack 2013 Finalists
Thank You
Aerosol Investment

Ephraim Msane: Managing Director  Nampak DivFood
DivFood Mobeni Sales

- Paint: 27%
- Sealed Oil: 14%
- Shoe Polish: 13%
- General Products: 1%
- Aerosols: 45%
Mobeni Plant Key Statistics

- Production lines
  - Monobloc Aerosol: 6
  - Paint, Oil & General: 12
  - Shoe Polish: 6
  - Printing: 10

- Area Under Roof: 50 000 m²
Monobloc Aerosol Cans
Monobloc Historic Growth

![Graph showing historical growth of Monobloc](image)

- DivFood Supply
- Imported Empty
- Imported Filled
Major Monobloc Customers

- Unilever: 41%
- Revlon: 16%
- Rolfe: 4%
- Tiger: 7%
- Exports: 30%
- Other Local: 2%
Line 5 commissioned 2011
Line 6 Commissioned 2013
Conclusion

- Capacity increased from 3 to 6 lines in the last 5 years, as demand continued to grow
- Customers being approached to convert from imports to local supply
- Increased capability to meet current shaping and design requirements
- Off peak capacity is sold to the export market
- Monobloc aerosols set to continue as a strategic growth area for Nampak