

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**

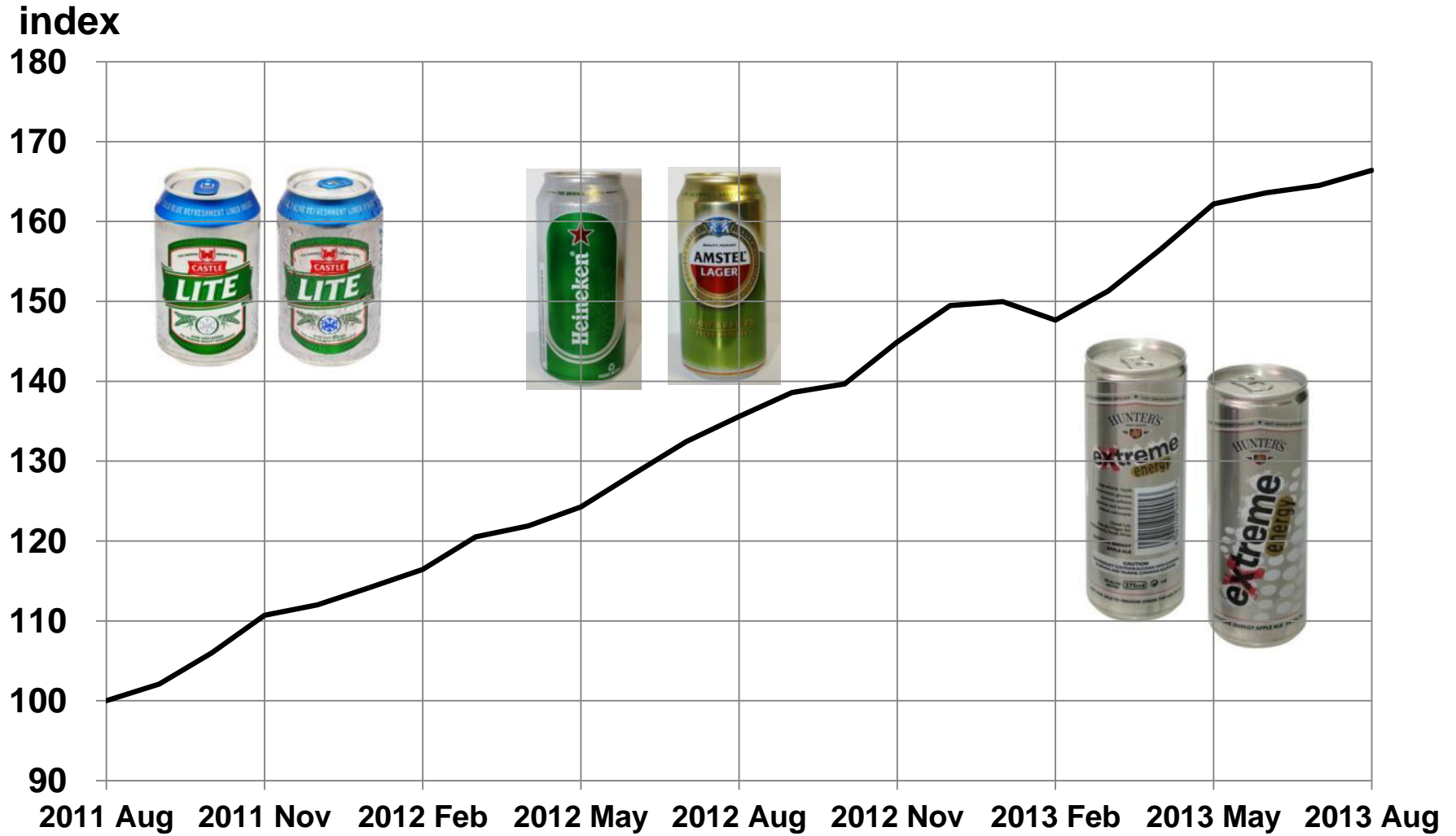
Beverage Cans

South Africa, Angola and Nigeria

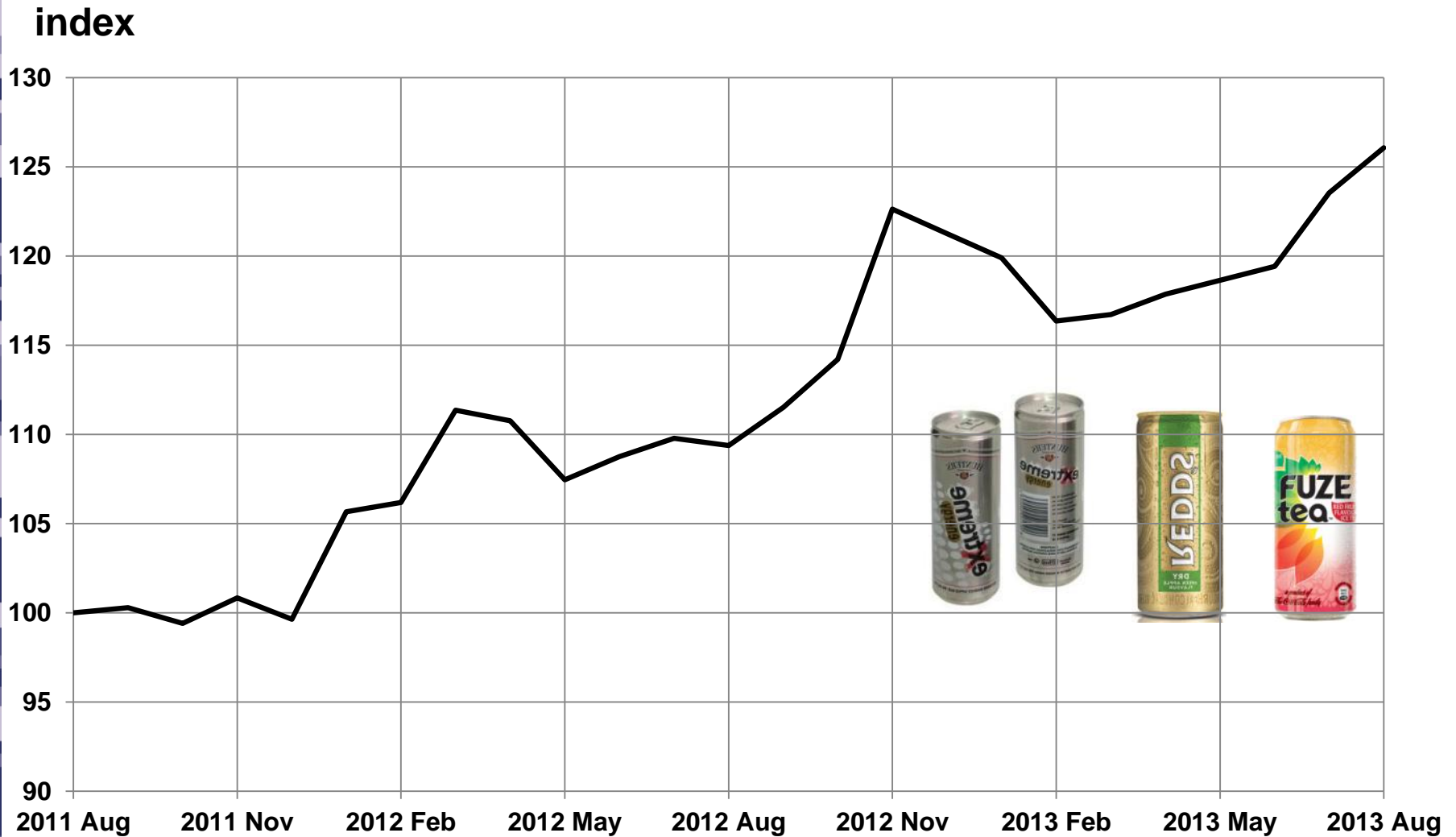


Charles Bromley: Group Executive Metals & Glass

Growth - Alcoholic Drinks

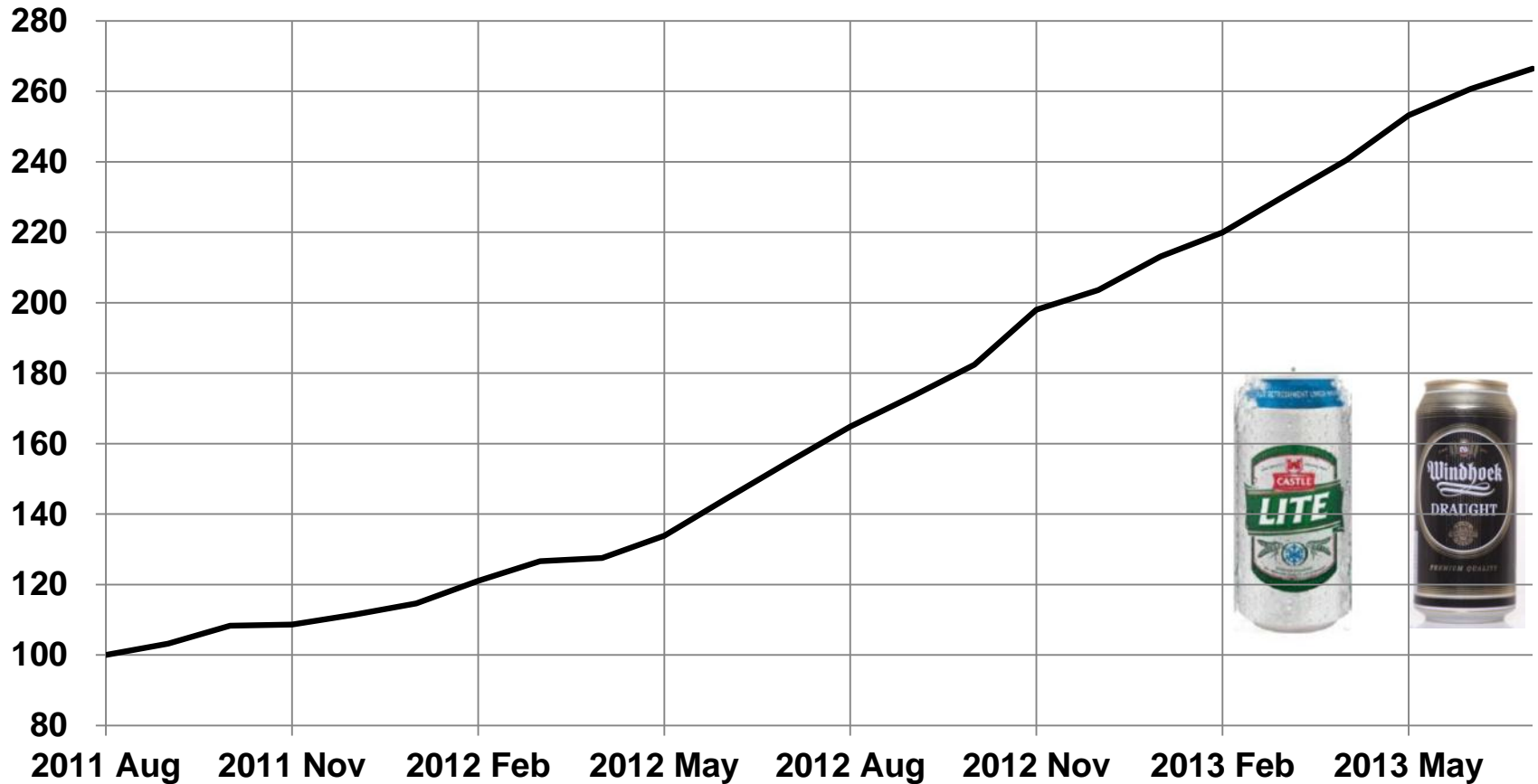


Growth – RSA Speciality Cans



Growth – Value Packs 440 ml

index



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!!



South Africa - long-term contracts

- **Short-term pain for long-term gain**
- **We are sacrificing margin short-term to secure long-term supply contracts and guaranteed volumes**

- **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



Nampak Glass



Charles Bromley: Group Executive Metals & Glass

Nampak Glass

- 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**



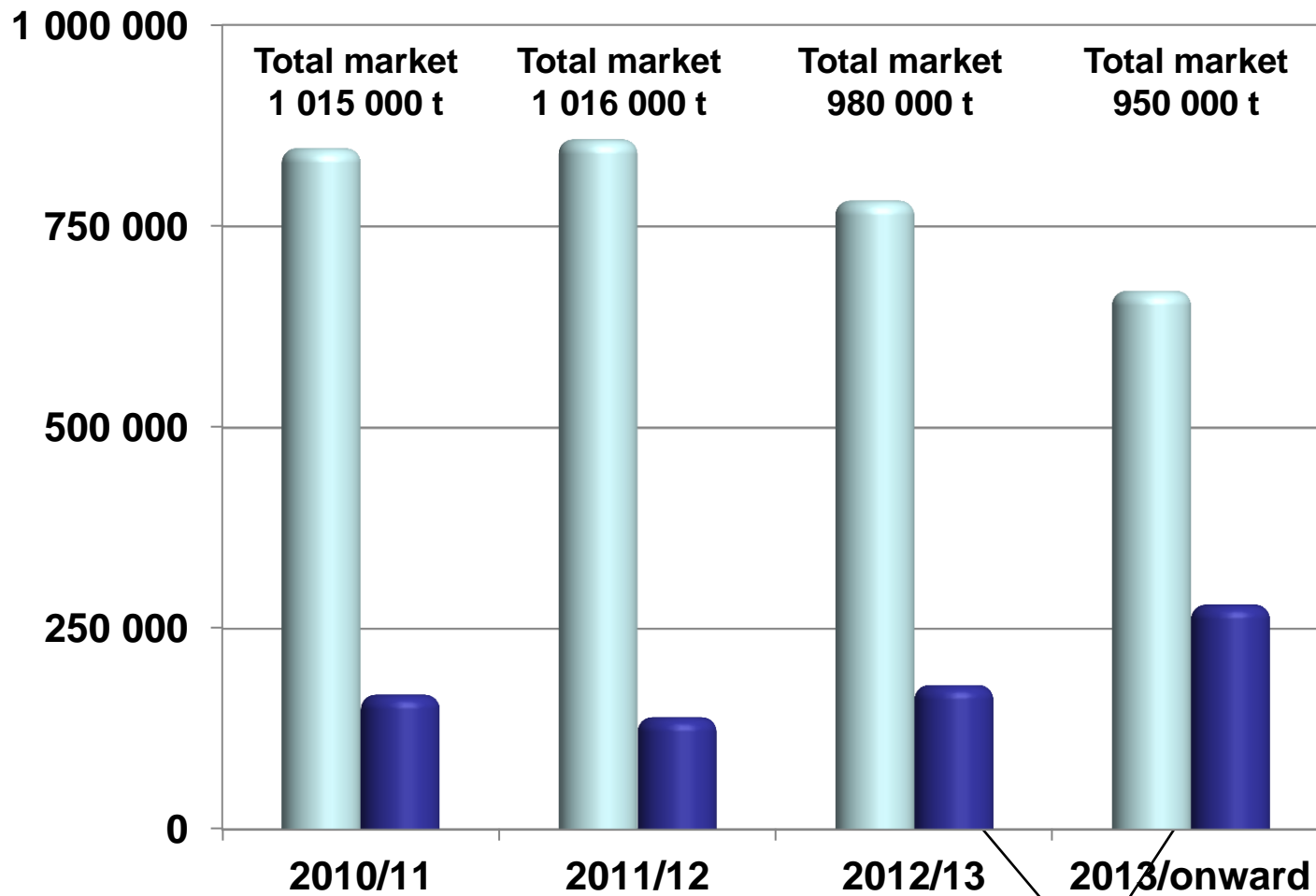
Nampak
packaging excellence

Nampak Glass

- **Short-term pain – longer-term gain**
- **Implementation a bit slower but happening**
 - **Target end-June 2014**
- **Some impact on 2013**



Nampak Glass



■ Consol
■ Nampak



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



Nampak
packaging excellence

Thank You

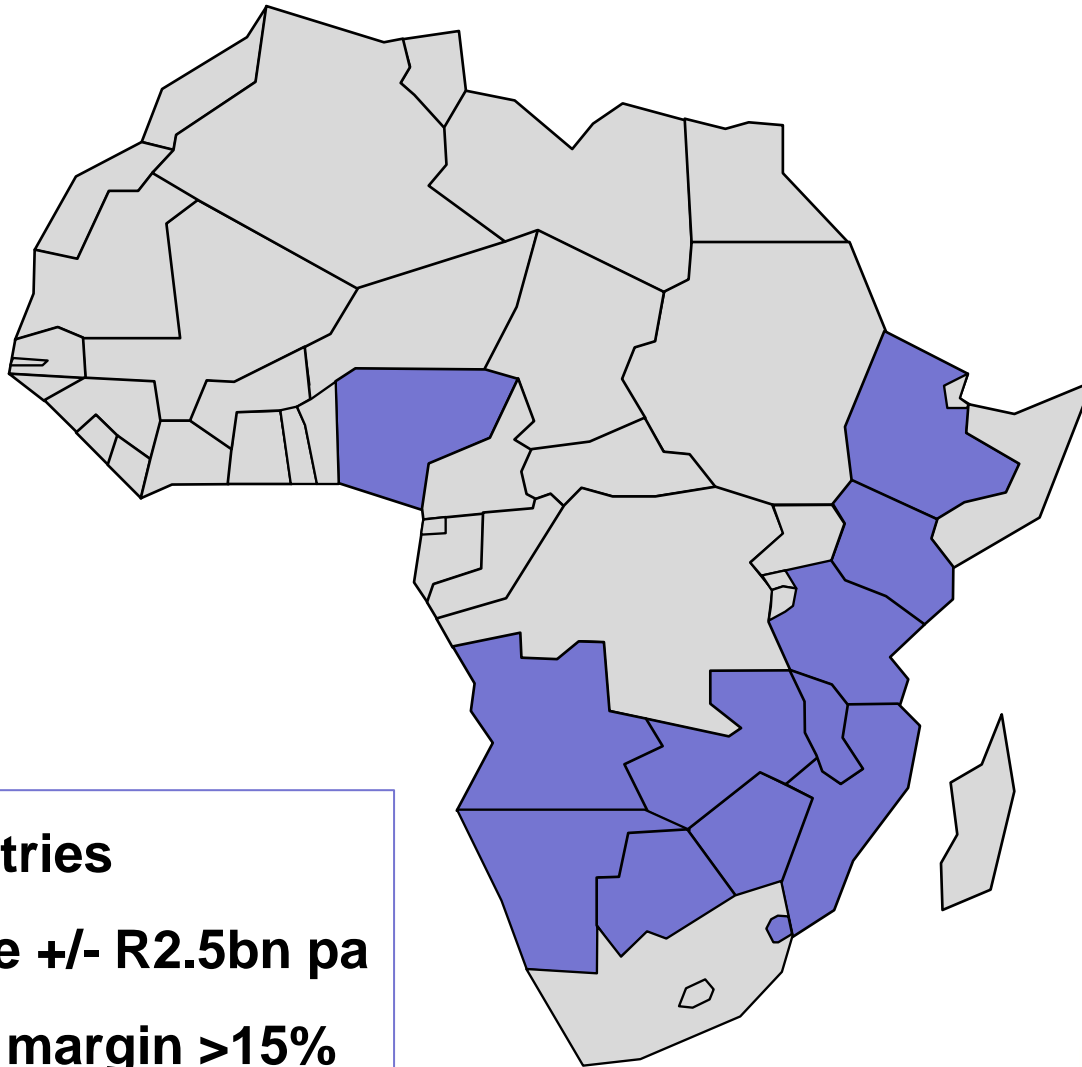


Rest of Africa Growth



Rob Morris: Group Executive Paper & Flexibles

Nampak in the Rest of Africa

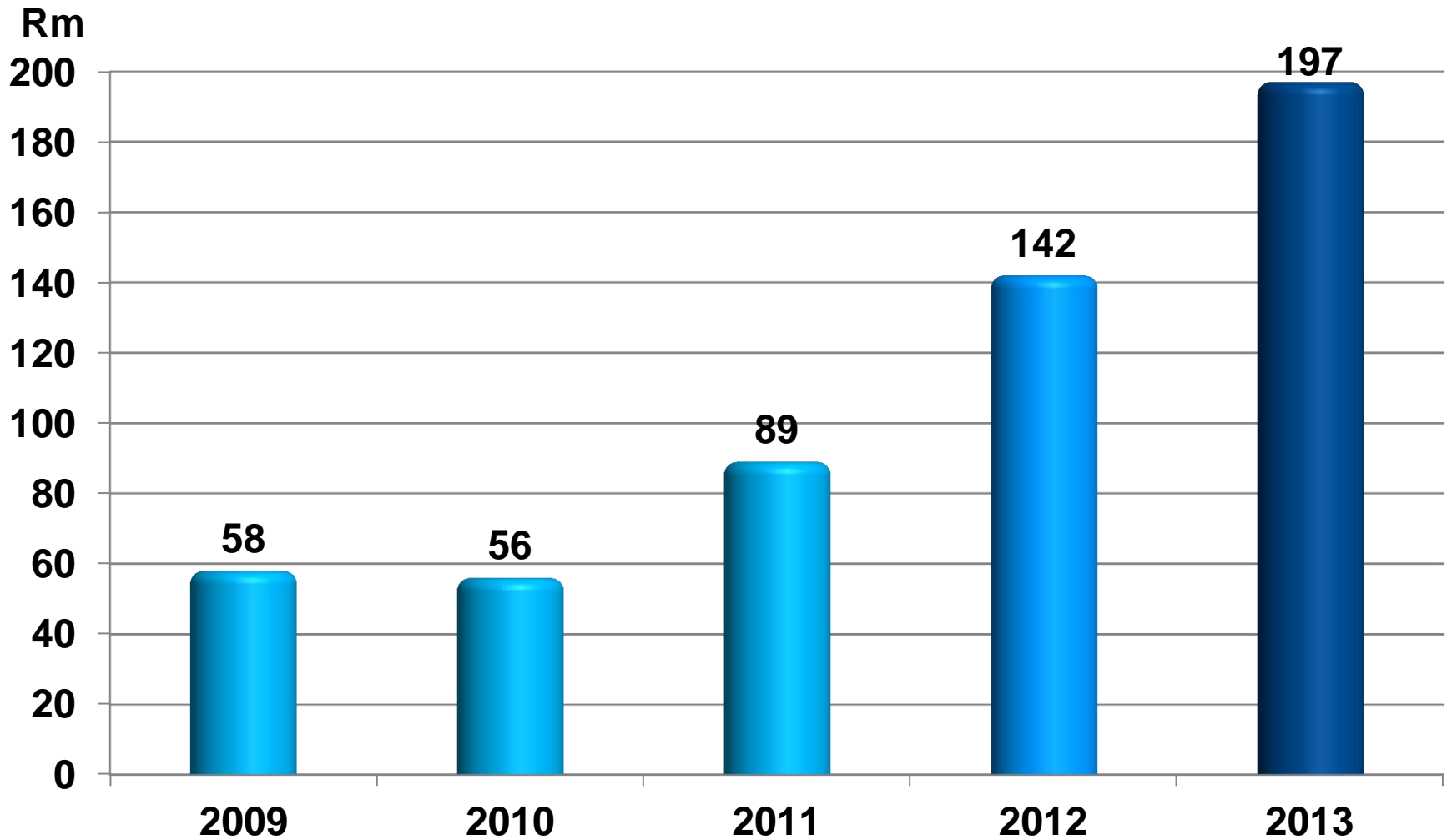


12 countries

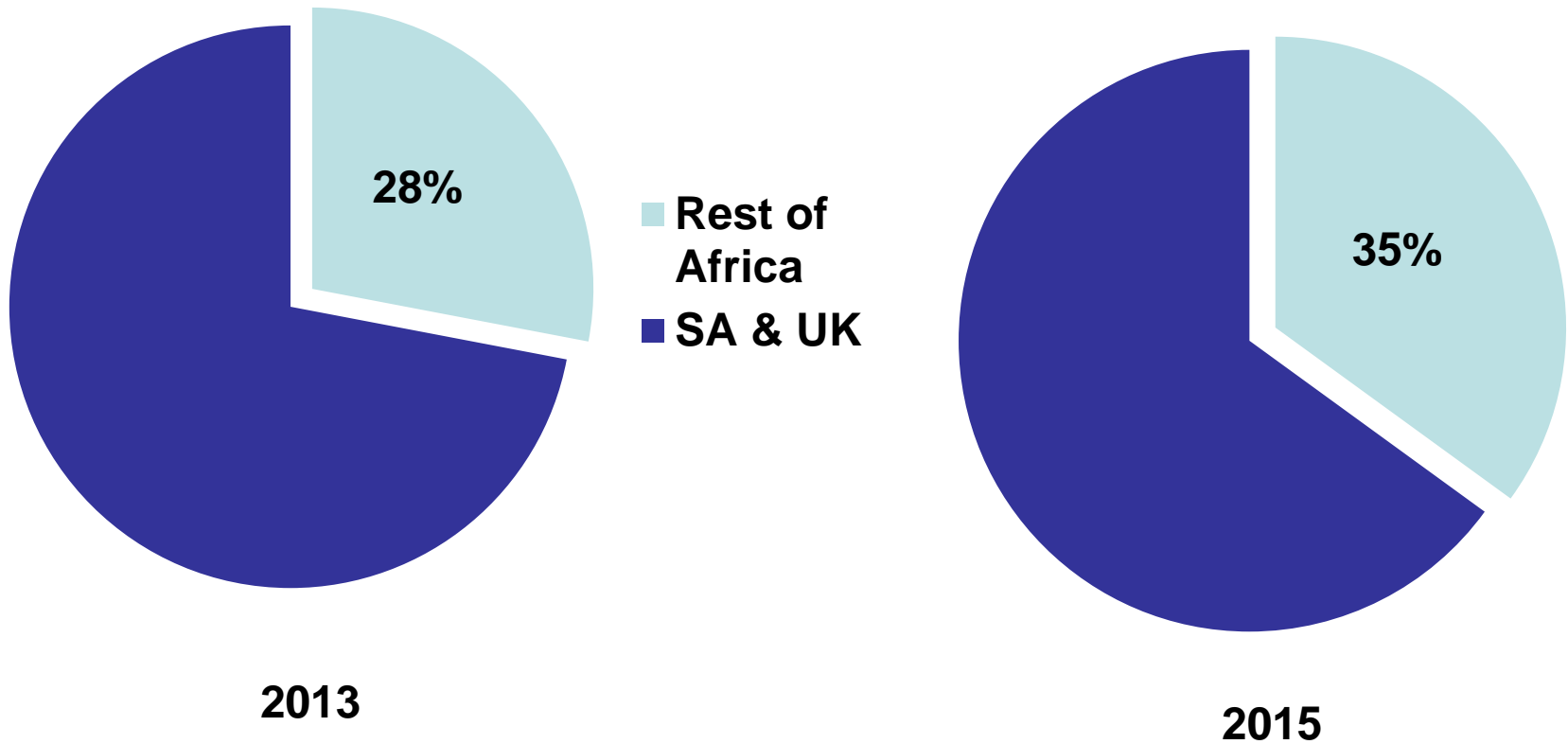
Revenue +/- R2.5bn pa

Trading margin >15%

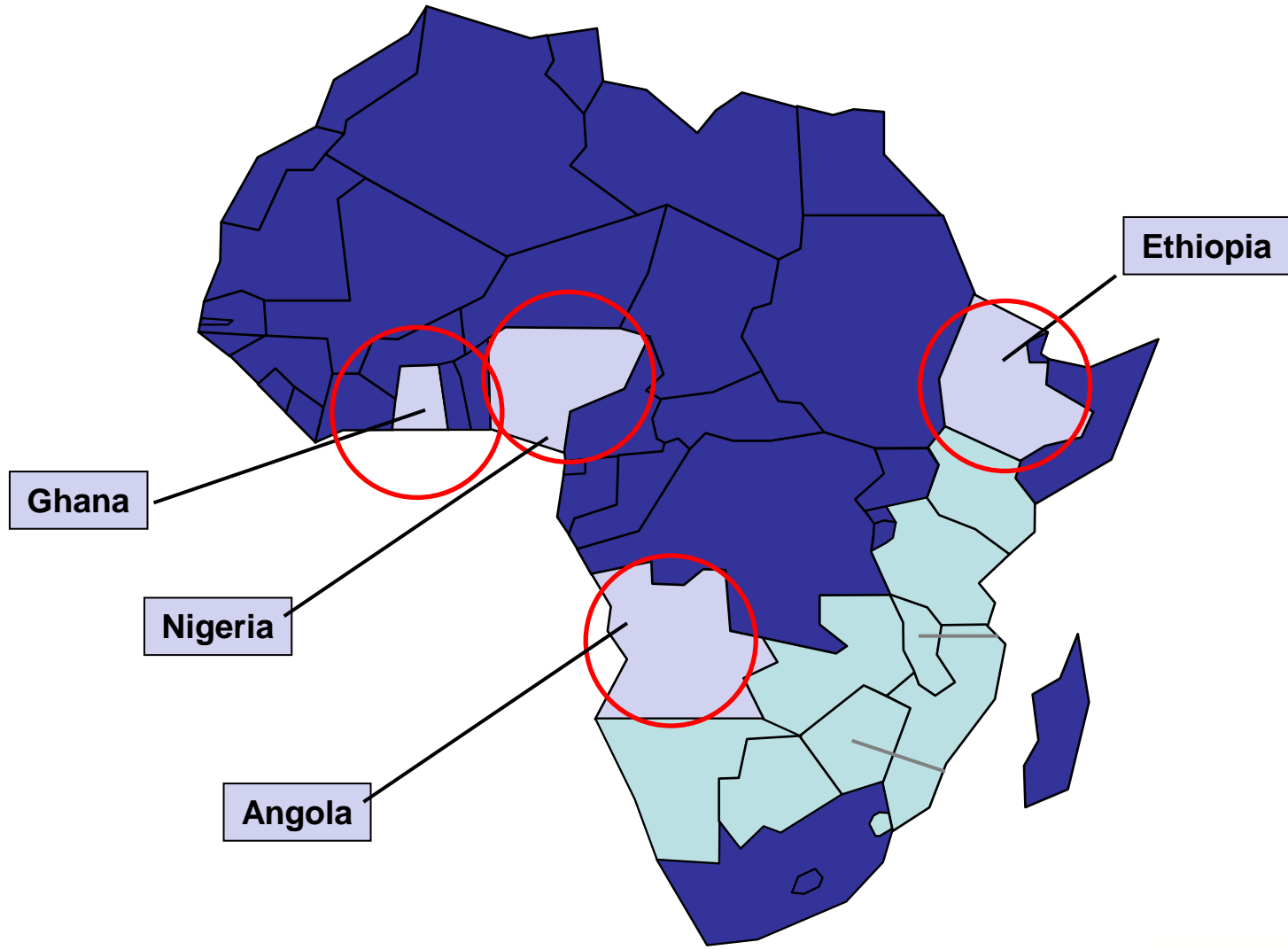
Trading Profit : 6 months to March



Rest of Africa Trading Profit



New Expansions



Where Nampak Operates

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

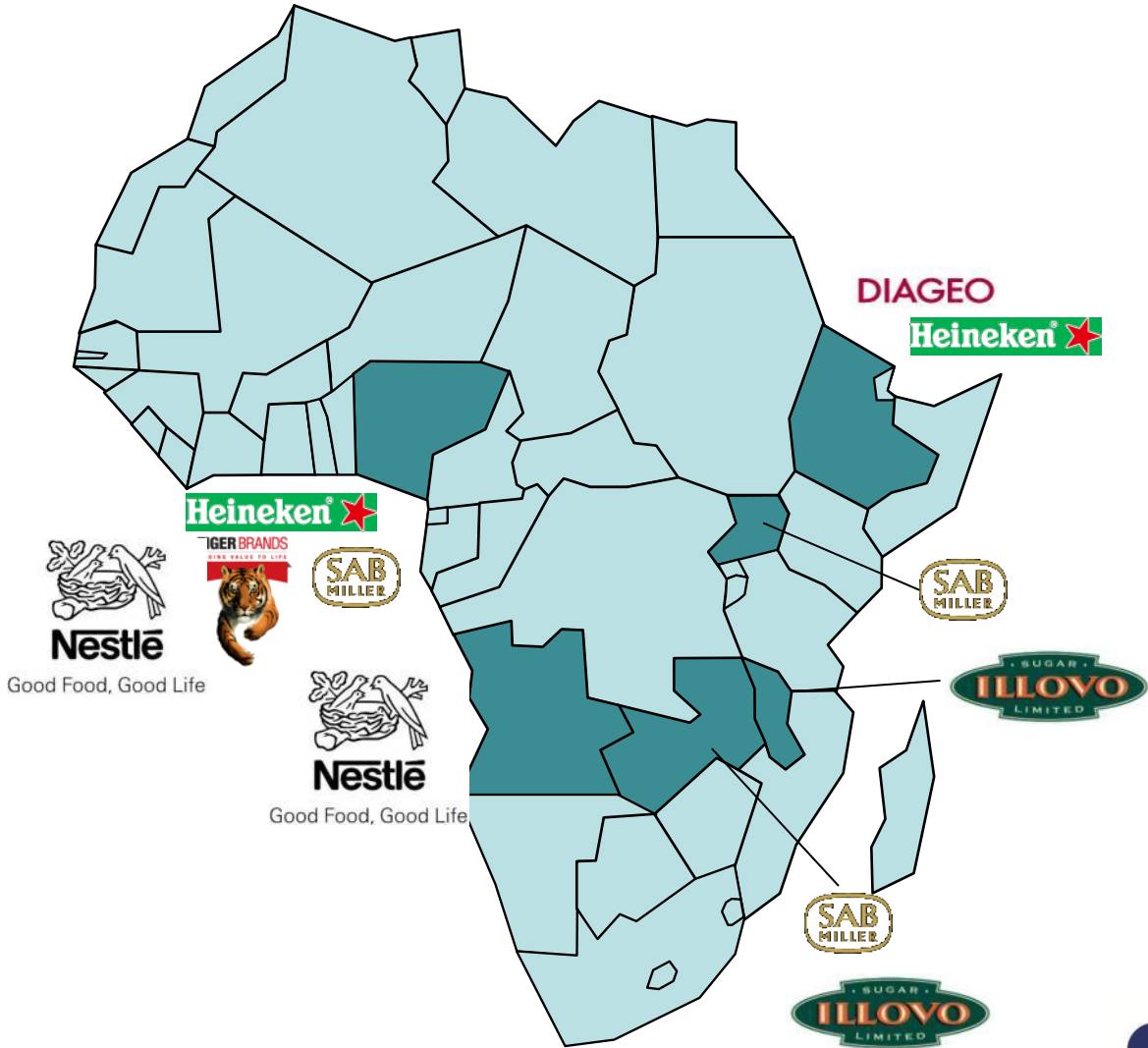
Source: World Bank

Where Nampak Does NOT Operate

Country	Population	GDP	GDP Growth
DRC	66m	\$18bn	7.2%
Chad	12m	\$11bn	5.0%
Rwanda	11m	\$7bn	8.0%
Burundi	10m	\$25bn	4.0%
CAR	5m	\$2bn	4.1%
Congo	4m	\$14bn	3.8%
Gambia	2m	\$1bn	6.0%

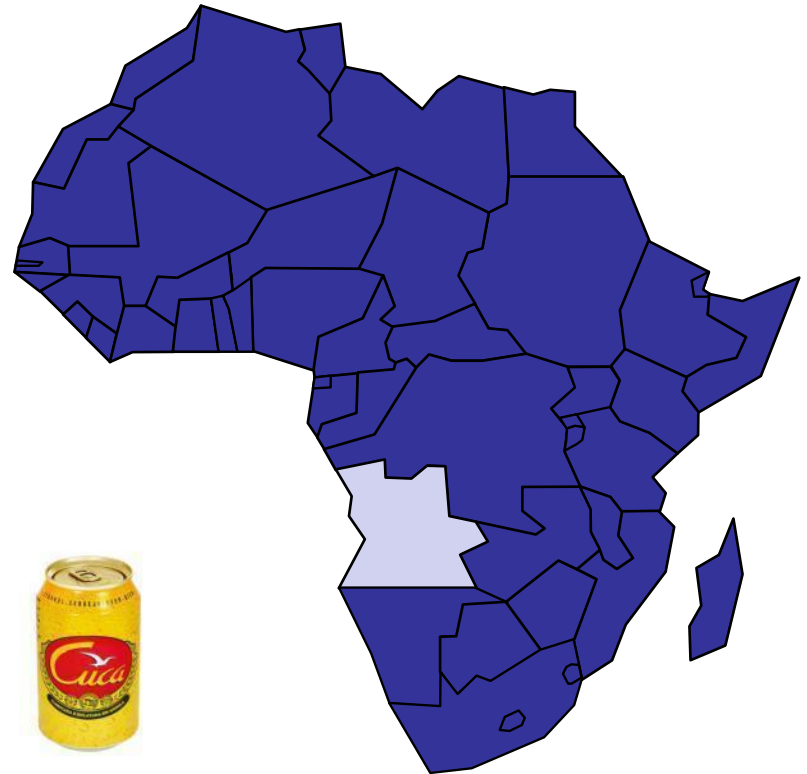
Source: World Bank

Customers Investments in Africa



Update on Angola

- New production facility/warehouse for various expansion projects
- 2nd can line



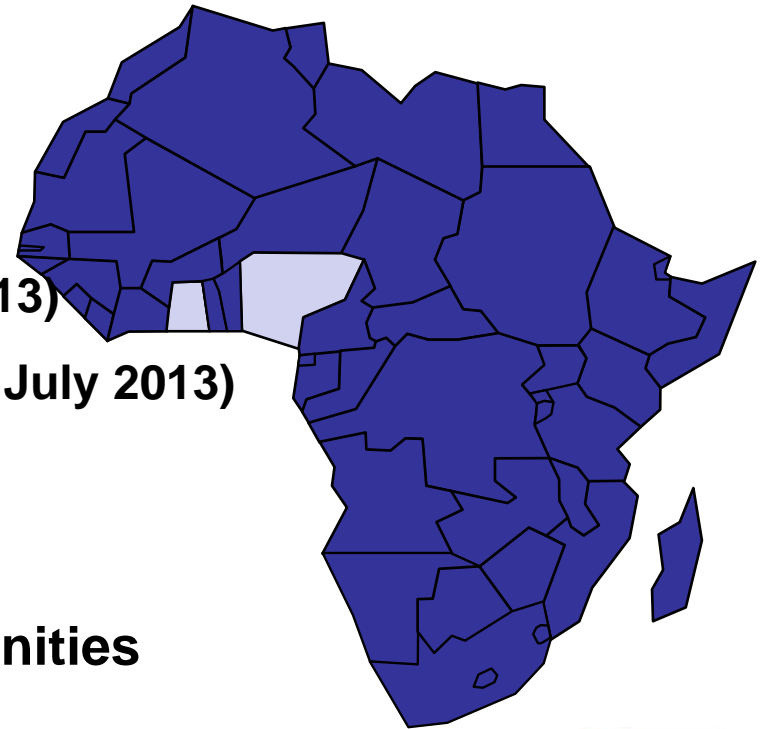
Update on West Africa

Nigeria

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

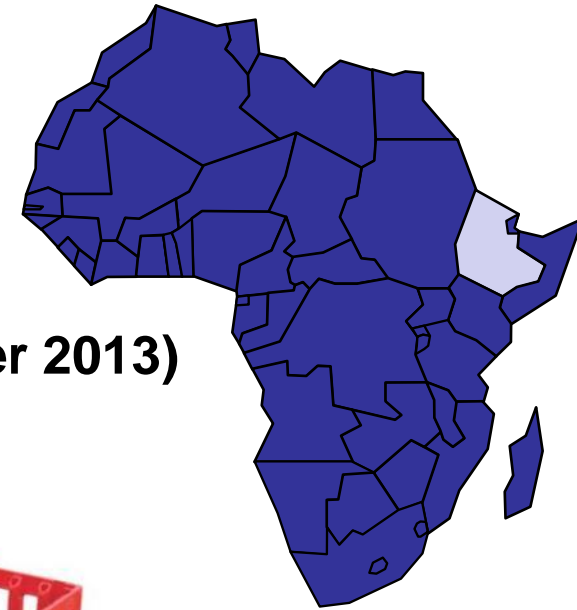
Ghana

- 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



Nampak Flexible



Clinton Farndell: Managing Director Nampak Flexible

Brands Supported

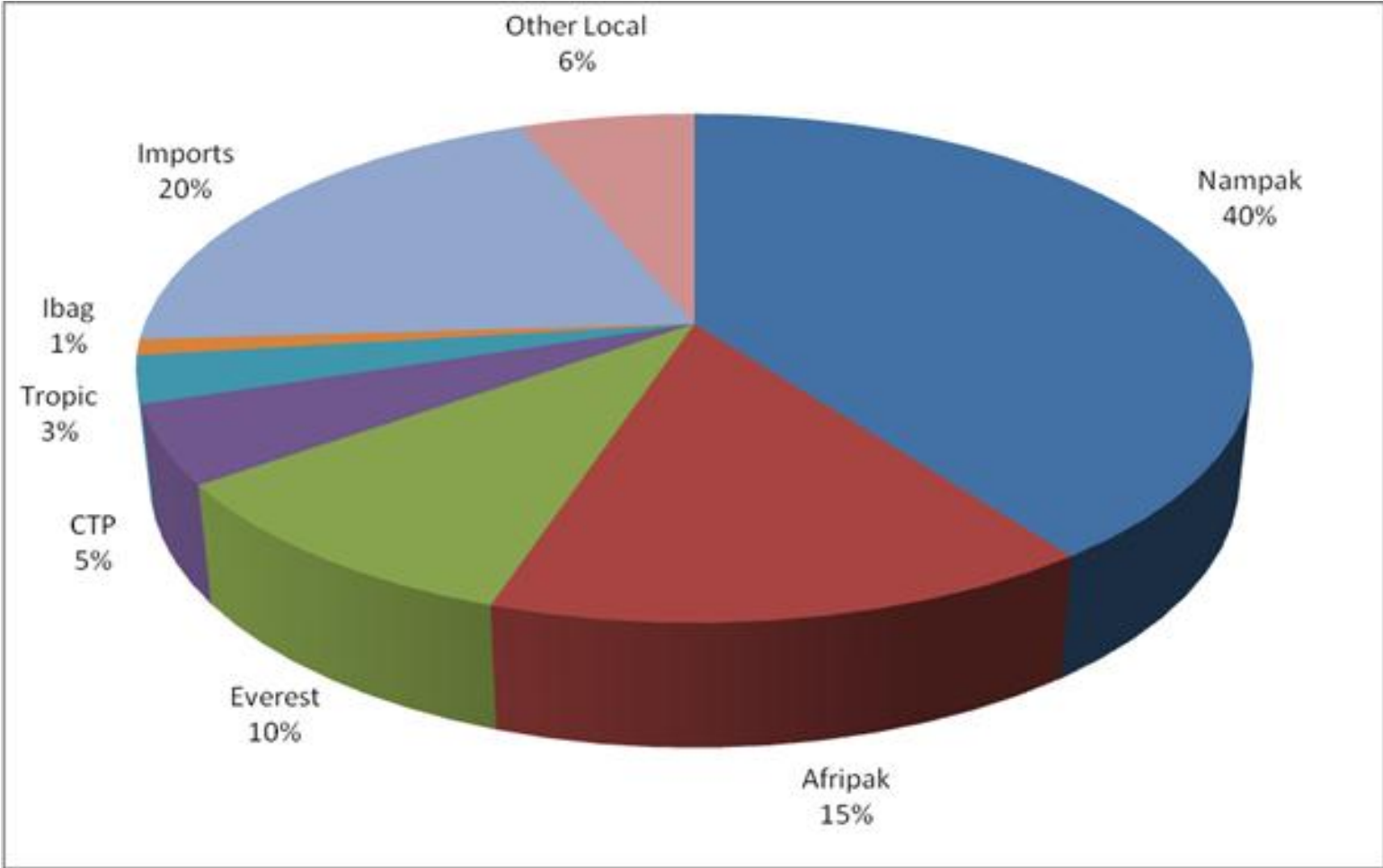


LUX



Nampak
packaging excellence

Market Share: South Africa



Value added sector of the market



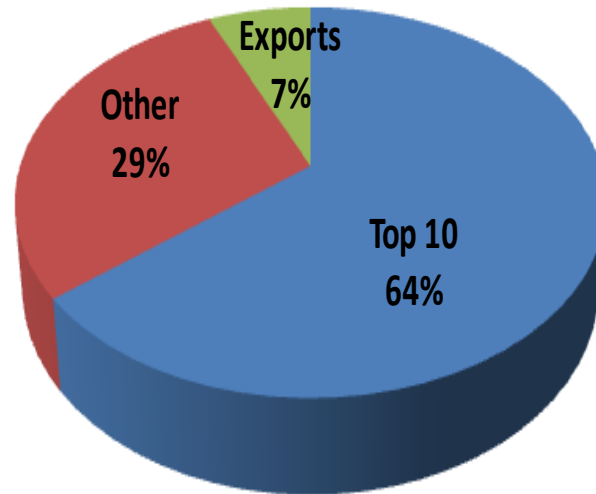
Key Market Issues

- **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

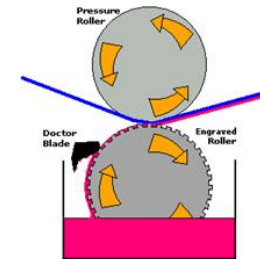
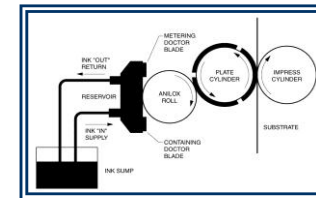


Major customer base

- 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 &
and 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**

7-Layer Extruder



Gravure Printer



- Review at K Show – Oct 13
- Expected commissioning in July 14

Pouch Machines and Spout Inserter



**2 x Pouch Machines and 1 x Spout Inserter
installed in June 2012.**

Nampak Flexible Certifications

SABS
ISO 9001

SABS
OHSAS 18001

SABS
ISO 14001

Oliver Wight
OLIVER WIGHT



- **ISO 9001: 2008** – Quality Management System
- **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



EMPOWERDEX
Economic Empowerment Rating Agency

Nampak
packaging excellence

Gold Pack 2013 Finalists



Thank You



Aerosol Investment

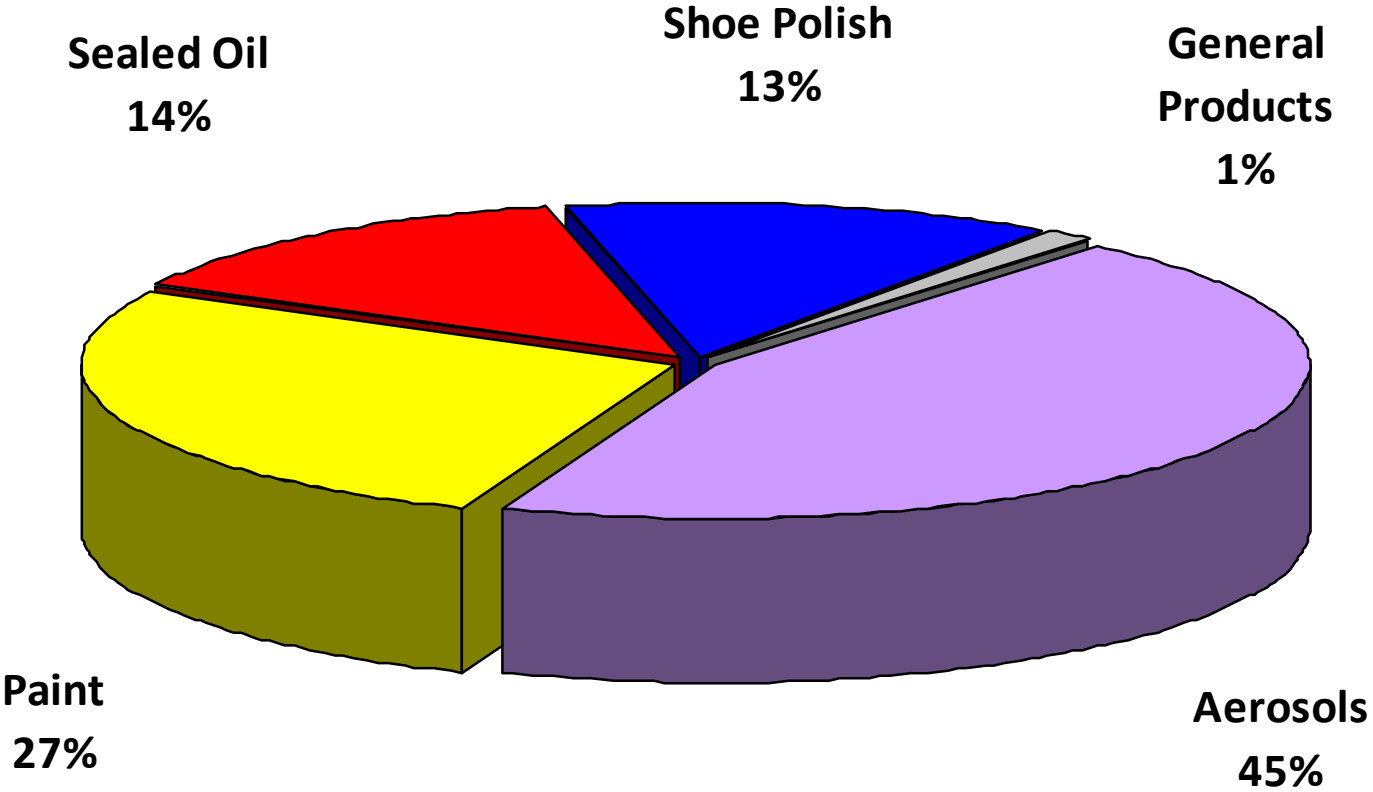


Ephraim Msane: Managing Director Nampak DivFood

DivFood Mobeni Product Range



DivFood Mobeni Sales



Mobeni Plant Key Statistics

- **Production lines**
 - Monobloc Aerosol 6
 - Paint, Oil & General 12
 - Shoe Polish 6
 - Printing 10
- **Area Under Roof 50 000 m²**

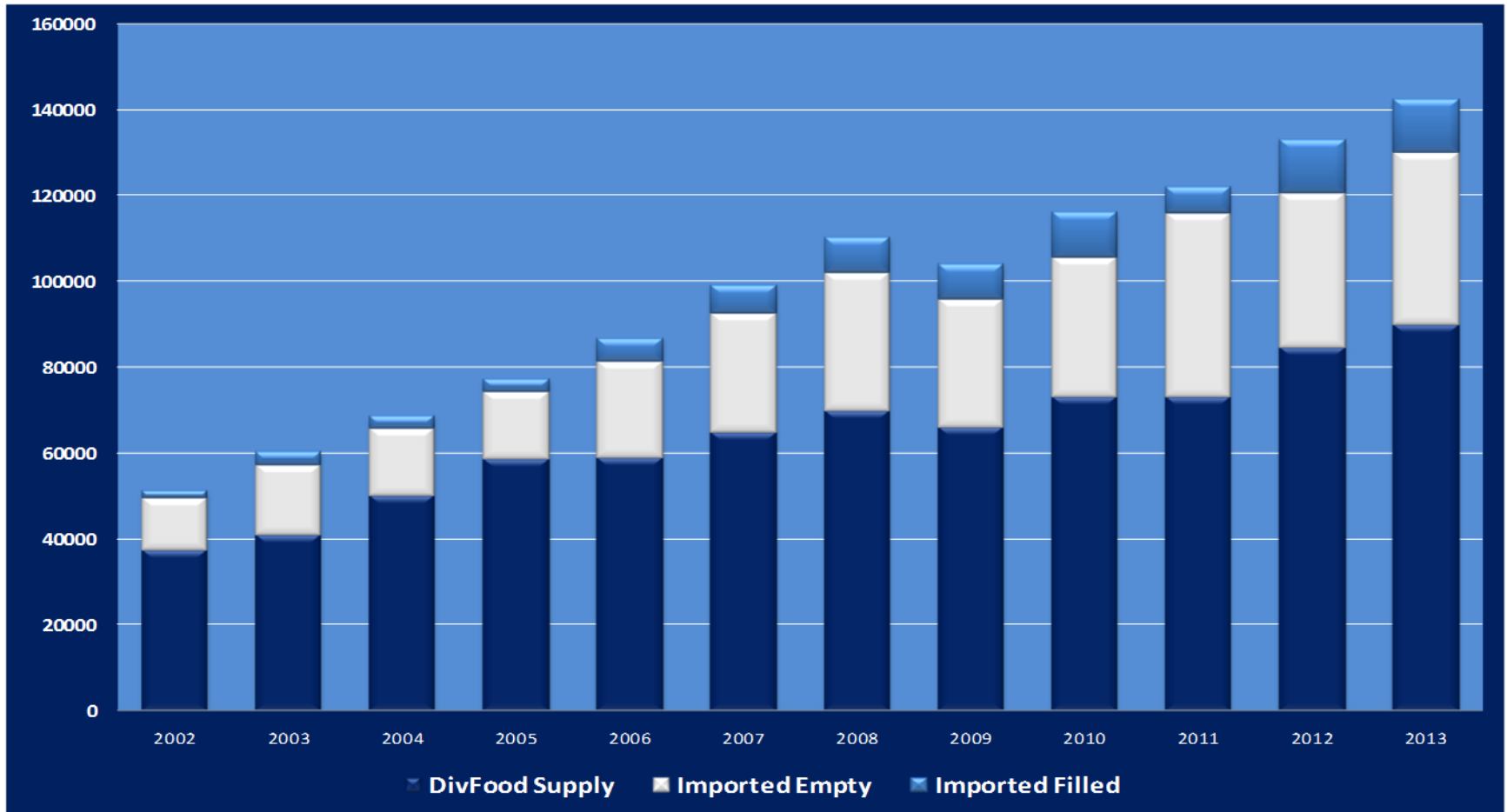


Monobloc Aerosol Cans

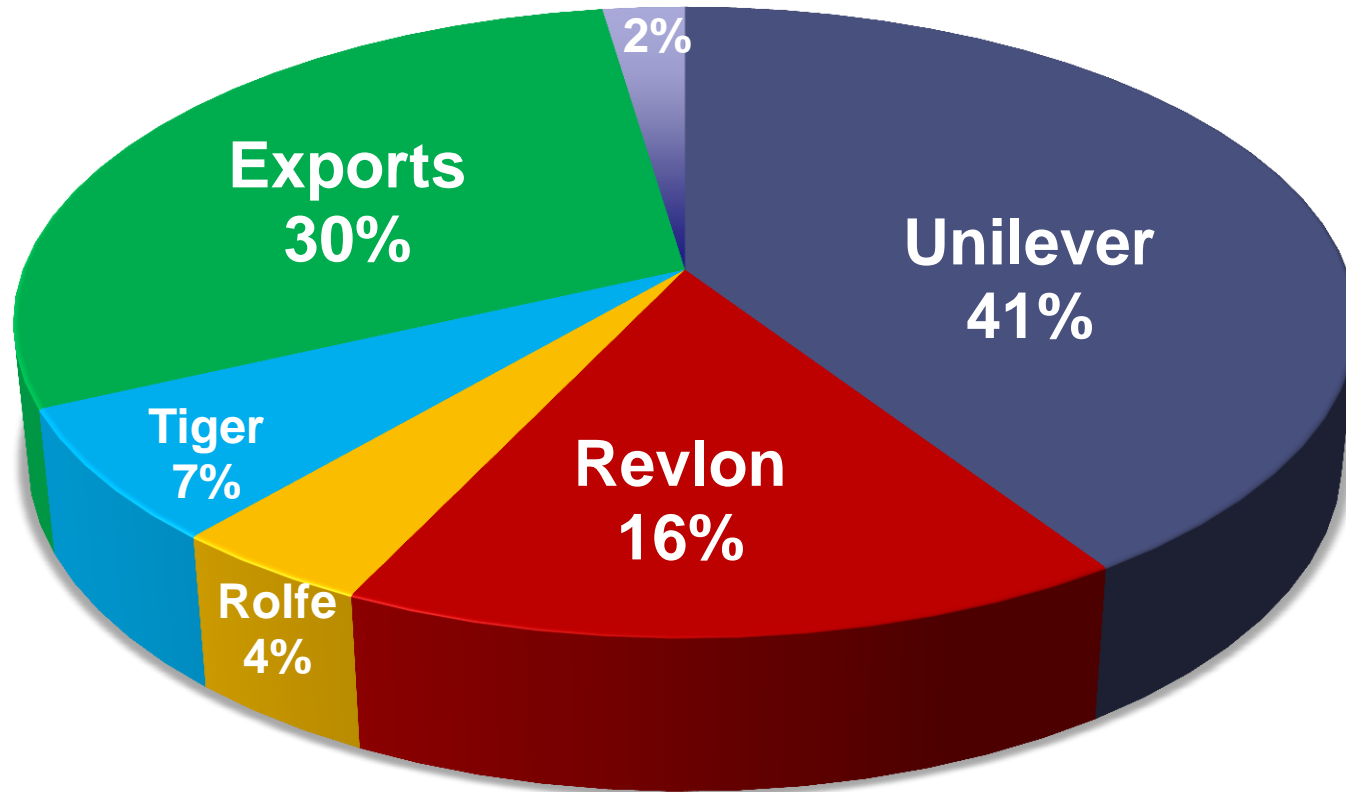


Nampak
packaging excellence

Monobloc Historic Growth



Major Monobloc Customers



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**

Thank You

