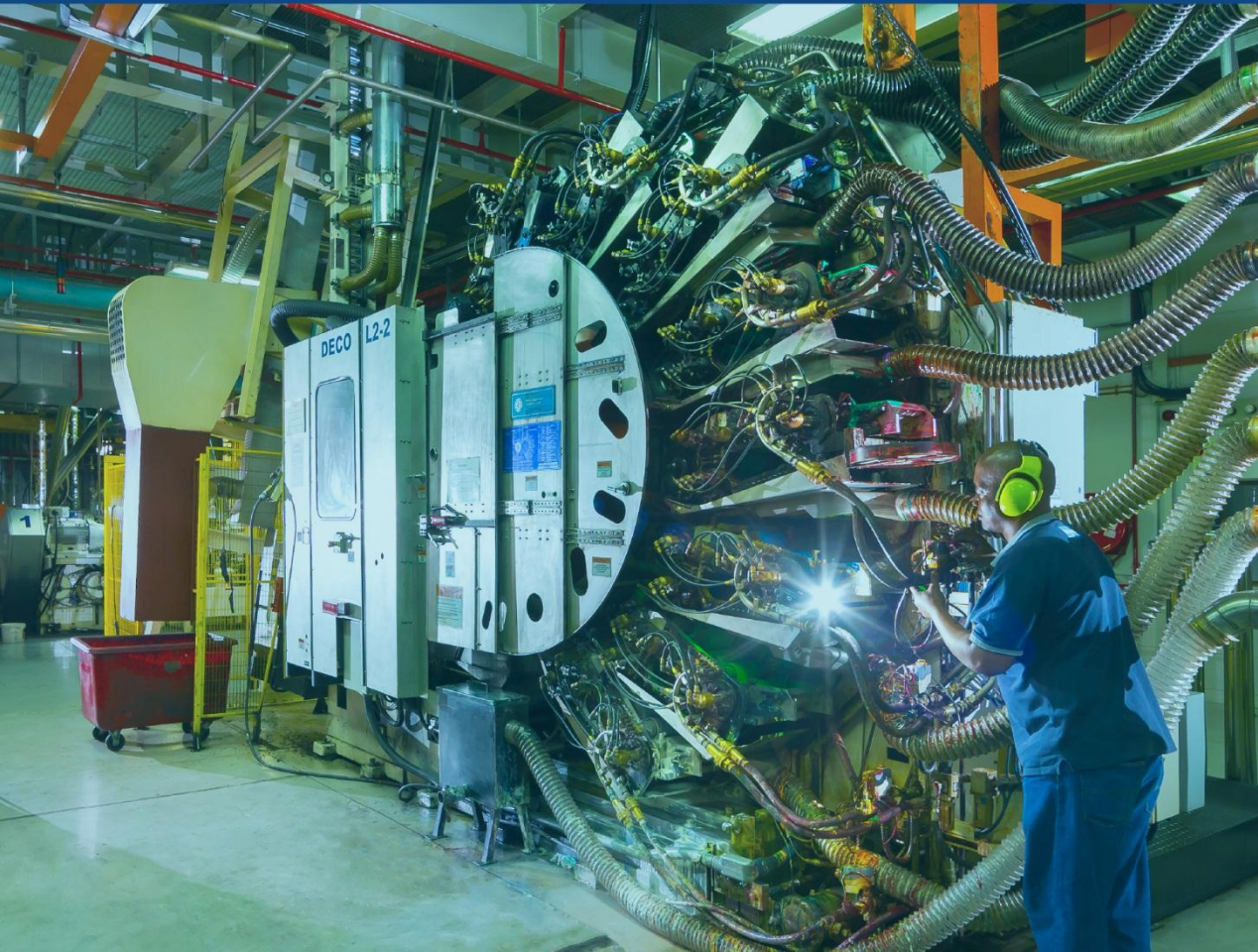


Annual Results 2015



November 2015



Forward looking statements



We may make statements that are not historical facts and relate to analyses and other information based on forecasts of future results and estimates of amounts not yet determinable. These are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Words such as “believe”, “anticipate”, “expect”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour” and “project” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that predictions, forecasts, projections and other forward-looking statements will not be achieved.

If one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. The factors that could cause our actual results to differ materially from the plans, objectives, expectations, estimates and intentions in such forward-looking statements are discussed in each year’s annual report. Forward-looking statements apply only as of the date on which they are made, and we do not undertake other than in terms of the Listings Requirements of the JSE Limited, to update or revise any statement, whether as a result of new information, future events or otherwise. All income forecasts published in this report are unaudited. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein.

› **Portfolio rationalisation**

- › Successful sale of Corrugated, Tissue, Flexible, Recycling and Sacks divisions

› **Business performance**

- › Decks cleared for a much improved performance
- › Continued growth and strong performance of beverage can businesses
- › Foreign currency liquidity issues in key markets impacted results

› **Invest to compete**

- › R2.2 billion capex invested

› **Buy better**

- › Initial savings from “Buy Better” programme delivered

› **Make better**

- › Operations excellence initiatives gaining solid traction
 - New aluminium can lines ramped up in line with expectations
 - Spoilage at Bevcan Springs continues to improve
 - Glass issues fundamentally resolved and poised to deliver a strong performance in FY16

› **Sell better**

- › Successful conclusion of long-term agreements for Bevcan, Glass and DivFood



**Group revenue from
continuing operations**

 **13%**

**Rest of Africa now 49%
of group trading profit,
up from 37% in 2014**

**Net profit from
continuing operations**

 **2%**

**HEPS from continuing
operations**

 **6%**

**Revenue and trading profit
from the rest of Africa**

 **43%**

**Trading profit from
continuing operations**

 **10%**

**Group operating profit
from continuing operations**

 **9%**

**Final dividend per share
92.0 cents bringing the
total dividend to 134.0
cents**

Financial results



Group financial results for year-end

R million	2015	2014	%
Revenue	17 291	15 306	13
Trading profit	1 820	1 657	10
Abnormal items (loss)/profit	(139)	186	
Operating profit	1 681	1 843	(9)
Net finance costs	(279)	(308)	9
Share of (loss)/profit from assoc.	(3)	33	
Profit before tax	1 399	1 568	(11)
Tax benefit/(expense)	57	(142)	
Profit for the period from continuing operations	1 456	1 426	2
Discontinued operations	(395)	(222)	
Profit for the year	1 061	1 204	(12)
HEPS continuing	208.2	221.9	(6)

Revenue up 13%

Trading profit up 10%, despite disappointing first half performance from Glass

Significant adverse change in abnormal items

Revenue and trading profit from rest of Africa up 43%, now 49% of group

Operating profit down 9%, impacted by abnormal items

EBITDA of R2.5 billion, in line with prior year

Effective tax rate of (4%)

HEPS down 6%

	REVENUE (R million)			TRADING PROFIT (R million)			TRADING MARGIN (%)	
	2015	% Δ	2014	2015	% Δ	2014	2015	2014
South Africa	10 599	8	9 798	736	(4)	768	6.9	7.8
Rest of Africa	4 724	43	3 294	884	43	617	18.7	18.7
United Kingdom	1 968	(11)	2 214	118	(19)	146	6.0	6.6
Corporate	–	–	–	82	(35)	126	–	–
Group	17 291	13	15 306	1 820	10	1 657	10.5	10.8

- › Modest revenue growth in South Africa with margins impacted by
 - » higher than expected spoilage at Bevcan Springs
 - » difficult start to year at Glass
- › Strong performance in Rest of Africa, driven by Bevcan Angola and Bevcan Nigeria
- › United Kingdom affected by margin pressures in milk industry
- › Corporate services impacted by
 - » decline in property rental income due to disposals
 - » accounting impact of associates now fully consolidated

Segmental by substrate

Trading profit from continuing operations up 10%

	REVENUE (R million)			TRADING PROFIT (R million)			TRADING MARGIN (%)	
	2015	% Δ	2014	2015	% Δ	2014	2015	2014
Metals	9 933	18	8 429	1 254	19	1 050	12.6	12.5
Plastics	5 011	3	4 849	376	16	325	7.5	6.7
Paper	1 470	41	1 044	184	(10)	204	12.5	19.5
Corporate	–	–	–	82	(35)	126	–	–
Group excl. Glass	16 414	15	14 322	1 896	11	1 705	11.6	11.9
Glass	877	(11)	984	(76)	(58)	(48)	(8.7)	(4.9)
Group incl. Glass	17 291	13	15 306	1 820	10	1 657	10.5	10.8

- › Strong growth in metals revenue driven by Bevcan Nigeria and Angola
- › Plastics benefited from aggressive cost-management initiatives
- › Paper revenue growth boosted by consolidation of previously equity accounted associates
- › Glass revenue down 11% due to capitalisation
 - » R251 million in sales excluded
 - » revenue up 15% without capitalisation impact

Translation of financial instruments impacts abnormal items

R million	2015	2014
Trading profit	1 820	1 657
Abnormal items	(139)	186
(Loss)/gain on translation of financial instruments	(141)	210
Net impairment losses	(121)	(37)
Net gain on Nampak Zimbabwe restructure	124	–
Restructuring and retrenchment costs	(103)	(21)
Net profit on disposal of land and buildings	102	24
Other	–	10
Operating profit	1 681	1 843

- › R325 million adverse swing in abnormal items
- › R351 million swing in valuation of financial instruments due to naira and kwanza devaluations against the US dollar
- › Net impairment losses includes R85 million for Bevcan tinsplate lines
- › Net gain on Nampak Zimbabwe restructure offset by net impairment losses
- › Restructuring and retrenchment costs compensated by disposals net profit of land and buildings

Discontinued operations: avoiding future losses

R million	2015	2014
After tax operating loss of discontinued operations	(167)	(206)
After tax loss on disposal of operations	(228)	(16)
Loss for the year from discontinued operations	(395)	(222)

- › 2014: Sale of Cartons and Labels
- › 2015: Sale of low-margin divisions: Corrugated, Tissue, Recycling, Flexible and Sacks
 - » ~R2 billion cash proceeds from sales
 - » Employee productivity improved by 10% – 15%
 - » Last of the major divestitures completed

Group corporate services includes

- › Head office costs
- › Share based payments
- › Corporate activity costs
- › Group treasury services
- › Group property rentals of owned properties
- › Research and development service fees
- › Group pension and medical aid

2015 vs 2014 performance

- › Trading profit down from R126 million to R82 million
 - » Decline in rentals received as a consequence of divestitures
 - » Technical fees charged to associates eliminated on consolidation of Nampak Zimbabwe
 - » Decline in post retirement medical aid (PRMA) credit from R124 million to R43 million
- › Head office costs well controlled with cost management initiatives
 - » Head office head count reduced by 44% by year-end

New third glass furnace (F3) commissioning

- › Performing below contracted expectations and investment case until 31 July 2015
 - » Pack to melt (PTM) ratio below expectations
- › Decisive action taken, including additional testing with improvements from modifications
- › PTM ratio now trending to investment case expectations

IFRS capitalisation completed by 31 July

- › R27 million in additional operating costs incurred to achieve operational efficiencies
- › Operating costs capitalised, net of margin on R251 million revenues during testing
- › Production now ramped up with new furnace stabilised
- › Operating profits delivered in the latter part of year
- › Improved performance is expected to continue

Impact on results

- › R71 million interest costs capitalised to furnace three during year
- › Improved second half with strong results in Aug, Sep and Oct 2015
- › Glass revenues including revenue during testing phase:
 - » up 6% versus first half
 - » up 20% versus prior year second half
 - » up 15% year-on-year
- › Expect to remain unconstrained by demand for glass

	CLOSING RATES			AVERAGE RATES		
	2015	% Δ	2014	2015	% Δ	2014
ZAR/USD	13.86	(22.7)	11.30	12.02	(13.6)	10.58
ZAR/GBP	20.97	(14.4)	18.33	18.56	(5.8)	17.54

- › Group trading results
 - » Impacted by naira and kwanza devaluation versus the US dollar
 - Liquidity issues led to R141 million forex loss
 - » Benefited from translation of non-South African earnings at weaker rand
- › Weaker rand impacts group equity
 - » R775 million increase in foreign currency translation reserve
- › Average exchange rates below year-end close in both years
- › Weaker year-end rand to US dollar rate impacted translation of net long-term debt
- › At year-end, Nampak cash balances in Nigeria and Angola were R700 million (2014: R266 million)
- › During the year more than 50% of ongoing hard currency obligations were secured from Nigerian and Angolan banks

Incentives and lower rates in key markets benefit group tax rate

%	2015	2014
Effective group rate of tax	(4.1)	9.1
Government incentives	9.7	12.1
Prior year adjustments	12.8	0.7
Tax rate differential	9.9	4.0
Withholding tax	(2.7)	(1.9)
Other	2.4	4.0
Normal tax rate	28.0	28.0

- › Tax rate significantly lower than guidance
- › Tax benefit from South African Department of Trade and Industry Section 12I allowance
- › Low tax rates in Nigeria and Angola
- › BEE share scheme expenditure deduction from prior years now claimed
- › Tax rate expected to return to previous guidance range of 15% – 20%

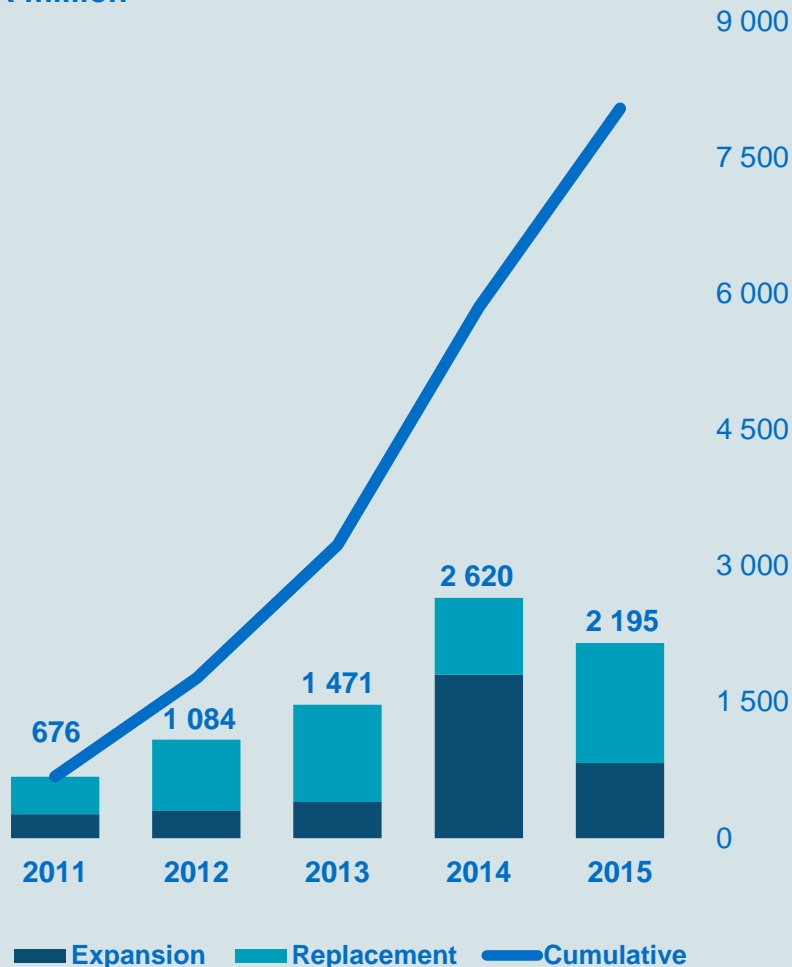
Short term liquidity impacted by repayment of portion of long term debt

R million	2015	2014
Property, plant and equipment	11 026	9 864
Goodwill	3 769	3 166
Other non-current assets	571	668
Current assets	9 041	8 193
Total assets	24 407	21 891
Total equity	9 172	7 883
Non-current liabilities	6 611	7 430
Current liabilities	8 624	6 578
Total equity and liabilities	24 407	21 891

- › PPE increased in line with capex programme
- › Current assets increased 10%
- › 3% due to consolidation of previous associates
- › Interest bearing debt offset by proceeds from disposals and cash from operations
- › Rand weakness impacts translation of dollar portion of long-term debt
- › Net debt to equity improves to 72% (2014: 73%)
- › Net debt to EBITDA at 2.3 times (2014: 2.2 times)
- › Total equity up 16% boosted by R775 million
 - » increase in foreign currency translation reservation (FCTR)

Capital expenditure positions Nampak for the future

CAPEX SPEND 2011 TO 2015
R million



Full-year 2015 capital expenditure of R2.2 billion, in line with guidance

› **Expansion**

- › Bevcan Angola warehouse and second line
- › Glass third furnace

› **Replacement**

- › Bevcan SA aluminium
- › DivFood production efficiency improvement
- › Replacement capex well managed

Full-year 2016 capital expenditure of R1.2 billion – R1.5 billion

- › R600 – 800 million on replacement
- › R600 – 800 million on expansion
- › Excludes possible greenfields Glass projects

R million	2015	2014
Operating profit before working capital changes	2 395	2 929
Working capital changes	(669)	(189)
Cash generated from operations	1 726	2 740
Net interest paid and investment income	(369)	(355)
Retirement benefits	(365)	(133)
Income tax paid	(152)	(95)
Replacement capital expenditure	(1 352)	(833)
Cash (outflow)/inflow from operations	(512)	1 324
Dividend paid	(946)	(904)
Cash (utilised in)/generated from op activities	(1 458)	420
Expansion capital expenditure	(771)	(1 771)
Disposals/(acquisitions) of business	2 107	(3 199)
Cash (repaid in)/raised from financing activities	(1 413)	897
Net decrease in cash	(1 535)	(3 653)

- › Cash generated from operations of R1.7 billion
- › Interest reduced by retiring expensive debt
- › Retirement benefits outflows relate to buy-out of active members
- › Net proceeds generated from disposals used to repay non-current debt
- › Dividend payment up 5%
- › Total capex spend R2.2 billion (2014: R2.6 billion)

(%)



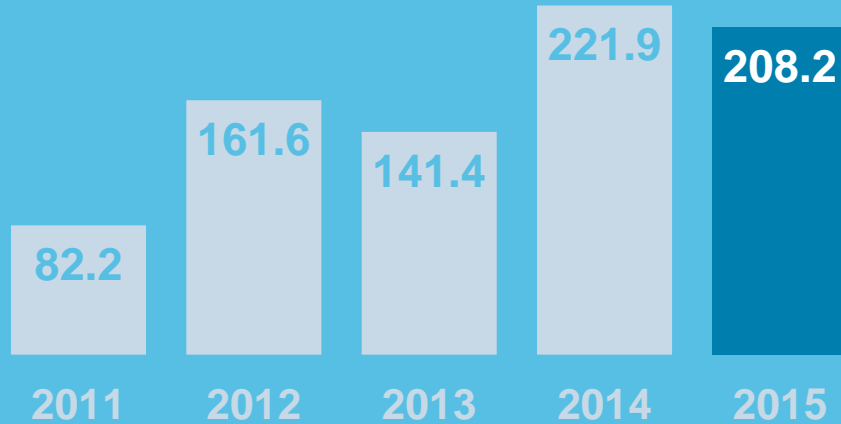
- › Proportion of United Kingdom and Rest of Africa net borrowings impacted by the significant decline in the rand versus the US dollar and pound during the year
- › R5.1 billion US dollar based interest bearing debt

R million	2015	2014
Increase in inventories	(766)	(73)
Increase in trade receivables and other current assets	(425)	(309)
Increase in trade payables and other current liabilities	522	193
Net working capital changes	(669)	(189)

- › Increases in current assets and liabilities impacted by
 - » disposals
 - » full consolidation of Nampak Zimbabwe Limited
- › Increased inventory investment due to
 - » improved glass performance
 - » stock build ahead of peak beverage season
- › Trade receivables impacted by
 - » increased glass revenues in August and September
 - » ramp up of new beverage can lines
- › Improved use of creditor funding

Headline earnings per share funds attractive dividend per share

HEADLINE EARNINGS PER SHARE (CENTS)



DIVIDEND PER SHARE (CENTS)

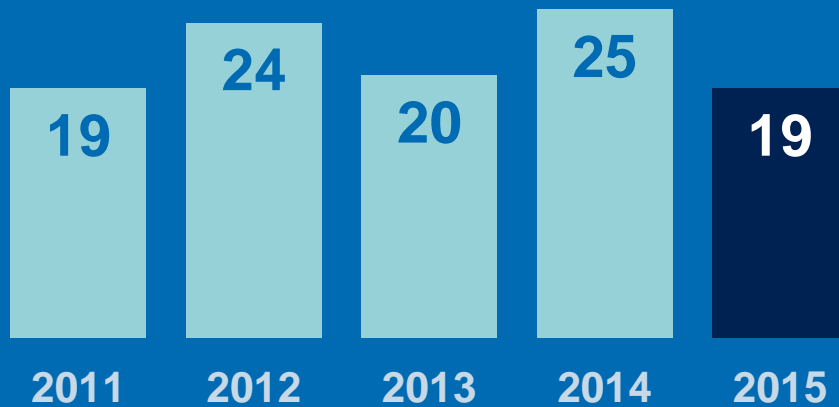


› HEPS on continuing operations down 6.2% for full-year

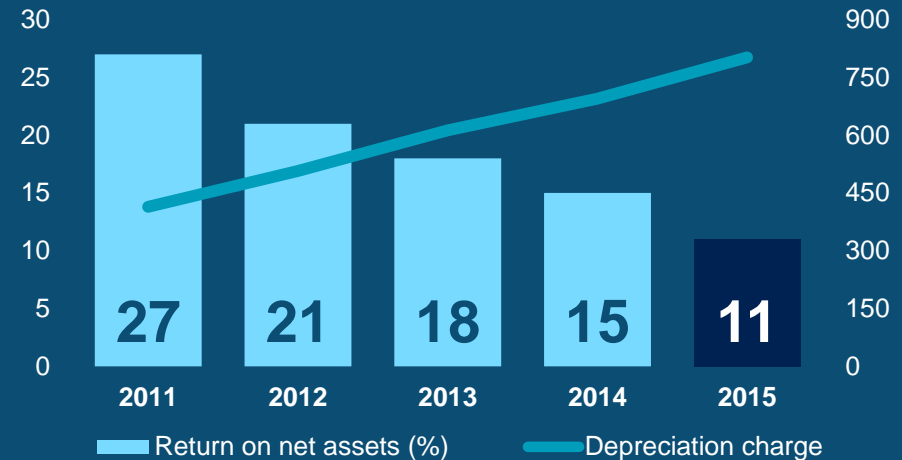
› Gross dividend of 92.0 cents per share declared bringing the total dividend for the year to 134.0 cents per share

Five-year balance sheet performance

RETURN ON EQUITY (%)



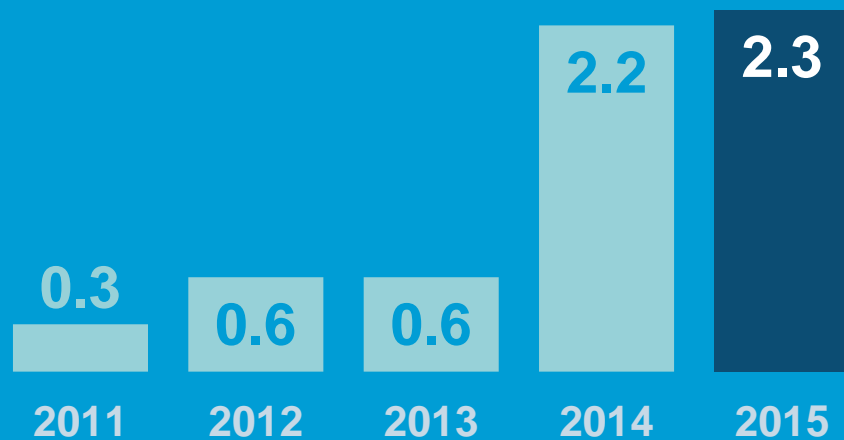
RETURN ON ASSETS



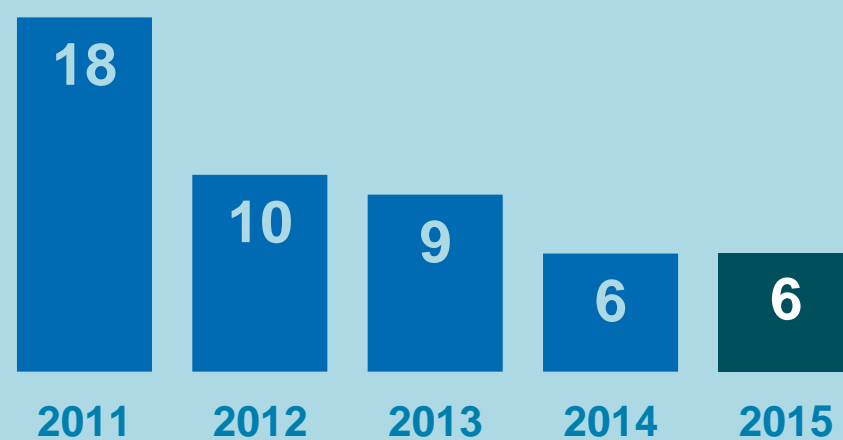
- › Good return on equity – reflects increase in equity and changes in portfolio over the years
- › Capex, Bevcam Springs spoilage and Glass performance impact returns

- › Glass capitalisation impact RONA
- › Capex increased from R676 million in 2011 to R2.2 billion in 2015 impacting RONA
- › Total spend over the five year period of R8.1 billion
 - › replacing old and tired equipment with new and technologically advanced equipment
 - › expected to contribute to sustainability going forward

NET DEBT:EBITDA (TIMES)



INTEREST COVER (TIMES)



- › 2014 peak related to Bevcam Nigeria acquisition
- › Group continues to perform well within its covenants
- › Capex management and balance sheet optimisation are key focus areas

- › Normal interest cover maintained at 6 times
- › EBITDA interest cover strong at 9.1 times (2014: 8.0 times)

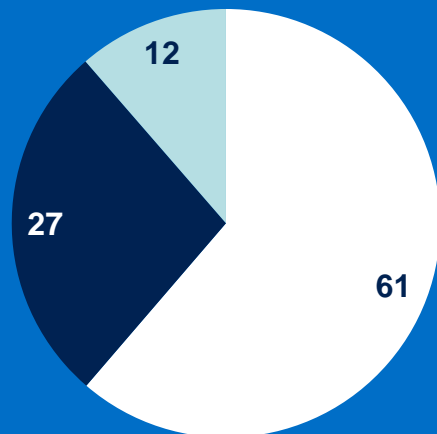


Operational review



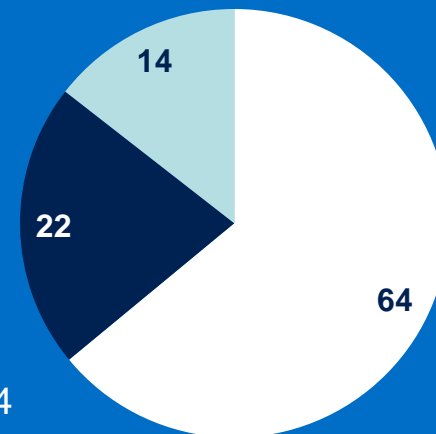
Trading profit contribution from the Rest of Africa increases to 49%

REVENUE (%)



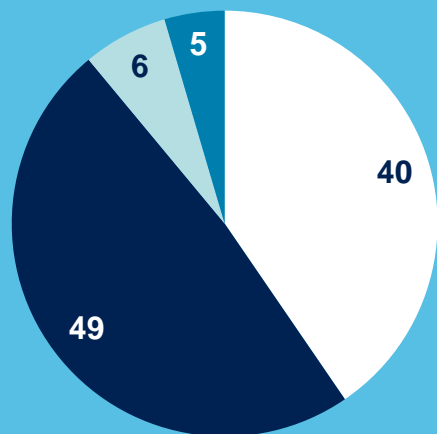
2015

- South Africa
- Rest of Africa
- United Kingdom



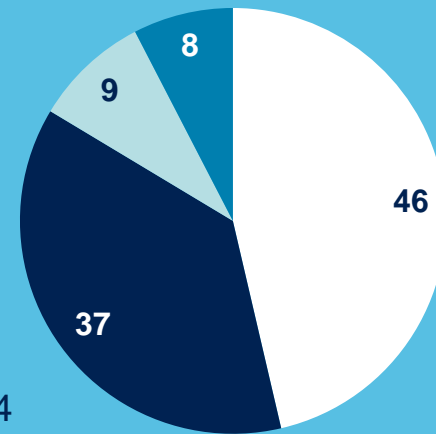
2014

TRADING PROFIT (%)



2015

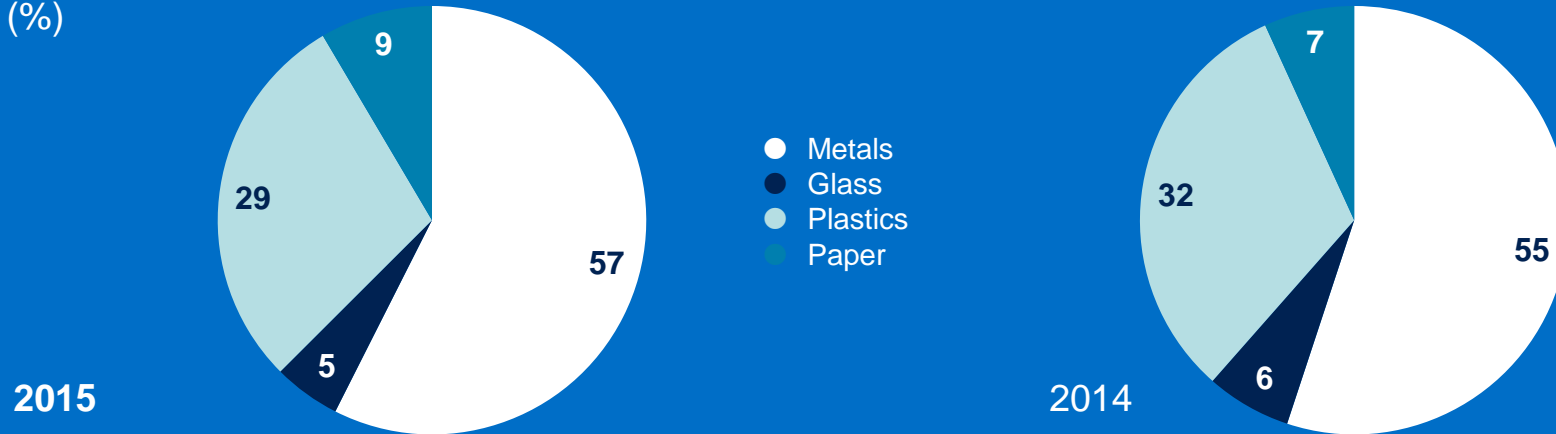
- South Africa
- Rest of Africa
- United Kingdom
- Corporate Services



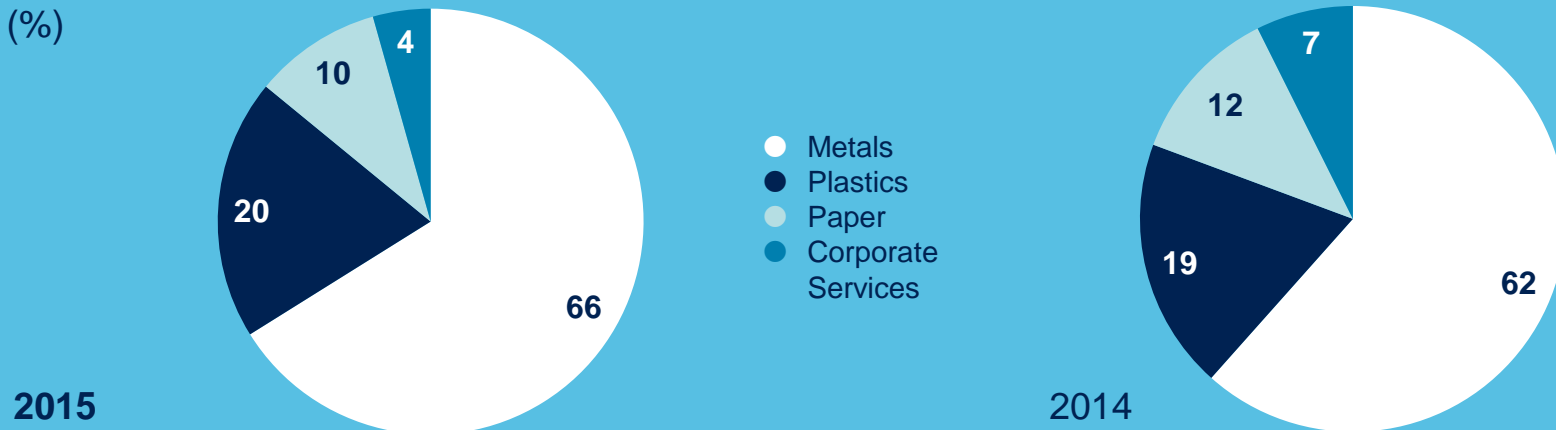
2014

Revenue and trading profit contribution by substrate

REVENUE (%)



TRADING PROFIT (%)





Metals

R million	2015	2014	% Δ
Revenue	9 933	8 429	18
Trading profit	1 254	1 050	19
Margin (%)	12.6	12.5	1

Revenue increase due to double digit beverage can volume growth and ramp-up of new lines

› **Bevcan South Africa**

- » Increased sales volumes in the local and export markets
- » Spoilage improving

› **Bevcan Angola**

- » Filled product import substitution and local beverage market growth benefits results

› **Bevcan Nigeria**

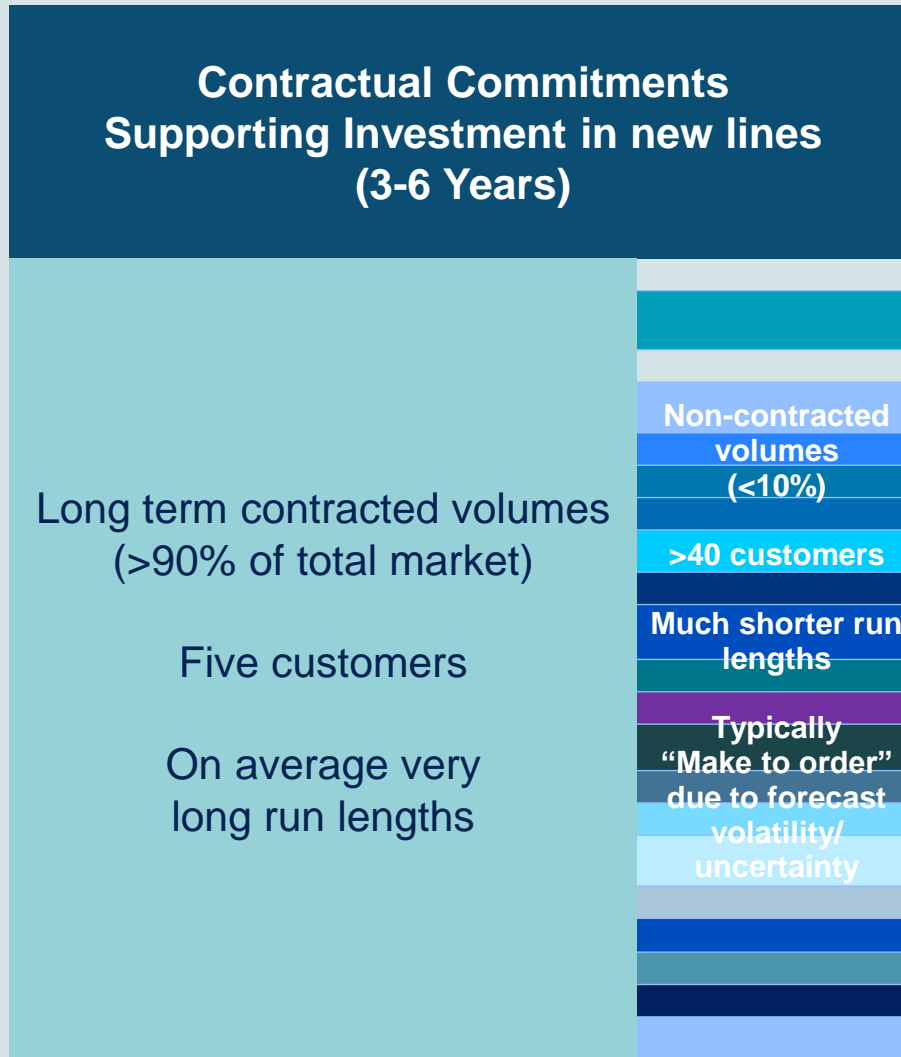
- » Growth from existing and new customers

› **DivFood**

- » Good fruit and vegetable demand, meat performed well
- » Initial improvement initiative benefits expected in 2016
- » Long-term supply agreements concluded with two major customers

› **General Metal Packaging**

- » Affected by lower demand, weak agricultural harvest and foreign exchange depreciation



- › Pack share low by international standards
- › Double digit volume growth in SA will require the industry to invest in additional capacity
- › Largest beverage can manufacturer in Africa provides local economies of scale
- › Strong market position with in-depth knowledge of local market dynamics
- › Well established footprint
- › Proven track record – trusted supplier
- › Modern assets built at 25% stronger ZAR/USD than today
- › Low-cost producer
- › Long-term pricing based on notional most-efficient entrant



Plastics



R million	2015	2014	% Δ
Revenue	5 011	4 849	3
Trading profit	376	325	16
Margin (%)	7.5	6.7	12

- › Improved performance driven by site consolidation, cost management and feedstock benefits
- › **Liquid Packaging:**
 - » Performance impacted by lost volumes
 - » Drums made a profit
- › **Closures and tubes:**
 - » Growth in metal closures for the food and wine industry and bottled water/CSD closures
 - » Tubes volumes impacted by customer imports
 - » Crates benefit from improved efficiencies and strong demand
- › **Zimbabwe CMB and Megapak**
 - » Meeting expectation
- › **Plastics UK**
 - » Lower sales volumes and sluggish milk consumption



Paper



Nampak
packaging excellence

R million	2015	2014	% Δ
Revenue	1 470	1 044	41
Trading profit	184	204	(10)
Margin (%)	12.5	19.5	(36)

- › Revenue benefiting from Hunyani consolidation and full acquisition of Bullpak
- › Trading profit impacted by high inflation and Hunyani consolidation
- › **Nigeria Cartons**
 - » Weak first-half cigarette carton sales and currency losses impact results
 - » Solid general FMCG packaging demand
- › **Zambia**
 - » Customer volumes recovering
- › **Malawi**
 - » Increase in sales volumes, but high inflation and exchange rate decline impacts overhead cost
- › **Bullpak**
 - » Flat demand for self-opening bag
- › **Hunyani**
 - » In line with 2014, benefiting from cost management actions



Glass



Nampak
packaging excellence

R million	2015	2014	% Δ
Revenue	877	984	(11)
Trading profit	(76)	(48)	(58)
Margin (%)	(8.7)	(4.9)	(78)

- › Sales volume growth following third furnace installation
- › Challenging start to the year due to disappointing operating performance and late commissioning of Furnace 3
- › Interventions resolved issues – Furnace 3 stabilised and operation performing at acceptable levels
- › Operational efficiency targets met
- › Returned to profitability in the latter months of the year
- › Recovery limited by second half seasonal factors and stock building for the peak
- › Product portfolio consolidation

Glass has turned around significant improvement in PTM



- › Operational efficiencies improved and now acceptable
- › Job and process changes at 20 or less per month (plant stable)
- › Significant improvement in market credibility
- › >85% capacity contracted

- › Low-cost producer
 - » Well capitalised equipment
 - » One site production – economies of scale
 - » Product portfolio fits operations strategy
- › Strong relationships with key customers
 - » Increased product offering with expanded capacity
 - » Rotary Uninterrupted Power Supply (RUPS) critical for process stability and contingency

Excluding job and colour changes, PTM would increase by 5% – 10%

Strategy and outlook

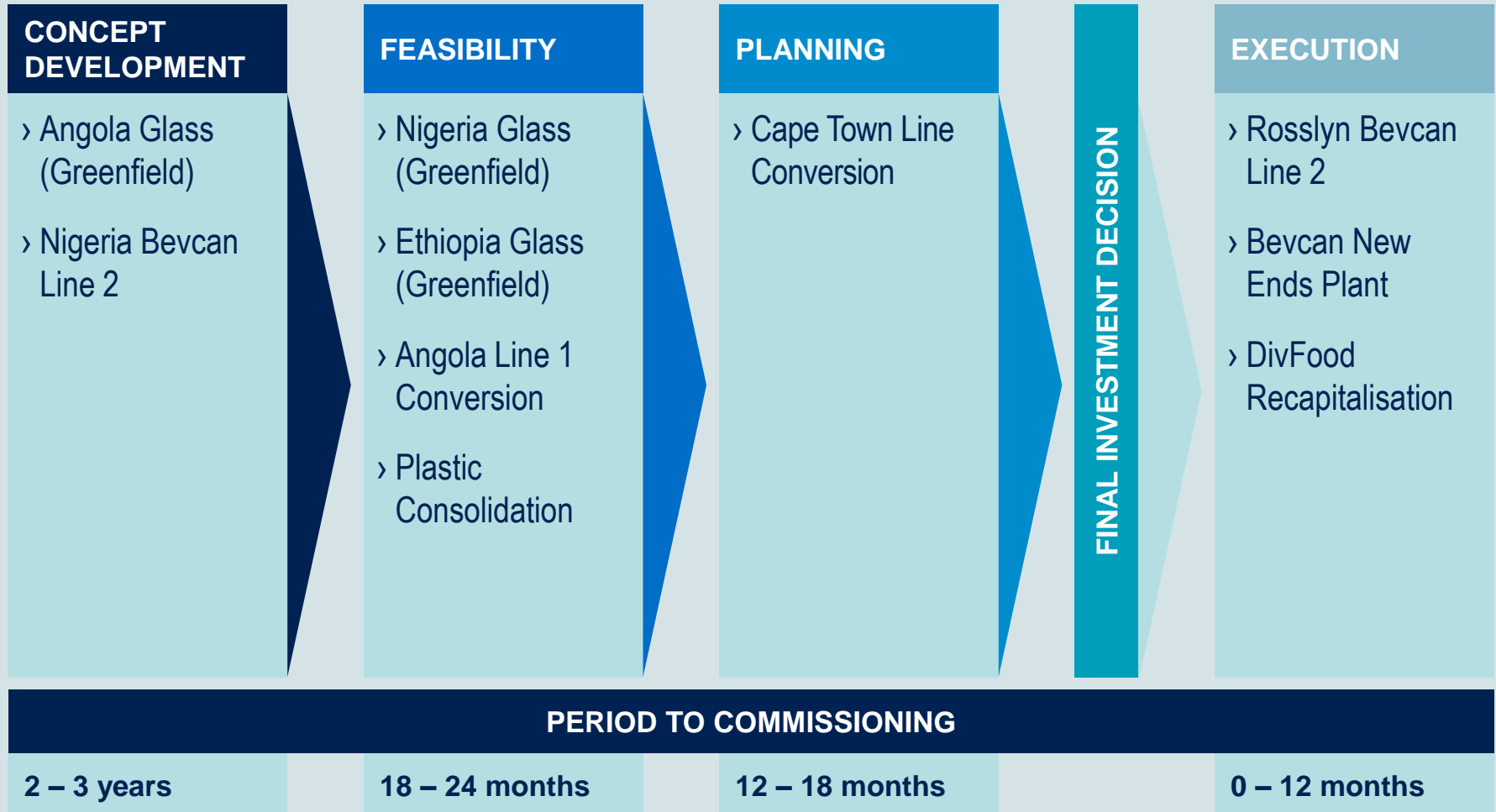


Unlock further value from base business

- › Active portfolio management, including possible divestitures
- › Stringent cost management
- › Working capital management
- › Business process improvement
 - » **Buy better** – streamline procurement process
 - » **Make better** – operational excellence, safety and efficiency
 - » **Sell better** – margin expansion, customer portfolio management
- › Invest to compete

Accelerate African growth

- › Growth through greenfield investment and acquisitions in metals, glass and plastics
- › Growth at a reasonable and sustainable return
- › Partner with major multinational customers
- › Sensibly manage and grow presence in current jurisdictions
 - » Building market base through exports
 - » Diversifying manufacturing to other Nampak products
 - » Building on existing hubs



- › External macroeconomic headwinds in key markets expected to continue
- › Positive earnings growth in the medium term:
 - » continued volume growth in beverage cans
 - » gains from improved performance of the Glass and Bevcan Springs operations
 - » efficiency gains from business improvement initiatives at DivFood
 - » Buy better initiative savings
 - » Sell better SKU reduction in DivFood and Glass
- › The Rest of Africa expected to continue generating growth in revenue and profit
- › Nampak is well-positioned in key SSA markets to defend markets and leverage opportunities

Future Targets

CAPEX	R1.2 – R1.5 billion per annum next two years
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GLASS PTM	80% – 85% starting 2016
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GROUP MARGIN	10% – 12% average per annum
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PROFIT FROM ROA	>50%
------------------------	----------------

Thank you



Appendix



› **Political and country risk**

- › Countries in which Nampak does business have relatively lower political risk
- › In some countries in the Rest of Africa Nampak has been doing business for over 15 years

› **Regulatory risk**

- › Packaging industry rarely a target for government intervention
- › In most countries packaging industry seen as key to creating employment and skills transfer

› **Fiscal and monetary risk**

- › Nampak business predominantly done in local currency linked to the US dollar
- › Brewers import between 40% – 80% of raw materials (Nigeria)

› **Resources, raw materials and infrastructure availability**

- › Plant location and self-sufficiency very important

› **Payment risk**

- › ~60% Nampak customers are multinational companies

› **Liquidity and forex risk**

- › Bevcan businesses “dollar pricing”
- › Good relationships with relevant authorities
- › Manufacturing a key industry in most African countries

Rest of Africa an important market trading profit up 43%

- › Recorded sales of R4.7 billion in the Rest of Africa up from R3.3 billion in 2014, and recorded operating profit of R884 million on this revenue

- › Results impacted by local currency depreciation and lack of liquidity, but businesses still very profitable

- › Rest of Africa now contributes 49% to trading profit, up from 37% in 2014

- › Key market GDP growth rate estimates revised downwards and inflation increased

Looking forward

- › Current challenges do not change the overall investment rationale in key markets

- › Operations expected to continue generating growth in revenue and profit supported by beverage market demand