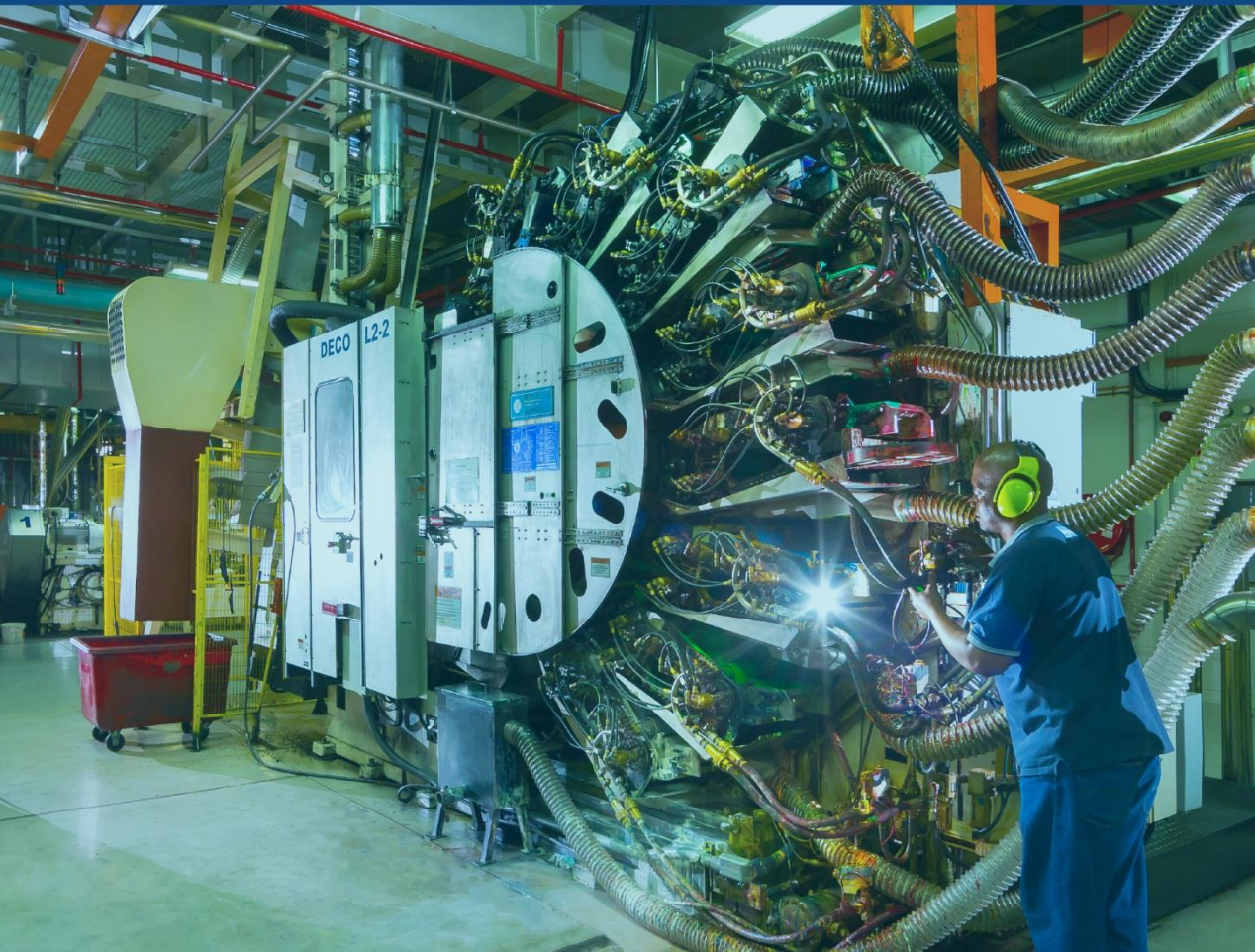


First-half Results 2016



June 2016



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.



**Group
revenue**

↑ 10%

**Trading profit
from rest of Africa**

↑ 45%

**R1.7 billion to be raised
through sale and lease
back of property, balance
sheet bolstered**

**Adjusted
HEPS**

↑ 21%

**Group
trading profit**

↑ 17%

**Rest of Africa 47% of
group trading profit,
up from 38% in 2015**

**Glass delivers R44 million
in profit, operating at
benchmark rates**

**HEPS (after abnormal
exchange rate effects)**

↑ 4%

Market conditions

- › Subdued economic growth in key markets
 - » Lower commodity prices
 - » Drought
 - » Tightening global financial conditions
- › Volatile currencies
- › Higher inflation
- › Consumer spending impacted

Nampak's strategic response

- › **Buy Better**
 - » Savings flowing through – R120 million benefit by year-end
- › **Make Better**
 - » 29% improvement in safety
 - » Glass turned around and profitable
 - » Operations excellence: Plastics and Bevcan improvements contributing to performance
- › **Sell Better**
 - » Further SKU rationalisation contributes to better product mix and margin
 - » Glass wine bottle opportunity, gaining market share
- › **Cash conservation and balance sheet structure improvement**
 - » Sale and leaseback expected to yield R1.7 billion to reduce liabilities
 - » No interim ordinary dividend in light of liquidity constraints and elevated debt levels
 - » Balance sheet restructured, current ratio strengthened by 20%
 - » R169 million released from inventories since Sept 2015 despite weaker ZAR/USD
 - » FY16 cost savings from headcount reduction and general measures expected
 - » Capex curbed, new projects approved by exception

Operations excellence: operational performance continues to improve

- › Bevcan yielding results, consultation on shutdown of Durban commenced – approximately R40 million annual savings expected
- › Plastics improvements contributing to performance
- › R114 million swing in Glass performance

GLASS PACK TO MELT (PTM) AT BENCHMARK LEVELS



Rationale for cash conservation and balance sheet structure improvement

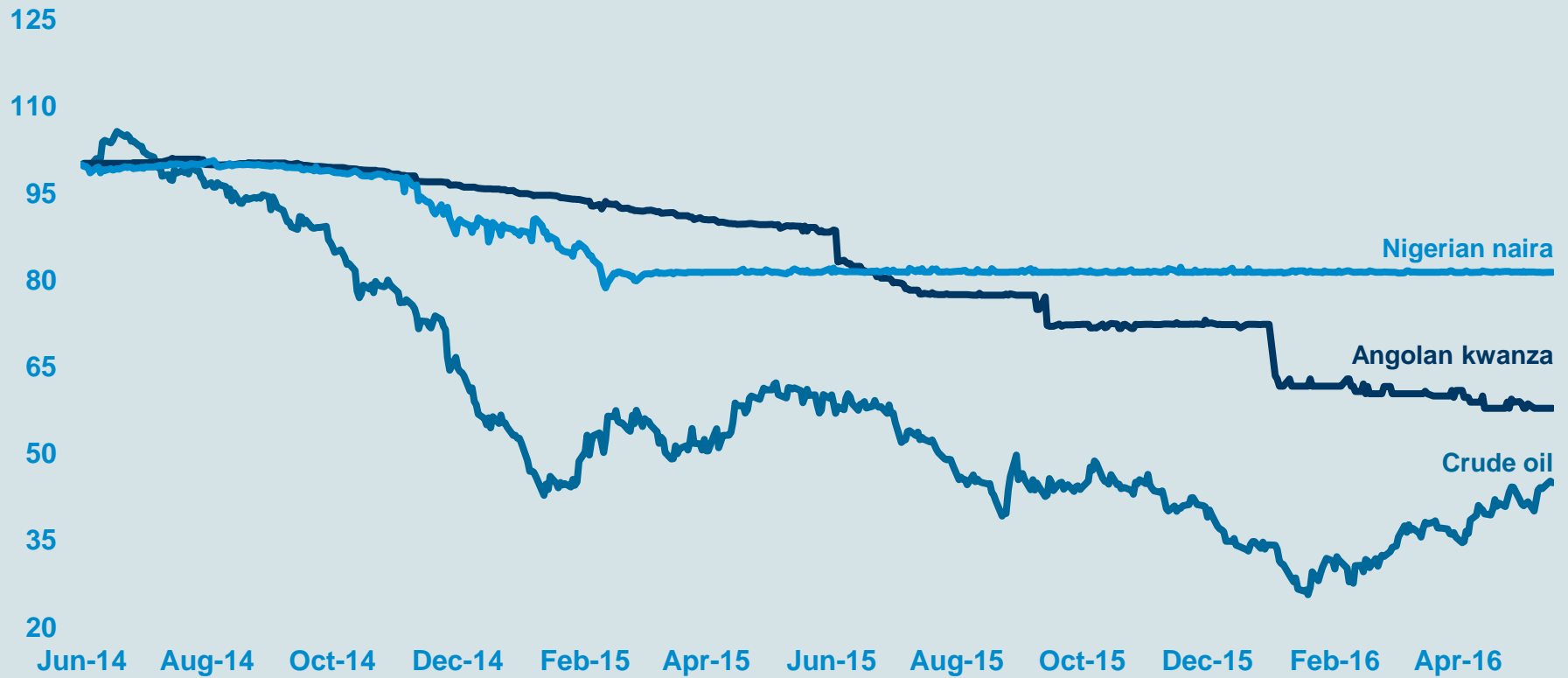
- › R10.4 billion net outflow from capital expenditure, divestitures and acquisitions (2011 to 2016)
 - » Net debt increased from R16 million (2011) to R7.4 billion (2016)
 - » Gross gearing peaked at 91% with net gearing of 72% in financial year 2015
 - » Dividend policy maintained at 64.5% payout over the period
- › Projects did not initially deliver expected returns
 - » Glass Furnace 3 (approved 2012)
 - » Bevcan aluminium conversion (approved 2011)
- › Weakening ZAR/USD impacts translation of USD390 million USD denominated debt (obtained since 2013), bringing net debt/EBITDA to 2.7 times
- › R1.5bn restricted cash in Angola and Nigeria impacts group's liquidity

Balance sheet bolstered

R1.7 billion sale and lease back transaction

- › Proceeds to be used to retire liabilities
- › Sixteen properties, R350 million book value, sold for R1.7 billion
- › Subject to legal process, competition authority approval and lender consent
- › Transaction terms:
 - » 3 – 15 years for strategic properties with pre-emptive rights to repurchase and renewal options
 - » Rental escalating at CPI
- › Significantly reduce gearing levels
- › Net rental equivalent to rental paid prior to transaction, competitiveness not affected
- › Capital gains tax credits used, rentals tax deductible
- › HEPS positive over lease period, hurdle rate at 14.8%

Oil price recovering naira pegged, kwanza devaluing



Source: Bloomberg

R367 million of the R1.5 billion restricted cash in Angola and Nigeria hedged

Rest of Africa an important growth driver: trading profit up 45%

- › Recorded sales of R2.8 billion, and generated a trading profit of R462 million

- › Trading margin of 16.5% (2015:14.7%)
- › Operating margin of 12.4% after abnormal foreign exchange rate effects still above South African trading margin of 8.5%

- › Rest of Africa now contributes 47% to trading profit, up from 38% in 2015

- › Current challenges do not change the overall investment rationale in key markets
- › Long-term fundamentals remain intact

Looking forward

- › Key market GDP growth rate estimates revised downwards for 2016, recovery expected from 2017

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

Group financial results for first-half

R million	2016	2015	%
Revenue	9 422	8 588	10
Trading profit	989	845	17
Abnormal items (loss)/profit	(119)	90	
Operating profit	870	935	(7)
Net finance costs	(239)	(166)	44
Share of profit from associates and joint ventures	3	3	
Profit before tax	634	772	(18)
Tax expense	(28)	(8)	
Profit for the period from continuing operations	606	764	(21)
Discontinued operations	–	(69)	
Profit for the period	606	695	(13)
Adjusted HEPS – before abnormal forex effects (cents)	123.2	101.6	21
HEPS - after abnormal forex effects (cents)	105.2	101.6	4

Revenue up 10%

Trading profit up 17%

Trading profit from rest of Africa up 45%, now 47% of group

Abnormal items adverse swing of R209 million

Operating profit down 7% due to Angola forex loss

EBITDA of R1.3 billion flat against prior year

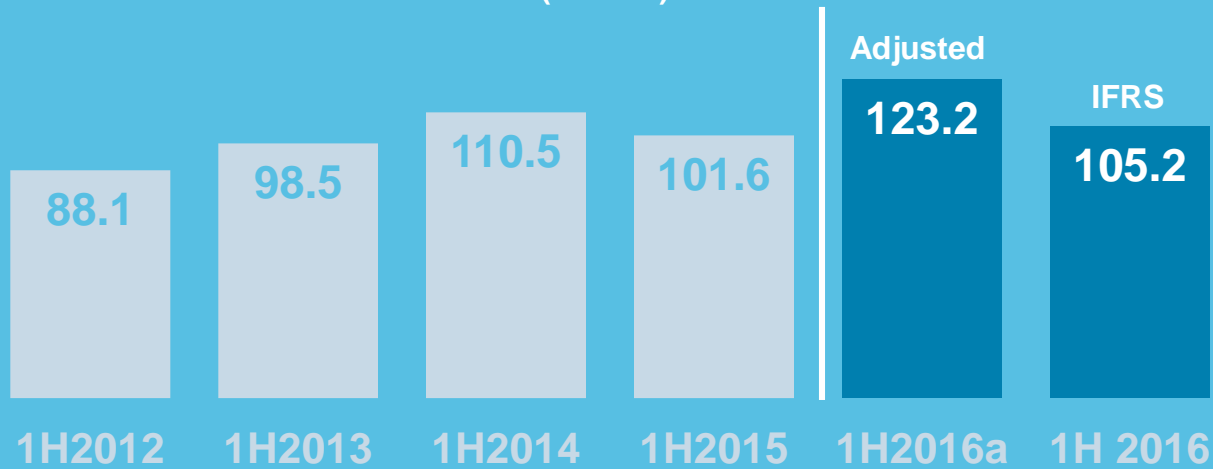
Effective tax rate of 4.4%

Adjusted HEPS up 21%

HEPS up 4%

Adjusted headline earnings per share up 21%

HEADLINE EARNINGS PER SHARE (CENTS)

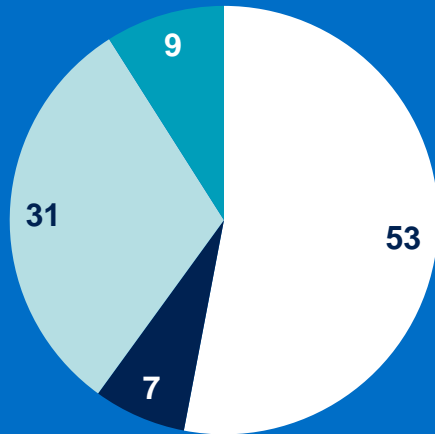


- › Adjusted HEPS before abnormal foreign exchange rate effects at 123.2 cents up 21%
- › HEPS after abnormal foreign exchange rate effects at 105.2 cents up 4%

Revenue and trading profit contribution by substrate

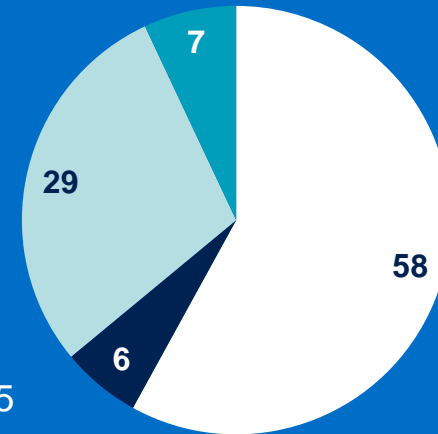
REVENUE (%)

(%)



2016

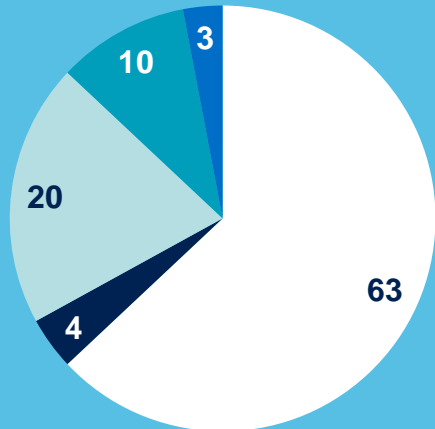
- Metals
- Glass
- Plastics
- Paper



2015

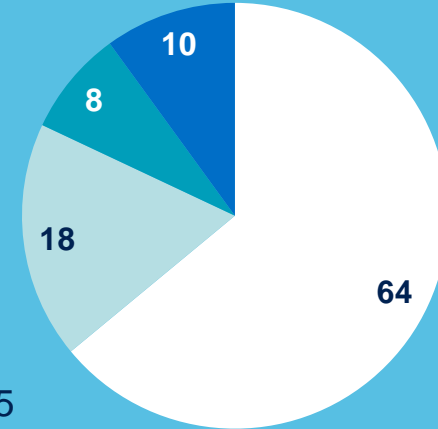
TRADING PROFIT (%)

(%)



2016

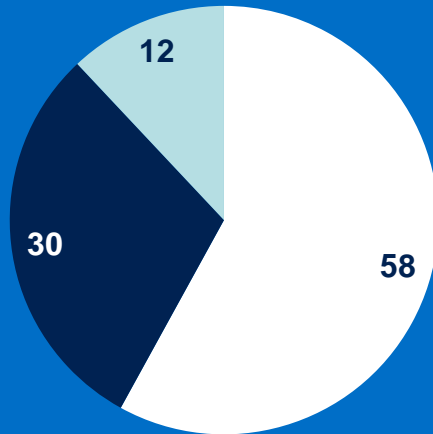
- Metals
- Glass
- Plastics
- Paper
- Corporate Services



2015

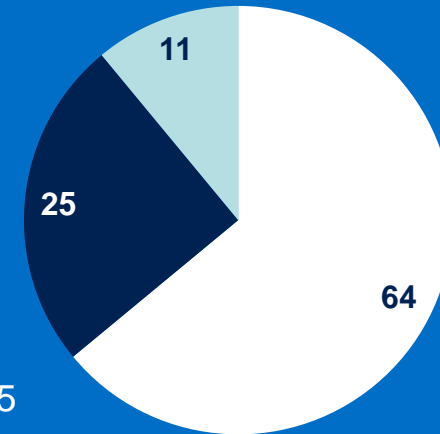
Revenue and trading profit contribution by region

REVENUE (%)



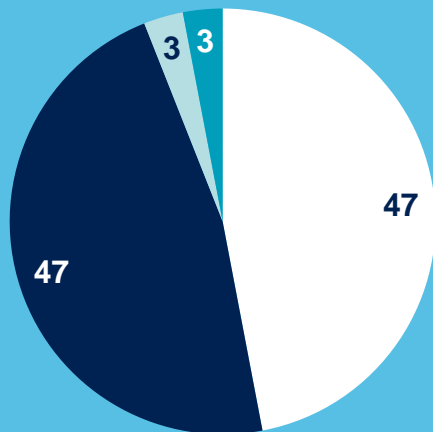
2016

- South Africa
- Rest of Africa
- United Kingdom



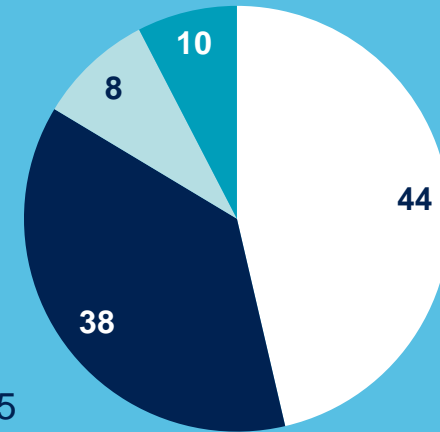
2015

TRADING PROFIT (%)



2016

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



2015

- › External macroeconomic challenges in key markets expected to prevail for the rest of the 2016 financial year
- › Demand for packaged goods and exchange rates to remain key factors influencing results
- › Glass has turned around and is expected to deliver profits in line with market conditions
- › Nampak is focused on minimising the impact of external factors on performance, particularly exposure to currency volatility
- › Steps taken to reduce costs, bolster the balance sheet and improve operational performance
- › Medium-term demand outlook remains favourable underpinned by some 900 million emerging consumers in an urbanising Sub-Saharan Africa
- › Capital investments, strong customer relationships, recently signed long-term contracts, and a well-established footprint with in-depth knowledge of local markets cement position

Thank you



Investor relations contact details:

Zanele Salman

zanele.salman@nampak.com

+27 11 719 6300

www.nampak.com