



CCA Investor Day  
 Eastern Creek & Northmead  
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Project Zero

Bruce Herbert Supply Chain Director



**PROJECT ZERO HAS INVESTED \$620M TO CREATE MANUFACTURING & LOGISTICS CAPABILITY THAT OUR COMPETITORS HAVE NOT BEEN ABLE TO PROFITABLY MATCH**



We have established internal capability equal to any in the world.



Investment has driven EBIT growth through:



- Ability to deliver a broader range of products to Customers via SKU expansion from 194 to 1100
- Customer Service improvement from 82% to 97%
- Product Conversion Cost Reduction



Key Investments:

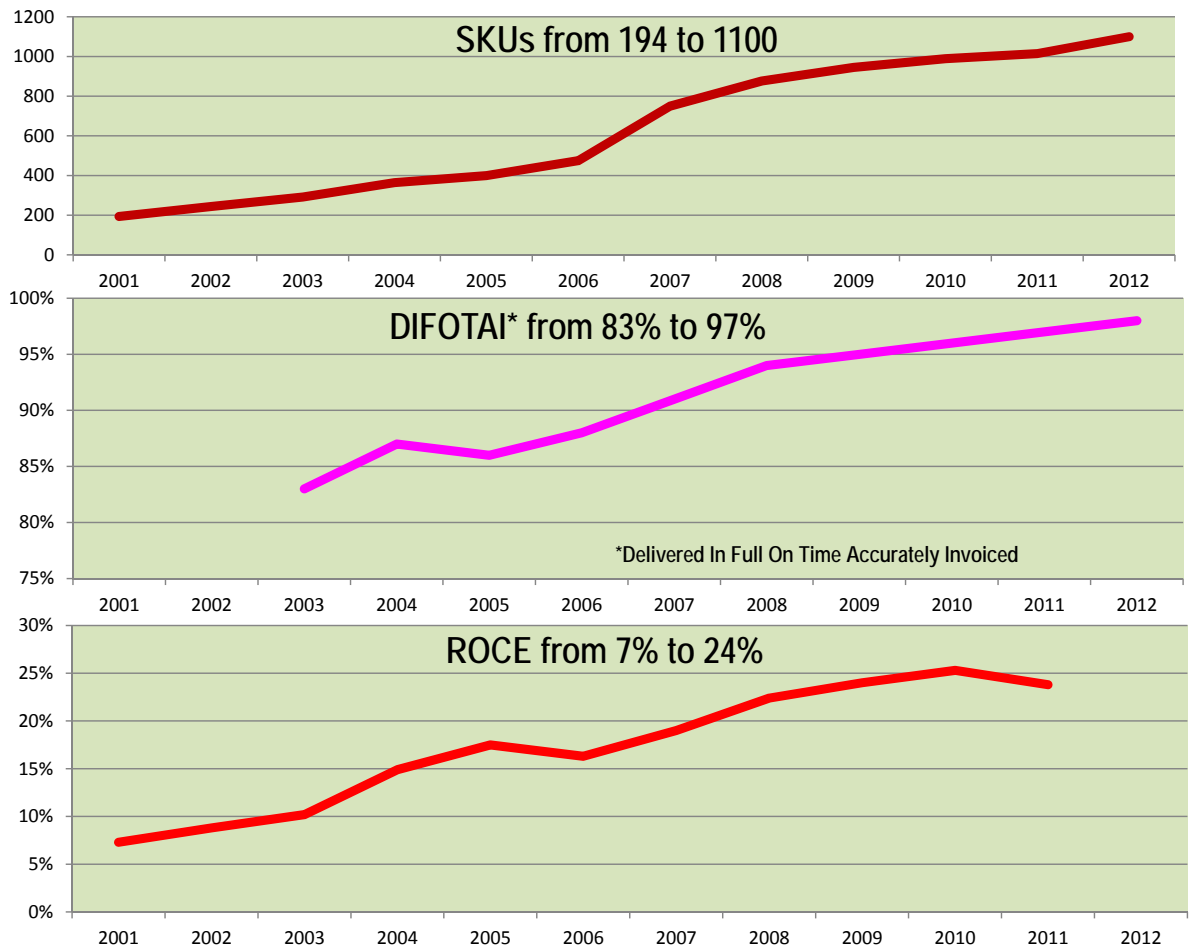


- PET Blow-Fill
- Preform and Closure Self Manufacturing
- Automated warehouses
- Production Capability
- Automated Guided Vehicles (AGVs)





**PROJECT ZERO HAS ENABLED CCA TO MATERIALLY EXPAND ITS PRODUCT PORTFOLIO AT A LOWER COST WHILE SIMULTANEOUSLY DELIVERING CUSTOMER SERVICE IMPROVEMENT**



**\$450M INVESTMENT IN BLOWFILL MAKES CCA A WORLD LEADER IN PET BOTTLE PACKAGING INNOVATION, LIGHT-WEIGHTING AND LOW COST**

- 26 Production Lines, across Australia, Indonesia, NZ & PNG by end 2015
- 15% Reduction in Bottle weight = Savings of 7000 tons of PET resin per year
- Supplier margin removed
- 50,000 truck movements per year eliminated
  
- Australia and NZ will be 70% completed by end 2012, 80% by 2013 and 90% by 2014
  
- CCA FutureWorks team designs and owns IP for 38 new bottle designs





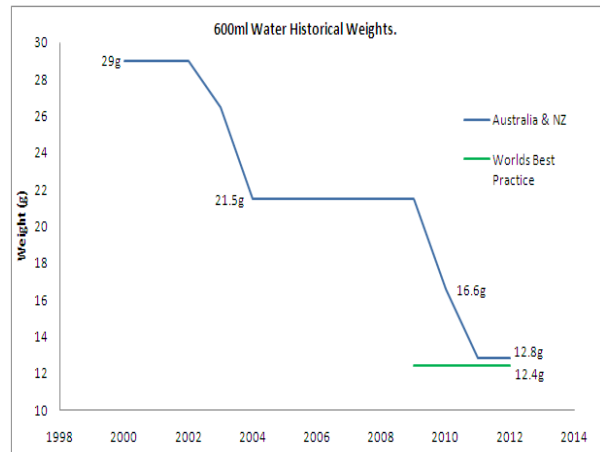
## CCA IS NOW AT THE LEADING EDGE GLOBALLY OF PREFORM AND CLOSURE MANUFACTURING

- Construction of Eastern Creek Preform Plant completed in 5 months
- World's most advanced Injection Moulding Machinery
- Over 3 billion units per year capacity
- FutureWorks team designed and commercialized over 30 bottle and closure designs
- All IP owned by CCA



## CCA NOW PRODUCES THE LIGHTEST COCA-COLA BOTTLES IN THE WORLD

- Mt Franklin World's lightest 600ml water bottle (body only)
- Lightest 600ml Coca-Cola bottle in the world
- Sylon Closure is lightest Coca-Cola closure in the world
- All developed by CCA FutureWorks team





## \$200M INVESTED IN AUTOMATED WAREHOUSES HAS ENABLED SKU GROWTH, IMPROVED CUSTOMER SERVICE AND REDUCED COSTS

- Taken us from “sheds and Forklifts” to automated Flow Controls
- Truck loading reduced from 25 minutes to 7 minutes
- Stock Accuracy increased from 80% to 98%
- Headcount reduced by >200 (without redundancy)
- DIFOTAI\* improved from 83% to 97%
- SKU's increased from 194 to 1100

These achievements have been recognised by our Customers:

- Woolworths Supplier of the Year 2011
- McDonald's “Benchmark Supplier” 2011



\*Delivered In Full On Time Accurately Invoiced



## \$100M INVESTED IN PRODUCTION CAPABILITY HAS ENABLED DRAMATIC IMPROVEMENT IN OUR SERVICE DURING SUMMER, SKU EXPANSION AND CUSTOMER-SPECIFIC PACKAGING

- Peak season Out of Stocks dropped from 12% in 2006 to 2% in 2011
- DIFOTAI\* increased from 83% to 97%
- Can varieties increased from 2 to 8

Key Investments:

- 3 Flexible Can lines
- 2 Hot fill lines
- Keg Filling
- Moorabbin automation
- Palletisers & destrappers



\*Delivered In Full On Time Accurately Invoiced



**CCA HAS INVESTED IN AUTOMATIC GUIDED VEHICLES (AGV'S) ON 3 SITES IN AUSTRALIA AND WE HAVE PLANS TO EXPAND OUR FLEET OVER THE NEXT 2 YEARS**

- Safety Risk reduced
- Payback improving and now above our threshold.
- Errors virtually eliminated



**CCA HAS A SOLID 3 YEAR PIPELINE OF INVESTMENT – \$130M APPROVED, \$260M IN CONCEPT AND ANALYSIS STAGES – UP TO A FURTHER \$50M ANNUAL EBIT BENEFIT**

- Our FutureWorks team has successfully commercialized 3 major packaging Innovations in 2012 (Easy Crush water bottle, Sylon closure & PET Keg for ARTDs.
- FutureWorks has a further 14 active Projects bringing “New to Australia” and “New to the World” Products and Packaging.
- One Logistics is leveraging and combining our scale in Systems, Warehousing and Delivery

**IN CONCEPT & ANALYSIS:**

- Next generation Picking Automation
- PET recycling
- More Packaging Vertical integration opportunities



CCA's FutureWorks Team accepting Australian Packaging Covenant Gold Sustainability Award 2011



## Disclaimer

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No representation is made as to the accuracy or reliability of forward looking statements or the assumptions on which they are based.

Actual future events may vary from these forward looking statements and you are cautioned not to place undue reliance on any forward looking statement.

