

Results of Operations - Three Months Ended December 31, 2022

Consolidated Results of Operations

(\$ in millions, except per share data)	Three Months Ended December 31,	
	2022	2021
Net sales	\$ 3,642	\$ 3,507
Operating income	559	322
Operating income as a percentage of net sales	15.3 %	9.2 %
Net income attributable to Amcor plc	\$ 459	\$ 225
Diluted Earnings Per Share	\$ 0.307	\$ 0.148

Net sales increased by \$135 million, or 4%, for the three months ended December 31, 2022, compared to the three months ended December 31, 2021. Excluding the pass-through of raw material costs of \$271 million, negative currency impacts of \$163 million, and negative impact of acquisitions, disposed, and ceased operations of \$12 million, the increase in net sales for the three months ended December 31, 2022 was \$39 million, or 1%, driven by favorable price/mix of 3% and unfavorable volumes of (2%).

Net income attributable to Amcor plc increased by \$234 million, or 104%, for the three months ended December 31, 2022, compared to the three months ended December 31, 2021, mainly as a result of a pre-tax net gain of \$215 million on disposal of the Russian business, increased gross profit of \$17 million generated by net sales improvement, partially offset by higher interest expense of \$40 million.

Diluted earnings per share ("Diluted EPS") increased by \$0.159, or by 107%, for the three months ended December 31, 2022, compared to the three months ended December 31, 2021, with the net income attributable to ordinary shareholders of Amcor plc increasing by 104% and the diluted weighted average number of shares outstanding decreasing by 3%. The decrease in the diluted weighted-average number of shares outstanding was due to repurchase of shares under previously announced share buyback programs.

Segment Results of Operations

Flexibles Segment

(\$ in millions)	Three Months Ended December 31,	
	2022	2021
Net sales	\$ 2,812	\$ 2,713
Adjusted EBIT	353	352
Adjusted EBIT as a percentage of net sales	12.6 %	13.0 %

Net sales increased by \$99 million, or by 4%, for the three months ended December 31, 2022, compared to the three months ended December 31, 2021. Excluding the pass-through of raw material costs of \$193 million, negative currency impacts of \$158 million, and negative impact of acquisitions, disposed, and ceased operations of \$12 million, the increase in net sales for the three months ended December 31, 2022, was \$76 million, or 3%, driven by favorable price/mix of 4%, and unfavorable volumes of (1%).

Adjusted earnings before interest and tax ("Adjusted EBIT") of \$353 million for the three months ended December 31, 2022 was in line with \$352 million for the three months ended December 31, 2021. Excluding negative currency impacts of \$15 million and the negative net impact of acquisitions, disposed, and ceased operations of \$2 million, the increase in Adjusted EBIT for the three months ended December 31, 2022, was \$18 million, or 5%, driven by favorable price/mix of 16%, partially offset by unfavorable SG&A and other costs of (6%), unfavorable plant costs of (4%), both largely impacted by inflationary pressures, and unfavorable volumes of (1%).