

# Investor Briefing

**May 2014**

**NYSE:BMS**

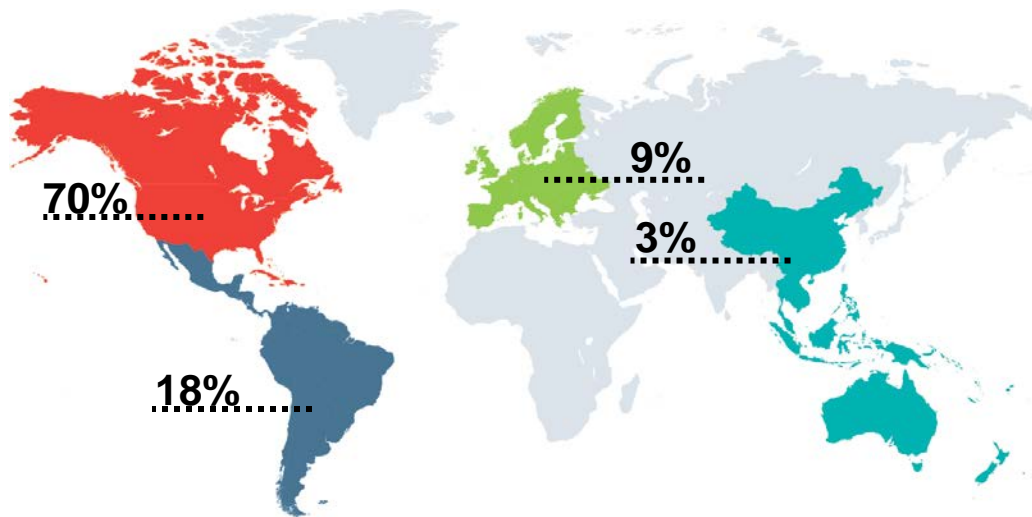


# *Safe Harbor Statement*

This presentation includes forward-looking statements within the meaning of the Safe Harbor provisions of the Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements relating to the expected future performance of the company and its objectives, expectations and intentions for the future. These forward-looking statements are based on the current beliefs and expectations of Bemis Company's management and are subject to risks and uncertainties. The forward-looking statements speak only as of the date of this presentation, and Bemis Company does not undertake to update such statements to reflect changes that occur after that date. There are a number of factors that could cause actual results to differ from those set forth in the forward-looking statements. These factors include, but are not limited to: general economic conditions, competitive conditions in our markets, the cost and availability of raw materials, and our ability to pass these price changes on to our customers. These and other risks, uncertainties, and assumptions are identified from time to time in our filings with the Securities and Exchange Commission including our most recent Annual Report on form 10-K and our quarterly reports on Form 10-Q. Such reports are available on the website of the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)).

# Bemis Company Profile

## 2013 Net Sales by Region



- North America
- Latin America
- Europe
- Asia Pacific

- Packaging industry leader since 1858
- \$5.0 billion 2013 net sales
  - *Fortune 500*
  - *S&P 500*
- Vertical integration creates competitive advantage
- 67 facilities in 11 countries
- ~ 19,000 employees worldwide

Note: Data as of May 2014



# 2013 Highlights

- Reported record adjusted EPS of \$2.28, a 6% improvement
- Gross margins improved to 19.3% from 18.4% in 2012
- Increased dividend payable to shareholders, 31<sup>st</sup> annual increase in Feb 2014
- Repurchased 2 million Bemis common shares for \$77 million
- Increased footprint in Asia-Pacific and expanded capabilities with extrusion facility



# 2013 Technology-Driven Product Launches

## Odor-absorbing Films for Poultry

- Absorbs and confines poultry odors for an extended period



## OvenRite™ Ovenable Films

- Superior seal and form features
- Consumer-convenience via EZ Open and self-venting features



## Barrel Pouch for Liquids

- Stand-up flexible pouch replaces the bag in box packaging format
- Superior sealing technology withstands the harsh distribution process



## Flexible Stand-up Pouch for Vegetables

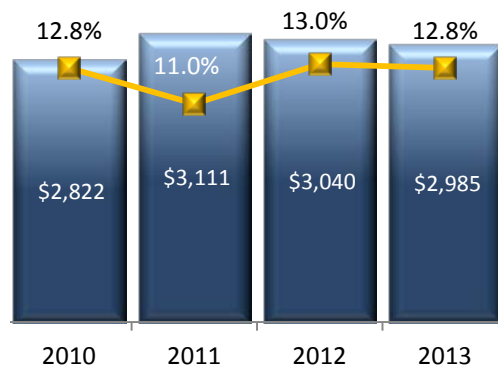
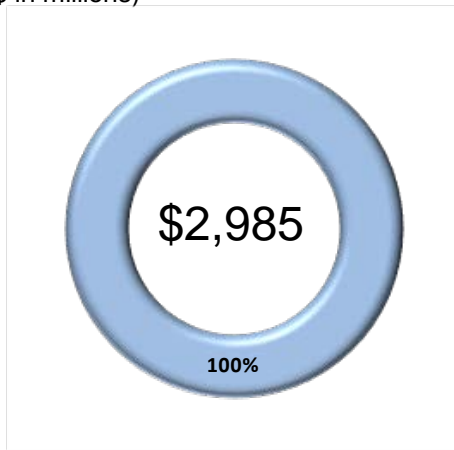
- Stand-up flexible pouch replaces the metal can packaging format
- Withstands the high temperature sterilization process that keeps the food fresh
- Provides savings to our customers



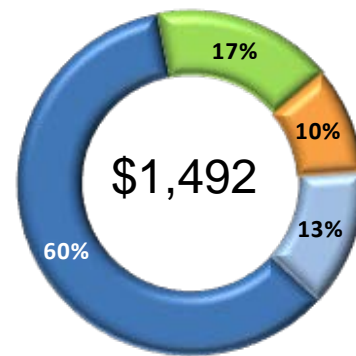
# Net Sales and Adjusted OP%\* by Segment

## U.S. Packaging

(\$ in millions)



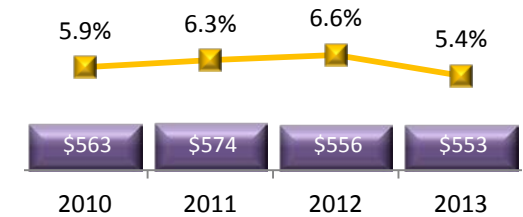
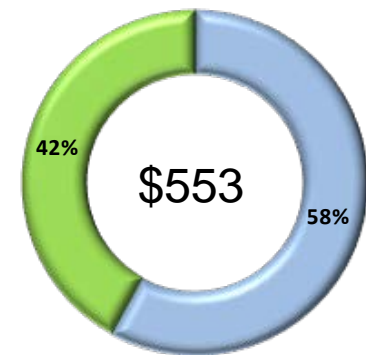
## Global Packaging



■ North America      ■ Latin America  
■ Europe                      ■ Asia Pacific



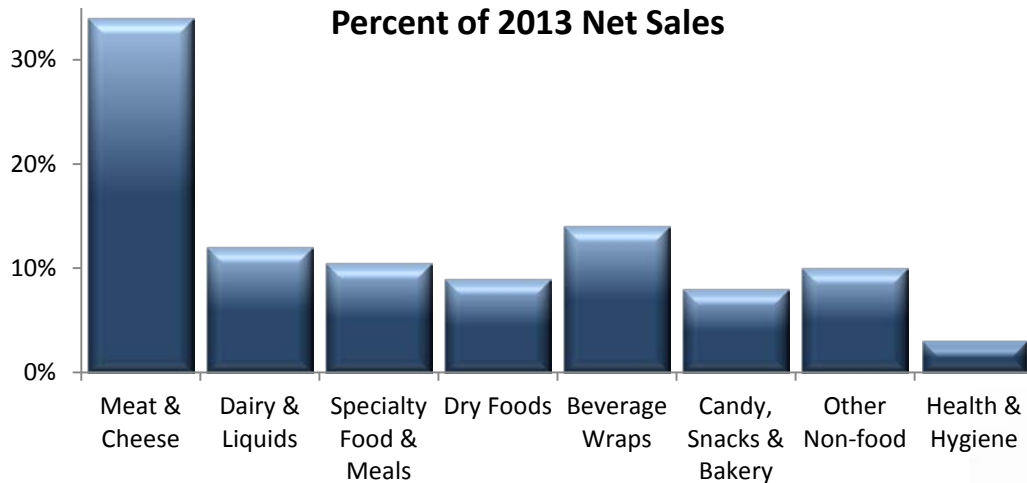
## Pressure Sensitive Materials



\* See appendix for reconciliation from GAAP to Adjusted Operating Profit excluding certain items.



# U.S. Packaging Profile



- Shelf-life extension for perishable foods (meat, cheese, dairy, produce)
- Proprietary and patented film structures deliver convenience and sustainability features
- Extensive manufacturing scale and premium printing capabilities support both national and regional brands



# Global Packaging Profile

Percent of 2013 Net Sales



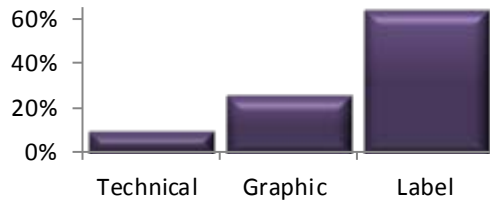
- Expanding consumer markets in Latin America and Asia
- Sterility and quality are paramount for medical applications





# Pressure Sensitive Materials Profile

Percent of 2013 Net Sales

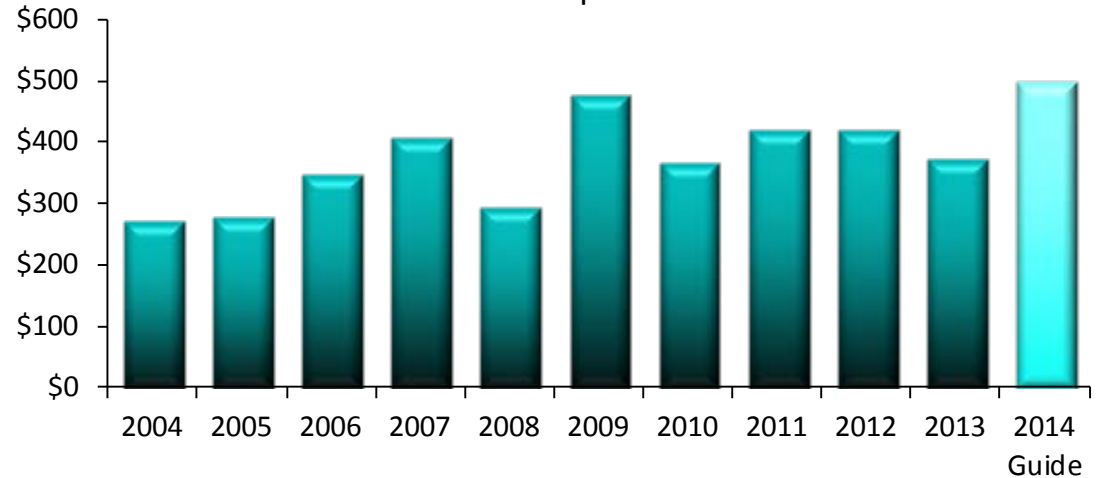


# Disciplined Capital Stewardship

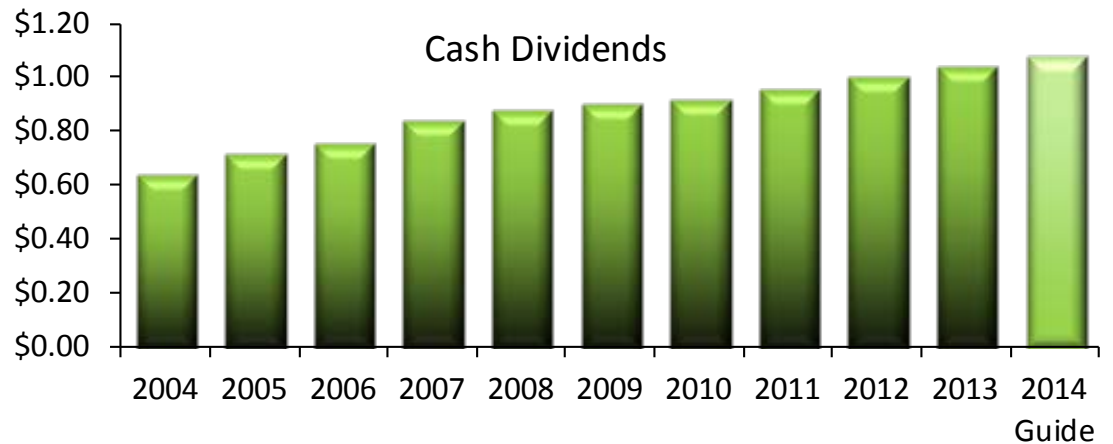
## Priorities:

- 1) 31 consecutive years of increasing dividend payments
- 2) Fund organic growth to enhance revenues and returns
- 3) Fund acquisitions
- 4) Balance share repurchases and deleveraging

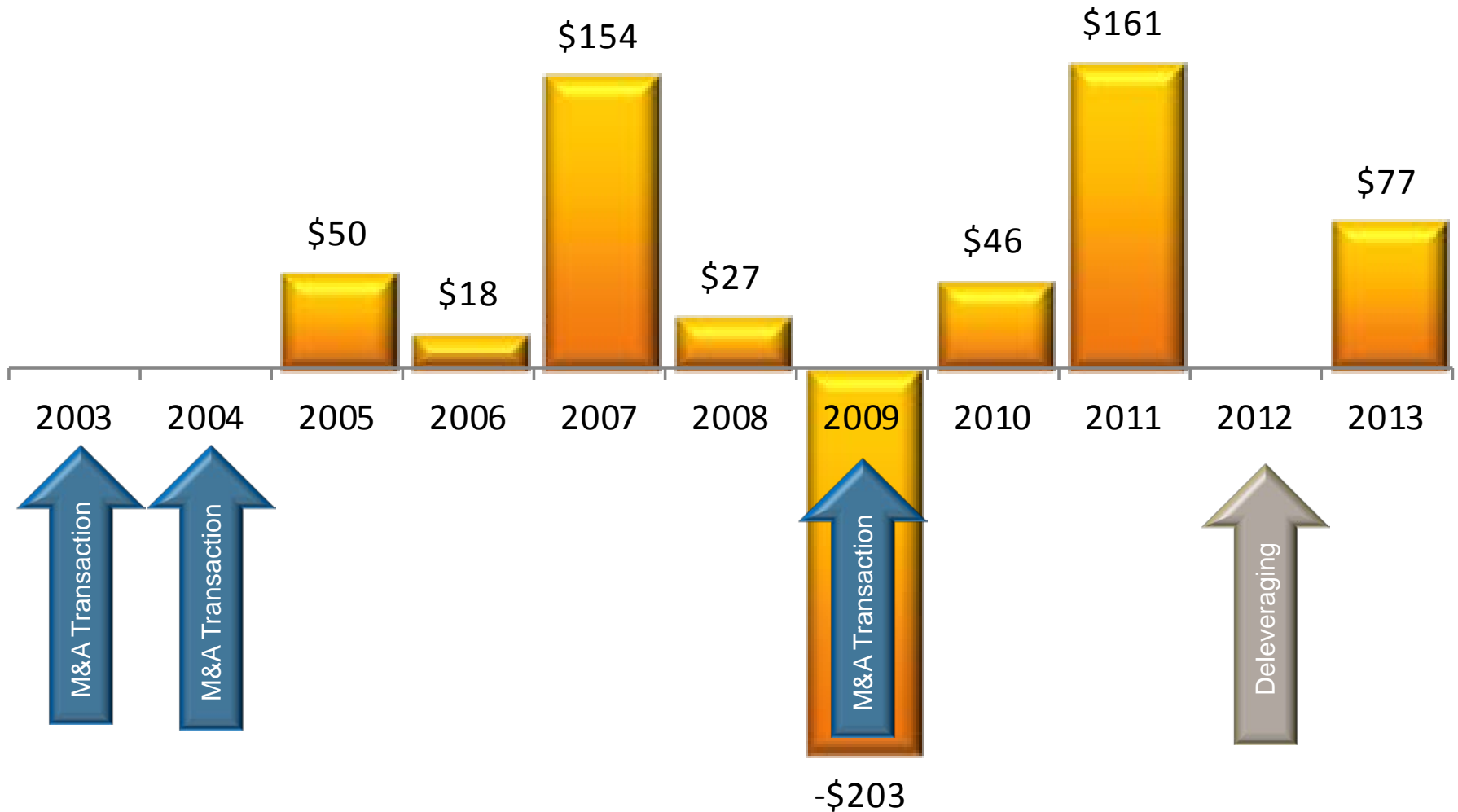
Cash Flow from Operations



Cash Dividends



# Share Repurchase History



# 2014 Financial Guidance

Adjusted EPS guidance of \$2.40 to \$2.55

Cash flow from operations ~ \$500 million

Capital expenditures of ~\$175 million

Note: Guidance as of April 2014



# World Class Customer Base



## Why customers choose Bemis:



Reliable supply; Quality product



Unique technological and engineering resources



Flexible capacity to accommodate new product launches



Global supply capabilities



Reduced waste in production and distribution system



Investment grade supplier



No customer represents more than 6% of Bemis net sales



# *Accomplishments 2010-2014*

- ✓ Completed the largest acquisition in company history of Alcan Food Americas for \$1.2B
- ✓ Completed facility consolidation, optimizing our manufacturing footprint with the closure of 9 plants
- ✓ Acquired a film-based aseptic and bulk packaging manufacturer
- ✓ Expanded footprint in Asia-Pacific with acquisitions in China of a converting operation in Dongguan and an extrusion platform in Foshan
- ✓ Divested non-core businesses including thin gauge shrink film and Paper Packaging

**Optimized Operations for Growth**





# *Growth Strategy*

High-Barrier  
Packaging  
World-wide

Global Medical  
&  
Pharmaceutical  
Packaging

Packaging for  
Asia-Pacific  
Markets

Bemis will grow:

- High-margin products
  - Where there is growth in the industry
    - Where we have a competitive advantage
      - With a focus on profit, not solely volume

Value-added solutions drive  
profitable growth



# High Barrier Packaging



Increased consumer desire for freshness and convenience



Growing demand for sustainable packaging solutions



Increased focus on extending shelf life and reducing waste

# *Growing Demand for Liquid Packaging*

Our proprietary sealants offer superior package performance for hard-to-hold liquid applications

Consumer trends favor flexible packages over metal cans or glass

Our Evolution™ film is an environmentally friendly alternative to other liquid packages that contain PVdC



# Medical & Pharmaceutical Packaging

\$4.5 billion addressable flexible packaging market

Barriers to entry favor incumbent suppliers

Opportunity for innovation

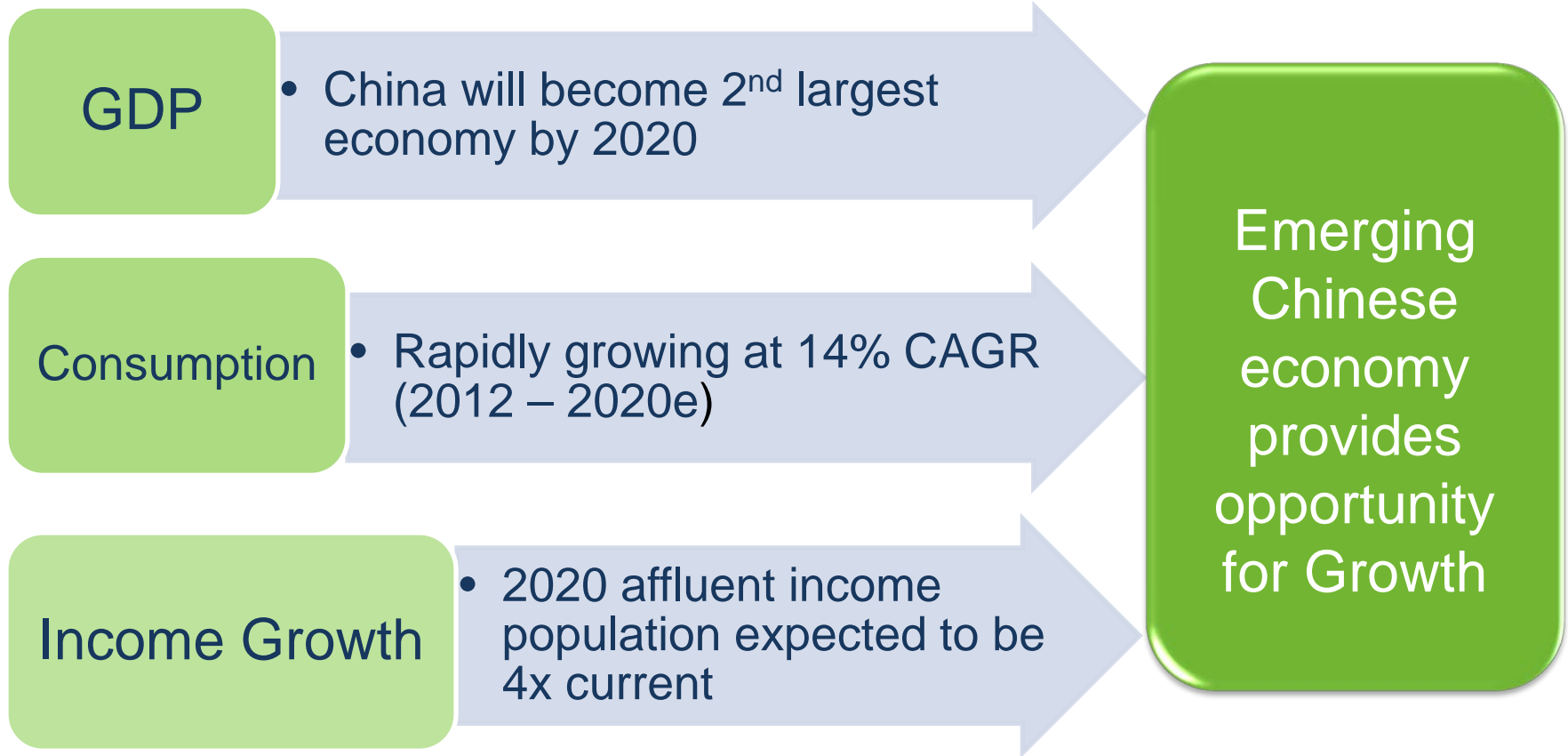
Common global products and regulatory standards

Customers consolidating supplier base

Bemis will leverage our global capabilities and innovative technology base to enhance our market position



# Asia-Pacific Macro-Economic Trends



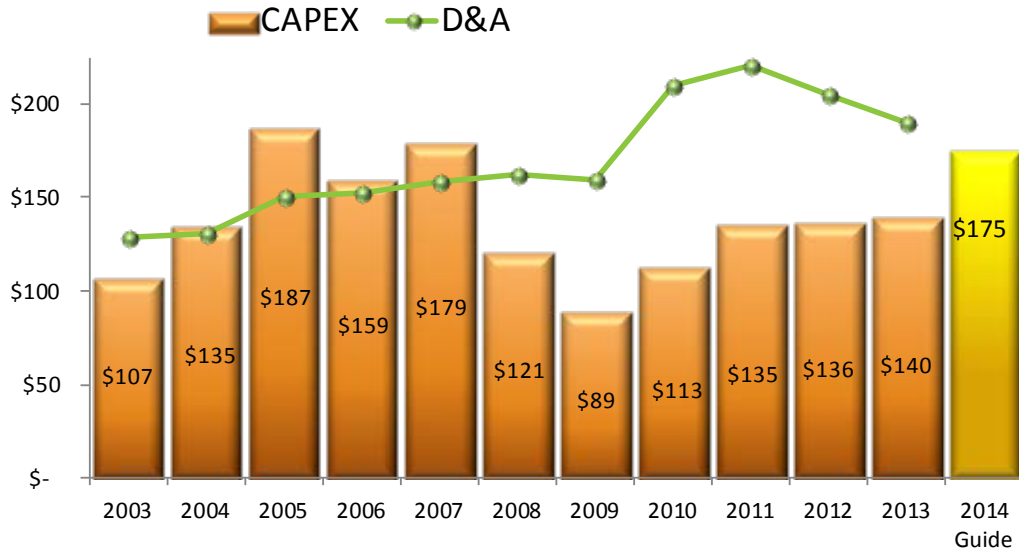
# Packaging for Asia-Pacific Region

- Evolving consumer preferences in emerging economies
- Focus on food safety in developing regions
  - Chinese Food and Drug Administration
- Need for shelf-stable foods due to lack of refrigeration space





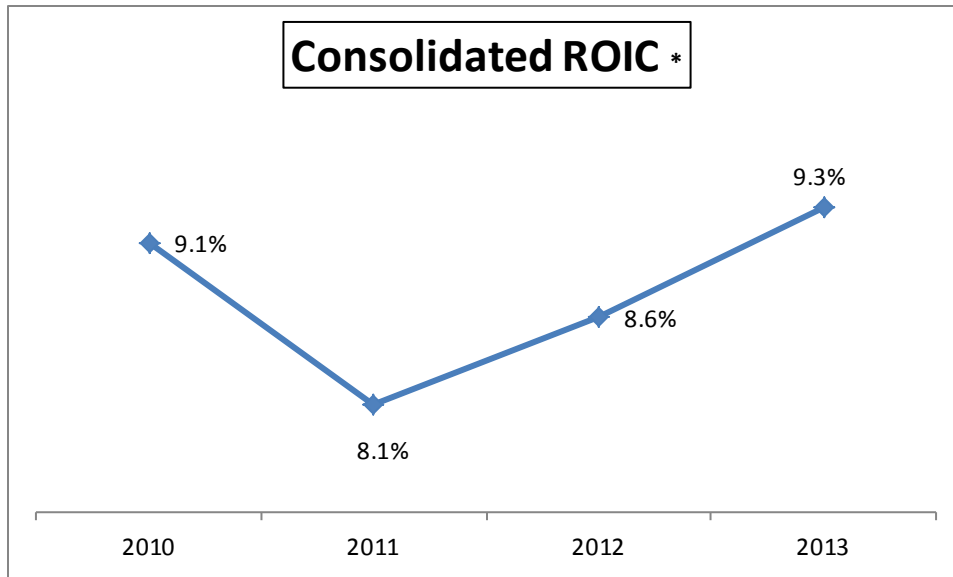
# Strategic Investment to Support Growth



Our capital investments support growth in 2015 and beyond



# Return on Invested Capital

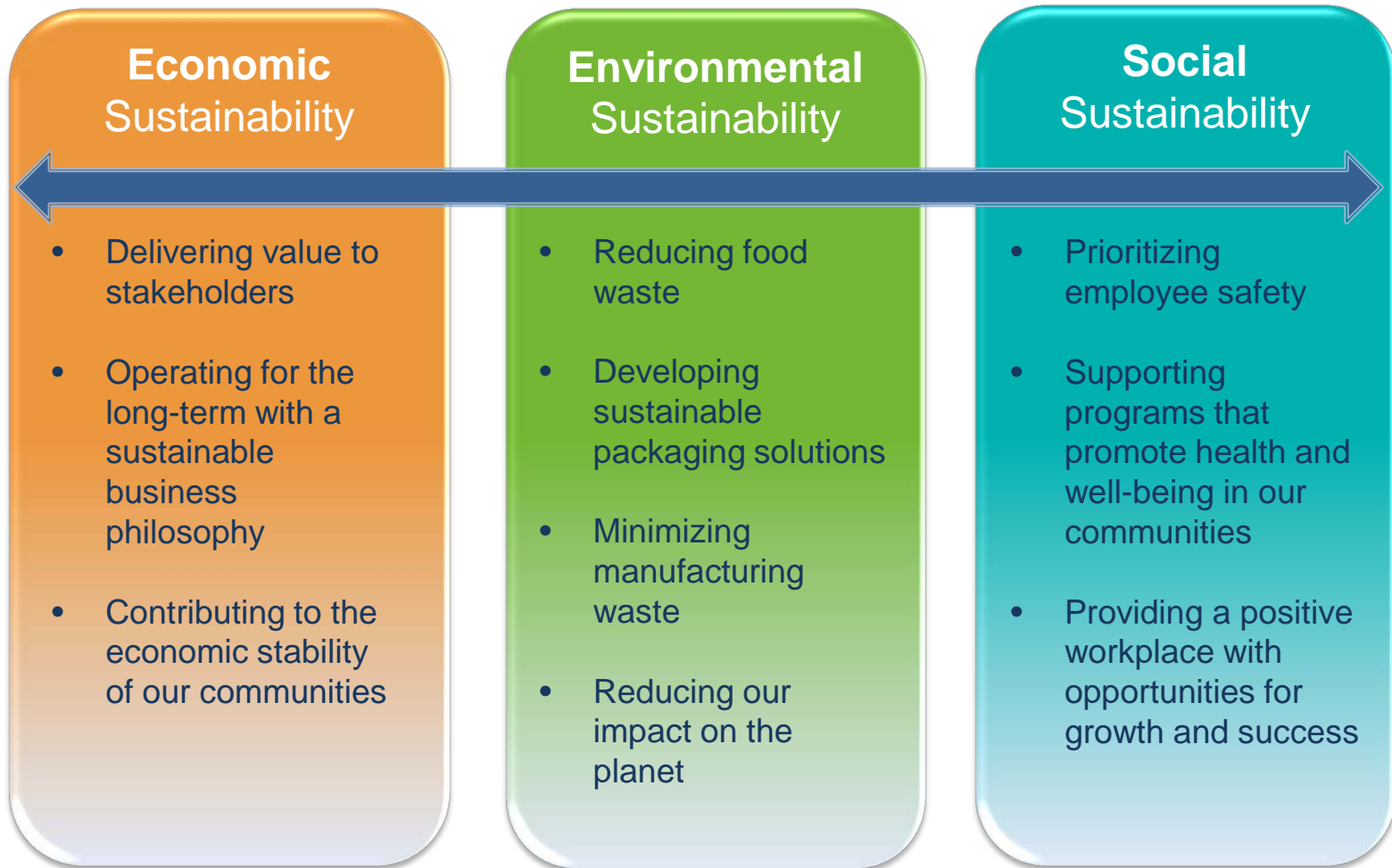


\*Consolidated ROIC = Net operating profit after-tax (NOPAT) divided by debt minus cash plus equity

- Disciplined approach to measurement & evaluation of returns on all capital projects
- Increased investment in projects that deliver higher ROIC
- Annual performance goals prioritize ROIC improvement at all levels of the company

Continuous Improvement in ROIC

# *Our Sustainability Commitment*



# Leveraging Our Strengths



# Appendix



# Reconciliation of Non-GAAP Earnings Per Share

	Q114 Actual	2013 Actual	Q413 Actual	Q313 Actual	Q213 Actual	Q113 Actual	2012 Actual	Q412 Actual	Q312 Actual	Q212 Actual	Q112 Actual
<b>GAAP EPS</b>	\$ 0.48	\$ 2.04	\$ 0.54	\$ 0.52	\$ 0.51	\$ 0.47	\$ 1.66	\$ 0.38	\$ 0.45	\$ 0.40	\$ 0.42
<b>Special charges:</b>											
Pressure Sensitive plant closure costs	0.16	-	-	-	-	-	-	-	-	-	-
Gain on sale of Paper Packaging Division	(0.06)	-	-	-	-	-	-	-	-	-	-
Gain on sale of Clysar plant	-	(0.03)	-	-	(0.03)	-	-	-	-	-	-
Gain on sale of land and building	-	(0.02)	-	(0.02)	-	-	-	-	-	-	-
Acquisition related costs	-	-	-	-	-	-	0.04	-	0.01	0.02	0.02
Facility consolidation and other costs	-	0.29	-	0.10	0.13	0.06	0.45	0.14	0.14	0.12	0.05
<b>Adjusted EPS</b>	\$ 0.58	\$ 2.28	\$ 0.54	\$ 0.60	\$ 0.61	\$ 0.53	\$ 2.15	\$ 0.52	\$ 0.60	\$ 0.54	\$ 0.49





# 2013 Adjusted Operating Profit to GAAP

	Total Year		
	2013	2012	2011
<b>US Packaging</b>	\$ 337.9	\$ 366.7	\$ 315.0
<i>% of Net Sales</i>	11.3%	12.1%	10.1%
Adjusted for:			
Facilities Consolidation Expense	45.0	42.1	26.3
Policy Harmonization Expense (Income)	-	(13.8)	-
<b>Total</b>	<b>382.9</b>	<b>395.0</b>	<b>341.3</b>
<i>% of Net Sales</i>	12.8%	13.0%	11.0%
<b>Global Packaging</b>	106.4	59.9	112.6
<i>% of Net Sales</i>	7.1%	3.9%	6.9%
Adjusted for:			
Facilities Consolidation Expense	0.4	26.6	8.6
Acquisition and Other Expense (Income)	(0.5)	4.6	0.7
Policy Harmonization Expense (Income)		16.4	-
<b>Total</b>	<b>106.3</b>	<b>107.5</b>	<b>121.9</b>
<i>% of Net Sales</i>	7.1%	7.0%	7.4%
<b>Pressure Sensitive Materials</b>	30.0	37.1	33.4
<i>% of Net Sales</i>	5.4%	6.7%	5.8%
Adjusted for:			
Facilities Consolidation Expense			2.7
Policy Harmonization Expense (Income)		(0.5)	-
<b>Total</b>	<b>\$ 30.0</b>	<b>\$ 36.6</b>	<b>\$ 36.1</b>
<i>% of Net Sales</i>	5.4%	6.6%	6.3%



# Components of Changes in Net Sales

Net Sales (\$ in millions)	First Quarter			Full Year		
	2014	2013	% Change	2013	2012	% Change
<b>U.S. Packaging</b>	\$ 738.2	\$ 746.0	(1.0%)	\$ 2,984.6	\$ 3,040.1	(1.8%)
Divestiture effect			(2.2%)			(1.4%)
Optimization effect			(0.4%)			(1.4%)
Organic (Price/Mix/Volume) growth			1.6%			1.0%
<b>Global Packaging</b>	356.8	368.5	(3.2%)	1,492.0	1,543.5	(3.3%)
Currency effect			(8.4%)			(4.8%)
Acquisition effect			4.6%			2.8%
Organic (Price/Mix/Volume) growth			0.6%			1.7%
<b>Pressure Sensitive Materials</b>	142.8	140.5	1.6%	553.2	555.6	(0.4%)
Currency effect			1.4%			1.1%
Organic (Price/Mix/Volume) growth/(decline)			0.2%			(1.5%)
<b>Total Net Sales</b>	<u>\$1,237.8</u>	<u>\$1,255.0</u>	(1.4%)	<u>\$ 5,029.8</u>	<u>\$ 5,139.2</u>	(2.1%)
Currency effect			(2.3%)			(1.3%)
Acquisition/Divestiture effect			0.0%			0.0%
Optimization effect			(0.2%)			(1.7%)
Organic (Price/Mix/Volume) growth			1.1%			0.9%

