



# Amcor plc (AMCR)

Updated September 5<sup>th</sup>, 2025 by Felix Martinez

## Key Metrics

<b>Current Price:</b>	\$8	<b>5 Year Annual Expected Total Return:</b>	17.9%	<b>Market Cap:</b>	\$19.3B
<b>Fair Value Price:</b>	\$12	<b>5 Year Growth Estimate:</b>	6.0%	<b>Ex-Dividend Date:</b>	09/05/25
<b>% Fair Value:</b>	69%	<b>5 Year Valuation Multiple Estimate:</b>	7.8%	<b>Dividend Payment Date:</b>	09/25/25
<b>Dividend Yield:</b>	6.1%	<b>5 Year Price Target</b>	\$16	<b>Years Of Dividend Growth:</b>	6
<b>Dividend Risk Score:</b>	F	<b>Sector:</b>	Consumer Cyclical	<b>Rating:</b>	Hold

## Overview & Current Events

Amcor plc is one of the world's most prominent designers and manufacturers of packaging for food, pharmaceutical, medical, and other consumer products. The company emphasizes making responsible packaging that is lightweight, recyclable, and reusable. Today, the Amcor plc, which trades on the NYSE, was formed in June 2019 with the merger between two packaging companies, U.S.-based Bemis Co. Inc. and Australia-based Amcor Ltd. Amcor plc's current headquarters is in Bristol, U.K. Amcor currently trades with a market capitalization of \$19.3 billion.

Amcor reported its fourth quarter results for Fiscal Year (FY)2025 on August 14<sup>th</sup>, 2025. The company fiscal year ends in June. The company reported strong top-line growth driven by the transformational acquisition of Berry Global, which closed April 30. Net sales rose 43% in constant currency to \$5.1 billion, while adjusted EBITDA climbed 43% to \$789 million. However, GAAP net income was a loss of \$39 million, reflecting acquisition-related expenses. Adjusted EBIT increased 34% to \$611 million, and adjusted EPS came in at 20 cents, down 5% due to a higher share count. Segment results were mixed: Flexible Packaging posted 18% sales growth, while Rigid Packaging more than doubled sales and nearly tripled EBIT, although the North America beverage business continued to face volume and cost pressures.

For the full fiscal year, Amcor delivered net sales of \$15.0 billion, up 11% in constant currency, with adjusted EBIT up 12% to \$1.72 billion. Adjusted EPS increased 3% to 71.2 cents, supported by steady free cash flow of \$926 million. The balance sheet reflects the scale of the Berry deal, with net debt climbing to \$13.3 billion and goodwill and intangibles expanding to \$18.7 billion. The company raised its annual dividend to 51 cents per share and underscored its focus on disciplined integration, with management targeting \$650 million in cost synergies by fiscal 2028, including about \$260 million in fiscal 2026.

Looking ahead, Amcor expects fiscal 2026 to mark a step-change in financial performance. Management guided for adjusted EPS of 80 to 83 cents, representing 12%–17% growth, and free cash flow of \$1.8–\$1.9 billion, nearly double fiscal 2025 levels. Capex is planned at \$850–900 million, with net interest costs of \$570–600 million. In addition, Amcor is reviewing its portfolio, identifying a \$20 billion core consumer packaging platform while considering alternatives for approximately \$2.5 billion of non-core businesses, including North America Beverage. CEO Peter Konieczny emphasized that the Berry acquisition positions Amcor as a global packaging leader with greater scale, stronger customer relationships, and improved long-term growth prospects.

## Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	3031
<b>EPS</b>	---	---	---	\$0.62	\$0.64	\$0.74	\$0.81	\$0.73	\$0.70	\$0.71	<b>\$0.81</b>	<b>\$1.08</b>
<b>DPS</b>	---	---	---	\$0.23	\$0.46	\$0.47	\$0.48	\$0.49	\$0.50	\$0.51	<b>\$0.52</b>	<b>\$0.57</b>
<b>Shares<sup>1</sup></b>	---	---	---	1182.0	1601.0	1556.0	1516.0	1448.0	1473.0	1600.0	<b>1600.0</b>	<b>1500.0</b>

Amcor plc is a new entity, lacking long-term growth data. However, by examining Bemis Co. Inc. and Amcor Ltd's histories, we can gain insights. Bemis, a stable dividend stock, saw annual yields over 3% in its last five years as a public company. Specializing in flexible packaging for food and pharmaceuticals, Bemis' efficient restructuring in 2017 drove

<sup>1</sup> Share count is in millions.

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net income from \$94 million to \$225.7 million between 2017 and 2018. While past performance isn't predictive, Amcor's potential growth is indicated, particularly in Latin America's strong packaging demand. Projections of 6% annual growth over the next five years suggest an estimated FY2031 share value of \$1.08.

## Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/E	---	---	---	14.4	16.4	12.9	15.6	13.6	13.5	12.9	10.3	15.00
Avg. Yld.	---	---	---	0.6%	1.7%	1.3%	3.8%	4.9%	5.1%	5.5%	6.1%	3.5%

Amcor is currently undervalued. The current dividend yield is attractive compared to the broader market, but the payout ratio is high. Again, since we do not have historical data to value Amcor reasonably, we will have to wait a few more years to reevaluate Amcor's performance and see if it will continue to grow its dividend. Thus, we have a forward dividend growth of only 2%.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	---	---	---	37%	72%	64%	59%	67%	71%	72%	64%	53%

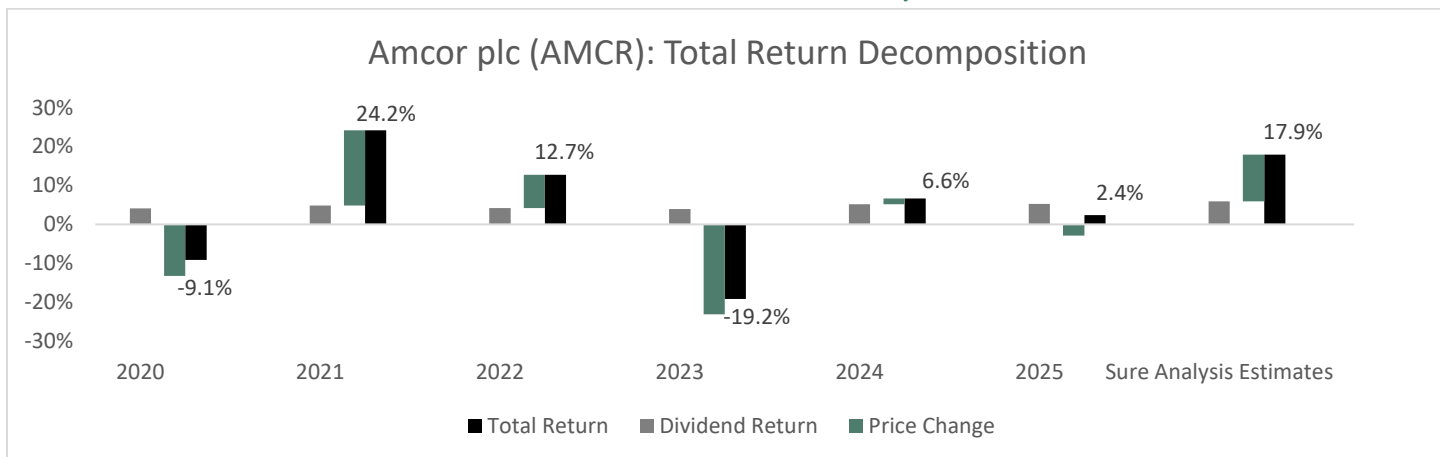
Amcor Plc was created from two sturdy dividend payers, so we see no reason why that trend should not continue. Although Amcor's headquarters are in Great Britain, its largest markets are in the Americas. That means Amcor should be relatively safe from potential future declines to the pound (or to the Australian dollar, for that matter).

Amcor's emphasis on recyclable and reusable products should appeal to more conscious end-users, while the merger with Bemis brings it huge prospects in developing markets. Plus, with the merger into one gigantic manufacturing entity, Amcor has increased the ability to negotiate better costs from its suppliers. This should make Amcor an unstoppable force in the packaging industry. The company's balance sheet looks to be stable with a created rating of BBB. The company has a current debt-to-equity ratio of 1.3.

## Final Thoughts & Recommendation

There is plenty to like about the prospect of Amcor. The company is based on two strong manufacturing companies, each with growth potential, especially in developing markets. The company looks well-positioned going forward; we estimate an 17.9% annual return for the next five years at the current price. However, we rate Amcor a hold.

## Total Return Breakdown by Year



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## Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	9474	9092	9319	9458	12468	12861	14544	14690	13640	15010
Gross Profit	2006	1910	1857	1799	2536	2732	2820	2725	2712	2569
Gross Margin	21.2%	21.0%	19.9%	19.0%	20.3%	21.2%	19.4%	18.6%	19.9%	17.1%
SG&A Exp.	1469	999	793	999	1385	1292	1284	1246	1260	0
D&A Exp.			353	446	652	574	625	586	595	715
Operating Profit	469	842	1034	923	1109	1415	1473	1404	1311	1261
Operating Margin	5.0%	9.3%	11.1%	9.8%	8.9%	11.0%	10.1%	9.6%	9.6%	8.4%
Net Profit	245	596	575	430	612	939	805	1048	730	518
Net Margin	2.6%	6.6%	6.2%	4.5%	4.9%	7.3%	5.5%	7.1%	5.4%	3.5%
Free Cash Flow			506	444	985	993	999	735	829	810
Income Tax	242	214	119	172	187	261	300	193	163	135

## Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	8731	9074	8992	17165	16442	17188	17426	17000	16520	37070
Cash & Equivalents	519	561	617	602	743	850	775	689	588	827
Accounts Receivable	1187	1115	1029	1864	1616	1864	1935	1875	1846	3426
Inventories	1251	1304	1351	1954	1832	1991	2439	2213	2031	3471
Goodwill & Int. Ass.	2114	2407	2373	7463	7334	7254	6942	6890	6736	18680
Total Liabilities	7881	8184	7908	11490	11755	12367	13285	12910	12570	25330
Accounts Payable	2432	2576	2591	2303	2171	2574	3073	2690	2580	3490
Long-Term Debt	4356	4597	4459	6103	6235	6289	6490	6746	6699	15250
Shareholder's Equity	788	821	1015	5609	4626	4764	4082	4026	3881	11730
D/E Ratio	5.53	5.6	4.39	1.09	1.35	1.32	1.59	1.68	1.73	1.30

## Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.8%	6.7%	6.4%	3.3%	3.6%	5.6%	4.7%	6.1%	4.4%	1.9%
Return on Equity	21.8%	74.1%	62.6%	13.0%	12.0%	20.0%	18.2%	25.9%	18.2%	6.6%
ROIC	4.7%	11.2%	10.4%	5.0%	5.4%	8.5%	7.4%	9.8%	6.8%	2.7%
Shares Out.				1182	1601	1556	1516	1476	1441	1593
Revenue/Share	8.04	7.78	8.05	8.00	7.79	8.27	9.59	9.96	9.47	9.42
FCF/Share			0.44	0.38	0.62	0.64	0.66	0.50	0.58	0.51

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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